

## Conditions of Purchase

Dated: 01. October 2006

### 1. Order and Confirmation of Order

- 1.1 The Customer may cancel the order if the Supplier has not confirmed acceptance of the order (confirmation) in writing within two weeks of receipt.
- 1.2 If the terms of the confirmation vary from the terms of the order, the Customer is only bound thereby if it agrees to such variation in writing. In particular the Customer is bound by the General Terms and Conditions of the Supplier only to the extent that these are in accordance with the Customer's own General Terms and Conditions or if the Customer agrees to such in writing. The acceptance of deliveries or services as well as payments do not constitute such agreement.
- 1.3 Any amendments or additions to the order shall only be effective if the Customer confirms such in writing.

### 2. Rights of Use

- 2.1 The Supplier hereby grants the Customer the following non-exclusive, transferable, worldwide and perpetual rights:
  - 2.1.1 to use the deliveries and services, to integrate them into other products and to distribute them worldwide;
  - 2.1.2 to use or allow others to use software and its related documentation (hereinafter collectively referred to as "Software") in connection with the installation, launch, testing and operation of the Software;
  - 2.1.3 to sublicense the right of use under section 2.1.2 above to affiliates (as defined by §15 of the German Companies Act, "AktG") to other distributors and end customers;
  - 2.1.4 to license affiliates (as defined by §15 AktG) and other distributors, to sublicense the right of use under section 2.1.2 above to end customers;
  - 2.1.5 to use the Software for integration into other products and to copy the Software, or to allow affiliates (as defined by §15AktG) or other distributors to use and copy the Software;
  - 2.1.6 to distribute, sell, hire out, lease, make ready for download or make publicly available the Software, e.g. in the context of Application Service Providing or in other contexts, and to copy the Software to the extent required, always provided that the number of licenses being used at any one time does not exceed the number of licenses purchased;
  - 2.1.7 to sublicense the right of use under section 2.1.6 above to affiliates (as defined by §15 AktG) and other distributors.
- 2.2 In addition to the rights granted in section 2.1 above, the Customer, affiliates (as defined by §15AktG) and other distributors are authorized to allow end customers to transfer Software licenses.
- 2.3 All sublicenses granted by the Customer must contain appropriate protection for the intellectual property rights of the Supplier in the Software. All sublicenses must contain any contractual provisions used by the Customer to protect its own intellectual property rights.
- 2.4 The Supplier is obliged to inform the Customer - at the latest at the time the order is confirmed - whether the products and services to be delivered contain "open source software"  
In the context of this provision "Open source software" is software that is licensed royalty-free and which may be adapted by a user and/or licensee or third party and/or which must be disclosed in source code form.  
Should the products and services delivered by the Supplier contain open source software, the Supplier must deliver to the Customer at the latest at the time the order is confirmed the following:
  - The source code of the relevant open source software, insofar as the applicable open source conditions require the disclosure of this source code
  - A schedule of all open source files used, indicating the relevant license and including a copy of the complete text of such license

- A written declaration that through the intended use of the open source software neither the products of the Supplier nor the products of the Customer will be subject to a "Copyleft Effect". In the context of this provision, "Copyleft Effect" means that the provisions of the open source license require that certain of the Supplier's products, as well as any products derived from these, may only be distributed further in accordance with the terms of the open source license e.g. only if the source code is disclosed.

Should the Supplier not indicate until after receipt of the order that its products and services contain open source software, then the Customer is entitled to cancel the order within 14 days of receipt of this information and provision of all the information contained in the above paragraph.

### 3. Term and Penalty for Breach

- 3.1 For the purposes of establishing the timeliness of delivery or re-performance, the relevant point in time is the date of receipt at the place of receipt designated by the Customer, and for deliveries involving installation, commissioning or services, the relevant point in time shall be the date of acceptance.
- 3.2 Where any delay in delivery or performance can be anticipated, the Customer shall be notified immediately and its decision sought.
- 3.3 If - in the event of delay - the Supplier cannot prove that he is not responsible for the delay, the Customer may charge a penalty in respect of each commenced working day of delay amounting to 0.3% but not exceeding a total of 5% of the total value of the contract.

