

General terms of delivery

for Geutebruck system components with GEUTEBRUCK software

GEUTEBRUCK GmbH, Im Nassen 7-9, 53578 Windhagen ("GEUTEBRUCK") develops and distributes video security systems, which can be composed of different hardware and software components based on the customer's needs. The following general terms and conditions for Geutebruck system components with GEUTEBRUCK software ("**system terms and conditions**") govern the sale, transfer and assignment of rights for a hardware/software system in the relationship between GEUTEBRUCK and the respective customer. These system terms and conditions do not apply to the support services offered by GEUTEBRUCK and the isolated acquisition of rights to GEUTEBRUCK software applications.

§ 1 Subject of the contract

(1) GEUTEBRUCK provides the customer the hardware specified in the order confirmation in the composition and quantity specified therein (hereinafter referred to as "HARDWARE") in addition to delivery times and costs. Furthermore, GEUTEBRUCK provides the customer with the GEUTEBRUCK standard application or system software (hereinafter referred to as "SOFTWARE") together with the associated application description and grants the customer use rights thereto in accordance with § 3 of these system terms and conditions and in the quantity specified in the order confirmation. HARDWARE, SOFTWARE and/or application descriptions together form the "PURCHASE ITEM".

(2) The contract between GEUTEBRUCK and the customer is concluded only once the customer receives a written order confirmation from GEUTEBRUCK, but no later than delivery of the PURCHASE ITEM. Until then the offers are subject to change.

(3) The SOFTWARE is delivered pre-installed on the HARDWARE. The SOFTWARE is provided in object code version; the source code is not released.

(4) Based on these system terms and conditions, GEUTEBRUCK is not responsible for installation of the PURCHASE ITEM, the establishment of technical readiness for operations, the provision of adaptation services related to the SOFTWARE (e.g. installation, implementation, configuration, customizing) or training. Other services from GEUTEBRUCK, such as customizing the software, individual programming, consultation, training, hardware and software maintenance, are not part of these system terms and conditions. If the customer wants these services to be organized or performed by GEUTEBRUCK, separate contracts must be concluded for these services.

(5) The agreed features of the delivered GEUTEBRUCK HARDWARE and SOFTWARE are defined by the supplied product descriptions, the functionality specified in the application descriptions and the provisions in the order confirmation. The technical data, specifications, explanations of the functions and uses, as well as any other information in the supplied product and application descriptions are descriptions of features exclusively as defined in § 434 Paragraph 1 Section 1 of the German Civil Code (Bürgerliches Gesetzbuch) and not as independent guarantee, feature or durability guarantee.

(6) Provisions on the object of services are only independent guarantee promises, feature or durability guarantees in the legal sense when they are made in writing by authorized representatives of GEUTEBRUCK and are expressly designated as "independent guarantee" or "durability" or "feature guarantee".

§ 2 Delivery; force majeure, transfer of risk

(1) The delivery is performed ex works Windhagen (EXW Windhagen - Incoterms 2010). GEUTEBRUCK reserves the right to determine the type of transportation as long as no specific mode of transportation has been agreed upon.

(2) The delivery deadlines and costs specified in the order confirmation take precedence.

(3) As long as GEUTEBRUCK is not responsible for a delay in the delivery, for instance due to an unforeseeable, extraordinary event that GEUTEBRUCK cannot avoid, even using reasonable care (in particular for natural disasters, energy supply or operational disturbances, governmental action, labor strikes or other cases of force majeure) and is thus prevented from providing services, the agreed upon delivery deadlines are extended by the duration of the hindrance and an additional reasonable amount of startup time. If in these cases of force majeure, the provision of services for GEUTEBRUCK is not possible, GEUTEBRUCK is freed from its contractual obligations.

(4) Unless otherwise agreed in the order confirmation, the PURCHASE ITEM is shipped at the expense of the customer. The risk of accidental loss and accidental deterioration of the PURCHASE ITEM passes to the consumer when the goods have been handed over to the carrier or have left the supply depot or shipping warehouse for shipment. Upon written request by the customer, transport insurance can be concluded at the cost of the customer.

