# General Terms and Conditions of Business for the Sale of Software



General Terms and Conditions of Business (GTCs) of baramundi software GmbH, Forschungsallee 3, 86159 Augsburg, Germany, hereinafter referred to as "baramundi", for the sale and use of software products.

#### § 1 General

(1) The following General Terms and Conditions of Business shall apply to the business relationship between baramundi and the Customer, where the Customer purchases software from baramundi. They shall apply to the sale of software, to services agreed within the framework of the corresponding purchase contract, and to pre-contractual obligations.

Upon purchase of the software, the Customer shall at the same time conclude a binding software maintenance contract for its maintenance. The attached General Terms and Conditions of Business for Software Maintenance shall additionally apply. The version valid at the time of contract conclusion shall be authoritative in each case.

Even if repeat reference is not made to these GTCs when similar contracts are concluded, baramundi's General Terms and Conditions of Business in the version provided to the Customer when the Customer submits its declaration shall apply exclusively, unless otherwise expressly agreed between the contracting partners.

- (2) Sections 433 et seq. of the German Civil Code (BGB) shall additionally apply to the delivery of the software. Sections 611 et seq. of the German Civil Code (BGB) shall apply to supplementary services (e.g. installation, parameterization, training).
- (3) For the purpose of these General Terms and Conditions of Business, "entrepreneur" means any natural or legal persons or partnerships with legal personality which, when concluding the legal transaction, are acting in the exercise of their commercial or independent professional activity. For the purpose of these General Terms and Conditions of Business, customers are exclusively entrepreneurs.
- (4) Individual contractual agreements shall take precedence over these General Terms and Conditions of Business. Divergent, opposing or supplementary general terms and conditions of business shall not become part of the contract unless their validity is expressly approved.

#### § 2 Contract conclusion

- (1) Unless otherwise expressly stated in the respective offer, all offers of baramundi shall be subject to change and non-binding. baramundi reserves the right to make minor deviations on technical grounds within reasonable limits.
- (2) The Customer may order the software by e-mail, by fax, or in writing. The Customer's purchase order shall constitute a binding offer to conclude a contract for the purchase of the software in the scope required by the Customer. Unless otherwise separately agreed between the parties, baramundi shall be entitled to accept the contractual offer contained in the order placement within one week of receipt. Acceptance may as a whole be declared by means of a written declaration of acceptance or by another form of declaration through which the willingness to accept the order which has been placed is discernible. If baramundi provides the service which has been ordered, this shall be deemed equivalent to acceptance. As a rule, a legal obligation shall materialize when a contract is signed by both parties or when baramundi issues a written order confirmation.
- (3) The contract shall be concluded subject to the proviso that if baramundi itself does not receive correct or proper delivery, it shall not be not obliged to perform the contract, or may perform the contract only partially. This shall apply only in cases where baramundi is not responsible for the non-delivery and baramundi has acted with the required diligence in concluding a specific covering transaction. baramundi shall make all reasonable endeavors to enable it to provide performance. If this is not the case, any consideration already received shall be reimbursed without delay. The Customer shall be informed immediately if services are unavailable or are only partially available.
- (4) With regard to the purchased software, baramundi shall provide software maintenance services in accordance with the attached General Terms and Conditions for Software Maintenance. Reference is made to § 1 para. 1 of these General Terms and Conditions for the Sale of Software. Separate contracts must be concluded for other types of deliveries and services (e.g. maintenance of third-party software, consulting in relation to the set-up and installation of the software).

## § 3 Object of the contract

- (1) The object of the contract is the supply of software to the customer for usage and the granting of the corresponding rights of use in accordance with these General Terms and Conditions of Business, baramundi's product specifications, and in accordance with any individual contractual agreements made between the parties within the context of the purchase order.
- (2) Before concluding the contract, the Customer must check whether and to what extent the software's specification meets its wishes and requirements. To this extent, it must keep informed of the software's key functional characteristics and conditions

As a rule, the scope of the software functions shall be based on the Customer's currently available hardware and software environments as agreed at the time of contract conclusion. It is expressly pointed out that as a rule, the software also requires third-party software components in order to ensure it offers trouble-free and unrestricted characteristics and functionalities. Any modifications to such software components and/or to the Customer's hardware and software environments may restrict the functionality of the software to be supplied by baramundi.

