

Standard Terms of Business

of Herbert Kannegiesser GmbH (hereinafter referred to as the “Licensor”) for the Delivery of Data Information Systems, including Updates, Databases, and Documentation (hereinafter referred to as the “Terms and Conditions for Data Information Sys- tems”)

I. Scope of Application

1. The following provisions govern the general terms and conditions for all contracts relating to data information systems under Subsection 2 entered into by the Licensor with:
 - a person engaging in business or independent professional activities in entering into the contract (an entrepreneur), or
 - a public law legal entity or a special fund under public law(hereinafter referred to as the “Licensee”).
2. This encompasses both license agreements for the licensing of data information systems developed by the Licensor (e.g. “Laundry Reports” and “Laundry Viewer” in all available versions) including updates and upgrades and databases with pertinent database software (hereinafter collectively referred to as the “data information system”), and contracts with respect to the care (maintenance and/or support) of data information systems and individual modules of data information systems, and service contracts for consulting activities provided by the Licensor in this area.
3. As a precautionary measure, the Licensor hereby objects to any and all Terms of Purchase, Terms of Business, or License Terms of the Licensee. Such Terms of Purchase, Terms of Business, or License Terms of the Licensee are not imported into the contract through acceptance the order and only apply if confirmed by the Licensor in writing.

II. Contract Formation

1. In the absence of a special agreement, a contract does not come into being until there is written confirmation of the order by the Licensor. Offers made by the Licensor prior to this are generally non-binding.
2. All agreements entered into by the Licensor and the Licensee for the purpose of implementing this contractual relationship shall be set forth in the contract or the underlying offer of the Licensor in writing, including these Terms and Conditions for Data Information Systems. The written contract shall fully reflect all the agreements between the parties relating to the subject matter of the contract. Verbal promises made by the Licensor before entering into the written contract shall be legally non-binding, and verbal agreements of the parties shall be superseded by the written contract, unless the parties expressly state that they remain binding.

3. The Licensor retains all ownership and copyright rights in the data information system, any hardware components, the related documentation, and similar information of a tangible or intangible nature – including in electronic form.
4. Agreements about the qualities, functionality, and availability of the data information system shall be deemed to be guarantees only if they are expressly designated as such.

III. Scope of Services

1. The Licensor shall provide the services specified in the particular contract offer and related appendices.
2. The following services are *not* included in the scope of services and thus remain the direct responsibility of the Licensee – unless otherwise expressly agreed:
 - a) the selection and furnishing of the hardware on which and the system environment within which the data information system – which may still have to be implemented – will be used. This includes the necessary network access points, interfaces, information, auxiliaries, etc.
 - b) the implementation and start-up of the data information system
 - c) the proper protection of the Licensee's data (proper back-up and restoration of data), and
 - d) monitoring the performance of the data information system and the data volume in the Licensee's database. This also includes any resulting hardware adjustments.

IV. Grants of Rights

1. The Licensor grants the Licensee a non-exclusive, temporally and geographically unrestricted right to use the data information system on the number of workstations and for the number of machines specified in the particular order confirmation (license).
2. This shall not apply if the parties have expressly agreed to a test run of the data information system. In this case, the Licensee shall receive a non-exclusive right to use the data information system for purposes of the test run, which is temporally limited to the duration of the agreed-upon test run and geographically limited to the test site.
3. The Licensee can use the data information system for its own purposes. The use of the data information system on more workstations or more machines than are licensed under Subsection 1, above, is expressly prohibited.
4. The Licensor retains the right to conduct an annual count of the Licensee's licenses to determine whether the total number of licenses acquired has been exceeded. The count shall be conducted at the Licensee's business premises during regular business hours after prior notice. The Licensee shall permit the necessary access to the workstations where the data information system is installed. The results of the count shall be provided to the Licensee in text

form within one week. If the results of the license count show that the maximum permissible number of licenses has been exceeded, the Licensee must uninstall the excess number of licenses within 30 days of receipt of the notice of the results of the count in text form or purchase an appropriate number of licenses at the prices in effect at the time. This provision does not preclude liability on the part of the Licensee for willful copyright infringement.

