

General Terms and Conditions (GTC) of Business and Delivery

1. General

- a) Our services are exclusively based on the following terms and conditions of business and delivery. This also applies to all future transactions as far as they are of the same kind. No terms or conditions of the client („Client“) apply, even if we do not separately object to their validity. Thus, any deviating or contradictory conditions only apply if they have been accepted by us in writing.
- b) The Client declares to be an entrepreneur within the meaning of § 14 BGB (Civil Code).
- c) At the acceptance of the merchandise, at the latest, the Client accepts these terms and conditions of business and delivery.

2. Proposals, orders

- a) Our proposals are non-binding and without engagement. Any separately concluded individual agreements with the Client prevail over these General Terms and Conditions of Business and Delivery in any case. A written contract / our written confirmation is decisive for the content of such agreements.
- b) If it becomes apparent after contract conclusion (e. g. due to insolvency, application for the opening of insolvency proceedings) that our purchase price claim is jeopardized by a lack of capacity of the Client, we are entitled, according to the legal provisions, to refuse performance and – if applicable, after setting a deadline – to withdraw from the contract (§ 321 BGB). In case of contracts on the production of specific goods (custom-made products), we can immediately declare the withdrawal, the legal provisions on the dispensability of setting a deadline remain unaffected.

3. Prices

- a) As far as nothing else is agreed in the individual case, our prices respectively applicable at contract conclusion apply ex works, plus legal VAT, if applicable.
- b) Price changes are admissible if there are more than 4 months between contract conclusion and the agreed date of delivery / service. If the wages, material costs or the market purchase prices are increased afterwards until completion of the delivery / service, we are entitled to increase the price appropriately according to the cost increases.

4. Shipment and risk transfer

- a) Upon request and at the expense of the Client, the merchandise is sent to another destination (sales shipment); the transport is chosen at our discretion.
- b) With the handover of the object of delivery / service to the forwarder, carrier or collector, at the latest, however, at the departure from the factory, the risk is transferred to the Client (§ 447 BGB).
- c) Upon request of the Client and at his expense, the merchandise is insured against breakage, transport, fire and water damage.

5. Payment

- a) Our invoices are payable within 30 days from the invoice date and the performance without any deductions if nothing else has been agreed. However, we are entitled any time, also within an ongoing business relationship, to condition any delivery upon prepayment. We declare a corresponding reservation, at the latest, at order confirmation. In case of cash on delivery, other cash payment or payment within 14 days from the invoice date, we grant a cash discount of 2%, as far as there is no other due receivable at the moment of payment. The date of our reception of the payment is decisive.
- b) Invoices for repair represent wage labor and must therefore be paid net without payment period.
- c) In case of investment goods, special payment terms apply according to the order confirmation.
- d) If a payment deadline is exceeded, we are entitled to charge interests of 3% above the respective discount rate of Deutsche Bundesbank, at least, however, 10% per year without any particular reminder.
- e) Payments by bill of exchange or check are not accepted.
- f) The Client can only claim any rights of setoff, reduction or retention as far as his claim is legally confirmed or undisputed.
- g) If the Client enters into default with respect to a payment, all claims we have against him fall due immediately. In such cases, additionally, we are entitled to withdraw from individual or all deals not yet entirely completed.
- h) Any deviating payment terms only apply after their written confirmation.
- i) The Client must bear all fees, charges and expenses associated with the payment (§ 270 sec. 1 BGB).

6. Reservation of title

- a) We reserve the title to all delivered goods until all claims against the Client from the business relationship – including the claims arising in the future, also from any contracts concluded simultaneously or later – have been settled. This also applies if any individual or all claims have been included into a current invoice by us and the balance has been calculated and accepted (current account).
- b) The Client is entitled to process and sell our goods in his ordinary course of business. He is not entitled to dispose of the goods in a different manner, e. g. by pledge or security transfer. The Client must immediately inform us about all enforcement measures and other interventions on the goods concerning the Client's possession of the goods delivered by us subject to reservation of title, and he must support them in any way with the intervention.
- c) If we exert our claim, the Client must grant us access to the reserved merchandise, separate the merchandise for us and, upon our request, return it to us. The Client stores our merchandise free of charge.

7. Delivery period

- a) Delivery periods can be bindingly agreed between us and the Client, this requires a written agreement. If a delivery period is bindingly agreed, it is appropriately extended in case of force majeure or other unavoidable events. As far as the execution of the order turns out to be impossible due to such events, we are additionally entitled to withdraw from the contract upon respective notice, without us owing any damages to the Client.
- b) The delivery period is deemed kept as far as the merchandise has left the factory / warehouse or if the readiness for dispatch of the merchandise has been indicated at dispatch.
- c) As long as the Client is in arrears with a liability, our delivery obligation is suspended.
- d) A delivery period starts as soon as an agreement on all order terms has been achieved and potential contract modalities have been clarified. Claims for the non-respect of a delivery period can only be asserted if a grace period of at least eight days has been set in writing and this grace period has also been exceeded. Operational disruptions – in which sphere and for which

cause whatsoever – release from the respect of fixed agreed delivery periods. They entitle to a partial or full withdrawal. Damage claims are excluded.

e) The announced foreseeable delivery period is appropriately extended in case of operational disruption, strike, lockout, non-delivery by suppliers and in all other cases on which we have no influence. After our announced foreseeable delivery period has been exceeded by more than 8 weeks, both parties are entitled to withdraw from the contract under exclusion of any rights to damage claims.

f) Our disclaimer includes all potential damage claims of the Client for the impossibility of delivery due to negligence of the seller or coincidence.

