

General Terms of Business of Hajuveda (Stand 05/2018)

(hereinafter referred to as "HAJUVEDA")

1. General

- 1.1 All supplies and services are based on these General Terms of Delivery and Payment. Deviating or supplementary agreement - in particular, opposing terms - require the express written consent of HAJUVEDA.
- 1.2 Orders and contracts or any representations by HAJUVEDA are only deemed to be accepted if they are confirmed by HAJUVEDA in writing. This formal requirement can only be waived in writing. Orders are processed by HAJUVEDA Instruments by automatic data processing equipment.
- 1.3 Delivery of manuals and documentations in addition to the printed material / program descriptions delivered together with the product / software and the user guidance or online help implemented in software as well as separate instructions are only owed if expressly agreed in writing.

2. Prices and payment

- 2.1 The price lists of HAJUVEDA in effect at the time the order is received apply to all products and services. The scope of supply and services defined in the written offer by HAJUVEDA is binding for all products and services not contained in the price list.
- 2.2 Unless agreed otherwise in writing, all prices are to be understood carriage forward ex HAJUVEDA point of delivery. Added to this must be value-added tax at the rate applicable on the date of the invoice.
- 2.3 An initial order is payable by remittance in advance or in cash at the time the system is delivered. The following terms of payment apply in all other cases: All payments shall be made clear net without any deduction within 14 days of dispatch date. Under commercial transactions, HAJUVEDA can charge interest at 3% above the discount rate of Deutsche Bundesbank after maturity, otherwise from the time on which payment is delayed. If the buyer delays payment, any future deliveries will only be made against advance payment.
- 2.4 For orders worth over EUR 50,000.00 (without value-added tax), 30 % of the purchase price are due and payable with the order confirmation, 60 % upon delivery and the remainder after installation and information that the product is ready for operation. If the installation is delayed by more than one month after the agreed date of delivery for reasons for which HAJUVEDA is not responsible, the (remaining) purchase price is due for payment one month after the information that the product is ready for delivery.

3. Delivery dates

- 3.1 Delivery dates are binding if in an individual case they are declared to be binding by the buyer and by HAJUVEDA in writing; otherwise all delivery dates are without obligation. If a deadline cannot be met due to unforeseen reasons which are out of control for HAJUVEDA, the deadline extends accordingly.
- 3.2 HAJUVEDA is only obliged to install the products delivered by it if binding agreement on the installation conditions at the installation site has been made between the buyer and HAJUVEDA.
- 3.3 If delivery is delayed, the buyer can withdraw from the contract without cost provided HAJUVEDA has been granted a reasonable additional period which has lapsed without the desired result.
- 3.4 Buyer can only claim damage due to delayed delivery or service if this has been agreed in advance. Such claim is limited to 0.5 % of the value of the order affected by the delay for every completed week of delay, subject to a maximum of 5 % of the affected order. HAJUVEDA does not accept any further liability for delayed delivery. This does not apply to cases of intent or gross negligence.
- 3.5 HAJUVEDA can carry out the supply or delivery in parts. The payment deadlines in 2.3 and 2.4 above apply accordingly.
- 3.6 The buyer can cancel the order only after prior agreement by HAJUVEDA. In that case the buyer, on HAJUVEDA's request, is obliged to pay at least 5 % of the basic price of the affected product or service calculated on the basis of the HAJUVEDA price list as compensation of the cost incurred by HAJUVEDA.

4. Passing of risk

- 4.1 The risk passes to the buyer at the time the goods are shipped by HAJUVEDA.

5. Retention of ownership

- 5.1 HAJUVEDA retains title to the delivered products until the purchase price and all outstanding balances are paid in full.
- 5.2 The buyer cannot acquire title to the products delivered by integrating other devices in the products. Any processing of products delivered by HAJUVEDA is for HAJUVEDA. If the products are integrated in other goods, HAJUVEDA becomes the co-owner of the new products in the relation the value of the HAJUVEDA products bear to the value of the other goods. The new products are goods reserved by HAJUVEDA.

- 5.3 Provided the buyer complies with his payment obligations to HAJUVEDA, he can sell the delivered products or products produced by combination with other goods in the ordinary course of his business but only with reservation of title.

