Section 1 Object of the regulation

These terms of contract contain the general regulations that apply respectively to the TWINSOFT GmbH & Co. KG contracts outlined below. These regulations have been summarised in this general section to avoid any repetitions.

Section 2 Components of the contract and definitions

1) Order of validity. In case of contradictions, the following order shall apply:

a. The regulation in the individual contract concluded by the Parties.
b. Annexes for the respective provisions of the individual contract.
c. The framework agreement regulation concluded by the Parties.
d. Annexes to the framework agreement provisions.
e. Regulations under the general terms and conditions.

The regulations of individual contract elements shall apply thematically for different areas. If there is any overlap, lex specialis derogat legi generali shall apply.

2) Protective clause

If the client also uses general terms and conditions, the contract shall still be enforced without there being explicit agreement to the inclusion of the general terms and conditions. If the different general terms and conditions are in agreement in terms of content, these shall be deemed to have been agreed. Non-mandatory legal regulations shall replace individual regulations that are contradictory. The same shall apply where the client's terms and conditions contain regulations that are not contained within the scope of these terms and conditions. If these terms and conditions contain regulations that are not included in the client's terms and conditions, these terms and conditions shall apply.

3) Other manufacturers

The software supplied by TWINSOFT is partly based on software that is compiled and provided by another supplier. If this is the case, the respective manufacturer's license agreement and terms of use shall apply to the content of the respective software components. When the software is supplied, the client shall be made aware of the relevant licence agreement that the manufactured software is subject to through other suppliers.

4) Definitions

a. Standard software is the current version of the software at the time of concluding the respective contract.
b. Modified software: Only the software that is compiled for client as part of a contractual relationship between the Parties.
c. System environment: The term 'system environment' refers to the hardware and software required to operate the software. The system requirements outlined in the proposal/order confirmation shall apply. As an option, a distinction can be made between 'required system environment' and 'recommended system environment'.
d. Supply: The type and way in which the software is made available to the client.
e. Documentation: Description of the software components supplied for the client.
f. Maintenance: Maintaining the current function (operating system change, adapting available interfaces to the current software).

g. Software maintenance: Resolving errors that fall outside of the guarantee, further product development and provision of service interfaces.
h. Software customisation: joint further product development.

5) Disruption classes

The Parties shall agree on a classification for errors that arise - either as an error that impedes, hinders or restricts operation, or as another error.

a. Disruption class 4 (critical):
An error impedes operation if it is not possible to use a maintained program, for example due to malfunctioning, incorrect outputs or erroneous response times.
b. Disruption class 3 (medium)
An error prevents operation if it is only possible to use a maintained program with severe restrictions and the malfunction cannot be worked around with reasonable organisational measures.
c. Disruption class 2 (low)
An error restricts operation if the usability of the program is limited and this defect can be compensated for on a short-term basis using the client's own services.
d. Disruption class 1 (minimal)

An error is immaterial or 'another' error if the error is minor and does not have a significant impact on the usability of the software. Such errors are resolved as part of the normal further development of the software in one of the next releases.

Section 3 TWINSOFT employees

1) Qualification

TWINSOFT is obligated to only use trained staff to provide the services due.

2) Selection

The selection and division of the staff and other agents used to provide services (hereinafter referred to as 'Employees') is TWINSOFT's responsibility. The provision of services, induction and task-related training for Employees shall take place under TWINSOFT's responsible supervision. TWINSOFT Employees are solely subject to TWINSOFT's rights of instruction from a disciplinary perspective, regardless of the location or performance.

3) Performance

TWINSOFT Employees shall be entitled to stay on the client's premises during normal business hours for the period of time in which they are carrying out activities for the client. The client is entitled to deny certain TWINSOFT Employees access to the client's premises for substantial reasons. If refusal is not based on a substantial reason for which only TWINSOFT is responsible, TWINSOFT is entitled to request that the agreed deadlines and fees be adjusted accordingly, where this has become necessary due to the refusal to provide access and where this is otherwise reasonable.

