

General Terms and Conditions of Sale and Delivery of INDECT USA Corporation

1 General

- 1.1 These general Terms and Conditions of Sale and Delivery apply to all deliveries and services provided by INDECT USA Corporation ("INDECT"), in the following referred to as INDECT. INDECT carries out distribution operations, service activities and project business.
- 1.2 Our Terms and Conditions of Sale and Delivery apply exclusively. We do not recognize any of the ordering party's conditions that contradict or deviate from ours, unless we have explicitly consented to their application in writing. Individual agreements are to be set down in writing.

2 Order, Scope of Services, Documentation

- 2.1 Our order confirmations are the basis of our deliveries and services unless a different contractual agreement has been set up.
- 2.2 Quotes and cost estimates for repair and installation works are always submitted under the condition that they might be subject to change, unless their obligatory character and validity has been set up in the respective quote or cost estimate. Any quotes or cost estimates provided shall be limited in scope to the information provided therein and in no event shall any separate quote or cost estimate be deemed incorporated with the quote or cost estimate at issue unless explicitly stated as such.
- 2.3 The minimum ordered value of goods, excluding shipping costs, is \$200.00 (excl. taxes and duties).

3 Prices, Terms of Payment

- 3.1 Our prices for are "Ex-Works" excluding statutory value-added tax (VAT, GST etc). Packaging, loading and shipping costs as well as any import and customs duties are to be borne by the ordering party, unless otherwise agreed.
- 3.2 If INDECT carries out installation or assembly, and if nothing to the contrary has been agreed upon, the ordering party shall bear all ancillary costs such as travelling expenses and accommodation in addition to the agreed remuneration.
- 3.3 Payment is to be effected to INDECT's bank account without any additional costs for INDECT. Our invoices are to be paid within 14 days from the invoice date, unless otherwise agreed. If payment is delayed, INDECT is entitled to charge default interest at a rate of 8% above the base rate p.a. INDECT reserves the right to assert claims for a greater loss.
- 3.4 Unless otherwise agreed, the following payment terms apply:
For goods:
 30% when the order is placed
 70% when readiness for delivery is declared
For services
 30% when the order is placed
 70% when services are completed
- 3.5 If the ordering party does not meet the obligations as stated above by the relevant deadline, INDECT is entitled to refuse delivery, deliver only against payment in advance, or withdraw from the contract, and claim for indemnification. The ordering party can only offset claims with indisputable counterclaims or counterclaims that have been become res judicata. The ordering party has no retention right on account of debt claims that do not emanate from the same contractual relationship.

4 Delivery

- 4.1 Adherence to delivery deadlines presupposes that all technical questions to be clarified between INDECT and the ordering party have been settled and the ordering party has fulfilled all its obligations, such as, in particular, delivery of drawings, clearances and effecting agreed payments. In case these requirements are not met within time, delivery deadlines will be extended accordingly. This does not apply if INDECT is responsible for the delay.
- 4.2 Partial deliveries are permissible. INDECT is further entitled to make deliveries prior to the agreed deadline. If INDECT is prevented from delivering in due time by circumstances that were not detectable until after the contract was concluded, notably by force majeure, natural disasters, acts of God, civil disturbances, labour disputes, interventions by public authorities, transport disruptions or any other unforeseeable causes of a similar nature, the delivery obligation is suspended for the duration of the hindrance and in the scope of its effect. INDECT must immediately inform the ordering party in writing that a temporary hindrance or impossibility of providing the delivery or service has occurred, and state the reasons for this. If the suspension of the contractual obligation is not reasonable to the ordering party, it is entitled to set up a sensible deadline, after the elapsing of which the ordering party is entitled to withdraw from the contract. INDECT is not to be held responsible for failure to deliver or delay attributable to the above-described reasons. Claims for indemnification or refunding of expenditures are excluded. If partial performance has been provided, the ordering party can only withdraw from the whole contract if it has no interest in partial performance. In cases of delayed performances for which the ordering party is responsible, the agreed delivery periods and the agreed delivery deadlines are extended accordingly.
- 4.3 INDECT shall be liable for delayed delivery for every full week to the extent of a flat rate delay indemnification of 0.5 % per week, up to a maximum of 5 % of the order value of the deliveries and services affected by the delay. Any claims beyond are excluded unless the delay is attributable to, at least, gross negligence on the part of INDECT, its employees or vicarious agents.

