

## **General terms and conditions**

Medialine EuroTrade AG (in the following “*Medialine*”) is a German IT&C Integrator and Service Provider. Medialine is filed in the German commerce register under the number HRB 4873 at the trade register Bad Kreuznach and registered under the VAT ID DE246410157.

Following its bylaws, Medialine operates under the following Terms and Conditions:

### **§1 Range of application**

The following conditions are valid for the purchase of IT hardware, including telecommunication hardware and devices, for software purchase and renting, for IT&C services and for all other agreed services.

### **§2 Area of application**

Our terms of business are valid exclusively. Conflicting terms of business of our contracting partners or third parties are only valid if we agree expressly and in writing.

Should the customer not agree with this, it has to pointed out to us immediately in writing. For this case, we reserve ourselves the right to withdraw our offers or cancel the contract, excluding any claim toward us. We herewith expressly disclaim any formal reference to different terms and conditions in the customer's documents.

Our terms and conditions are also valid for any future deal with the customer, even if no reference to it will be made.

### **§3 Contract end**

All our offers are not binding and non-binding. Additional agreements, changes, and supplements, as well as the contract cancelation, are all only valid if agreed in writing. There were no additional concessions and promises made to the customer if they are no mentioned in the contract. Other verbal or written agreements or arrangements between the parties, related to this contract or to one of the objects regulated in it, do not exist. We reserve us the right to correct mistakes. In the case of hosting services contract, our general terms and conditions for hosting services contracts apply additionally. As a rule, hosting services have a minimum contract period of 36 months.

### **§4 Prices and payment terms**

The purchase price is to be paid immediately at the takeover of the product, net without discount. Payment always is to be done by bank transfer, cash or by a crossed, bank confirmed check. The legal value added tax is to be included in the payment, if not expressly stated otherwise. We are entitled to require a pre-payment up to 25% of the purchase price or the order sum, for completion of the contract. If the customer fails to pay the invoices within 7 days from the expiry of the agreed period, we are entitled to suspend the provision of services and to benefit from a fair adjustment of the amount payable up to the level corresponding to the day when payment is made. As soon as the cutomer pays the invoice, we will resume the provision of services in the shortest time possible.

Should the delivery date be longer than four months, we reserve ourselves the right to raise prices according to the cost increases that happened in the meantime - e.g., wages and materials price increases, rises of our suppliers' prices, etc. If the rise exceeds more than 10% of the agreed price, the customer has a right to rescind from or cancel the contract. Service and consulting activities are computed in time units, if not agreed differently. In case of services, the smallest computed amount will be two time units, or 20 minutes, of the related valid price list. The customer has only a right of compensation, or a retention right towards our demands, if legally and undisputable entitled.

### **§5 Delivery times, delay of delivery, dispatch, risks and transfer of risk, travel expenses, cancelation**

The dates and terms of delivery are generally non-binding. We are entitled to part deliveries, as far as these do not affect the usability of the product, and are of reasonable acceptance for a customer. Moreover, force majeure or events - like afterwards realized procurement difficulties, operational disturbances, strikes, lockouts, rejected working pieces, delays in the completion of essential parts of delivery, delay at the transportation, official orders, etc. – free us from obliging dates and terms of delivery during the delay interval, and these terms and appointments will be extended by the duration of the respective impediment. The risk goes over on the customer as soon as the delivery has left our house. The transport occurs at the expenses of the customer. Should a price increase be necessary with travel expenses as

a result of raised vehicle operating expenses (e.g., petrol price increases), we are entitled to increase transport charges with a pre-announcement term of one week. If the dispatch is delayed as a result of circumstances which the customer has caused, the risk goes over to him at the moment of the announcement of the dispatch readiness. If explicitly requested by the customer, we insure the goods against theft, break damages, transport damages, fire damages and water damages, at costs of the customer. If the customer is a legal entity and the goods arrive in faulty conditions, the customer is only entitled to withdraw from the contract in case of a grossly negligent fault of the consignor. If the customer withdraws from the contract after the signing of the contract, he has to pay fully the already provided services, and compensate Medialine with a payment of 80% of the value of the agreed and the still pending order volume. For the cancellation of appointments with only two or less working days in advance, we will charge the customer a compensation of 50% of the corresponding service time, plus all travel expenses that could not be cancelled.

#### **§6 Training, documentation and right of use**

The customer receives a right of use for the programs listed in the contract, the corresponding licenses, as well as the necessary forms and documentations. All programs and apps, with the only exception of the operating systems, have non-exclusive, non-transferable usage rights. The customer may do backup copies for own use. The right of the customer to sell the hardware remains untouched. In the case of sales of new products, a documentation in German or English is included. Should the manufacturer make this not available, we will point this out expressly to the customer before completion of the contract. Our prices of hardware and software do not include training and installation. These services are to be ordered in addition, and will be invoiced by us according to the time incurred by us or by the service supplier we may have commissioned.

