

Standard Business Conditions of NovaTec Kommunikationstechnik GmbH (Ltd.)

I. General conditions

- (1) The following business conditions are basis of all our offers, deliveries and services and apply also to any later deals with our confirmation of order.
- (2) Other business conditions are accepted only in so far as they comply with ours or as we expressly make it to the basis of a contract in written form in the exceptional case.
- (3) Changes in our business conditions apply to all contracts closed after introduction of the change.

II. Offers and placements of orders

- (1) Our offers are always non-binding. The contract is valid in cases of doubt only with our written order confirmation and in all cases as defined in the same as far as one is given, else by delivery. Offers and attachments may not be made known to third parties.
- (2) Secondary agreements, changes, additions and cancellations of the contract require our written approval.
- (3) The pictures and definitions contained in our price lists, brochures, estimates and offers, especially definitions of weight and size or other technical data as well as related DIN, VDE or other norms and samples, only label the subject of the contract and are only a sure definition of qualities if a written confirmation is given.
- (4) The customer takes on the responsibility for all statements he has to make and all parts he has to put at our disposal.

III. Collision of the standard business conditions of the contracting parties

- (1) The business conditions of NovaTec's contracting party are not valid except that NovaTec benefits of the same or explicitly agrees to the same.
- (2) NovaTec expressly refuses the business conditions of the contracting party. NovaTec's business conditions even remain valid if NovaTec delivers products or services to the customer while being aware of its opposite or deviating business conditions.

IV. Prices and terms of payment

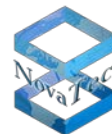
- (1) If not expressed else wise (offer, order confirmation, invoice), all prices are net prices, i.e. plus VAT. Payment is to be made within the deadline stated on the invoice. Should no deadline be given payment has to be effected latest 14 days after the invoice date without deductions. After exceeding this deadline the ordering party has to pay charge on arrears corresponding to our monetary current account rate, but at least 5% over the current discount percentage given by the German State Bank, plus handling charge. The ordering party has to pay for delivery as well as for transportation insurance, the prices result from the offer or the order form.
- (2) Should the cost factors effect the price, i.e. the costs of material, energy, wages, salaries, transportation, taxes etc., change in the time between the completion of the contract and the defined date of delivery we may charge any additional costs and raise the price that we agreed upon. The raise is restricted to the price that can be brought through in the current market. If the price was a firm price we are entitled to demand that a higher price is agreed upon. If no agreement is reached, NovaTec is entitled to withdraw from the contract. If the client is not a tradesman, our proviso of cancellation is only valid if the delivery time is longer than four months as per contract or in conditions of continual debt.
- (3) A client not being a tradesman does not have the right to set off goods or to keep back money.

V. Deliveries and risk transfer

- (1) As far as not differently agreed upon, the delivery deadline commences with reception of the order confirmation, at the earliest though with the reception of the material that is to be processed, as far as all technical and organisational details relevant to the contract have been compulsory determined by this point of time.
- (2) Unpredictable, unavoidable and other grave problems with us, with a supplier or with a subcontractor like strike, lockouts, breakdowns, energy or material deficiencies, personnel deficiencies, interventions of the authorities, force majeure, missing means of transport etc. that effect delivery or service delays or even to impossibility of the service lengthen the delivery deadline by the time of obstruction and enable both parties to withdraw from the contract in the case of impossibility.
- (3) We are also entitled to withdraw from the contract without any rights of compensation on the client's side if the costs situation that we based our offer on is significantly changed or performance of the service becomes incredible to us in any other way.
- (4) The delivery deadline is kept if the subject of delivery has left our factories at its expiry or if the client has been informed that it is ready for transport. Also the deadline is to be seen only as approximation, which means that the client only has special rights in case of delay if this was agreed in a special contract.
- (5) Should the client defaults in his responsibilities of provision of material or co-operation after a written reminder has been given, we may either withdraw from the contract or claim damages as of our choice after setting another 14-days deadline in written form.
- (6) Partial deliveries are possible.
- (7) The responsibility for objects belonging to the client is passed on to the same as soon as they leave our factories, at the latest when given to the haulage contractor or shipping company. If we collect the goods that are to be processed complying to the client's wish, the client is responsible for possible damage. The client is free to insure these dangers. The aforesaid conditions apply also if we promised a carriage paid delivery.
- (8) If the goods are ready for transport and shipping or reception is delayed because of reasons we are not to be held responsible for, the responsibility passes to the client as soon as he is informed that the goods are ready. Goods that are declared ready for shipping must be claimed by the client immediately, at the latest though within ten days after our report. If they are not claimed, we may store them at the client's expense and danger as we please. Also, storage charges of 1 % of the invoice may be charged per started month, while they may not exceed 5 % of the invoice in total, except if we can prove higher storage costs.
- (9) The delivered object is received by the client when used or processed at the latest. If the delivered product is supplied but is not claimed by the client or rejected because of other reasons than faults, the product may be seen as received two weeks after being supplied.
- (10) If we default in the delivery as of aforesaid conditions, the client's entitlements regarding the damages caused by the delay are restricted to ½ % per ended week of delay, not exceeding 5 % of the order value in total. A payment is only made if the damage can be proved. Further entitlements do not exist.