5 Transfer of Risk

- 5.1 Unless otherwise agreed, transfer of risk with regard to delivery is "Ex-Works" (EXW). The risk is passed to the ordering party when the object of delivery is handed over to the carrier, regardless of who bears the shipping costs. This also applies if INDECT provides other works or services such as supply, installation or assembly. Upon request by and at the expense of the ordering party, consignments shall be insured by INDECT against the usual transport risks.
- 5.2 If a complete installation is supplied to the ordering party and if acceptance is agreed, the risk is passed to the ordering party when the complete installation is put into operation by the latter.
- 5.3 If shipment, delivery or putting into operation is delayed because of circumstances for which the ordering party is responsible, the risk is passed to the ordering party on the day on which readiness for shipping is declared, or on the day on which the

possibility of the installation being put into service is declared.

6 Installation

Unless otherwise agreed in writing, the following provisions apply to installation:

- 6.1 The ordering party must take responsibility for and provide in due time:
 - a) All construction work and other work that is not sector specific including specialist and unskilled manpower and the material and tools necessary for this;
 - b) Items and material, such as scaffolding, hoisting equipment and other devices that are necessary for installation and start-up;
 - c) Electricity supply on site where it is required, including connections and lighting;
 - d) Sufficiently sized, appropriate, dry and lockable rooms on site for storage of machinery, equipment, materials, tools etc.; rooms for work and break rooms for the installation personnel, including sanitary facilities appropriate to the circumstances. Moreover, the ordering party must take the same measures for the protection of the property of INDECT and the installation personnel on site, which it would introduce for the protection of its own property;
 - e) Protective clothing and protective equipment that comply with the specific circumstances of the respective site.
- 6.2 In order to enable INDECT to provide a quote the ordering party shall provide necessary information on the location and layout of other installations such as sprinklers, ventilation facilities, lighting and power lines. INDECT is not to be held liable for incomplete information provided by the ordering party, who shall be liable for any additional costs, which might be due to this incomplete information.
- 6.3 Prior to installation start, the ordering party is to provide the required information on the position of hidden power lines, gas and water pipes or similar installations, as well as relevant static information without further demand.
- 6.4 Prior to installation start, the material, tools and other items required to start work must have been provided at the installation site, and all the preparatory work must have advanced to an extent that installation can be started according to the agreement and carried out without interruption. Approach routes and the installation site must have been levelled and cleared.
- 6.5 If installation or start up is delayed by circumstances for which INDECT is not responsible, the ordering party is to bear the costs for idle times and for additional travelling by INDECT staff to a reasonable degree.
- 6.6 Acceptance is only to take place if this has been agreed on explicitly by contract. This being the case, and INDECT requiring acceptance of performance after completion, the ordering party is to provide acceptance within two weeks. If this does not happen, acceptance is considered to have taken place. Acceptance is also considered to have taken place if the use of the object of the performance (following the completion of an agreed test phase, if applicable) has commenced.

7 Reservation of Title

- 7.1 INDECT retains ownership of all articles supplied until all claims to which INDECT is entitled against the ordering party due to the business relationship have been fulfilled.
- 7.2 The ordering party is obliged to treat the retention property carefully; in particular, it must be adequately insured at its own expense against fire, water and theft damage at replacement value. In case of execution or other interference of third parties the ordering party is to notify INDECT immediately.
- 7.3 Any processing or transformation of the retention property by the ordering party shall always be undertaken by INDECT. If INDECT's ownership expires through adjunction, it is agreed hereby that the (co-) ownership of the ordering party of the entire object shall be transferred to INDECT pro rata in terms of its value (invoice value).
- 7.4 Mortgaging, or transfer of ownership by way of security, is not permitted. The ordering party can only sell the retention property in the normal course of business and only under the condition that it receives payment from its customers or makes the transaction subject to the proviso that ownership shall not pass to the customer until the latter has fulfilled his payment obligations. The ordering party by way of security hereby assigns any claims arising from resale, or another legal basis relating to the retention property, in full extent to INDECT.

8 Duty of Inspection, Notification and Rejection; Warranty

- 8.1 The ordering party must inspect our consignments as soon as they are received to ascertain that they comply with the contract. Any wrong quantities or deliveries, or apparent defects, are to be made immediately known to INDECT by sending a written statement of the objections. INDECT is to be advised of defects that only become apparent later as soon as their detection becomes possible, in the form described above.
- 8.2 Any claims by the ordering party arising out of a defect of the goods are at first restricted to (at the discretion of INDECT) repairs or the supplying of replacement goods that are free of defects. If remedial actions fail, or if they are unacceptable to the ordering party, or if INDECT refuses remedial actions seriously and definitively, at its discretion the ordering party is entitled to reduce the price or withdraw from the contract. Liability for indemnification is restricted to the scope stated in Item 9. This also applies to claims for the reimbursement of expenditures.
- 8.3 All claims derived from defectiveness of the consignment, including any rights to indemnification, become invalid after 12 months from delivery (for wear-and-tear parts, after 6 months from delivery), except in the case of a willful act on the part of INDECT. This also applies to competing similar indemnification claims, arising out of liability other than contractual liability.
- 8.4 No warranty claims can be made for slight deviation from the agreed condition of the consignment, or in a situation in which its usability is only slightly impaired. Warranties are also excluded for damages attributable to improper handling or use other than that provided for in the contract. Notably, this applies to inadequate construction work, unsuitable subsoil or losses occurring due to particular external influences that are not provided for in the contract, as well as instances of software errors that are not reproducible. Moreover, if the ordering party or third parties apply modifications or carry out repairs inappropriately, no warranty claims can be made for the latter and the consequences thus arising.

