

Standard terms of business of HeiTel Digital Video GmbH, Molfsee

§ 1 General terms / scope

- (1) These standard terms of business for HeiTel deliveries, services and offers shall exclusively apply. Consequently, they shall also govern any future business connections, even if not particularly agreed upon.
- (2) HeiTel standard terms of business are even effective if HeiTel delivers goods without reservations though knowing the conditions of the buyer which are opposed to or differ from HeiTel's standard terms of business. Order acceptances on the part of the buyer with reference to his own standard terms of business resp. of purchase are hereby objected to. These conditions are regarded as accepted at the latest with the acceptance of the goods or the service.
- (3) Derivations from these standard terms of business shall only apply if assented in writing by HeiTel.

§ 2 Offer / documents of offer / contents of contract

- (1) Preliminary statements, especially offers, descriptions, cost estimates, are not binding.
- (2) Drawings, illustrations, measures, weights and other data are only binding if particularly agreed upon in writing. HeiTel reserves proprietary rights and copyrights on reproductions, drawings and other documents. Especially documents marked as "confidential" must not be made available to a third party.
- (3) For the contents and scope of the contract only HeiTel's written order confirmation is authoritative.
- (4) HeiTel reserves the right to technical improvements or modifications provided that such improvements or modifications are due to progress of technical development or prove to be useful in individual cases in the interest of the capacity of the equipment or of components. With regard to service or development orders a written confirmation concerning delivery date and price is only a non-binding date / approximate price and not a binding confirmation as unforeseen changes of the delivery date and the price are possible.
- (5) HeiTel's employees are not authorised to make additional oral agreements or to give oral confirmations that go beyond the contents of the written contract.
- (6) Changes of the contract and additional oral agreements are only effective if assented in writing.

§ 3 Prices / terms of payment / terms of delivery

- (1) All prices are "ex works" resp. "ex stock" plus packaging, transport, cargo insurance plus - if applicable - the VAT effective on day of delivery.
- (2) Terms of payment is of the essence of every contract between HeiTel and its customer. Following terms of payment are possible: Either payment in advance (shipments will be done latest within 5 days after receipt of payment) or irrevocable, bank confirmed letter of credit (L/C), payable in Kiel, payable at sight (shipment will be done latest within 5 days after receipt of L/C) or cash on delivery.
- (3) For all deliveries the right to dispatch via payment in advance or cash on delivery (COD) is particularly reserved.
- (4) For call-off orders the price agreed upon serves as a basis on completion of the contract. Changes of price during the period of the effectiveness of the contract entitles HeiTel to a corresponding price adjustment.
- (5) The customer has claims to set something off or rights to keep something back only if his counter demands are ascertained having the force of law, are undisputed or acknowledged by HeiTel.

§ 4 Delivery- and service time

- (1) The delivery time starts with the date of HeiTel's order confirmation, but not before all details concerning the carrying out and any other requirements the customer has to fulfil are settled.
- (2) Delivery dates or deadlines for delivery, that can be agreed upon as binding or not binding, must be drawn up in writing.
- (3) All delivery obligations are made with the reservation that HeiTel is supplied in time. HeiTel has to prove according dispositions.
- (4) Part shipments and part service are permitted. For all contracts each part shipment and part service is held as independent service.
- (5) For delays of delivery and service due to an act of God and due to events which make HeiTel's deliveries considerably more difficult or impossible – this particularly includes strike, lockout, official orders etc., even if happening to HeiTel's suppliers or their sub-suppliers – HeiTel is not held responsible, even if binding deadlines and dates are agreed upon.
- (6) HeiTel is entitled in case of delays of delivery and service that HeiTel is not held responsible for to postpone the delivery or service for the time of hindrance plus an adequate time to get started or to terminate the contract as a whole or partly because of the part of the contract not yet fulfilled.
- (7) If the hindrance lasts for a period longer than three months, the buyer is entitled after an appropriate extension of the deadline to terminate the contract as far as the part not yet fulfilled is concerned. If the time of delivery and service is extended due to reasons for which HeiTel is not held responsible or if HeiTel is freed from the obligation of service the customer cannot derive from this any claim for compensation from HeiTel. HeiTel can only refer to the circumstances named above if the customer is immediately informed about them in writing.
- (8) Compensations due to non-compliance with deadlines or dates of delivery are excluded. The exclusion is not effective if in the course of business with a merchant one of HeiTel's executives, in the course of business with a non-merchant any of HeiTel's employees is guilty of negligence.