(3) The agreements made in each individual case between the parties pursuant to the contractual offer contained in the order and the associated order

confirmation by baramundi shall be authoritative as regards the specific scope of performance and the type and quality of the deliveries and services as well as the specific functional scope of the software.

In all other respects, the software's qualities and functionalities shall derive from the corresponding product specifications, which shall not be construed as constituting warranties. A warranty shall be granted only if it is expressly designated as such.

(4) The Customer shall be entitled to transfer of ownership of the software comprising the machine program and a corresponding user manual. The technology used to supply the software shall be based on the agreements made between the parties. Unless otherwise expressly agreed, the software comprising machine program and user manual shall be supplied on DVD. Where this is expressly agreed between the parties, the performance owed may also be provided via the Internet.

The Customer shall not be entitled to have the source code transferred.

- (5) baramundi shall provide all services and deliveries in accordance with the current state of the art.
- (6) Where the Customer uses the bLicense module from the baramundi Management Suite, the following terms and conditions shall apply additionally:
  - (a) The bLicense software solution uses algorithms to determine which licenses are used on the respective hardware being checked, and compares these to the actually existing license portfolio that is to be managed manually by the Customer. Based on the information provided by the Customer, the Customer is then informed of the products which might be underlicensed.
  - (b) To ensure proper functioning, the Customer has to correctly manage its existing software assets and license portfolio. The software can only supply correct and plausible results if complete and relevant information is available. baramundi shall not be liable for inaccurate license check results where these are based on inaccurate information from the Customer. No advisory or management services concerning the legally correct or commercially viable licensing of the Customer's software assets shall be provided.
  - (c) Where this has not been separately commissioned, baramundi shall not provide any configuration, expansion, adaptation or other modification of the IT infrastructure, in particular in relation to the Customer's software assets and license portfolio.

#### § 4 Rights of use

(1) The Customer shall be entitled to a non-exclusive right to use the software in unmodified form in the scope of the agreed type of use on the devices for which it is intended. The software may, at maximum, be used only by the type and number of authorized users (clients) in accordance with the software licenses purchased by the Customer.

The Customer may make one copy of each software product for data backup purposes. In doing so it must at the same time duplicate alphanumeric identifiers, trademarks and copyright notices unchanged and keep records of the whereabouts of the copies. Documentation may not be duplicated.

The Customer may use the software on any item of hardware available to it. However, if it changes the hardware, it must delete the software from the previously used hardware.

The Customer may duplicate the supplied software product provided that the respective duplication is required in order to use the software. The necessary duplications shall also include installation of the software from the original data carrier to the bulk memory of the hardware used and also loading into the random access memory.

The Customer may sell and gift the software, including the manual and the other accompanying material, permanently to third parties, provided that the acquiring third party declares its agreement that these contractual terms shall also remain valid for it. In the event of such transfer the Customer shall hand over to the new user all copies of the program, including any existing backup copies, or destroy any copies which are not handed over.

The re-translation of the program code into other code forms as well as other forms of reverse engineering of the different production stages of the software, including a program modification, for the Customer's own use shall be permitted, especially for the purpose of rectifying errors. Insofar as the above actions are taken for commercial reasons, they shall only be permitted insofar as they are essential for the creation, maintenance or functioning of an independently created computer program and the necessary information has also not been published and/or otherwise made accessible.

The Customer shall ensure that the products, duplications thereof and the documentation are not passed on to third parties without baramundi's written consent.

(2) In all other respects, the number of licenses and the type and scope of use shall be determined in accordance with the Customer's contractual offer as contained in the order and the associated order confirmation by baramundi, baramundi's product specifications and also in accordance with any individual contractual agreements made between the parties.