5. To the extent the Licensor is to make adaptations for the Licensee (customization) and/or develop interfaces or enhancements, the grant of rights shall be effectuated under the same terms and conditions. The same applies to the right of use with respect to any care/maintenance services provided by the Licensor to the Licensee.
6. Notwithstanding the foregoing provision, the rights of use shall terminate if the contract is rescinded, with the proviso that the Licensee can continue using the data information system until a new system is installed, but no longer than three months. In the interim period, the Licensee must pay the appropriate license fees on a pro rata basis.

V. Right of Reproduction

1. The Licensee may copy the data information system to the extent such copying is necessary to use the data information system in accordance with the contract. This includes, in particular, installing the data information system and loading the data information system into working memory. Copying the data information system for the purpose of proper data back-up is also considered to be contractual use .
2. In addition, the Licensee can copy the data information system for back-up purposes. However, it may only make and archive one back-up copy. This back-up copy must be labeled as such.
3. All other rights to the data information system and the documentation, including the copies, shall remain with the Licensor.

VI. Resale or Licensing

The Licensee may not sell the data information system to third parties or permit third parties to use it for a period of time without the express prior written consent of the Licensor.

VII. Decompiling and Program Modification

1. The Licensee or a third party may not modify or revise the data information system.
2. Retranslation of the program code that has been provided into other code forms (decompiling) and other forms of deduction of the various manufacturing steps for the data information systems (reverse engineering) are prohibited.

3. Copyright notices, serial numbers, and other program identification features may not be removed or modified unless the Licensor gives its express prior written consent to the removal or modification. The same applies to the suppression of any display of such features.

VIII. Duty of Care

1. The Licensee shall prevent unauthorized access to the data information system by third parties.
2. The Licensee shall instruct its employees to honor the Licensor's copyright to the data information system. If any of the Licensee's employees infringes the Licensor's copyright, the Licensee shall cooperate in investigating the copyright infringement and, in particular, shall give the Licensor prompt notice of the infringing acts.
3. The Licensee is responsible for properly backing up its data. For this purpose, the Licensee shall regularly back-up its data and check that the back-up was error-free by restoring the data. The Licensee must conduct its first data back-up before the start of the initial installation of the data information system. Thereafter, the Licensee shall do so for every new installation and for the installation of updates, upgrades, enhancements and/or new releases of the data information system.

IX. Prices and Payment Terms

1. In the absence of a special agreement, prices shall be deemed to be *ex works* including shipment from the plant – for delivery of data carriers – but excluding packaging. To the extent implementation of the data information system and start-up are components of the contract, prices shall include delivery to the Licensee and implementation of the data information system at the Licensee's premises, including the necessary preparatory services. The prices do not include VAT tax and any customs duties that may be incurred.
2. Unless otherwise agreed, full payment must be transferred to the Licensor's account within 15 business days of the invoice date.
3. Payment is deemed to have been made with receipt by the Licensor. Payment by check is deemed to have been made when the check is honored. If the Licensee fails to make payment when due, the outstanding amounts shall bear interest at 8 percentage points above the base interest rate set by the European Central Bank starting on the due date. This does not affect the Licensor's right to seek higher interest and additional damages due to the default.
4. The Licensee has the right to withhold payments or set off counter-claims only to the extent that the counter-claims are uncontested or legally established.
5. If, after entering into the contract, it becomes apparent that the Licensor's claim to the contract price is jeopardized by the Licensee's inability to pay (e.g. due to a petition to open insolvency proceedings), the Licensor shall be entitled to refuse to perform in accordance with the relevant statutory provisions and to rescind the contract – after providing a grace period, if necessary (§ 321 of the German Civil Code [BGB]). With contracts for the manufacture of non-standard items (the development of data information systems or customi-

zation solely for the Licensee), notice of rescission can be issued immediately. This shall not affect the statutory provisions on when the setting of a grace period may be dispensed with.

