

GENERAL TERMS & CONDITIONS OF SALES OF ISECURETECH

I. General Provisions

1. The following provisions apply with regard to the scope of the transaction/delivery or the system development of hardware and/or software.
2. The purchaser has the non-exclusive right to use the standard and customized software with the agreed features in unmodified form on the agreed devices. The purchaser is permitted to make two backup copies without express agreement.
3. Deviating Terms and Conditions of the purchaser are hereby excluded. These Terms and Conditions shall also be refused if we do not expressly exclude them again after notification. The Terms and Conditions are only binding for us after we have expressly accepted their validity in writing.
4. We reserve the right to revise or amend these Terms and Conditions and special arrangements for specific products and technical areas. This applies in particular to products which are manufactured according to customer specifications.
5. If the transaction refers to deliveries or services which are subject to further technical development, then we are entitled to supply them in their most current version. In such cases, the purchaser may make claims if it is proven that he or she no longer has interest in the products due to changes in their current version.
6. The information and specifications in our prospectuses, data sheets, certificates and other general or specific printed papers were created or established to the best of our knowledge. They do not represent property guarantees which extend beyond the standard warranty. Such property guarantees must be expressly indicated as such and require separate written confirmation.
7. If we provide the purchaser with a sample, it is considered a prototype or engineering sample and not intended for reselling. The instructions we provide on how to use the prototype must be followed.
8. Partial deliveries are permitted and authorized for immediate billing.
9. Place of performance for contract debt is Hong Kong.

II. Payment Terms

1. The prices are calculated "EX WORKS" based on Incoterms 2000, excluding packaging, transport and insurance plus the sales tax in effect on the day of delivery.
2. If the supplier/manufacturer is responsible for setup or assembly/installation and unless otherwise agreed, the purchaser bears all additional costs such as for travel, transport and redemptions in addition to the agreed compensation.
3. Our invoices are 100% paid in advanced net of the billing date without any deduction.
4. In the case of payment default, we have the right to demand default interest of up to 8% over the discount rate of the Hong Kong Central Bank.
5. The purchaser can offset such claims only if they are undisputed or have been confirmed in a court of law.

III. Delivery and Assembly Periods

1. Specified delivery periods are approximate and non-binding. They begin in each case after final clarification of all execution details, especially those regarding technical matters.
2. As an exception, contractual execution and delivery periods only apply as agreed when they are expressly approved by us in writing.
3. Compliance with agreed delivery/assembly periods requires the prompt receipt of all documents and the necessary authorizations to be delivered by the purchaser as well as adherence to the agreed payment terms and other obligations by the purchaser. If these requirements are not fulfilled on time, the periods are extended to a reasonable degree.
4. The same applies for non-compliance of the periods due to force majeure, direct or indirect consequences of labor disputes or similar events.

IV. Title Retention

1. All objects of the deliveries/assembly (conditional goods) remain the property of the supplier/manufacturer until all relevant claims from the business agreement are fulfilled by the purchaser. As far as the value of all liens entitled to the supplier/manufacturer exceeds the amount of all agreed claims by more than 20%, the supplier/manufacturer shall release the respective part of the lien if requested by the purchaser.
2. During the existence of the lien the purchaser is prohibited from transferring ownership as security on a debt. Resale is only permitted to resellers in the ordinary course of business and under the condition that the reseller receives payment from his/her customers or adds the reservation that the property is transferred to the customer provided the customer's payment obligations have been fulfilled in full.
3. If the purchaser resells conditional goods, he/she cedes to the supplier/manufacturer all future claims from the resale on the customer including all ancillary rights without requiring a specific explanation at a latter date. If the goods are resold together with other objects without first agreeing on a single price for the conditional goods, the

purchaser cedes to the supplier/manufacturer, with priority over the remaining claims, that part of the total asking price which corresponds to the price of the conditional good charged by the supplier/manufacturer.

4. The purchaser must immediately notify the supplier/manufacturer of seizures, confiscations or other provisions or interventions by third parties.
5. Willful violation of basic contract obligations by the purchaser, in particular payment default, entitles the supplier/manufacturer to take back the product after a warning has been provided. The purchaser is obligated to hand over the good. The purchaser is granted the irrevocable right to access house and company property for the purpose of ownership recovery during the usual business hours. The return/exercise of the lien or the seizure of the delivery item by the supplier/manufacturer does not entail withdrawal from the contract unless expressly stated as such by the supplier/manufacturer.