(5) GEUTEBRUCK shall have the right to make partial deliveries.

§ 3 Granting of rights

(1) GEUTEBRUCK grants the customer a simple (non-exclusive), transferable, perpetual and geographically restricted (to the countries/regions specified in the order confirmation) right to use the SOFTWARE to operate the PURCHASE ITEM. The customer is not entitled to grant sub-licenses.

(2) The server SOFTWARE may only be used in connection with the HARDWARE specified in the order confirmation or a replacement provided by GEUTEBRUCK. In any case, the customer is prohibited from separating the HARDWARE and SOFTWARE and from reselling the SOFTWARE to third parties.

(3) The SOFTWARE may only be used simultaneously by the number of users specified in the order confirmation and only for the type of use for which the customer has provided compensation pursuant to § 4 of these system terms and conditions.

(4) The customer is not entitled to publicly reproduce, to exhibit or to rent the SOFTWARE, wirelessly or wired, or to make it temporarily available to third parties in any other way unless this has been explicitly agreed upon in the order confirmation or GEUTEBRUCK has provided prior written consent. The employees or service providers of the customers who require access to the SOFTWARE to fulfill their contractual obligations are not third parties.

(5) Copies of the SOFTWARE are permitted only for its intended use. The customer shall be entitled to make a backup copy if this is necessary to ensure proper future use. In addition, the customer is entitled to make copies of the software as part of a modern, proper, regular data backup procedure. The provided application descriptions may be reproduced only insofar as this is necessary for the intended use of the PURCHASE ITEM.

(6) In accordance with § 69d Paragraph 1 of the German Copyright Act (Urheberrechtsgesetz), the customer is only entitled to make changes, edits or revisions to the SOFTWARE as defined in § 69c No. 2 of the German Copyright Act when this is necessary for the intended use of the SOFTWARE, including the elimination of an error in the SOFTWARE. Before elimination of errors by the customer or a commissioned third-party, the customer must first provide GEUTEBRUCK with the opportunity to rectify the error. If GEUTEBRUCK rectifies the error by providing or delivering a patch, bug fix, workaround, update or new release of the SOFTWARE, the provisions in § 3 apply.

(7) Duplication or decompilation of the SOFTWARE to achieve interoperability with other programs is permitted for the customer under § 69e of the German Patent Act under the conditions specified therein if the additional requirement is fulfilled that GEUTEBRUCK has not provided the necessary data within a reasonable period after a written request. The customer shall handle the information obtained through decompilation or provided by GEUTEBRUCK confidentially in accordance with § 11 Paragraph 1 and 2 of these system terms and conditions.

(8) Copyright notices, serial numbers or markings may not be removed from the HARDWARE, SOFTWARE or the application descriptions or modified. Copies of the SOFTWARE or application description created by the customer must be marked as such and labelled with a copyright notice that refers to GEUTEBRUCK.

(9) Use that goes beyond the scope agreed upon in the system terms and conditions, in particular use that exceeds the agreed upon maximum number of authorized users according to Section 3 of § 3, is prohibited and requires additional rights granted by GEUTEBRUCK.

(10) For the purpose of reselling the PURCHASE ITEM to a third party, the customer is entitled to transfer to third parties the use rights granted in accordance with Paragraph 1 to 10 of § 3 when the following conditions are met:

(i) The customer does not transfer only part of the use rights, but rather gives up all of its own use rights to the third party according to the scope that was granted to the customer in Paragraph 1 to 10 of § 3, and

(ii) The customer transfers the SOFTWARE together with the HARDWARE along with the licensed application descriptions to the third party and completely surrenders any own use and deletes all copies of the SOFTWARE, and

(iii) The customer shall inform GEUTEBRUCK of the name and address of the third party in writing, and

(iv) The customer must oblige the third party in writing to observe the provisions of Paragraph 1 to 10 of § 3, to provide the third party with these provisions and to provide GEUTEBRUCK with suitable proof or written confirmation of both.

(11) For new major releases that the customer receives from GEUTEBRUCK, the provisions of Paragraphs 1 to 10 of § 3 apply, subject to interim revision of the use rights.