6. To the extent implementation of the data information system and start-up are included in the scope of services, the following shall apply:
 - a) The costs of the implementation of the data information system and the start-up shall be borne by the Licensee.
 - b) The Licensee shall assume responsibility for providing the items needed to implement the system and place it in operation at its own expense and risk (particularly the hardware and the system environment in accordance with Subsection III 2 a), provide these items in due time, and furnish an adequately qualified employee who is familiar with the Licensee's system environment. If the Licensee fails to meet these obligations by the contractually agreed-upon deadline and the agreed-upon implementation and start-up of the data information system cannot be effectuated by the Licensor for this reason, the Licensor's invoice for the data information system shall be due and payable immediately upon notification of the Licensee that the data information system is ready for shipment.
 - c) If implementation and start-up of the data information system is delayed by circumstances at the Licensee's business premises through no fault of the Licensor, the Licensee shall bear all the costs of the waiting period and any additional trips by the Licensor that may be necessary. This shall be governed by the Licensor's applicable Terms and Conditions for Installations.
 - d) The Licensee shall certify that the work was performed and the data information system was started up to the Licensor's agent on the record of transfer of possession.
 - e) The Licensor shall not be liable for any work for which the Licensee was to make the arrangements.

X. Time of Performance, Consequences of Delayed Performance

1. The time of performance is governed by the agreements between the contracting parties. However, it is only binding if it has been agreed upon in writing by the parties. The Licensor is only required to perform within this period if all the parties' business and technical questions have been clarified and the Licensee has met all the obligations incumbent upon it, such as supplying the necessary hardware and system environment (see Subsection III 2 a) or making the agreed-upon advance payment. If this is not the case, the time of performance shall be appropriately extended. This does not apply to the extent the Licensor is responsible for the delay.
2. The time of performance has been complied with if the information system has left the Licensor's plant by the expiration of this period or the Licensee has been notified that the data information system is ready for shipment or available for download. To the extent there is a formal acceptance to take place – unless there is justification to refuse acceptance – the date of acceptance

shall be controlling or, to the extent the Licensee does not participate in the formal acceptance, the notification of readiness for formal acceptance shall be controlling.

3. If the shipment, download, or acceptance of the data information system is delayed for reasons within the Licensor's area of responsibility, the Licensor shall be charged for the costs incurred by the Licensee due to the delay, commencing one month after notification of readiness for shipment, download, or acceptance.
4. If the failure to perform within the agreed-upon time is attributable to *force majeure*, labor disputes, or other events outside the Licensor's sphere of influence, the time of performance shall be reasonably extended. The Licensor shall inform the Licensee of the beginning and end of such events as soon as possible. If the aforementioned circumstances last for more than six months, either party shall be free to rescind the contract without any duty to compensate – with the exception of refunding any advance payment already made for which there has been no reasonable quid pro quo.
5. The Licensee can rescind the contract without providing a grace period if full performance becomes impossible for the Licensor before the risk of loss passes. The same shall apply if the Licensor is unable to perform.
6. If the impossibility of performance or the inability to perform arises during a delay in acceptance or if the Licensee for is solely or primarily responsible for these circumstance, the Licensee shall be obligated to provide a quid pro quo.
7. If the Licensor is in default and the Licensee suffers losses as a result, the Licensee shall be entitled to demand lump-sum damages for the default. For every full week of delay, damages shall be 0.5% but no more than a total of 5% of the value of the particular part of the overall delivery that could not be used in due time or in accordance with the contract due to the delay.
8. If the Licensee provides the Licensor with a reasonable grace period after the due date in which to perform – taking the statutory exceptions into account – and if the Licensor does not perform within the grace period, the Licensor [sic] shall be entitled to rescind the contract in accordance with the statutory provisions. The Licensee agrees to state whether it will make use of its right of rescission within a reasonable period of time at the request of the Licensor.
9. Additional claims based on default are governed exclusively by Section XV of these Terms and Conditions for Data Information Systems (Liability).

