

PROLAG World: General Terms and Conditions

§1 1 Scope of application

(1) These General Terms and Conditions apply exclusively to entrepreneurs, legal entities under public law or special funds under public law within the meaning of section 310 (1) of the German Civil Code (BGB). Any deviating, conflicting or supplementary General Terms and Conditions of the customer shall only be recognized by CIM GmbH to the extent that we have expressly agreed to their validity in writing.

(2) These General Terms and Conditions shall also apply to all future transactions with the customer, provided such transactions are of a similar legal nature.

§2 Offer, conclusion of contract

Where a purchase order is to be regarded as an offer pursuant to section 145 of the German Civil Code (BGB), CIM GmbH will recognize such an offer within ten (10) business days.

§3 Entrusted documents

CIM GmbH reserves all ownership and copyright rights for all documents provided to the customer in connection with the placement of the order, including but not limited to calculations, diagrams, and similar materials. Such documents must not be disclosed to third parties unless CIM GmbH has given its express prior written consent. If CIM GmbH does not accept the customer's offer within the period specified in section 2, all such documents shall be returned without undue delay.

§4 4 Software license, created or modified programs

(1) The customer is granted a non-exclusive, non-transferable right to use the programs, together with the associated documentation and any subsequent updates or amendments, solely for internal purposes and in connection with the products for which the software is supplied. All other rights to the programs and documentation, including all copies and subsequent updates or modifications, shall remain exclusively with CIM GmbH. The customer shall ensure that the programs and documentation are not disclosed to any third party without the prior written consent of CIM GmbH.

(2) Copies may generally only be made for archival purposes, as replacement copies or for troubleshooting. The provision of source code requires a separate written agreement. In some projects, it may be necessary for maintenance reasons to store the source code on the customer's system. In such cases, the customer is obliged to ensure the confidentiality of the source code. The customer shall be liable for any breaches of this obligation. If the original materials include a copyright notice, the customer shall ensure that this notice is also included on all copies.

(3) If a sales agreement or purchase order for custom software is terminated for a reason attributable to the customer, CIM GmbH shall remain entitled to the contractually agreed remuneration, subject to deduction of any expenses saved. CIM GmbH may, at its discretion, claim a lump sum of 60% of the agreed remuneration, unless the customer demonstrates in individual cases that higher savings in expenses have been achieved.

(4) The preparation of the project concept shall always form part of the contract. As the project concept already includes future software planning efforts, CIM GmbH shall be entitled to invoice the full costs of the project concept if the project is terminated by the customer after completion of the project concept phase.

§ 5 Consulting services, go-live support

(1) Consulting services shall be performed in accordance with generally accepted principles of management consulting. The scope of consulting services includes analyses and meetings at the customer's premises as well as the preparation of deliverables and reporting, and, where necessary, work carried out at CIM GmbH's registered office. If required, the customer shall provide CIM GmbH with a suitable workspace, including a desk and adequate seating. The customer shall also grant access to its telephone system and provide guest access to its network for business purposes.

(2) The customer shall ensure that CIM GmbH is provided, without prior request and in a timely manner, with all documents necessary for the performance of the assignment, and that CIM GmbH is notified of all processes and circumstances relevant to the execution of the assignment. This includes documents, processes and circumstances that become known only during the course of CIM GmbH's activities.

(3) The customer is familiar with the installation guidelines provided by CIM GmbH and expressly acknowledges the conditions set forth therein.

(4) CIM GmbH shall be entitled to further develop its services by using state-of-the-art and economically efficient tools and technologies, including hardware, software and current versions. CIM GmbH shall notify the customer in writing at least four (4) weeks in advance of any such changes or modifications, to the extent that they are expected to result in changes to the customer's information processing systems that are identifiable to CIM GmbH.

§ 6 Prices and payment

(1) Unless otherwise agreed in writing, the prices of CIM GmbH shall apply as stated in the offer or in the current price list, plus VAT (value-added tax) at the applicable rate. Costs for packaging and insurance shall be invoiced separately.

(2) The hardware prices shall be based on the supplier prices applicable at the time the offer is submitted, as well as on prevailing exchange rate, customs duties and import fees and any applicable discounts or price reductions, which shall always be stated separately in

the offer. If individual line items from an offer are not included in investment summaries, no discounts or price reductions can be derived therefrom. Investment summaries are always problem-specific compilations and do not reflect the customer's actual requirements with respect to the items contained in the offer.

(3) Payment of the purchase price shall be made exclusively to the company's official business account. Any deduction of cash discount shall only be permitted if expressly agreed in writing.

