General Terms and Conditions and Order Conditions

The following General Terms and Conditions and Order Conditions apply to all current and future business relations between the Companies

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(Hereinafter referred to as Contractor)

and its Principals unless provisions deviating therefrom or contrary thereto are expressly agreed upon in writing or are mandatory by virtue of law.

1. Placing and Scope of Orders

(1) In each case, the individual order that was placed and any supplementary agreements thereto shall be decisive for the scope of the service that is to be performed by the Contractor. When no relevant provisions are contained therein, these General Terms and Conditions and the statutory provisions shall apply additionally in this order of sequence.

(2) Orders are binding for the Principal. The Contractor is entitled to accept the offer of a contract contained therein within two weeks of its receipt by means of a written statement, by the performance of the service or by the commencement of the performance of the service which is discernible for the Principal.

(3) Preparatory and follow-up work which is required and necessary for the performance of the ordered services as such, in the preparation of computer programmes, of hardware and application solutions, in particular the analysis of the actual situation in the proposed fields of application, the analysis, evaluation and documentation of the requirements of the Principal, all work required for the preparation of software specifications as well as the instruction and training services to be performed by the Contractor after the preparation constitute services performed by the Contractor which are subject to a separate remuneration, unless something else was agreed upon in this respect in the order.

(4) Software specifications prepared between the Parties shall constitute - replacing all previous preliminary and intermediate studies - the binding basis for the preparation of data processing programmes, hardware and other application solutions only when they were signed by both Parties. The content of software specifications is to be understood as an agreement in respect of the quality of a programme, of a hardware or application solution as is to be provided under the Contract only to the extent to which it is determined in the final written version. .

(5) A documentation of the programme development and application and/or of another hardware or application solution is to be provided by the Contractor only when this has been agreed upon between the Parties.

(6) Both in the stage of planning and of performance, the Principal shall provide to the Contractor all required information in respect of the actual situation in the proposed fields of application, of objectives and priorities of business policy and procedures as well as in respect of all other requirements imposed by it under its field of competence for the performance of the services by the Contractor.

(7) Offers for the delivery of goods are without engagement. The right to technical modifications as well as changes as to shape or colour is reserved within the framework of acceptability.

(8) When goods are delivered, the relevant Contract is concluded subject to the correct and timely receipt ot deliveries by the Contractor's outside suppliers. This shall apply only in the event that the non-delivery is attributable not only to the Contractor. In the event of the non-availability of the goods, the Principal shall be informed immediately; payments which were already made shall be refunded.

2. Retention of Title

(1) When contracts are concluded with users, the Contractor retains the title to goods delivered by it until the purchase price has been paid in full. When contracts are concluded with entrepreneurs, the Contractor retains the title to goods delivered by it until all accounts receivable under an ongoing business relationship have been paid in full.

(2) When an entrepreneur sells in the ordinary course of business goods delivered by the Contractor under retention of title, it assigns to the Contractor already now all accounts receivable in the amount of the invoiced amount which arise for it on account of the resale. The Contractor accepts this assignment already now. After the assignment, the Principal is, as a general principle, entitled to the collection of the account receivable. The Contractor retains the right to collect the account receivable itself as soon as the Principal gets into arrears with payments to it.

3. Acceptance of Programmes and Services

(1) The precondition for the acceptance of programmes, of hardware or application solutions and of other services performed by the Contractor is a performance test that is to be carried out by the Principal within three working days of the information on the completion and/or the handing-over. Upon the successful execution of the performance test, the Principal has to declare the acceptance immediately in writing. The performance test is deemed to have been successful when a programme or another service meets in all essential aspects the requirements provided for in the Contract.

(2) The Principal is obliged to inform the Contractor immediately in writing when it becomes aware in the course of the performance test of deviations from the requirements stipulated in the Contract. Deviations from the requirements stipulated in the Contract which are identified in the course of the performance test and are not of a significant nature do not entitle the Principal to refuse the acceptance. Deviations which are not of a significant nature in this sense are to be recorded as shortcomings in the written acceptance statement.