V. Risk Transfer

1. Shipping and handling occurs at the purchaser's expense and risk. If requested, we will insure the shipment at the purchaser's expense.
2. Risk of destruction or loss of the delivery item is transferred to the purchaser upon delivery to the first carrier.
3. Risk is also transferred to the purchaser for freight paid by the supplier/manufacturer as follows:
 - a) For delivery/manufacturing without setup or assembly/installation if it is has been dispatched or picked up for shipping,
 - b) For delivery/manufacturing with setup or assembly/installation on the delivery date for in-house operation or, if agreed, after successful test operation
4. If shipping, delivery, setup or assembly/installation, or accepting shipment for in-house or test operation is delayed for reasons which can be attributed to the purchaser, or if the purchaser defaults acceptance for other reasons, the risk is transferred to the purchaser.

VI. Setup and Assembly/Installation

- Unless otherwise agreed, the following conditions apply for setup and assembly/installation:
1. If setup, assembly/installation or commissioning is delayed due to circumstances beyond the control of the supplier/manufacturer, the purchaser must bear the costs, to a reasonable degree, for the waiting period and additional travel and assembly costs.
 2. If the supplier/manufacturer demands acceptance of delivery after installation of customized software, the purchaser must meet this demand within four weeks. If this does not occur, acceptance is assumed. The same applies if the delivery is used after expiration of an agreed test phase.
 3. The purchaser is responsible for the following cooperative actions:
 - a) Provision of hardware (according to agreement) for installation of the software or for test runs.
 - b) Delivery of supporting programs (functional versions thereof) on which the software is to be set up.
 - c) Adherence to agreed schedules for test runs.

VII. Warranty and Notice of Defects

1. We are to be notified in writing of any plain defects within 10 days of delivery or service, and of any hidden defects within 10 days of determination.
2. Warranty claims are barred 6 months after expiration of the agreed test phase.
3. The supplier/manufacturer must be granted adequate time and chance to correct the error.
4. If the supplier/manufacturer fails to meet the deadline for correcting the defect, the purchaser can cancel the contract or demand a reduction in compensation.
5. The warranty does not extend to non-reproducible software errors or normal wear or damages arising after risk transfer due to defective or negligent handling, excessive use or unsuitable operating equipment that is not stipulated in the contract. Improper changes or service work performed by the purchaser or a third party and the resulting consequences are not covered by the warranty.
6. Any warranty claim requires that the alleged defective parts or devices are provided to us in unmodified form. Warranty claims are excluded if this is not the case, particular with regard to unauthorized modifications.
7. If source code is also transferred to the customer, the purchaser bears the risk for proving defects and any alleged errors following the transfer of the code and the test run.
8. Computer programs stored on data media, the program description and operating instructions and other accompanying written material are all considered software. a) We hereby point out that it is not possible given current technical standards to set up the computer software so that all applications and combinations

always function without error. Subject of the contracts can thus always only be a software, which according to the program description and operating instructions is generally usable and free of logical errors. The warranty is limited in each case of this kind.

The purchaser is responsible for proper selection and for the consequences of using the software as well as the intended and target results of the software. The same applies to the written material which accompanies the software.

c) If the software is not usable as described in point a, the purchaser has the right to cancel the contract. Additional claims do not exist unless willful or gross negligence on our part is established in a court of law.

VIII. Additional Liability

1. Damage claims by the purchaser arising from positive contract violation, violation of obligations during contract negotiations and unauthorized handling are excluded regardless of legal basis.
2. This does not apply if, for instance, liability from gross negligence or violation of basic contract obligations is mandatory according to the product liability law or in cases of intent.
3. However, compensation for violation of basic contractual obligations is limited to reasonable and foreseeable damages provided intent or gross negligence does not exist.
4. Liability regarding properties guaranteed by the supplier/manufacturer remain just as unaffected as the liability of damages resulting from defects covered by the guarantee.
5. Liability is in any case limited to the same value as the order.

IX. Copyrights

1. We reserve absolute ownership and copyright to the cost estimates, drawings and all other documents (in the following documents) and programs which we created or used in their creation.
- The documents and programs may only be made accessible to a third party, i.e. non-contractual party, with prior written consent by the supplier/manufacturer.
2. If passed on to a third party without prior consent, the purchaser is responsible for any resulting damages.

X. Final Provisions

1. Place of jurisdiction and performance for all disputes arising directly or indirectly from the contractual relationship is Wiesbaden, provided the purchaser is a merchant.
2. Should any provision of these Terms and Conditions be found to be invalid, the validity of the remaining provisions shall not be affected. A valid provision most closely reflecting the original intent shall replace the invalid provision.
3. Collateral agreements require written confirmation.
4. Hong Kong law applies exclusively, provided there are no conflicting mandatory international regulations.

XI.

We hereby inform you that we store customer-specific data on computer media during the course of business operation.

Valid from: 01.01.007