Usage in excess of the contractual agreements taking into account § 4 of these General Terms and Conditions of Business shall not be permitted in principle. As a rule, the Customer shall not be permitted to make the software available to third parties for use beyond the contractual agreements.

(3) This granting of rights of use shall not involve any more extensive acquisition of rights. The Customer may not circumvent or remove any digital rights

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management (DRM) used or any other technical safeguards and/or information

- (4) The Customer shall be entitled to decompile and duplicate the software provided this is necessary in order to establish the software's interoperability with other programs. This shall, however, only apply subject to the proviso that follow ing a request, baramundi has not provided the Customer with the necessary information and documents for this within an appropriate period.
- (5) If the Customer uses the software in a scope which exceeds the acquired rights of use in qualitative terms (with regard to the type of permitted use) or in quantitative terms (with regard to the number of acquired licenses), it shall immediately acquire the rights of use required for permitted use. If it fails to do this, baramundi shall assert the rights to which it is entitled.
- (6) Ownership of items supplied and the rights pursuant to  $\S$  4 shall only be transferred to the Customer once the contractual remuneration has been paid in full. Prior to this the Customer shall have only a temporary, contractual and revocable right of use.
- (7) baramundi may terminate the rights pursuant to § 4 for good cause. Good cause shall in particular apply if baramundi cannot reasonably be expected to continue to adhere to the contract, in particular if the Customer does not pay the remuneration or significantly infringes § 4.
- (8) If the rights pursuant to § 4 do not materialize or if they end, baramundi may demand that the Customer return the items which have been provided to it or give baramundi a written assurance that they have been destroyed, and may also demand the deletion or destruction of all copies of the items and a written assurance that this has been done.

#### 8 5 Remuneration

- (1) The prices quoted by baramundi shall be binding. In principle, prices are exclusive of the statutory rate of value added tax and any other duties.
- (2) Customers may generally pay the remuneration owed on account.
- (3) Depending on the individual agreements made between the parties, the Customer may be permitted to pay the agreed total price in the form of monthly part payments. Here, the parties shall separately agree the payment methods applicable for each individual case, as regards any downpayments and further monthly partial installments.

Unless otherwise separately agreed between the parties, the Customer must pay the first partial payment or a corresponding agreed downpayment within 14 days of receiving the order confirmation/the invoice.

Unless otherwise separately agreed, the subsequent partial installments shall be payable no later than by the third working day of a respective month.

- (4) Unless where applicable otherwise separately agreed between the parties under a partial payment agreement, the Customer must pay the total price within 14 days of receiving the order confirmation/the invoice.
- (5) After expiry of the agreed payment periods the Customer shall be deemed to be in default. During the period of default, the Customer shall pay interest of 9 percentage points above the base interest rate on the monetary debt. baramundi reserves the right to claim higher damages for default. The Customer must in principle recognize the agreed payment methods. Subject to more far-reaching claims, baramundi shall, in the event of default in payment, be entitled to temporarily block access to all or some of the agreed services. The Customer shall be informed of this by e-mail without delay.
- (6) The Customer shall have a right of set-off only if its counterclaims have been established by a court of law, have been acknowledged or have not been contested by baramundi. This shall not affect the Customer's right of set-off against contractual and other claims resulting from the initiation or implementation of this contractual relationship. The Customer may only exercise a right of retention if its counterclaim is based on the same contractual relationship.
- (7) baramundi shall be entitled to provide partial delivery, where partial delivery is reasonable for the Customer, taking into account baramundi's interests. The Customer shall not incur any additional costs as a result.