(4) Unless otherwise agreed, the purchase price shall be due and payable within ten (10) days of delivery. Interest shall be charged on any outstanding amounts from the due date at a rate of eight (8) percentage points above the applicable base rate per annum. The right to assert further damages caused by default remains reserved.

(5) Unless a fixed-price agreement has been concluded, reasonable price adjustments due to changes in labour, material and distribution costs shall remain reserved for deliveries that occur three (3) months or later after conclusion of the contract.

§ 7 Set-off

The customer shall only be entitled to set-off rights if its counterclaims have been declared final in a court of law or are undisputed. A right of retention may only be exercised to the extent that the customer's counterclaim is based on the same contractual relationship.

§ 8 Delivery period

(1) The commencement of the delivery period specified by CIM GmbH is subject to the timely and proper fulfilment of the customer's obligations. The right to refuse performance on the grounds of non-performance of the contract remains reserved.

(2) If the customer is in default of acceptance or otherwise neglects their contractual duties or obligations, CIM GmbH shall be entitled to compensation for any resulting damages, including any additional effort or expenses occurred. Any further claims shall remain unaffected. In such cases, the risk of accidental loss or accidental deterioration of the goods shall pass to the customer at the time the customer enters into default of acceptance or debtor's default.

(3) In the event of delivery delay, CIM GmbH reserves the right to offer the purchaser a revised delivery date or to withdraw from the contract.

(4) Any further statutory rights and remedies of the customer arising from a delay in delivery shall remain unaffected.

§ 9 Transfer of risk in shipping

Where the goods are shipped to the customer at the customer's request, the risk of accidental loss or deterioration of the goods shall pass to the customer upon dispatch, and at the latest when the goods leave the factory/warehouse. This shall apply regardless of whether the goods are shipped from the place of performance or who bears the freight costs.

§ 10 Retention of title

(1) CIM GmbH shall retain title to all goods delivered until full payment of all amounts due under the agreed payment plan. This retention of title shall also apply to all future deliveries, even if not expressly stated or specifically referenced each time. In the event of any breach of contract by the customer, CIM GmbH shall have the right to repossess the goods.

(2) The customer is obliged to handle the purchased goods with due care as long as ownership has not yet been transferred. In particular, the customer is required to insure the goods adequately at their own expense against theft, fire and water damage at replacement value. Any maintenance and inspection work required shall be carried out by the Customer in a timely manner and at its own expense. As long as ownership has not yet been transferred, the customer shall notify CIM GmbH immediately in writing if the delivered item is seized or otherwise subject to claims or interventions by third parties. If the third party is unable to reimburse CIM GmbH for the judicial and extrajudicial costs of legal action pursuant to section 771 of the German Code of Civil Procedure (ZPO), the customer shall be liable for the resulting loss incurred by CIM GmbH.

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(3) The customer is not entitled to assign as security or pledge goods subject to retention of title. The customer hereby assigns in advance all claims arising from the resale of such retained goods against its own contractual partners. This also applies to any balance claims arising from a current account relationship, where the customer has agreed such an arrangement with its contractual partner. The customer shall only be obliged to disclose the identity of the relevant debtors upon request. CIM GmbH is entitled at any time to disclose the assignment of claims to such debtors.

(4) The processing or transformation of the purchased goods by the customer shall always be carried out on behalf of and for CIM GmbH. In such cases, the customer's expectant right in the purchased goods shall continue to exist in the new or transformed item. If the goods are processed or combined with other items not owned by CIM GmbH, CIM GmbH shall acquire co-ownership of the new item in proportion to the objective value of the purchased goods relative to the other processed items at the time of processing. The same shall apply in the event of mixing or combining. If such mixing is carried out in a way that the customer's item is to be regarded as the principal item, it is hereby agreed that the customer shall transfer proportional co-ownership to CIM GmbH and shall hold the resulting sole ownership or co-ownership in safe custody on behalf of CIM GmbH. To secure CIM GmbH's claims against the customer, the customer also assigns to CIM GmbH any claims against third parties arising from the combining of goods subject to retention of title; CIM GmbH hereby accepts this assignment.

(5) If the achievable value of the securities exceeds CIM GmbH's claims against the customer by more than 20%, CIM GmbH shall, at the customer's request and at its discretion, release securities to which we are entitled to a corresponding extent.

§ 11 Warranty, notification of defects, recourse

(1) The customer may assert warranty claims only if it has properly fulfilled its duties of inspection and notification of defects pursuant to section 377 of the German Commercial Code (Handelsgesetzbuch – HGB).