XI. Transfer of the Risk of Loss, Acceptance

1. Subject to any written agreements to the contrary, the risk of loss shall pass to the Licensee when the data carrier bearing the data information system leaves the Licensor's plant and is delivered to the shipper, carrier, or other third party designated to ship the goods. To the extent the data information system is made available by download, the risk of loss shall pass to the Licensee with the implementation of the data information system.
2. To the extent there is an official acceptance, it shall be controlling with respect to the transfer of risk. Such an acceptance procedure must be carried out promptly as of the acceptance date, or, alternatively, after the Licensor's noti-

fication of readiness for official acceptance. The Licensor shall inform the Licensee of the acceptance date in writing in the notification of readiness for official acceptance, in order to provide the Licensee with an opportunity to be present or represented at the acceptance procedure. If the Licensee is not present or represented at the acceptance procedure, the Licensor shall prepare an acceptance report and send it to the Licensee for the purpose of countersigning. The Licensee may not refuse acceptance in the absence of a material defect.

3. If shipment of the data carrier or download of the data information system or official acceptance is delayed or does not occur due to circumstances for which the Licensor is not responsible, the risk shall pass to the Licensee on the date of notification of readiness for shipment, download, or acceptance.

XII. Retention of Ownership

1. The Licensor retains ownership of the delivery items (particularly data carriers, documentation, any hardware components, etc.) until receipt of all payments under the contractual relationship – including any additional ancillary payments owed). This also applies to grants of rights of use under Section IV of these Terms and Conditions for Data Information Systems, which are also conditioned on full payment.
2. The Licensee may not sell or pledge the delivery items or transfer them as collateral. The Licensee shall promptly inform the Licensor of any attachments, seizures, or other dispositions made by third parties.
3. If the Licensee breaches the contract, particularly through payment default, the Licensor shall be entitled to take the delivery items back after giving a warning, and the Licensor shall be obliged to surrender the delivery items to the Licensor.
4. Due to the retention of ownership, the Licensor can only demand surrender of the delivery items by the Licensee if it rescinds the contract.
5. As soon as a petition to open insolvency proceedings against the Licensee's assets is filed, the Licensor shall be entitled to rescind the contract and demand immediate return of the delivery items.
6. The Licensee shall give the Licensor prompt written notice of any seizure by third parties of delivery items held under retention of ownership.

XIII. Warranty (Defects in Quality)

1. The Licensor shall provide its services with the greatest care in accordance with the contract.
2. If there should be defects in the delivery items (data information system with related documentation, data carrier, any hardware components, etc.), which are attributable to any circumstance prior to the transfer of risk, the Licensor shall, at its election, rectify the defects in the delivery items or replace them free of charge. The statutory provisions shall apply to the costs incurred thereby.

3. The Licensee must promptly report all defects to the Licensor in writing after their discovery. If the Licensee fails to comply with its obligations to inspect and file a complaint, the defense of late filing of a complaint shall apply.
4. The Licensor shall start eliminating the defect immediately after the Licensee's fault report, unless otherwise expressly agreed – e.g. under a maintenance contract. After notification, the Licensee must grant the Licensor the necessary time and opportunity to make all the repairs and replacement deliveries that appear necessary to the Licensor. Otherwise, the Licensor shall be released from liability for the resulting consequences.
5. Under the statutory provisions, the Licensee has a right to rescind the contract if – taking the statutory exceptions into account – the Licensor lets a reasonable grace period within which to rectify the defect or deliver a replacement, set by the Licensee, pass without taking action or if the attempt to rectify the defect or deliver a replacement fails. If the defect is not material, the Licensee is only entitled to a reduction in the contract price. Apart from this, the right to a reduction of the contract price is excluded.
6. In addition, the Licensee shall have the ability to rescind the contract, effective immediately, if it turns out during the implementation process that it is impossible to install the data information system. If the contract is rescinded, §§ 346 et seq. of the BGB shall apply *mutatis mutandis*.
7. The Licensor provides no warranty for defects in quality that are attributable to modification of data information system products by the Licensee or a third party without coordinating this with the Licensor. However, the Licensor shall be obliged to eliminate such defects in quality if it receives a written order for this from the Licensee. The Licensee shall pay reasonable, mutually agreed-upon compensation for this.