## § 6 Performance period and place of performance

- (1) Where performance periods have been agreed between the parties, they shall where applicable be extended by the period of time in which Customer is in default of payment under the terms of the Contract and for as long as baramundi is pre vented from providing delivery or service because of circumstances for which it is not responsible (e.g. force majeure, industrial dispute). Delivery and performance periods may also be extended by the period in which the Customer, for example, behaves contrary to the terms of the contract by not fulfilling the duties of cooperation incumbent upon it (e.g. does not provide material information which is required for provision of performance, does not enable access, does not provide materials, or does not make employees available)
- (2) If the contracting parties subsequently agree other or additional services which affect agreed deadlines, these deadlines shall in such cases be extended by an appropriate period of time.
- (3) The place of performance for services shall be the place at which the service is to be provided. In all other cases, baramundi's registered office shall be the place of performance for all services under and in connection with the present

## § 7 Customer obligations

Conditions of Business shall also apply.

- (1) The Customer shall be obliged to professionally examine or to arrange for the professional examination of the software supplied by baramundi immediately after delivery or immediately after it has been made accessible in accordance with the provisions of commercial law (Section 377 of the German Commercial Code, HGB) and to notify any defects identified together with a precise description of the defect. Before commencing productive use, the Customer must thoroughly test use of the software in accordance with the intended use.
- (2) The Customer must in each case cooperate in an active and appropriate way in order to promote proper use of the software. It must provide baramundi with the necessary information and data to enable proper provision of performance. The Customer shall be responsible for ensuring that it creates the technical requirements for using the object of the contract, including in particular with regard to the hardware and software used, the Internet connection and current browser software. Where the Customer uses baramundi software within the context of Software Asset Management (SAM, e.g. baramundi's bLicense solution), it is explicitly pointed out that in order to ensure its proper functioning, the Customer must properly manage its existing software assets and license portfolio. The software can only supply correct and plausible results if complete and relevant information is available. baramundi shall not be liable for inaccurate license check results where these are based on inaccurate information from the Customer. The Customer shall in particular perform regular data back-ups and use a current virus protection software. baramundi shall not be liable for virus damage which could have been prevented if corresponding software had been used. In this connection, the limitations of liability pursuant to § 11 of these General Terms and
- (3) The Customer must take appropriate precautions for a situation where the software does not work properly, whether in full or in part (e.g. by making data backups, fault diagnosis, regular checking of results, emergency planning). The Customer shall be responsible for ensuring the operability of the software's working environment
- (4) The Customer must in principle comply with the applicable law of the Federal Republic of Germany, notably provisions on data protection and the protection of young people, penal provisions and the present General Terms and Conditions of Business. In particular, the Customer shall independently be obliged:
- (a) to protect access data which have been supplied and also corresponding identification and authentication mechanisms from access by unauthorized third parties and not to forward these to such third parties;
- (b) not to infringe third-party rights, including in particular copyrights and neigh-boring rights, trademark, patent and other property and individual rights;
- (c) to respect the privacy of others, i.e. not to distribute any content which is defamatory or threatening, which glorifies violence, which is abusive, harmful, racist, or otherwise reprehensible;
- (d) not to execute any applications, such as viruses, which can lead to a change in the physical or logical structure of the networks;

  (e) not to use the infrastructure which is made available to it for unauthorized
- advertising purposes, in particular for the unsolicited sending of electronic mail.
- (5) Where the Customer arranges for personal data to be collected, processed and used during usage of baramundi's contractual services, without this already being permitted pursuant to applicable data protection provisions or other legal provisions, the Customer must obtain the required consent of the respective party concerned. Personal data are data which contain information about the personal and material circumstances of a certain or identifiable person.
- (6) Where storage capacity is made available to the Customer, it may not file any content which is illegal, which violates laws or official provisions, or which in-fringes rights of third parties. In particular, any infrastructure which has been made available by baramundi and/or the storage capacity which has been made available by it may not be used for offers which infringe industrial property rights (such as trademark, patent, utility model and design rights), copyrights and neighboring rights, and other rights (such as copyright regarding one's own image, rights to a name and personal rights), and may not be used to advertise or sell such offers. The same shall apply to offers which are pornographic in nature or harmful to young people, to propaganda items and to products with symbols of unconstitutional organizations.
- (7) If the Customer learns that its access data or the identification and authenti-cation mechanisms have been misused, it must inform baramundi of this immediately. In the event of misuse, baramundi shall be entitled to block access to its services. The block may only be lifted by means of a written request from the Customer. The Customer shall be liable for any misuse for which it is responsible.