4) Technical supervision

The technical supervision of TWINSOFT Employees is the sole responsibility of TWINSOFT. If the client requests that an Employee is replaced by giving an objectively justifiable reason, TWINSOFT is obligated to replace the Employee in question within a reasonable time frame.

TWINSOFT

Section 4 Transfer of risk/force majeure

1) Force majeure

If TWINSOFT is prevented from fulfilling its obligations due to the occurrence of unforeseeable, extraordinary circumstances that cannot be averted despite reasonable care taken by it, e.g. including

- breakdowns,
- intervention by authorities,
- changes to relevant legal provisions,
- power supply shortages, • strikes or lockouts, whether these circumstances arise in the for TWINSOFT or its suppliers, the delivery period shall be extended by an appropriate amount of time in close consultation with the client if it is not possible to deliver goods or provide services.

2) Impossibility

If the delivery of goods or provision of services is not possible due to the above-mentioned circumstances, TWINSOFT shall be released from its performance obligations.

Section 5 Fees

1) Fee amount

The fee amount is based on the regulation of the individual contract concluded between the Parties. All payment terms, such as daily rates, part payments, rebates, discounts, etc. are regulated on an individual contract basis. The same shall apply to travel expenses and allowances.

2) VAT

All prices are net amounts and are to be paid plus any applicable VAT.

3) Retention

Enforcement of the right of retention that is not based on rights from this contractual relationship shall be excluded.

4) Offsetting

Offsetting with other receivables that are recognised as being legally enforceable or undisputed by TWINSOFT are excluded.

Section 6 Reservation

1) Payment obligation

If a transfer has been agreed for the rights of use that is not restricted in terms of time, it shall apply that this transfer is under the reservation that the client has paid the receivable amount that underlies the respective supply of/compilation of the software in full and without reservation. Until this condition arises, TWINSOFT has the right to revoke the transfer by terminating the contract. Until this point in time, the client shall receive restricted rights of use for the period of validity of the respective contract.

2) Enforcement of reservation

If reservation is enforced, the client's right to further use the software, as well as to reproduce the software in the main memory of a computer, shall expire, unless TWINSOFT informs the client otherwise. In addition, all program copies made by the client must be deleted in this case, and any existing original data carriers must be returned or destroyed. TWINSOFT may request that the client affirms on oath that it has met the above-mentioned duties.

3) Physically supplied goods

Physically supplied goods are subject to retention of title until the amount receivable under the respective contract

is paid in full. The client must determine what debts it is to cover with its payments. If it fails to do so, payments received shall be posted against the client's oldest debts.

Section 7 Acceptance

1) Functional testing

For the purposes of acceptance, both Parties shall carry out functional testing together in the defined system environment for the functions described in the specifications/backlog. The last status agreed by both sides and confirmed in writing shall apply.

Acceptance of interim statuses, or 'partial acceptance' is explicitly permitted. Partial acceptance already given cannot be challenged by the client.

2) Date of acceptance

The date that both Parties sign the acceptance report shall be considered to be the date of acceptance.

3) Refusal of acceptance

Acceptance may not be unreasonably refused. 'Unreasonable' is particularly considered to be refusal of acceptance where the system fulfils the functions described in the specifications/backlog for the most part and has not caused any errors that significantly compromise the use of the system. Immaterial defects shall be recorded in the acceptance record and improved by TWINSOFT but shall not result in the client being permitted to refuse acceptance. The acceptance report must be signed by both Contracting Parties.

4) Implied acceptance

If the client does not provide approval, implied acceptance shall be made after 10 working days, provided that TWINSOFT has requested that the client provides acceptance and the client has not done so without providing reasons for this. Use of the system by the client shall also be considered to be implicit acceptance. TWINSOFT must however explain the consequence of the silence/use of the system to the client in writing.

Section 8 Guarantee

1) Scope of services

The software functions described in the specifications/backlog shall deemed to be agreed in the system environment described there. Any subsequent change by the client to the system environment may lead to functions being impaired - even if the system environment is described as 'normal'. Due to the large number of combination options, no guarantee is given for a 'normal' system environment; only for the agreed system environment.

