



General Conditions and Terms of Delivery

iFAKT GmbH, Curiestraße 2, D-70563 Stuttgart

I. GENERAL TERMS

1. The General Conditions and Terms of Delivery hereinafter shall be effective for all business transactions of iFAKT – for the delivery of hard- and software systems of all types as well as for repair work, installations, counseling and for other deliveries and services rendered. They shall be effective for all present and future contracts as far as not explicitly changed or completely excluded in a separate contract.

2. Offers

Agreement offers and quotations submitted by iFAKT shall be without obligation and not binding in any case, provided that they are not explicitly specified as binding in writing by iFAKT. We reserve the right of ownership and copyrights for offers, drawings and other documents; they shall not be made accessible to a third party without the permission of iFAKT.

3. Terms of Delivery and Dates of Delivery

3.1 iFAKT undertake to keep within the time limit agreed upon by both parties. Delays due to force majeure or other circumstances that cannot be influenced, such as operational troubles in one's own operation, strike, restrictions of trade etc. shall entitle iFAKT to cancel the obligation to deliver – depending on the case – either as a whole or in part, or to deliver at a later point of time. The buyer shall not be entitled to indemnity.

3.2 If not stipulated otherwise the receiving room of the buyer shall be the place of delivery.

3.3 For deliveries of equipment requiring the export license of the delivering producer country the corresponding export licenses must be applied for and approved.

3.4 Software products, operating system software and user programs require prior to delivery the necessary application for and approval of the license application.

4. Terms of Payment

4.1 Our prices are understood in EURO and shall be effective on delivery without installation ex Stuttgart.

Value-added tax, other taxes and rates are effective as of the time of delivery as provided by law respectively.

4.2 With regard to goods that are not directly deliverable from stock and that are purchased in convertible currency, we shall be entitled to charge the buyer the increase of our purchase price due to the increase in the rate of exchange, if this increase from the time of our offer or the order of the buyer amounts to more than 1,5%.

4.3 Payments are to be made as follows:

One third of the net sum agreed upon by contract upon receipt of the order confirmation, the remainder plus value-added tax within 14 days after date of invoice. Invoice shall be placed with delivery. Payments are to be made without deduction into the iFAKT accounts only.

4.4 Annulment

In case the buyer in agreement with iFAKT completely or partially cancels the order, the following amounts as a percentage of the offer price of the canceled delivery shall be due for immediate payment to iFAKT; at least, however, € 500,- per annulment.

Receipt of buyer's notice of annulment	Annulment costs
61-90 days prior to the confirmed delivery month	20 %
31-60 days prior to the confirmed delivery month	30 %
until 30 days prior to the confirmed delivery month	40 %
during the confirmed delivery month	50 %

5. Warranty

5.1 If the Buyer is entitled to performance guarantees, they imply that the Buyer has fulfilled his incumbencies of examination and reprimand in due order. If the Buyer asserts defects he must inform iFAKT immediately in writing enclosing all necessary documents explaining how the defects become apparent. For defects reprimanded in due time and for which iFAKT bears responsibility, iFAKT shall provide repair work at no cost to the Buyer. For this purpose, the Buyer is obliged to send the faulty object at his own expense to the iFAKT headquarters in Stuttgart. Upon request of the buyer iFAKT shall perform repair work on site. In this case cost incurred for travel and personnel shall be paid by the Buyer whereas expenditures of time and material. For the repair work itself shall not be invoiced to the Buyer. However, if it turns out that contrary to the Buyer's reprimand a defect could not be located, the Buyer shall be obliged to pay for the expenditures according to prices or rates of settlement agreed upon. Several attempts to repair the faulty object shall be admissible.

5.2 If repair of a defect to be answered for by iFAKT definitely fails after an adequate extension of time had been granted, or the set adequate extension time expires due to the failure of iFAKT, the Buyer shall be entitled to claim reduction of the remuneration agreed upon or withdraw from the contract.

All further claims for damage by the Buyer against iFAKT and its agents, as far as they do not result from intent or gross negligence, shall be excluded. In particular, shall be excluded all claims for damage by the Buyer because of lost revenues, the realization of repair work and for reasons of consequential damages that are not covered by the protective purpose of a guarantee of properties. As for the rest the liability for guaranteed properties shall not be affected.