(12) The provisions of Paragraphs 1-11 shall apply similarly for associated companies of the buyer for which the buyer holds a majority of the shares or which is in the majority ownership of the buyer.

§ 4 Remuneration, payment terms, retention of title

- (1) The customer is obligated to pay the remuneration amount agreed to in the order confirmation.
- (2) The cost for transport and for any transport insurance desired by the customer are borne by the customer (see § 2 Paragraph 4).
- (3) All prices are ex works Windhagen (EXW Windhagen – Incoterms 2010), including packaging and plus applicable sales tax, as long as no other provisions have been made in the order confirmation.
- (4) Unless otherwise stipulated in the order confirmation, the agreed payment is due within thirty (30) days from the date of invoice. Timely payment is determined according to receipt by GEUTEBRUCK.
- (5) GEUTEBRUCK retains ownership of the delivered HARDWARE and any provided written application descriptions until full payment of the agreed remuneration and all claims from the purchase of the system. In case of seizure of the HARDWARE by a third party or other interventions by third parties, the customer shall inform the third party of GEUTEBRUCK's ownership and notify GEUTEBRUCK in writing immediately so that GEUTEBRUCK can assert its ownership rights.

§ 5 Obligations of the customer

- (1) If no GEUTEBRUCK assembly and installation services for the hardware/software system at the customer's facilities were agreed upon in the order confirmation, the customer will install the PURCHASE ITEM according to the supplied assembly and installation instructions (see § 1 Paragraph 4).
- (2) The customer will observe the information contained in the user documentation for the operation of the HARDWARE and SOFTWARE.
- (3) The customer shall inspect the PURCHASE ITEM for defects and damage immediately upon receipt and report any problems in writing without delay. The assertion of rights and claims for material defects according to § 6 requires that the customer fulfill its obligation of inspection and notification according to § 377 of the German Commercial Code (Handelsgesetzbuch).
- (4) For the purpose of correcting any defects, the customer will grant GEUTEBRUCK unhindered access to the PURCHASE ITEM. At the request and expense of the customer, and to the extent possible based on the system, a separate order can be placed for remedial measures to be performed by GEUTEBRUCK via remote maintenance. In this case, the customer will fulfill the necessary technical requirements at its expense.
- (5) The customer shall only sell the PURCHASE ITEM to third parties in the scope defined in § 3.
- (6) Unless GEUTEBRUCK has expressly assumed an obligation to provide data protection for the customer, the customer is responsible for properly backing up the data collected with the PURCHASE ITEM regularly at its own expense.

§ 6 Material defects

- (1) If no other provisions are defined in § 6 and § 8, the statutory provisions apply for the rights and claims for material defects.

(2) A material defect exists when the HARDWARE, SOFTWARE or the application descriptions do not exhibit the agreed upon features in accordance with § 1 Paragraph 5 and 6.

(3) If defects manifest, at the request of the customer, GEUTEBRUCK can choose to remedy the situation by eliminating the defect (repair) or by delivering a defect-free item (replacement). Within a reasonable period, the customer may request a different form of remedy than the one chosen by GEUTEBRUCK if they think the GEUTEBRUCK selection is unreasonable. The rights of GEUTEBRUCK under §§ 439 Paragraph 3, 275 Paragraph 2 and 3 of the German Civil Code remain unaffected.

(4) In case of material defects to the SOFTWARE, GEUTEBRUCK is entitled to remedy the defect by delivering a bug fix, patch, update or new major release of the SOFTWARE. Upon delivery of a new major release, the customer is required to accept the deletion or overwriting of the defective SOFTWARE (§ 439 Paragraph 4 German Civil Code).

(5) GEUTEBRUCK is entitled to provide the customer with a temporary workaround and to rectify the defect later by delivering the next major release of the SOFTWARE, provided that this represents a reasonable solution for the customer. If GEUTEBRUCK makes use of this right, this shall be taken into account when determining the reasonable deadline for a remedy (Paragraph 8).