XIV. Intellectual Property Rights of Third Parties (Legal Defects)

1. The Licensor is not aware of any intellectual property rights of third parties (including industrial property rights and copyrights) that might restrict or prevent the use of the data information system by the Licensee in accordance with the contract.
2. If, however, the use of the data information system by the Licensee results in an infringement of the intellectual property rights of third parties, the Licensor shall be entitled to modify the data information system for the Licensee to a reasonable extent so that there is no longer any infringement of the intellectual property rights, but the data information system still provides the contractually agreed-upon functions, or to obtain an authorization from the third party, in proper legal form, so that the data information system can be used without restriction and without additional cost.
3. If this is not possible on reasonable economic terms or within a reasonable period of time, the Licensee shall be entitled to rescind the contract or reasonably reduce the contract price. Under the aforementioned conditions, the Licensor shall also have the right to rescind the contract.
4. In addition, the Licensor shall indemnify the Licensee against uncontested or legally established claims brought by intellectual property right holders for infringement of copyrights and/or other industrial property rights and related

costs. Any claims for damages by the Licensee due to infringement of the copyrights and/or industrial property rights of third parties shall be subject to the restrictions of Section XV of these Terms and Conditions for Data Information Systems (Liability).

5. The Licensor shall not be responsible under this provision if the infringement of the intellectual property rights of third parties by the data information system is based on an instruction given to the Licensor by the Licensee or the infringement of intellectual property rights was caused by unauthorized modification of the data information system by the Licensee or the Licensee's use of the data information system in a manner not contemplated by the contract.
6. The foregoing obligations are exhaustive, subject to Section XV of these Terms and Conditions for Data Information Systems, in the event of infringements of the intellectual property rights of third parties. Such obligations exist only
 - if the Licensee promptly informs the Licensor of any copyright and other intellectual property right infringements that have been asserted,
 - if the Licensee provides reasonable assistance to the Licensor in defending against any claims asserted and enables the Licensor to make modifications in accordance with Subsection 2, above, and
 - if all defensive measures, including out-of-court settlements, are reserved to the Licensor.

XV. Liability

1. The Licensor shall have no liability for compensatory damages on any legal ground whatsoever, especially on the basis of impossibility, default, defective or wrong delivery, violation of duties arising under the contractual relationship, violation of obligations during contract negotiations, and unauthorized acts. This exclusion of liability encompasses direct damage to the delivery items (the data information system and related documentation, the data carrier, any hardware components, etc.), as well as indirect and consequential damages that do not relate to the delivery items themselves, such as loss of use or breakdown due to defects in the data information system, lost profits, lost sales, costs of experts, expenditures made in vain, replacement costs, etc.
2. In particular, the Licensor shall not be liable under Subsection 1, above, for simple negligence on the part of its governing bodies, legal representatives, employees or other agents, as long as losses due to the culpable violation of a cardinal duty are not involved. If there is a culpable violation of a cardinal duty, the Licensor shall also be liable for gross negligence by non-managerial employees and for slight negligence – in the latter case limited to typical contractual and reasonably foreseeable damages. The latter includes losses that must typically be expected when using a licensed data information system.
3. Liability for the loss of data and information shall be limited to the expense of restoration that would be incurred if back-up copies were made on a regular basis corresponding to the risk (back-up of data).
4. In particular, the Licensor's liability for damage to the Licensee's hardware, which is attributable to the fact that the Licensee used inadequate hardware (e.g. in terms of functionality, sizing, and data volume) for the data information system to be implemented and/or that the Licensor was given erroneous or

incomplete information about hardware and the system environment being used and/or that the Licensee failed to follow the express recommendations of the Licensor with respect to the necessary hardware and system environment, is excluded.