(3) When the Principal is an entrepreneur and does not declare the acceptance without any delay, the Contractor may set for it in writing a time-limit of two weeks for making the said declaration. The acceptance is deemed to have been made when the Principal does not specify in writing within the set time-limit the reasons for the refusal of the acceptance.

4. Warranty

(1) The Contractor warrants that programmes, documentation, hardware and application solutions and its other services have the agreed quality and do not have any shortcomings which impair their fitness for the use as stipulated in the Contract, otherwise for an ordinary use. An insignificant impairment will not be taken into account. The Principal is aware of the fact that, according to the state of the art, it is not possible to prepare a programme which is completely free from errors and/or a hardware or application solution that is completely free from errors.

(2) When the Principal is an entrepreneur, the warranty period for the preparation of programmes, application solutions and the delivery of goods is 12 months, unless longer warranty periods were expressly agreed upon in writing.

(3) When the Principal is a user, the warranty period for the preparation of programmes, application solutions and the delivery of second-hand goods is 12 months; for the delivery of new goods it is 24 months.

(4) When the subject-matter of the order is the preparation of programmes, of hardware and/or of application solutions,

the warranty period commences upon their acceptance and is extended by the number of days on which programmes, hardware or application solutions could not be used due to shortcomings more than twelve hours as provided for in the order, provided that the Principal has in each case informed the Contractor in writing and without delay of such periods of interruption.

(5) Shortcomings which have not already been listed in the Acceptance Declaration are to be notified in writing by the Principal to the Contractor immediately after their detection. This notification is to be accompanied by a description of the specific shortcomings. Upon its request, the Principal shall provide to the Contractor to an acceptable extent supporting documents and information which the same requires for their assessment and removal.

(6) Shortcomings which are duly reported before the expiration of the warranty period are remedied by the Contractor at its own cost. When a check-up shows that no shortcoming exists, the Contractor may demand a reimbursement of its expenses on the basis of its general hourly rates plus the required outlays.

(7) The warranty shall not apply when the Principal, without the consent of the Contractor, modifies itself programmes, hardware or other application solutions and services and/or supplements the same by components from third suppliers or has the same modified or supplemented by third parties in this sense without the same being required on account of a delay on the part of the Contractor and the lapse of an additional period of time that had been set by the Principal or on account of other substantial reasons, in order to facilitate a use in accordance with the Contract. Sentence 1 does not apply when the Principal proves that the said shortcomings were not caused by the modification or supplementation made by it or by the third party.

(8) The warranty shall also not apply when a substantial deviation of the services of the Contractor from the possibility of use as provided in the Contract which is to be regarded as a shortcoming is attributable to a culpable infringement of the Principal's obligation to co-operate as provided for in Item 1.), sub-paragraph 6.

(9) When substantial shortcomings are not remedied by the Contractor within two weeks of the receipt of the appropriate notice of shortcoming or are not resolved by an adequate interim arrangement, the Principal may set the Contractor an adequate additional period of time for the removal of the shortcoming or its subsequent remedy. Upon the expiration of the time limit, the Principal may at its option annul the Contract as a whole or in part or may demand the reduction of the remuneration as well as damages within the framework of the limitations of liability under Item 6.) of the present Conditions unless the shortcoming has been remedied in time. Claims for remuneration of the Contractor for services rendered within the planning stage pursuant to Item 1.), sub-paragraph 3 shall not be affected thereby.

(10) The right of the Principal to assert, deviating from sub-paragraph 7, under the preconditions set forth therein, claims on account of shortcomings on the basis of the statutory provisions without the setting of a time limit for a subsequent performance shall remain unaffected.

(11) In the event of the withdrawal from the Contract, the Principal owes up to the date of the withdrawal an adequate user fee which is to be ascertained on the basis of a straight-line four-year period of depreciation.