8. Warranty and liability

a) The Client must check the merchandise upon reception for completeness and its proper condition. Visible defects must be notified at the latest within 2 days from reception, § 377 HGB (Commercial Code), non-visible defects within the same period from detection. For the timely notification of defects, the dispatch of the respective written notice, which must be proven by the Client, is decisive.

b) If the Client does not correctly check the goods and / or notify any defect, our liability for the defect not timely or not correctly notified is excluded according to the legal provisions.

c) As for devices, systems and software, we are liable for production and material defects for one year, as far as the Client proves that defects subject to a complaint have not been caused by improper installation or use. Our liability shall be limited, at our choice, to the replacement of the defective object or the remuneration of the invoice value of the object not replaced.

d) Damage claims are excluded, irrespective of the nature of the breach of duty, including tort. We are not liable for damages by which the object of delivery itself is not affected; in particular, we are not liable for lost profits or other property damage of the buyer. This does not apply as far as the damage has not been caused by intent or gross negligence. This does not apply to damage claims of the buyer due to the injury of life, body or health due to intentional or negligent breaches of duty of the user or a legal representative or aid and to damage claims for other damages due to intentional or grossly negligent breaches of duty of the user or a legal representative or aid. In addition, it does not apply if we have maliciously concealed a defect or assumed a guarantee for the quality of the merchandise.

e) We are only liable for slight negligence as far as a duty is violated the respect of which has a special significance for the achievement of the contract purpose. Such a duty is given if its respect is required for a proper fulfillment of the contract in the first place or the Client has relied and could rely on its respect. In such case, the liability is limited to the damage the occurrence of which must typically be expected within this contract. We do not assume any liability for completely untypical or unexpected damages.

f) As far as our liability is excluded or limited according to these GTC, this also holds as for the personal liability of our employees, workers or colleagues, representatives and aids.

g) The Client can only withdraw from or cancel the contract for a breach of duty not consisting in a defect if we are responsible for the duty.

9. Right to use the software

a) As far as software programs are part of the scope of delivery or separately sold or leased out, a non-exclusive, indefinite right (in case of a purchase contract) / a right limited to the leasing term (in case of a leasing contract) to use them, respectively, is granted to the Client within the contractual scope. Before the complete payment of the remuneration, all data carriers and provided user documentation are subject to a reservation of title at the moment of the purchase contract. The software may only be used to the extent corresponding to the licenses acquired by the Client. The admissible use includes the installation of the software, the loading into the working memory and the proper use by the Client. Apart from that, the number of licenses and the nature and scope of the use are determined by the contract. In any case, the Client has no right to lease out the acquired contract software or to sub-license it in any other way, to publicly reproduce or provide it in wired or wireless form or to make it available to any third parties for money or for free, e. g. by means of Application Service Providing or as „Software as a Service“. Letter. d) remains unaffected.

b) The Client is entitled to produce a backup copy if this is required to assure the future use. The Client will visibly attach/mark the indication "Backup Copy" and a copyright notice of the manufacturer to/on the produced backup copy.

c) The Client is only entitled to decompile and to reproduce the software as far as this is provided for by law. However, this only applies if paromed GmbH & Co. KG has not provided the information required for that to the Client upon request within an appropriate period.

d) The Client is entitled to permanently provide the copy of the software acquired within a purchase contract to a third party together with the license schedule and the documentation. In such case, he will completely cease the use of the software program, remove all installed copies of the program from his computers and delete all copies from any other data carriers or give them to paromed GmbH & Co. KG, as far as he is not legally obliged to a longer retention. Upon request from paromed GmbH & Co. KG, the Client will confirm the complete execution of the abovementioned measures to it in writing or explain, if applicable, the reasons for a longer retention. In addition, the Client will explicitly agree the respect of the scope of the granted rights according to the contract with paromed GmbH & Co. KG with the third party. A division of any acquired license volume packages is not admissible.

e) If the Client uses the contract software to an extent exceeding the acquired right of use in terms of quality (with respect to the nature of the admissible use) or quantity (with respect to the number of acquired licensees), he will immediately acquire the right of use required for the admissible use. If he fails to do so, paromed GmbH & Co. KG will claim the rights it is entitled to.

f) Copyright notices, serial numbers and other program identifications may not be removed from the contract software or be modified.

g) In connection with the acquisition of the software package „PARO 360“, the conclusion of a software maintenance agreement is mandatory.

10. Data backup / data loss

a) Before paromed GmbH & Co. KG's service technicians start their work on the Client's computer system, the Client is obliged to prepare a data backup. If this is not possible, paromed GmbH & Co. KG offers this service to the Client upon his explicit request. The company paromed GmbH & Co. KG cannot be held liable for a data loss caused by a violation of the duty in this paragraph. The costs of a potential data reconstruction must be borne by the Client.

11. Other

a) If the Client does not fulfill his obligations from the business relationship with us, we can refuse further deliveries and claim damages for non-fulfillment.

- b) Without our written approval, the Client cannot assign any rights from our business relationship to any third parties.
- c) The place of performance and exclusive place of jurisdiction for all claims from the ongoing business relationship is only our place of business, Rosenheim.
- d) The law of the Federal Republic of Germany apply. The provisions of the UN Sales Law are excluded.
- e) If any individual provisions of the contract with the Client, including these General Terms and Conditions of Business and Delivery, are wholly or partially invalid, this does not affect the validity of the other conditions.

1st of January 2019, Neubeuern

paromed GmbH & Co. KG, Neubeuern, Germany

The English version has been professionally translated. In case of doubt, however, the German version applies.