5.3 The Buyer's right to assert claims because of defects shall come under the statute of limitation in all cases 6 months from transfer of risk or acceptance. This term of limitation shall also be effective for claims for damages resulting from consequential damages, as far as no claims are asserted resulting from tort.

6 Joint Liability

6.1 Any other liability as provided for under item 5.2 shall be excluded, regardless of the legal status. 6.2 The exclusion of liability according to 6.1 shall not be effective for claims according to §§ 1, 4 Product Liability Law, for initial inability and for claims based on intent and gross negligence.

6.3 As far as the liability of iFAKT is excluded or limited, this shall also be effective for the personal liability of all members of staff, representatives and agents.

II. SOFTWARE

1. Duty of Assistance of the Buyer

The Buyer shall grant iFAKT all support necessary for the realization of the order and make available in particular papers, information and other material within the dates and manner agreed upon.

2. Realization of the Order

If papers or information to be made available by the Buyer prove to be faulty or incomplete, iFAKT shall be authorized, but not obliged, to make corrections or completion. Costs incurred shall be covered by the Buyer on the basis of the currently valid rates respectively. The Buyer shall be informed about the possibly ensuing additional expenditure and time shift.

3. Acceptance

The tested programs (standard packages or individual software) shall be demonstrated to the Buyer and are to be accepted by him without delay. The acceptance shall be recorded in protocol and signed by both parties. If a protocol is missing the programs shall be regarded as accepted four weeks after handing-over.

4. Maintenance

4.1 The maintenance of programs shall be performed by iFAKT on the basis of separate maintenance contracts.

5. Confidential Handling

iFAKT undertake to use all its influence and due care that all its personnel entrusted with the realization and accomplishment of the order shall observe the legal provisions on data protection and that information obtained from the Buyer's sphere, as far as not obvious, shall not be passed on to third parties or exploited otherwise.

6. Reservation of Title and Right of User

6.1 Goods delivered remain property of iFAKT until the execution of all payments obligations by the Buyer – even when these obligations result from other orders.

6.2 By the delivery of the working results and payment of the complete remuneration the Buyer acquires an unassignable and non-exclusive right to the working results. An exploitation beyond that, especially commercial exploitation of originals, copies or know-how, requires prior permission of iFAKT.

6.3 iFAKT shall be entitled to the copyright of the working results. iFAKT shall be authorized to use the working results elsewhere.

6.4 If the Buyer violates the obligation resulting from item 6.2, iFAKT shall be authorized, subject to higher damages, to ask the Buyer for claims of damages amounting to the purchase price paid for the programs.

III. Hardware

1. Installation

1.1 The installation and commissioning shall be realized by iFAKT. The Buyer shall be liable to pay the costs, if not otherwise agreed upon in writing. With reservation as to the following regulations iFAKT shall install on condition that - the Buyer shall make available the installation premises at the time of delivery, three months later, at the latest, corresponding to the installation instructions given by iFAKT and inform iFAKT on this matter in time - the Buyer shall take charge of the internal transportation of the equipment to the place of installation at his own expense; uncasing and installing of the equipment including accessories shall be done under the supervision of a iFAKT representative - the equipment including accessories was neither changed without permission in writing by iFAKT nor exposed to extraordinary physical or electrical load, improper handling or other damages not to be answered for by iFAKT.

1.2 If the conditions according to item 1.1 are not met by the Buyer within the period prescribed, iFAKT shall no longer be bound to any terms of delivery agreed upon. If iFAKT informs the Buyer in the readiness for dispatch, this notice of readiness for dispatch shall supersede the delivery as defined by item 1.1.

2. Maintenance

For the delivered computer systems including system expansions iFAKT recommends the conclusion of a separate maintenance agreement from the date of installation. This maintenance agreement shall be concluded between the Buyer and iFAKT. At the conclusion of a maintenance agreement until the time of installation iFAKT shall perform the installation and commissioning.

IV. Final Terms

1. If individual regulations of this contract should be or become ineffective, the remaining content of this contract shall not be affected by this. In partnership the contractual partners shall cooperate in finding a regulation that comes closest to the economic purpose of the ineffective regulation. If gaps should become apparent in the practical application of this contract that were not taken into consideration by the contractual partners, they shall undertake to fill these gaps in an adequate way and in accordance with the contract.

2. Place of jurisdiction and place of performance is Stuttgart, unless another legal domicile is mandatory. German Law is authoritative.