(2) Any claims arising from defects shall be subject to a limitation period of twelve (12) months from the date on which the goods supplied by CIM GmbH are delivered to the customer. The foregoing limitation shall not apply to the extent that longer limitation periods are mandatorily prescribed by law. The customer shall obtain the prior written consent of CIM GmbH before returning any goods.

(3) If, despite all due care, the goods delivered are found to be defective and the defect existed at the time of transfer of risk, CIM GmbH shall, provided that the Customer has given timely notice of the defect, at its discretion either repair the defective goods or deliver replacement goods. CIM GmbH shall be given the opportunity to remedy the defect within a reasonable period of time. Any statutory rights of recourse shall remain unaffected by the foregoing provisions.

(4) CIM GmbH may, at its discretion, perform any rectification either at the place where the goods are installed or at any other location. Repair or replacement shall not result in any extension of the warranty period for the rectified software.

(5) The customer may request that warranty services be carried out only during CIM GmbH's regular business hours. Should warranty services be carried out outside CIM GmbH's regular business hours at the customer's request, the customer shall be liable for any additional costs incurred, charged in accordance with CIM GmbH's applicable rates at the time.

(6) If two attempts at rectification fail, the customer shall be entitled, without prejudice to any claims for damages, to rescind the contract or to reduce the remuneration.

(7) There shall be no warranty claims for problem level 3 and 4 defects in the case of minor deviations from the agreed quality, insignificant impairment of usability, or natural wear and tear, nor in respect of damage occurring after transfer of risk due to improper or negligent handling, excessive use, unsuitable operating materials, defects in installations to be provided by the customer, failure to comply with CIM GmbH's instructions for preparation of the installation site, or due to external influences not envisaged under the contract. The same shall apply if repair or modification work is improperly carried out by the customer or third parties, including any resulting consequences.

(8) Claims by the customer for reimbursement of expenses incurred in connection with subsequent performance, including transport, travel, labour and material costs, shall be excluded to the extent that such expenses are increased as a result of the goods supplied by CIM GmbH having been relocated to a location other than the customer's place of business, unless such relocation is in accordance with the intended use of the goods.

(9) The customer's recourse claims against CIM GmbH shall exist only to the extent that the customer has not entered into any agreements with its own purchaser that go beyond the mandatory statutory warranty rights. Section 8 shall apply to the scope of the customer's right of recourse against the supplier.

(10) CIM GmbH's liability, regardless of the legal basis, shall be restricted to the coverage limits of its professional liability insurance for IT service providers. Such insurance coverage complies with the statutory requirements for personal injury and property damage. Data loss shall be treated as property damage. CIM GmbH shall not be liable for any consequential damages.

§ 12 Acceptance

The standard software shall be demonstrated to the customer using their own test data and shall be subject to an initial procedural acceptance review. Thereafter, the customer shall conduct their own testing, including iterative acceptance reviews and a User Acceptance Test (UAT). Approval for go-live shall be deemed to have been granted once the go-live dates have been confirmed, provided that no unresolved/ critical defects/errors classified as Problem Levels 1 or 2 exist (as defined in the Appendix).

Acceptance shall be deemed to have been granted at the latest upon productive go-live of the system. Acceptance shall remain effective even where there are items recorded in the "open issues list."

§ 13 Export regulations

To the extent that the delivered goods are of U.S. origin, they are approved for use within the Federal Republic of Germany and for re-export to any country except those subject to U.S. trade sanctions, embargoes or other export restrictions. Export to embargoed territories requires a special U.S. export license.

§ 14 Miscellaneous

(1) This contract and all legal relation(ship)s between the parties shall be governed by and construed in accordance with the laws of the Federal Republic of Germany excluding the United Nations Convention on the International Sale of Goods (CISG).

(2) The place of performance and exclusive place of jurisdiction for all disputes arising from or in connection with this contract shall be CIM GmbH's registered place of business in Fürstentfeldbruck, unless otherwise stated in the order confirmation.

(3) Any amendments or additions to this contract must be made in writing. This requirement shall also apply to any amendment or waiver of this written form clause. No verbal supplementary agreements shall be made.

(4) Should any provision of these General Terms and Conditions be held invalid or become ineffective, or should any omission be identified, the remainder of the contract will still remain in effect.

Appendix – Defects by problem level (1–4)

- Problem level 1 defect: System standstill or shipping not possible
- Problem level 2 defect: Essential functions have failed or are operating with restrictions, resulting in limited shipping operations.
- Problem level 3 defect: A defect that needs to be rectified for usability reasons but is not causing any major functional impairments.
- Problem level 4 defect: A defect that is not causing any major functional impairments but needs to be rectified at some point in the future.