(6) The HARDWARE for remedy within the warranty claim period must be sent in duty paid (Incoterms 2010-DDP) by the customer. The return of the exchanged or repaired PRODUCTS by GEUTEBRUCK will be ex works (Incoterms 2010-EXW). In addition, as part of the delivery of a default-free item or SOFTWARE, GEUTEBRUCK is not required to install and setup the hardware/software system or to bear the costs associated with the removal of the defective item, the transport and the installation of the supplied replacement item or the SOFTWARE provided for DOWNLOAD.

This applies even if GEUTEBRUCK provides these services once or repeatedly free of charge. The free provision of services does not constitute a waiver of future enforcement of these costs.

(7) During the process of providing the remedy, the customer will observe the instructions provided by GEUTEBRUCK by telephone, in writing, or electronically. GEUTEBRUCK can provide the customer with such instructions, in particular with regard to the installation of patches, bug fixed, updates or new major releases of the SOFTWARE used for the remedy, or provide temporarily workaround options.

(8) If the customer sets a reasonable time limit for GEUTEBRUCK to provide the remedy, and the remedy fails within this time limit, the customer has additional rights for a price reduction or, according to the customer's choice, termination of the contract, and, if GEUTEBRUCK is responsible for the defect, claims for damage within the agreed liability limits instead of services or reimbursement of expenses as defined in § 284 in the German Civil Code (BGB). However, the customer is only entitled to terminate the contract and to claim damages in lieu of the complete provision of services when substantial defects are present. The grace period, declaration of withdrawal and claim for damages in lieu of services shall be effective only in writing. In the legally determined cases of §§ 281 Paragraph 2, 323 Paragraph 2, 440 of the German Civil Code (BGB), a deadline does not need to be set by the customer. A remedy is deemed to have failed after the second unsuccessful attempt if nothing else arises from the nature of the item or the defect or other circumstances.

(9) If during the error analysis associated with the defects reported by the customer it is determined that claims or rights of the customer due to defects do not exist, GEUTEBRUCK is entitled to charge the customer for the costs incurred during the investigation according to the current GEUTEBRUCK price list if the customer determined or negligently failed to determine that no defect is present and instead the cause for the complaint lies within the sphere of responsibility of the customer.

(10) The warranty from GEUTEBRUCK is excluded if modifications or changes to the PURCHASE ITEM have been made by the customer unless the customer proves that the defects are not due to these changes.

(11) Claims of the customer due to a defect shall lapse in twenty-four (24) months. The limitation period starts from the delivery of the PURCHASE ITEM. In case of intentional or grossly negligent breach of duty, fraudulent concealment of a defect, in rem claims by third parties within the meaning of § 438 Paragraph 1 No. 1 of the German Civil Code (BGB), for personal injury, for claims under the German Product Liability Act (Produkthaftungsgesetz) and acceptance of a feature guarantee, the statutory provisions on limitation periods apply; for an acceptance of warranty, however, this applies only when no other provisions are made in the warranty agreement.

(12) Notwithstanding the limitation period of 24 months, for devices with moving parts subject to wear the warranty is limited to the indicated service life limits specified in the manual for the corresponding wearing parts. If the limits of service life are below 24 months, in such cases the limitation period is limited temporally to the specified limit.

(13) The limitations periods of the previous section apply accordingly for the provision of a new major release. The warranty claim periods for HARDWARE remain unaffected thereby and in particular shall not be reset or extended by the provision of new releases.

(14) If a loan unit is provided by GEUTEBRUCK during the course of providing a remedy, the general support terms and conditions apply for the provision of the loan unit by GEUTEBRUCK.

§ 7 Infringement

(1) If no other provisions are defined in § 7 and § 8, the statutory provisions apply for the rights and claims of the customer for intellectual property infringement.

(2) Infringement exists if the rights necessary for the contractual use of the PURCHASE ITEM are not granted legally.

(3) If a third party makes a claim on the customer regarding the violation of property rights by SOFTWARE, the customer will

(i) Inform GEUTEBRUCK of this fact immediately and in writing

(ii) Authorize GEUTEBRUCK to proceed with a legal dispute and settlement negotiations with the third party at own expense and as far as possible, and to take procedural measures only with GEUTEBRUCK's consent

(iii) Provide GEUTEBRUCK with all reasonable support and furnish GEUTEBRUCK with necessary information and documents available to the customer and with the necessary powers of attorney.