## § 8 Blocking of access

- (1) baramundi reserves the right to delete information from servers and to block user accounts if the present General Terms and Conditions of Business are in fringed. If applicable laws are infringed, baramundi shall be entitled to forward the corresponding information to the competent government agencies
- (2) baramundi reserves the right to temporarily block access to all or part of the agreed services if and to the extent that the Customer uses such services illegally and/or breaches the obligations anchored in § 7 of these General Terms and Conditions of Business. The Customer shall be informed of this by e-mail without de-

## § 9 Indemnification

In principle, baramundi shall not be responsible for the Customer's own content. In particular, baramundi shall not be obliged to check the content for possible illegalities. The Customer shall indemnify baramundi in respect of all justified claims asserted by third parties against baramundi on account of a breach of their rights and for which the Customer is responsible. In this respect, the Customer

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shall also assume the costs of baramundi's legal defense including all court and attorney expenses, in the amount of the statutory fees. The Customer must provide baramundi with a reasonable advance for such costs.

#### § 10 Warranty

- (1) In the event of defective goods, baramundi shall, at its option, initially fulfill the warranty by reworking or replacing the defective merchandise.
- (2) If subsequent performance fails, the Customer may, in principle and at its option, reduce the remuneration (reduction in purchase price), rescind the contract (withdrawal), or demand compensation in lieu of performance. In the event of only minor defects, the Customer shall taking into account both parties' mutual interests have no right of withdrawal. Instead of compensation in lieu of performance, the Customer may demand reimbursement of futile expenses, within the framework of Section 284 of the German Civil Code (BGB), which it made and reasonably was entitled to make in reliance on receiving the goods. If the Customer chooses compensation in lieu of performance, the limitations of liability pursuant to § 11 (1) of these General Terms and Conditions of Business shall apply.
- (3) The Customer must notify obvious defects in the supplied goods within 2 weeks of receiving the goods; otherwise, it may not assert any warranty claims. Punctual sending or notification shall be sufficient for observance of the deadline. For merchants, Section 377 of the German Commercial Code (HGB) shall apply.
- (4) In principle, only the product specification shall be deemed to be agreed by baramundi with regard to the properties of the goods. Public statements, recommendations or advertising shall as a rule not constitute contractual properties of the goods.
- (5) The warranty period shall be 1 year from the date of delivery. The one-year warranty period shall not apply if baramundi can be accused of gross negligence, nor in the event of physical injury or damage to health which can be attributed to baramundi, or in the event of the Customer's death, in the event of a guarantee and in the event of supplier regress pursuant to Sections 478, 479 of the German Civil Code (BGB). This shall not affect baramundi's liability pursuant to the German Product Liability Act (Produkthaftungsgesetz).
- (6) In derogation of (5) above, the standard period of limitation shall apply if baramundi has maliciously concealed a defect.
- (7) Unless otherwise expressly agreed, baramundi shall not give the Customer any warranties in the legal sense.
- (8) The content which is integrated into any baramundi infrastructure that is provided shall be deemed external content for baramundi. The legal responsibility therefor shall lie with the Customer.
- (9) Based on the current state of the art, no guarantee can be given that data communication via the Internet will be free of errors and/or available at all times. Consequently, baramundi shall not assume any warranty for technical defects for which it is not responsible, in particular for the constant, uninterrupted availability of the databases and their contents or for the full and error-free reproduction of any content input by the Customer.