- 5.4 Pledging or assignment as security of the reserved products is not permitted. In case a third party attempts to seize the reserved goods, the buyer shall inform such party of the ownership of HAJUVEDA and inform HAJUVEDA without delay. The buyer, for security reasons, hereby assigns to HAJUVEDA all receivables accruing to him from the sale/lease and the business relation with his buyers in connection with the sale/lease, including all ancillary rights, in the amount of the value of the delivered products.

- 5.5 Until revoked, the buyer is authorized and obliged to collect the assigned receivables. HAJUVEDA can inform the buyer's buyers of the assignment at any time. If the buyer fails to comply with his payment obligations, HAJUVEDA can take charge of the reserved goods at any time; this does not imply withdrawal from the contract. On buyer's request HAJUVEDA will release securities to the extent to which their value exceeds all debts to be secured by more than 20%.

6. Acceptance

- 6.1 HAJUVEDA performs a function test of the products and services as part of the final inspection in Mönchengladbach.
- 6.2 Acceptance is considered to be complete unless the buyer explicitly objects to this in writing within 14 days of the delivery of the products giving exact details of the defect with respect to which acceptance is refused.
- 6.3 To the extent to which HAJUVEDA installs the products as agreed, the function test will be performed by HAJUVEDA after the delivery and installation of the products at the installation site.
- 6.4 The function test is completed successfully if no defects are found in the products after they have been tested with the diagnostic and test programs and procedures defined by HAJUVEDA for this purpose.
- 6.5 In cases of clause 6.3, the products are accepted by the successful completion of the function test. The buyer can be present for the function test. After the successful function test, HAJUVEDA informs the buyer that the products are ready for service.

7. Warranty

- 7.1 HAJUVEDA warrants that the products are free from defects of material or workmanship at the time of the passing of risk.
- 7.2 HAJUVEDA undertakes, at its option, either to repair or replace defective products.
- 7.3 HAJUVEDA warrants that software agrees with the specifications listed by HAJUVEDA in the program documentation and that it has been prepared with professional care and diligence. Even though, it is not possible according to the state of the art that software operates completely without problem. Therefore, occasional faults in the program sequence which are not due to a programming mistake are no software defects. The buyer is responsible for selecting software functions, their use and the results obtained with it. Software faults which impair the intended use not only insignificantly will be repaired by HAJUVEDA according to HAJUVEDA's choice and according to the severity of the fault either by delivery of an improved software version or by instructions of how the fault can be repaired or the effects of the fault avoided.
- 7.4 If a fault occurs, the nature of the fault and how it manifests itself shall be described in a written notice of defect, e.g., by repeating the fault messages displayed by the computer and the working steps that preceded the occurrence of the fault.
- 7.5 If the repair or replacement fails, the buyer can demand a reduction of the purchase price or, in case of software, compensation or withdraw from the contract without cost.
- 7.6 The buyer grants HAJUVEDA occasion and a reasonable period of time for making good defects, at least of two weeks after receipt of the written notice of defect. If the buyer refuses this, HAJUVEDA is relieved of warranty.
- 7.7 Any warranty is voided if a defect is the consequence of changes made to a product by the buyer or a third party without the consent of HAJUVEDA, improper use or repair or if a product is not installed, operated and maintained according to instruction by HAJUVEDA.
- 7.8 Unless agreed differently, the warranty period is 12 months; the warranty period for spare parts as well as for repairs and replacement parts after the end of the original warranty period is 6 months; it is 12 months for end users. Basically, the warranty period begins with the delivery of the products to the buyer; if the products are installed by HAJUVEDA, the warranty period begins at the time the buyer is informed that the product is ready for operation. HAJUVEDA informs the buyer if a product contains separately picked or carefully overhauled parts whose performance is equal to that of new parts.
- 7.9 Generally, a specification is not an assurance of certain properties or a warranty.

8. Damage claims

- 8.1 HAJUVEDA is liable for cases of intent or gross negligence, cases of product liability and under the data protection act, for absence of an assured property, for malicious intent, legal defects and personal damage as provided by law.
- 8.2 The liability in cases of simple negligence is confined to the breach of essential contractual obligations and the typically foreseeable damage. For the rest, the supplier's liability in cases of simple negligence is limited to maximum 15 % of the compensation agreed for all types of performance in all cases of liability in any calendar year (for recurrent compensation in the respective calendar year) for whatever cause. Liability for lost profit and indirect damage is excluded.
- 8.3 HAJUVEDA is not liable for the replacement of data, unless the destruction has been caused by intent or gross negligence on the part of HAJUVEDA and the buyer has made sure that the data can be restored at reasonable cost from data material available in machine readable form.
- 8.4 The time bar for damage claims against HAJUVEDA, its subcontractors or agents is one year.