(4) In the event that the rights of third parties are infringed by the SOFTWARE, GEUTEBRUCK will provide remedy of its choice by

- (i) Changing the SOFTWARE so that, with the same performance, it no longer infringes and the contractually agreed scope of functionality is retained for the customer, or
- (ii) Acquiring use rights sufficient for the customer sufficient for the purpose of the contract for continued use of the SOFTWARE, or
- (iii) Replacing the SOFTWARE by another software that is equivalent to the customer for the agreed features of the SOFTWARE, provides suitable performance and does not have significant disadvantages for the customer, or
- (iv) Providing a new major release, the use of which does not infringe on the rights of third parties, that contains the same functionality as the previous version and the acceptance of which is reasonable for the customer and does not lead to significant disadvantages for the customer.

For the cases of Sentence 1 Alt. (ii) to (iv), the customer is required to accept the deletion or overwriting of the infringing SOFTWARE (§ 439 Paragraph 4 German Civil Code).

(5) In addition, the regulations on material defects in § 6 Paragraphs 6, 7, 8, 10 and 11 apply accordingly for the presence of intellectual property infringement.

§ 8 Limitations of liability

(1) GEUTEBRUCK is liable, for whatever legal reason, for claims for damage or claims for reimbursement of expenses as defined in § 284 of the German Civil Code (BGB) in accordance with the provisions in Paragraphs 2 to 7.

(2) GEUTEBRUCK is liable without limitation in accordance with the statutory provisions for damages resulting from injury to life, body or health, for damages caused by intent or gross negligence and for damages within the scope of a guarantee, feature or durability guarantee provided by GEUTEBRUCK unless otherwise stated in the applicable guarantee agreement.

(3) For damages other than those specified in Paragraph 2 caused by a slightly negligent breach of essential contractual obligations (cardinal obligations), GEUTEBRUCK's liability shall be limited to replacement of typical foreseeable damage. Essential contractual obligations within the meaning of Sentence 1 are those obligations that, when violated, endanger the fulfillment of the purpose of the contract, the fulfillment of which is essential to the proper execution of the contract and the fulfillment of which the customer regularly relies on.

(4) The liability under Paragraph 3 is limited to a total amount of 10 million euros.

(5) In addition, further liability for damages other than those mentioned in Paragraph 2 caused by a slightly negligent breach other than that specified in Paragraph 3 is excluded.

(6) Liability under the German Product Liability Act (Produkthaftungsgesetz) remains unaffected.

(7) The above limitations of liability shall also apply with regard to the personal liability of its employees, agents, legal representatives and bodies of GEUTEBRUCK.

§ 9 Return of products for credit

- (1) GEUTEBRUCK offers its customers, within a month of receipt, the option of returning a product for credit if the purchased PRODUCT belongs to the standard range of products of the current price list.
- (2) For each PRODUCT returned for credit, GEUTEBRUCK charges a processing fee of 10 % of the purchase price paid by the customer, no less than 30 euros.
- (3) PRODUCTS returned for credit will be inspected by GEUTEBRUCK for damage or deficiency. GEUTEBRUCK reserves the right to reject products if damage or deficiencies are found or to charge the customer for the associated repair costs.
- (4) Returning PRODUCTS for credit must be performed on a duty paid basis (Incoterms 2010-DDP).

§ 10 Cancellation of orders

Orders of PRODUCTS that belong to the standard range of products according to the current price list can be cancelled free of charge by the customer up to the third day after the order confirmation, provided that the PRODUCTS included in the order have not yet been shipped.