9 Liability

- 9.1 INDECT is liable for damages, regardless of the legal reasons for these, only in instances of a willful act or gross negligence on the part of its employees or vicarious agents. The above liability exclusion for ordinary negligence does not apply to the violation of material contractual obligations, unless it is a matter of liability for material defects. In case of a violation of material contractual obligations, liability is restricted to typical foreseeable losses. Claims for damages arising out of contractual liability other than the liability shown in Item 8 become invalid after one year from delivery, except in the case of a willful act. This also applies to competing similar claims, arising out of liability other than contractual liability.
- 9.2 Liability for damages on account of a warranty taken on by INDECT as well as liability under any relevant laws remains

unaffected by the above provisions. The same applies to damages emanating from an injury of life, body or health.

10 Software Licensing Terms and Conditions

- 10.1 License Material shall refer to data processing programs and/or licensed data records in machine-readable form, including accompanying documentation and/or manuals. The utilization of the License Material on an additional number of workstations / operation control computers, functionalities as well as front-ends (detectors), beyond the number specified in the relevant order shall only be permissible in accordance with an additional license negotiated in advance. The software applications correspond to the descriptions contained in the manual; there shall be no obligation to provide application functionality beyond the aforementioned.
- 10.2 The ordering party undertakes not to make the license material available to third parties, neither in its original form, nor in the form of complete or partial copies without explicit written consent by INDECT. This shall also apply in the event of a full or partial sale or closure of the business of the ordering party. Employees of the ordering party, or other persons, insofar as they are on the premises of the ordering party in order to use the License Material in accordance with these terms and conditions are not referred to as third parties.
- 10.3 INDECT hereby guarantees that the delivered software complies with contractual requirements under contractual deployment, as well as with state-of-the-art technology. No consideration shall be given to any minor reduction in value or suitability. The ordering party is aware that with state-of-the-art technology it is not possible to develop computer applications that are entirely free of errors. In the event that errors occur during contractual utilization of the software, the ordering party shall notify INDECT thereof in writing without delay in a comprehensible form, indicating the appropriate information for error recognition. The ordering party undertakes to provide all reasonable support to INDECT during the rectification of errors. A prerequisite for entitlement to error rectification shall be that the error is reproducible and can be illustrated by means of machine-produced output.
- 10.4 After receiving the error notification, INDECT shall in the first instance be entitled to remedy the defect. This shall be achieved by installing a defect-remedied version by remote servicing. The ordering party is to make possible remote servicing, either per modem or Internet access. If the ordering party is unable to comply with this obligation, it has to cover all additional costs for service on site.
- 10.5 INDECT is only liable for data loss and data recovery if such loss could not have been prevented by adequate backup measures taken by the ordering party.

11 Miscellaneous

11.1 The terms and conditions of the contract are governed by [Texas] law, without regard to conflict of laws principles. The contractual language is English. The place of jurisdiction for all disputes arising from a contract shall be the court of jurisdiction of Houston Texas.

11.2 The parties understand and acknowledge that the ordering party, its subcontractors, and the employees of either are not agents or employees of INDECT and have no authority to obligate or bind INDECT in any way without the express written permission of an appropriate officer of INDECT.

11.3 If in any legal proceeding a competent tribunal, including, but not limited to, judicial courts or arbitration tribunals, shall refuse to enforce any terms hereunder, the scope of such unenforceable provision shall be deemed modified and diminished to the extent necessary to render such provision valid and enforceable. In any event, the validity or enforceability of any provision shall not affect any other provision hereof, and these Terms and Conditions shall be construed and enforced as if such unenforceable provision had not been included.

11.4 All other oral or written agreements, contracts, understandings, conditions, or representations with respect to the subject matter of these Terms and Conditions are superseded by these Terms and Conditions. For the avoidance of doubt, the parties acknowledge and agree that no oral agreements or other modifications of these Terms and Conditions shall be of any force or effect unless it (1) is confirmed in writing, (2) reflects the effective date of the modification, (3) is signed by both parties, and (4) expressly indicates that it modifies these Terms and Conditions.