5. To the extent the Licensor provides technical information or consulting services and this information or advice is not part of the contractually agreed-upon scope of services, it is provided free of charge, and all liability in this regard is excluded.
6. To the extent the implementation and start-up of the data information system is not covered by the contract, the Licensor shall not be liable for losses attributable to faulty installation of the data information system by the Licensee or a third party, unless the Licensor is responsible for the faulty installation of the data information system.
7. The aforementioned limits of liability shall not apply to the Licensor's liability
 - a) to the extent the Licensor fraudulently concealed a defect in the delivery item or made a warranty of the quality of the delivery item,
 - b) for claims under the Product Liability Act,
 - c) for damages based on responsibility for bodily injury, loss of life, or impairment of health,
 - d) for damages due to intentional conduct, or
 - e) for damages due to the gross negligence of its governing bodies or managers.
8. All further claims for damages are excluded.

XVI. Confidentiality

1. Each party (Licensor and Licensee) agrees to maintain confidentiality with respect to all business secrets of the other party and all information and data obtained from the other party (confidential information) and to require its personnel in a written contract to do the same. If this obligation is violated by the personnel of either party, the latter shall be liable to the other party without the opportunity to present exonerating evidence in accordance with § 831 of the BGB.
2. There are exceptions to the duty of confidentiality only to the extent this confidential information
 - a) was generally known or accessible to the public at the time of its receipt by the contract partner, or
 - b) was disclosed to the recipient by a third party not under a confidentiality obligation, or
 - c) was known to the recipient before its receipt by the contract partner or was developed independently, or

- d) was released by the contract partner in writing, or
- e) was required to be disclosed based on a final and binding or legally established or provisionally enforceable official or judicial order.

The recipient of the information bears the burden of proof as to the existence of one of the exceptions.

- 3. A contract partner may refer to the business relationship between the parties in its advertisements or other documents only with the prior written consent of the other contract partner. The same applies to the use of the other party's trademarks, trade names, and other designations.
- 4. The above obligations shall also apply after the termination of the contractual relationship.

XVII. Data Protection

- 1. Both parties (Licensor and Licensee) agree to comply with the statutory provisions on data protection. This includes the obligation to only collect, process, disclose, make accessible, or otherwise use personal data for the purposes agreed upon with the particular contract partner. Both parties are required under § 9 of the German Federal Data Protection Act [BDSG] to take necessary, reasonable technical and organizational measures to ensure the protection of personal data.
- 2. Personal data shall be promptly deleted when the reason for its collection, processing, or use has lapsed. Regardless of this, at the end of the contractual relationship, all personal data shall be returned to the contract partner at the latter's request or promptly deleted and proof of this provided.
- 3. The Licensor agrees only to use personnel who have been required in writing to maintain data secrecy under § 5 of the BDSG and any applicable provisions of national data protection laws.
- 4. Each party must obtain the prior written consent of the other party to disclose personal data to third parties.

XVIII. Statute of Limitations

All warranty claims of the Licensee for the data information system delivered within the framework of this contractual relationship shall be time-barred 12 months after the transfer of risk in accordance with Section XI. A fault report suspends the running of the warranty period so that the warranty period is extended by the time it takes to eliminate the defect. The statutory periods shall apply to claims for damages under Section XV of these Terms and Conditions for Data Information Systems.

XIX. Applicable Law/Place of Performance/Jurisdiction

1. All contracts with the Licensor shall be subject to German law, excluding the UN Convention on Contracts for the International Sale of Goods dated 11 April 1980 (CISG).
2. The place of performance for all services arising from the contractual relationship shall be D-32602 Vlotho, unless otherwise specified.
3. To the extent legally permissible, the competent courts where the Licensor has its registered office shall have jurisdiction over all disputes arising from or in connection with these Terms and Conditions for Data Information Systems. However, the Licensor shall be entitled to file complaints where the Licensee's headquarters are located.
4. If a provision of these Terms and Conditions for Data Information Systems is or becomes invalid, void, or unenforceable, this shall not affect the validity or enforceability of all the other provisions of these Terms and Conditions for Data Information Systems or other agreements. The invalid, void, or unenforceable provisions of these Terms and Conditions for Data Information Systems shall be deemed to have been replaced by valid and enforceable provisions that correspond as closely as possible to the replaced provisions.

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