The selection and choice of the programs, apps, and the consultation, as well as the choice and decisions concerning their installation, training and other technical support issues, are not object of this contract. If required, they have to be object of a separate contract. Without such agreement the

customer bears the sole risk for the choice of the programs, and for their suitability for the considered uses.

#### **§7 Performance and functionality extent**

The performance and functionality of the provided devices and programs are determined by the valid actual product descriptions at the date of contract signature, as presented to the customer. Any special arrangements surpassing this, such as overcapacity, response times, compatibility to other software and hardware, network connection feasibilities, would have to be agreed upon in writing prior to its occurrence. The same applies for individually customized adaptations of the programs, or other special implementation issues.

#### **§8 Warranty**

The customer's claims of material defects are limited, if the customer is a physical person, to 24 months, and if the customer is a legal entity, to 6 months, counting from the date of product hand over. Warranty can be extended by the customer by purchasing additional warranty packages which result in a warranty extension provided by the manufacturer. Medialine will assume the role of an agent in this case.

The customer has to announce in writing the recognized defects immediately, at the latest within ten days. By default, products are under a bring-in warranty. The defective product must be made available to Medialine at no delivery charge, if not differently agreed upon. For serving warranties, Medialine is entitled to choose between a removal of the defect or the delivery of a defect free item. The customer grants Medialine, for remediating the guaranteed defect, an appropriate time frame of at least two weeks after reception of the product. The substituted parts or exchanged goods are to be conveyed to us and become Medialine's property. The customer's claims for defects are not valid if a failure occurred because of external, mechanical or chemical influence, improper treatment, or overstraining of the purchased object, as well as repair, servicing or care of the purchase object by third or persons not authorized by us. The guarantee does also not apply in cases of installing parts, accessories or consumption materials in the purchase object without our express consent in writing, or in a not approved by us case of software installation or of connection to a data bank, or performing

any change of the purchase object in a manner not approved by us, as well as non-observance of regulations for treatment, servicing and care of the purchase object (e.g., manual), in particular, disregard of the servicing intervals stipulated in such regulations. Is the customer a legal entity, and asserts guarantee claims against the supplier for not fulfilling public statements of the supplier or his assistants, in particular in advertisements, the customer carries the burden of proof for the fact that the particular statement was the main reason for his purchase decision. We are also not liable towards legal entities for statements and advertising proclamations of third parties.

### **§9 Retention of title**

We reserve ourselves the property of the delivered product up to the entire fulfilment of the purchase price claim and the other demands against the customer in connection with the purchase object. With legal entities, we reserve ourselves the property in the delivered product up to the fulfillment of the whole contractual scope of deliveries and services, also the secondary ones, the future or conditioned. We commit ourselves to free all goods standing under retention of title, when the value of the goods exceeds our demands in more than 20%. The customer has to inform us immediately, if an execution measures of a third party is to be performed on a reserved product or any other of our securities. This is also valid for any other issue that may affect our rights on the goods with our retention of title.

### **§10 Liability**

Any compensation claims of the customer because of not fulfillment are excluded, independent of the legal argument, in particular related to impossibility, delay, injury from contractual secondary obligations, defective performance, other obligations, and unauthorized action. The customer is obliged to provide a proper data protection and, in addition, must be able to secure and retrieve independently his data. Medialine excludes any liability for all claims related to lost data. This is not valid: a) for damages from the injury of the life, the body or the health of natural persons; and b) for other damages caused by deliberately or gross negligent actions on the part of leading employees of Medialine, and c) for a breach of an essential contract duty (cardinal's duty – in particular contractual main achievement duty), or any under b) falling duty,

caused deliberately or with gross negligence by a Medialine employee or simple assistant.

In the cases b) and c) the liability is limited to the typical substitution value of the damaged good, however, should not overpass 30% of the value of the underlying contract's order sum. Should the liability have been excluded or limited in advance, this is also valid for the personal liability of the employees, representatives and fulfilment assistant of Medialine.

### **§11 Jurisdiction, place of fulfilment, applicable right**

Place of fulfilment for all obligations from the contractual relationship is Bad Sobernheim, Germany For all civil disputes the German Jurisprudence and German right is to be applied.

### **§12 Transferability**

The mutual rights from the contract may be transferred only in the mutual consent.

### **§13 Enticement of employees**

During the validity period of this contract and 12 months after its ending, the customer or any related organization of the customer will not entice or hire any employee of Medialine or its related companies. For each case of offence of this contractual provision, the customer will pay to Medialine a penalty of 50,000.00 €.

### **§14 Severability clause**

Should parts of the contract be held to be illegal or otherwise unenforceable, the remainder of the contract should still apply.