## § 11 Limitations of liability

- (1) baramundi shall not assume any liability for the uninterrupted availability of systems or for system-related failures, interruptions and malfunctions of the technical systems and services for which baramundi is not responsible. In particular, baramundi shall not be liable for disruptions to the quality of the access to its services due to force majeure or due to events for which it is not responsible. This shall include in particular strikes, lockouts, lawful internal company industrial dispute measures and official orders. It shall also include the full or partial failure of the communications and network structures and gateways of other suppliers and operators which are required for baramundi to provide its own performance. baramundi shall be entitled to postpone the performance it owes for the duration of the hindering event plus an appropriate lead time. baramundi shall not be liable for minor interruptions.
- (2) In the event of slightly negligent breaches of duty, liability shall be limited to the average foreseeable, direct damage typical for the contract, based on the type of goods. This shall also apply in the event of slightly negligent breaches of duty on the part of baramundi's statutory representatives or vicarious agents or persons employed by baramundi in the performance of its obligations. baramundi shall not be liable for slightly negligent breaches of minor contractual obligations. In contrast, baramundi shall be liable for a breach of legal positions of the Customer which are material to the contract. Legal positions which are material to the contract must guarantee to the Customer according to the content and purpose of the contract. baramundi shall also be liable for a breach of obligations the fulfillment of which makes due performance of the contract possible in the first place and on the fulfillment of which the customer may rely.
- (3) The above limitations of liability shall not affect claims of the Customer involving warranties and/or product liability. Furthermore, the limitations of liability shall not apply in the event of malicious intent, in the event of a breach of essential contractual obligations or in the event of physical injury to, damage to the health of or death of the Customer which is attributable to baramundi.
- (4) baramundi shall not be liable for the loss of data and/or programs where the damage is due to the fact that the Customer has failed to perform a data back-up and thus ensure that lost data can be restored with justifiable effort and at reasonable expense.

## § 12 Data privacy

- (1) The contracting parties shall observe the applicable data protection regulations, in particular those valid in Germany, and shall bind separately their employees employed in connection with the contractual relationship and its performance to data secrecy unless they are already generally obliged in this regard.
- (2) If the Customer collects, processes or uses personal data, it shall be responsible for ensuring that it is entitled to do so in accordance with the applicable provisions, in particular those of data protection law, and shall indemnify baramundi from claims by third parties in the event of an infringement.
- (3) Personal data which baramundi collects in the course of performing its contractual obligations shall be dealt with in confidence and shall be collected, processed and used only to the extent that this is permitted by reason of provisions of data protection law or that the Customer consents thereto.

#### § 13 Mobile devices

Where baramundi's software is accessed on mobile devices within the context of contract fulfillment and processing, the Customer shall on its own responsibility ensure that there is no interference in any ownership positions of the respective users or other third parties. To this extent the Customer shall also ensure that where it does not own corresponding mobile devices, it is in possession of the requisite declarations of consent for such access.

## § 14 Implementation of certificates

The implementation of certain certificates shall as a rule be required in order to use baramundi's software. Such certificates can be used to verify certain properties of persons or objects, by means of encryption software based on cryptorgraphic methods. Information on the individual certificates required can be found in baramundi's product specifications. Where baramundi does not expressly provide the Customer with corresponding certificates or unless otherwise separately agreed between the parties, the Customer itself shall be originally responsible for such certificates

#### § 15 Amendment of these General Terms and Conditions of Business

- (1) baramundi reserves the right to amend these General Terms and Conditions of Business at any time while observing an appropriate period of notice of at least six weeks. baramundi shall inform the Customer of a corresponding amendment in text form
- (2) If the Customer does not object, the amended Terms and Conditions of Business shall be deemed to have been accepted. If an objection is made, the contract shall continue to apply unchanged, with the existing terms and conditions of business; baramundi shall, however, be entitled to pronounce ordinary termination in accordance with the contract.

## § 16 Final provisions

- (1) The law of the Federal Republic of Germany shall apply. The provisions of the United Nations Convention on the International Sale of Goods shall not apply.
- (2) Where the Customer is a merchant, a legal entity under public law or a special fund under public law, the legal venue for all disputes arising under the present contract shall be the court with jurisdiction for baramundi's registered office, unless an exclusive legal venue applies. baramundi shall, however, also be entitled to bring an action against the merchant at his place of residence or place of business. This shall not affect jurisdiction based on an exclusive legal venue.