§ 11 Confidentiality, data protection

- (1) The contract parties commit to handle confidentially, with no time limit, all information or objects that represent business or trade secrets or that are designated as confidential ("CONFIDENTIAL INFORMATION") and that were obtained as part of the contract negotiations or execution of the contract and to use these only for the purposes of the execution of the contract. The contract parties shall secure this CONFIDENTIAL INFORMATION so that access by unauthorized third parties is excluded. This does not affect the right of the customer to transfer the PURCHASE ITEM.
- (2) The CONFIDENTIAL INFORMATION includes in particular all information about the technical details of the PURCHASE ITEM designated in § 1 Paragraph 1. The customer will make this CONFIDENTIAL INFORMATION available only to employees and other third parties who require access to perform services for the customer. The customer shall instruct employees and third parties who have correctly been granted access to the CONFIDENTIAL INFORMATION of their duty of confidentiality and obtain from these persons a written obligation of confidentiality and use only in the aforementioned scope, provided these persons are not already required to maintain confidentiality in the aforementioned scope from another legal reason.
- (3) The above confidentiality obligations do not apply to CONFIDENTIAL INFORMATION of a party that
 - (i) At the time of its transfer was already publicly known, or

- (ii) After its transfer was made publicly available by the disclosing party without fault of the receiving party, or
- (iii) At the time of its transfer by the disclosing party was already in the legitimate possession of the receiving party, or
- (iv) After its transfer by the disclosing party, was lawfully provided by a third party without restriction with regard to confidentiality or use, or
- (v) Was developed by the receiving party without the use of the CONFIDENTIAL INFORMATION, or
- (vi) Must be disclosed by the receiving party due to legal requirements, provided that the receiving party promptly informs the disclosing party in writing before disclosure and supports the disclosing party in preventing disclosure using legal means.

(4) GEUTEBRUCK will observe all applicable data protection legislation and obligate its employees or other agents, before beginning their work, according to § 5 of the German Data Protection Act (Bundesdatenschutzgesetz) to comply with these provisions as well.

§ 12 Export/import regulations

- (1) The customer is obliged to observe the export and import regulations applicable for the PURCHASE ITEM and resulting from the dual-use regulation of the EU (Regulation (EC) No. 428/2009 of the Council of 5 May 2009) or other legal provisions applicable for the customer or other public provisions.
- (2) The customer guarantees that the PURCHASE ITEM will not be exported, re-exported or transferred directly or indirectly in violation of export or import regulations. The contract partners shall provide mutual support regarding observance of export/import regulations.

§ 13 Set-off, right of retention

- (1) The customer can only offset GEUTEBRUCK's claims with counterclaims that are undisputed, legally established or ready for a decision.
- (2) The customer is only entitled to exercise a right of retention when the counterclaim on which the right of retention is based is undisputed, legally established or ready for a decision and is based on the same contractual relationship.

§ 14 Temporal application of these system terms and conditions; changes

- (1) These system terms and conditions also apply, even without any renewed mention of their inclusion, for future software purchases of the customer until they are replaced by a new version in accordance with Paragraph 2 of § 14.
- (2) GEUTEBRUCK is entitled to modify these system terms and conditions at any time for future system purchases. The changes are effective upon their incorporation. They replace the corresponding previous version and apply after their inclusion for all future system purchases of the customer according to Paragraph 1 of § 14.

§ 15 Final provisions

- (1) All agreements between the contract parties about the PURCHASE ITEM are contained in these system terms and conditions and in the order confirmation. Further agreements do not exist. The general terms and conditions of the customer shall not be valid and shall not be included.

(2) If the customer is a merchant (Kaufmann), legal entity under public law or public special fund, the exclusive jurisdiction for any disputes from and in connection with this contract is the registered office of GEUTEBRUCK. However, GEUTEBRUCK is also entitled to sue the customer in the customer's jurisdiction.

(3) The contract is subject to the laws of the Federal Republic of Germany, excluding legal norms that refer to another jurisdiction; the application of the UN Sales Convention (CISG) is expressly excluded.

(4) If any provision of these system terms and conditions should be invalid, this shall not affect the validity of the rest of these system terms and conditions if it can be assumed that the contract parties would have nevertheless concluded the contract. A provision shall be agreed in place of the invalid provisions that complies with the legal regulation. If the parties have overlooked an issue that requires regulation in the contractual arrangements, the provision is agreed that they would have agreed when evaluating their mutual interests with knowledge of the gap in the contract.

As of: April 2016