5. Rights of Use

(1) For services of the Contractor which enjoy protection under the provisions of the Copyright Act (UrhG), and enjoy protection within the meaning of Section 69 a et seq. UrhG for other services, in particular for computer programmes, rights of use shall be deemed, as a general principle, transferred to the Principal only to the extent that was agreed upon or is indispensable for the use as contemplated in the Contract. Section 31, sub-paragraph 5 UrhG shall apply to these services directly and shall apply mutatis mutandis to such services which do not enjoy any protection under the Copyright Act only because they do not reach the level for a work as provided for in the Copyright Act.

(2) The transfer of rights of use no matter of which kind shall

be made subject to the timely and complete settlement of the contractually agreed claims for remuneration of the Contractor. A consent of the Contractor to the use by the Principal which precludes the unlawfulness pursuant to Section 97 UrhG is deemed revoked upon the expiration of the time limit when the Principal does not meet its payment obligations also within an additional period of time which had been set for it by means of a written reminder.

6. Confidentiality

(1) The Contractor shall be obliged to keep secret for an indefinite period of time all information made available to it in connection with the execution of the assignment which are termed confidential by the Principal or which are otherwise recognisable as trade or business secrets of the Principal and not to record them nor pass them on or exploit them unless required for achieving the purpose of the Contract.

(2) Subject to the observance of the provisions of sub-paragraph 1, the Contractor shall not be prevented from developing programmes of a similar nature for third parties using knowledge gained in the course of the execution of the assignment.

7. Limitations of Liability

(1) A liability of the Contractor, no matter for which legal ground, shall arise only when the damage

a) was caused by a culpable violation of a substantive contractual obligation in a manner jeopardising the achievement of the purpose of the Contract or

b) is attributable to gross negligence or intent on the part of the Contractor.

(2) When the Contractor is liable pursuant to sub-paragraph 1 a) for the violation of a substantive contractual obligation, in the absence of gross negligence or intent, the liability shall be limited to the extent of the damage the occurrence of which the Contractor had typically had to expect on the date of the conclusion of the Contract owing to the circumstances which were known to it on that date.

(3) A limitation of liability pursuant to sub-paragraph 2 applies likewise to damage caused by gross negligence or intent by staff-members or authorised persons of the Contractor who are not its general managers or executive employees.

(4) In the cases of sub-paragraphs 2 and 3, the Contractor is not liable for direct damage, consequential damage of shortcomings or loss of profit.

(5) For the loss of data and programmes and their retrieval, the Contractor shall also be liable only to the extent provided for in sub-paragraphs 1 to 4 and also only to the extent to which this loss could not have been avoided by adequate precautionary measures of the Principal, in particular by the daily making of backup copies of all data and programmes.

(6) The limitations of liability pursuant to sub-paragraphs 1 to 5 apply mutatis mutandis also in favour of the staff-members and authorised persons of the Contractor.

(7) A liability of the Contractor, if any, for the absence of the warranted quality, on account of the Product Liability Act or of personal injury and injury to health attributable to the Contractor as well as the loss of the life of the Principal attributable to the Contractor shall remain unaffected.

8. Miscellaneous

(1) German law, excluding the UN Sales Convention, shall apply exclusively to the assignment, its execution and the claims resulting therefrom.

(2) When the Principal is a businessman, a legal person under public law or a special fund under public law, the exclusive place of jurisdiction for all disputes under the present Contract is the place of business of the Contractor. The same applies when the Principal has no general place of jurisdiction in Germany or when the place of residence or the habitual residence are not known at the time when an action is brought.

(3) If individual provisions of the present General Terms and

Conditions and Order Conditions are or become invalid, the validity of the remaining provisions is not affected thereby. The invalid provision is to be replaced by a valid provision which comes as close as possible to the meaning and purpose of the invalid provision.

4) Amendments of and supplements to these General Terms and Conditions and Order Conditions require the written form.

5) General Terms and Conditions of others, purchase and payment conditions of the Principal as well as deviating agreements in respect of the place of jurisdiction have no effect. Defensive conditions of others have no effect. Deviating, opposing or supplementary General Terms and Conditions of the Principal do not become a subject-matter of the Contract even when they are known unless their validity was expressly approved in writing by the Contractor.