In the event that the appropriate reservation of rights is not made at the time of acceptance of delivery, services or re-performance, this penalty may be claimed up until the date of final payment.

### 4. Transfer of Risk, Dispatch and Place of Performance

- 4.1 For deliveries involving installation, commissioning or services, the transfer of risk occurs on acceptance and for deliveries not involving installation or commissioning, the transfer of risk shall be upon receipt by the Customer at the designated place of receipt.
- 4.2 Unless otherwise agreed, the costs of delivery and packaging shall be borne by the Supplier. For pricing ex works or ex warehouse of the Supplier, transport shall in each case be at the lowest possible cost, insofar as the Customer has not requested a particular method of delivery. Any supplementary costs arising from non-conformity with the transport requirements shall be borne by the Supplier. Where the price is quoted free to the recipient, the Customer may also determine the method of transportation. Any supplementary costs arising from the need to meet the delivery deadline by way of expedited delivery shall be borne by the Supplier.
- 4.3 Each delivery shall include a packing note or delivery note with details of the contents as well as the complete order number. Notice of dispatch shall be provided immediately with the same information.

### 5. Invoices

The order number as well as the number of each individual item shall be detailed in invoices. Insofar as any such details are omitted, invoices shall not be payable. Copies of invoices shall be marked as duplicates.

### 6. Payment

- 6.1 Unless otherwise agreed, payments are to be made within 14 days and a deduction of 3% discount or within 30 days and a deduction of 2% discount or within 90 days net.