VI. EU deliveries

If the client arranges the pick-up of the goods he commits himself to provide the following data to NovaTec by telecommunication channels. The data provided must comply with §17a of UstDV ("Eleventh Ordinance to the amendment of the Value Added Tax Ordinance" dated March 25th, 2013):



- a) Pick-up by forwarding agent: Tracking data of the respective forwarder has to be provided on assignment of the same. In case that the client does not meet his obligation NovaTec reserves the right to refuse delivery of the goods.
- b) Pick-up by client's own vehicle fleet: The Entry Certificate (Certification of the entry of the object of an intra-Community supply into another EU Member State) has to be provided latest one week on receipt of the goods. In such case German VAT will be invoiced and payment will be advance payment. The VAT amount will be re-transferred to the client's account within two weeks on receipt of the Entry Certificate. The other conditions of paragraph IV „Prices and terms of payment“ remain unaffected.

VII. Delivery of software / Installation

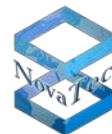
- (1) The client is responsible for the correct installation of delivered software. Training or installation by us must be specially agreed.
- (2) We keep all rights to the delivered software if not differently agreed upon. The client purchases only the right of normal usage, processing and making copies exceeding the normal usage is not permitted.

VIII. Reservation of proprietary rights and lien

- (1) We keep possession of the subject of delivery until we have received all due payments resulting from business connections with the client, regardless of legal reasons and including future or conditional demands. The reservation of proprietary rights also applies to all balance demands put of current account. We also have these rights if payments are made to specially named demands.
- (2) The client may not put objects that are ours by reservation of proprietary rights or by lien into pawn or use them as security. Though may sell them by normal way of trade or process them, except if he had already assigned this right to a third party before. A possible procession of one of the objects in our provisory or lien possession by the client to a new mobile object is done as by our order with impact for us without causing obligations for us. The client has a partial right of possession of the new object corresponding to the relation of the value of the new object to the value of our service. The client is to store the new object with all the concern of a tradesman and free of charge.
- (3) In case the client gains full or partial ownership of a new object by connecting or mixing our provisory or lien possessions with other mobile objects he transfers this right of possession to us in relation of the value of our goods to the value of the other object to insure our demands, declaring he will store the new object correctly and free of charge for us.
- (4) In case of a resale of the goods processed by us and in our provisory or lien possession of the new object made out of it the client has to inform his customer of our possession. The client already assign to us any future demands arising from the resale or the possession in height of the goods value with priority before the rest in order to secure the fulfilment of our demands. We accept the assignment with this.
- (5) On our request, the client has to singly prove the demand and make the assignment known to third buyers with the demand to pay our entitlements. We may inform the buyer of the assignment ourselves and collect our claims at any time. We will not use this right or levy our demands though as long as the client correctly pays his obligations.
- (6) The client is obligated to inform us immediately about any executive measures taken into our lien or possession. The client is also obligated to sufficiently insure our possessions and assign any entitlements against the insurance company to us on demand. If the client requires this, the safeties we are entitled to as of aforesaid regulations are released in so far as their value exceeds the demands to be insured by more than 20 %.
- (7) All our demands even arising from other contracts, are payable immediately also in the case of a deferment of payment if the client defaults with the fulfilment of other obligations, ceases his payments, is over-indebted, declares composition or bankruptcy or this is refused because of missing capital or if other circumstances that may reduce the creditworthiness of the client significantly become known. In such a case we are entitled to execute uncompleted deliveries only for advance payment or securities or to claim damages because of default responsibility to withdraw from the contract after an unsuccessful reminder with extension has been sent.