9. Industrial property rights and copyright

- 9.1 HAJUVEDA will hold the buyer harmless in relation to any violation of industrial property rights (including copyrights) in case the holder of the right makes (damage) claims in connection with the use of a HAJUVEDA product.
- 9.2 In addition, HAJUVEDA will ensure that, basically, the buyer can continue using the product. If this is not possible on reasonable economic terms, HAJUVEDA will in its discretion either change or replace the product so that it is non-infringing or receive the product back and refund the purchase price paid to HAJUVEDA, less an amount corresponding to the age of the product.
- 9.3 It is a condition for the existence of the above obligations of HAJUVEDA that the buyer has informed HAJUVEDA of any claim raised against him without delay, HAJUVEDA is in control of all defense actions, including settlement out of court and that violation of the protected right is not the consequence of changes having been made to a product delivered by HAJUVEDA, the product having been used in a way not described in HAJUVEDA publications or not having been used together with products not delivered by HAJUVEDA.

10. Software

- 10.1 The buyer is granted a non-exclusive and non-transferable right of internal use of HAJUVEDA software, third-party software (software developed by a software supplier unrelated with HAJUVEDA) and the relevant documentation and later supplements. Unless expressly agreed otherwise, the right of use under each one license is limited to one server / one machine in Germany, by one user at a time. If the software is purchased together with a hardware product, use of the software is limited to that hardware. The right of use is granted for an indefinite time unless a time limitation of the right of use is agreed in the order (such as by reference to an order number by HAJUVEDA with a corresponding specification). In any such case, the software must be deleted from all customer systems at the end of the agreed period of use and the original CDs and documentations destroyed or returned to HAJUVEDA upon the latter's request.
- 10.2 The customer is not permitted to edit the software. The buyer cannot demand to receive the source code of the software.
- 10.3 The buyer is not entitled to separate components of the software for installation on different computers.
- 10.4 Installation and configuration of the software are part of the service only of expressly agreed.
- 10.5 If the right of use is not limited in time, the buyer can sell the software to third parties. Where HAJUVEDA software is sold together with hardware, resale is only possible of both together. The original data volumes of the software shall be surrendered to the new buyer and the former owner shall delete all copies of the software. HAJUVEDA shall be informed about the sale.
- 10.6 HAJUVEDA can have compliance with the conditions for use checked by a suitable expert who undertakes an obligation of secrecy of all information which he comes to know in connection with the check. If the expert finds that applicable rights have been violated, the buyer shall bear the cost incurred for the expert.
- 10.7 If HAJUVEDA finds that the buyer violates any right of use, he shall inform the buyer of this in writing and set a reasonable time limit within which the violation must be made good. If the buyer fails to comply with this request, HAJUVEDA can terminate the right of use with immediate effect in writing. The buyer cannot claim reimbursement of the price paid for the software. HAJUVEDA can claim compensation of the damage suffered due to the unlawful use of the software. Any other claim to damage by HAJUVEDA remains unaffected.

11. Export

- 11.1 If products are exported, the buyer shall observe all applicable export regulations and inform his customers that special export regulations must be observed.

12. Custom procedure

- 12.1 If, on the customer's request, products are exported without export tax, the customer is responsible to HAJUVEDA for any later demand for such export by the customs authority.

13. Final provisions

- 13.1 The buyer is not entitled to transfer any rights or obligations from the contract except with the prior written approval of HAJUVEDA.
- 13.2 The buyer can set off against claims by HAJUVEDA or exercise a right of retention if the buyer's counterclaim is undisputed or is legally final and binding.
- 13.3 If a provision in these General Terms or any agreement on their basis should be or become ineffective, the other provisions will not be affected. Likewise, these General Terms of Business remain effective and applicable if a provision contained therein is found to be ineffective.
- 13.4 The place of performance is Mönchengladbach. If the buyer is a merchant, the legal venue for all claims under the contract or in connection with the concluded contract is Mönchengladbach; this also applies to the exchange of documents. In addition, HAJUVEDA can sue the buyer at a court with jurisdiction at the buyer's domicile or habitual place of residence.
- 13.5 This contract and all claims in connection with it are exclusively subject to German law. The provisions of the UN Convention on Contracts for the International Sale of Goods are excluded.