2) Material defects

TWINSOFT shall provide a guarantee through supplementary performance for material defects. For this purpose, TWINSOFT shall provide the client with a new, non-defective version of the software, or shall remedy the defect, at its discretion; remedying the defect shall also be deemed to be cases where TWINSOFT provides the client with acceptable replacement solutions by delivering new software/submitting use regulations that avoid the effects of the defect, if the use of these is acceptable to the client. TWINSOFT has the right to make an appropriate number of repair attempts within a reasonable period of time. TWINSOFT is entitled to make supplementary performance conditional on the client at least having paid an appropriate part of the fee.

3) Defects of title

TWINSOFT shall initially provide a guarantee for defects of title. For this purpose, TWINSOFT shall provide the client with a legally permissible option for using the software or it shall exchange the software, or parts of the software, at its discretion.

4) Repeated supplementary performance

If the number of times supplementary performance is carried out is not to an extent that is appropriate for the severity of the error, and this is not done within a reasonable period of time, the client is entitled to enforce guarantee claims.

5) Rescission

The right to assert rescission due to the presence of an immaterial defect that only restricts use of software functions to an immaterial extent is excluded.

6) Guarantee period

The guarantee period is 12 months, which shall commence upon final acceptance of the agreed performance. The same period shall apply to the statute of limitation for claims for compensation, where TWINSOFT has not acted with intent or fraudulently, and there is no injury to health, limb or life, or a guarantee commitment has not been met. Claims under product liability law shall remain unaffected.

7) Cooperation

The client must take all necessary steps such as providing computers, providing access to these or facilitating access via remote data transmission, so that errors that occur can be resolved by TWINSOFT as quickly as possible. TWINSOFT shall not delay in resolving the error as long as the client has not fulfilled one of these obligations to cooperate. TWINSOFT must however inform the client of this in writing.

Section 9 Liability

1) Loss of profit, delays, loss of data

TWINSOFT shall not be liable for compensation for damages for lost profit, data loss or damages that are caused by the client not being able to productively work with the software if such damages arise due to the client failing to back up the software and data processed using the software within an appropriate time frame by using current and proven means that correspond with the current level of technology.

2) Defects

Liability due to damages, or the enforcement of claims for the reimbursement of expenses that are asserted due to a defect in one of the products supplied by TWINSOFT, or due to a service provided by TWINSOFT, shall be limited to the amount individually agreed by the Parties. Limitation shall only apply to cases of negligent causation.

3) Limitation

Claims for compensation for damages are limited to 12 months after acceptance or delivery of the software or provision of services, or 12 months after they could have been discovered without gross disregard with respect to the level of due diligence required. Legal provisions shall remain unaffected with respect to damage that results from injury to life, limb and/or health and/or violation of a guarantee commitment and/or is caused by gross negligence or intent. The same shall apply to liability under product liability law.

4) Late delivery

Liability for damages caused by gross negligence that are asserted due to late delivery of a standard product shall be limited to the amount of 10% of the value of the respective order. Legal provisions shall remain unaffected with respect to damage that results from injury to life, limb and/or health and/or violation of a guarantee commitment. The same shall apply to liability under product liability law.

5) Compatibility

The compatibility of the program to the client's existing hardware and software configurations shall only be ensured for systems explicitly outlined in the respective proposal. TWINSOFT categorically does not accept any liability for the compatibility of the software with the client's other hardware or software configurations that change after the client's places its purchase order. Just as little liability shall be assumed for the compatibility of systems that may be operated by other suppliers at the client's premises at the same time TWINSOFT's services are provided. Deviations are to be agreed separately. If the client changes the system environment that is required in order for the software and/or hardware to function properly after installation or acceptance without TWINSOFT's consent, the burden of proof shall rest with the client for evidencing that any damages were not caused by the change of system environment. The same shall apply if the client has amended the supplied product itself.