- 6.2 The period for payment shall commence as soon as any delivery or service is completed and a correctly issued invoice is received. Insofar as the Supplier is required to provide material testing, test records or quality control documents or any other documentation, such shall be a part of the requirements of the completeness of the delivery or performance. A discount shall also be allowed if the Customer sets off or withholds any payments to a reasonable extent on account of any deficiency. The period for payment shall commence after the complete rectification of any deficiency.
- 6.3 If the Supplier is a "business person" (as defined in § 14 of the German Civil Code, "BGB") , the payment shall be deemed overdue only if the Customer fails to pay in response to a payment demand note received after payment becomes due.
- 6.4 Payment does not constitute an acknowledgement that the corresponding delivery or services were provided in accordance with the Contract.
- 7. Inspection upon receipt**
- 7.1 The Customer shall immediately upon receipt examine whether a delivery corresponds to the quantity and type of products ordered and whether there are any external recognizable transportation damage or other deficiencies.
- 7.2 Should the Customer discover any deficiency in the course of these inspections, it shall inform the Supplier of such deficiency. Should the Customer discover a deficiency at any later stage, it shall also notify the Supplier.
- 7.3 Complaints may be raised within one month of delivery of a product or performance, and insofar as deficiencies are not discovered until commissioning, processing or first use, within one month of detection.
- 7.4 In this regard the Customer shall have no other duties to the Supplier other than the duties of inspection and notification above.
- 8. Warranty**
- 8.1 If deficiencies are identified before or during the transfer of risk or during the warranty period provided for in section 8.9 or 8.10, the Supplier must at its own expense and at the discretion of the Customer either rectify the deficiency or provide substitute or performance. This provision also applies to deliveries subject to inspection by sample tests. The discretion of the Customer shall be exercised fairly and reasonably.
- 8.2 Should the Supplier fail to rectify any deficiency within a reasonable time period set by the Customer, the Customer is entitled to:  
cancel the contract in whole or in part without being subject to any liability for damages; or  
demand a reduction in price; or  
undertake itself any rectification at the expense of the Supplier or substitute performance or arrange for such to be done; and  
claim damages in lieu of performance.  
The provisions of §281 Section 2 und §323 Section 2 of the German Civil Code ("BGB") remain unaffected hereby.
- 8.3 Any rectification may take place without a further deadline at the expense of the Supplier if delivery is after the original deadline.
- 8.4 The same shall apply if the Customer has a strong particular interest in immediate rectification in order to avoid any liability of its own for delay or for other reasons of urgency and it is not reasonable for the Customer to request the Supplier to rectify the deficiency within a reasonable time period.
- 8.5 The above-mentioned rights shall expire one year from the date of notification of the deficiency but in no instance before the expiry of the warranty period set out in this section.
- 8.6 Additional or other statutory rights are not affected hereby.
- 8.7 If the Supplier provides subsequent performance or repairs, the warranty periods set out in section 8.9 and 8.10 shall begin to run once again.
- 8.8 The Supplier shall bear the costs and risk related to the return of deficient products.
- 8.9 The warranty period for material deficiencies is three years, insofar as no statutory provisions provide longer periods.
- 8.10 The warranty period for deficiencies in title is five years, insofar as no statutory provisions provide longer periods.
- 8.11 The warranty period begins to run with the transfer of risk (see section 4.1). Upon delivery to locations where the Customer is operating outside its premises, the warranty period begins with the acceptance by the end customer, in no case later than one year after transfer of risk.
- 9. Duty to Verify Title/Duty to Inform**  
It is essential that the products are delivered free of any third party rights. Thus the Supplier is under a duty to verify title and inform the Customer of any possible conflicting industrial and intellectual property rights. Any breach of such duty is subject to the normal statutory limitation period.
- 10. Subcontracting to Third Parties**  
Subcontracting to third parties shall not take place without the prior written consent of the Customer and entitles the Customer to cancel the contract in whole or in part and claim damages.
- 11. Provided Material**
- 11.1 Material provided by the Customer remains the property of the Customer and is to be stored, labeled and administered separately. Their use is limited to the orders of the Customer only. The Supplier shall supply replacements in the event of reduction of value or loss, for which Supplier is responsible, even in the event of simple negligence. This also applies to the transfer of allocated material.
- 11.2 Any processing or transformation of the material shall take place for the Customer. The Customer shall immediately become owner of the new or transformed product. Should this be impossible for legal reasons, the Customer and Supplier hereby agree that the Customer shall be the owner of the new product at all times during the processing or transformation. The Supplier shall keep the new product safe for the Customer at no extra cost and in so doing exercise the duty of care of a merchant.
- 12. Tools, Patterns, Samples, Confidentiality etc.**
- 12.1 Any tools, patterns, samples, models, profiles, drawings, standard specification sheets, printing templates and materials provided by the Customer, as well as any materials derived there from, shall not be made available to any third party nor used for any other purpose than those contractually agreed except with the prior written consent of the Customer. Such materials shall be protected against unauthorized access or use. Subject to any further rights the Customer may demand that such materials be returned if the Supplier breaches these duties.
- 12.2 The Supplier shall not make available to any third party any information obtained from the Customer if such information is not already general knowledge or has not been lawfully obtained by the Supplier. Insofar as the Customer agrees to any subcontracting to a third party, such third party shall agree to such terms in writing.
- 13. Assignment of Claims**  
Any assignment of any claim is only allowed with the prior written approval of the Customer.
- 14. Inability to Pay / Insolvency of the Supplier**  
Should the Supplier cease to make payments, or if an interim insolvency administrator is appointed or if insolvency proceedings are commenced in relation to the assets of the Supplier, the Customer may withdraw from the Contract in part or in whole or cancel the Contract. In the event of cancellation the Customer may continue to utilize existing facilities, deliveries or services already performed by the Supplier in exchange for reasonable payment.
- 15. Supplementary Provisions**  
Insofar as the provisions of these Conditions of Purchase do not regulate certain matters, relevant statutory provisions shall apply.
- 16. Place of Jurisdiction and Applicable Law**
- 16.1 If the Customer is a merchant, the relevant court of jurisdiction shall be the place of ordering.
- 16.2 German substantive law shall apply, excluding the provisions of the United Nations Law on the Sale of Goods of 11.4.1980.