IX. Warranty

- (1) We grant a warranty for our services as of the following regulations only to the client, an assignment of the warranty rights to third parties is excluded.
- (2) The delivered goods, as well as delivered software, are to examined for faults at once. The client is to do functional and operational tests immediately, if this is possible. If the client is a tradesman, faults are to be reported immediately, at the latest within 3 days an reception of the goods, in written form. The obligation of examination is also existent if failure pattern have been sent. With faults that cannot be discovered at once the same applies in the previously named deadline after discovery of the error. If faults are found while processing, this has to be stopped until we have checked the conditions of the goods and have arrived at a decision.
- (3) With a report that does not comply to form or deadline the goods are seen as accepted by tradesman as defined in the HGB (German Trade Law).
- (4) We are only liable for undertakings of qualities if we expressly declared this in written form. Changes of construction, execution form or programs prior to delivery of an order do not entitle the client to complain if the overall performance is not affected.
- (5) In the case of faults the client's warranted rights are restricted to redelivery or improvement, the choice being ours. We are also entitled though to take back the delivery refunding the price. Should the improvement fall through twice, the client has the right to recourse the contract or to demand a lessening of price.
- (6) Further entitlements of the client of any type, especially claims for damages, whether in the contract or not, as far as not concerning undertakings of qualities, do not exist, except if purpose or criminal negligence of causing damage can be proved of our committees or senior executives as well as fulfilment helpers in fulfilment of our main obligation. If the client is a tradesman, these entitlements are further restricted to replacement of damage to the object of delivery itself and to the value of order in height. Further demands of the client are hereby excluded, especially damages caused by using our products, i.e. distant damage or damage because of faults.
- (7) In all other cases of contractual or lawful liability, especially in cases of liability for contractual consultancy or infringement of secondary obligations and lawful liability because of illegal actions, the restriction to liability for purpose or criminal neglect of our committees or senior executives applies. The liability of the fulfilment helpers themselves is excluded.
- (8) A fault in a partial delivery does not entitle the client to a cancellation of the contract, except if the fault in the partial delivery is so grave that the reception of further partial deliveries is not acceptable.
- (9) The warranty is only granted under normal industrial and climatic or agreed circumstances. If the goods are intended for special conditions and we were not informed of this before, a warranty is not existent. The warranty also expires if the object was modified or damaged by a third party or an improvement was attempted by a third party. The same applies to attempted repairs or to nonconformity with the care or installation instructions.
- (10) The term of limitation is twelve month.
- (11) If the examination of a fault report shows that there is no case of warranty, the costs of the examination and the repairs are charged at our usual prices.



X. Exclusion of liability

Our liability is entirely determined by the agreements found in the previous section. Any rights not expressly admitted there, also the right for claims – no matter out of which legal reason – are, as far as legally possible, excluded.

XI. Copyright

The client releases us from the copyright and other protective rights on drawings and documents given to us. We oblige ourselves to use copies and other reproductions only for purposes of calculation, development and production and not to give them to third parties.

XII. Drawings and other documents

We keep the right of possession and the copyright of any estimates, drawings and other documents given to the client. These documents may not be used for other purposes than those indicated by us and may not be made accessible to third parties. The documents are to be given back on demand.

XIII. Trade secrets/data protection

The client is obligated not to make trade secrets, especially procedural declaration of our products, known to third parties. Drawings, declarations of production and other agreements are subject to data protection. This data may also not be given to third parties. Accepting these general business and delivery conditions the client gives his consent that this personal data may be stored and processed by electronic data processing.

XIV. Insurance

Objects delivered by the client or transports to him are insured for example against fracture, transport or fire damage as well as theft only on special agreement and on charge of the client.

XV. Place of fulfilment and court of jurisdiction

(1) Place of fulfilment and court of jurisdiction for all entitlements arising from the contracts is Paderborn for both parties if they are tradesmen.

(2) German law is always applicable. The German version of a contract is always decisive, should a contract have been drafted in several languages.

XVI. Severability clause

Should one of the previously named regulations of these general business conditions be void, ineffective or impracticable for some reason, the validity of the other regulations and of the contract is not affected. The parties are bound to put an agreement that best represents the void regulation in its place.