Section 10 Non-disclosure

1) Handling data and information

Both during the length of this contract and for two years afterwards, both Parties shall mutually ensure that all information, documentation and data that is disclosed to them by the other Contracting Party, or of which knowledge is obtained as part of the collaboration, and is not explicitly labelled or declared as 'open' ('confidential information') shall be treated by them as trade secrets entrusted to them and they shall not pass these on to third parties or use these whilst, and provided that, the Parties did not already have knowledge of such information, documentation and data without a non-disclosure obligation or it was not, or did not, become

a. public knowledge without one of the Parties being responsible for this, or
b. one of the Parties being informed of this or given this by a third party without a non-disclosure obligation or the providing company shared this in writing, or
c. it had to be disclosed due to legal provisions or provisions under administrative law or due to an incontestable judicial decision, if the disclosing Contracting Party is made aware of this requirement immediately and the scope of the disclosure is limited as far as possible.

2) Employee obligation

Both Parties and their affiliated companies under Section 15 of the Stock Corporation Act (Aktiengesetz, AktG) are obligated, and shall obligate their Employees to treat the respective other Contracting Partner's trade secrets that are disclosed when performing the current contract as confidential, and to not make these accessible to third parties.

3) Deletion of data

Upon request, both Parties must irretrievably delete any confidential information, or return it to the other Contracting Party, upon termination of the collaboration. Deletion must be confirmed in writing upon the request of a Contracting Party. TWINSOFT may request that the client affirms on oath that it has met the above-mentioned duties.

4) TWINSOFT obligation

These provisions shall apply in full to all TWINSOFT Employees used.

5) Data protection

TWINSOFT must further ensure that all persons that it entrusts to execute and fulfil the contract are obligated to the legal provisions concerning data protection. The obligation to data secrecy required under data protection law must be made before the Employee first commences any activities and evidence must be given to the client on request. The same shall apply to Employees of any subcontractors that have been engaged.

Section 11 Employment ban

1) Loyalty

The Parties and their affiliated companies under Section 15 of AktG are obligated to mutual loyalty. They must particularly refrain from recruiting, directly commissioning or otherwise employing Employees, even the other Party's former Employees, without the prior consent of the respective other Contracting Partner, during the contractual relationship and for a period of 12 months after the collaboration ends. The Parties must also refrain from poaching Employees in violation of fair competition rules.

2) Contractual penalty

If one of the above-mentioned provisions is breached, a payment in the amount or EUR 50,000 shall be payable to the Partner affected for each case of breach. The enforcement of further claims for compensation shall remain unaffected by this.

Section 12 General

1) Validity Should a provision of individual contract regulations or related annexes be or become invalid, the validity of the remaining regulations shall remain unaffected by this.

2) Requirement for the written form

All agreements that contain an amendment, supplement or appropriation to these contractual provisions, as well as specific guarantee commitments and arrangements, must be set out in writing. If they are specified by representatives or agents of TWINSOFT, they are only binding if TWINSOFT management provides written consent for this.

3) Credentials

TWINSOFT may use the project for internal project reports, e.g. providing insight into technologies used or areas of application. The following regulations shall apply to external use:

a. Naming the client as a client of TWINSOFT without reference to the performance provided is permitted without requiring further consent.

b. TWINSOFT is entitled to reproduce a non-specific abstract of performance content without referring to the client by name.

c. Case studies or success stories that directly refer to the client may only be included on TWINSOFT's website and in its presentations if the client has given its prior written consent.

4) German law

The Parties agree to the applicability of German law to all legal relationships under this contractual relationship.

5) Legal regulations

Any expenses incurred through required modifications to the existing software due to new/amended legal regulations/orders shall be borne by the client.

6) Place of jurisdiction

If the client is a businessman within the meaning of the German Commercial Code (Handelsgesetzbuch, HGB), a legal entity under public law or a special fund under public law, it shall be agreed that TWINSOFT's registered office shall be the place of jurisdiction for any disputes that arise in executing this contractual relationship.