§ 5 Transfer of risks

- (1) The risk is transferred to the buyer as soon as the parcel is handed over to the person fulfilling the transport or has left the stock for the purpose of dispatch/sending out. If the dispatch becomes impossible through no fault of

HeiTel's, the risk is transferred to the buyer with the notice that the parcel is ready for transport.

- (2) HeiTel shall insure the goods at the cost of the buyer if required by the buyer in writing. For parcels returned to HeiTel, the sender takes all risk, especially the risk of transport until the goods reach HeiTel, and all costs of transport.
- (3) If HeiTel's deliveries and services are delayed by the customer's request or due to reasons the customer is responsible for (creditor's delay), the risk is transferred to the customer for the time of delay. The corresponding costs for the waiting period, supply and storage and further necessary travels of HeiTel's fulfilment assistants shall be paid by the customer.

§ 6 Warranty

- (1) The period of warranty is 24 months. For products not developed by HeiTel the respective manufacturer determines the period of warranty. The warranty period starts with the date of the invoice. This warranty does not apply if HeiTel's orders for operation, checking and maintenance are ignored, the products are modified by the buyer, parts of them are exchanged or materials used which do not comply with the original specifications. The warranty does also not apply in case of installation of HeiTel products in mobile applications, such as buses/trains/taxis etc., except the corresponding HeiTel product is explicitly designed and marketed for such application.
 - (2) If the buyer finds faulty products, he has to notice it to HeiTel in writing within three days after the receipt of the goods. This applies to business with non-merchants only if it is an obvious fault. Such claims shall only be considered if the goods are still in the condition of goods reception (goods arrival).
 - (3) In case of announcement of fault the customer is obliged to send the defective equipment to HeiTel's workshop with a concise description of fault, giving the number of model and series as well as a copy of the delivery note with which the goods were delivered.
 - (4) HeiTel's obligation of warranty is of HeiTel's choice restricted to replacement delivery, transformation (cancellation of the contract), reduction of price or improvement. In case of delayed, refused or repeatedly failed improvement the right of cancellation of the contract (transformation) or reduction of price is untouched. Further claims of the customer are excluded.
 - (5) For improvement of fault the customer has to grant the time required in proper estimation and the opportunity.
 - (6) With exchange of parts, assembled parts of equipment or whole equipment new periods of warranty do not come into force. Improper use, storage and operation of equipment as well as opening of equipment have the consequence that warranty claims are excluded. The warranty is exclusively restricted to repair or replacement of defective goods delivered. Should any data of the defective equipment be lost during HeiTel's repair, the customer has to take the risk.
 - (7) Only the direct customer is entitled to warranty claims; these cannot be transferred to a third party. Responsibility for normal wear is excluded.
 - (8) To merchants claims due to defects are in lapse one month after written rejection of the claims by HeiTel, at the latest, however, after the legal period of lapse of 6 months is expired. To non-merchants the legal periods are effective.
 - (9) The above paragraphs contain conclusively the warranty for the delivered goods and exclude further warranty claims.
 - (10) As far as HeiTel's responsibility is excluded or restricted, this also applies to the personal liability of HeiTel's employees.
 - (11) HeiTel draws attention to the fact that a faultless drawing up of software, esp. complex software systems, the way technology stands today is not respectively not with reasonable expenditure possible. Contents of this warranty is a program suitable for normal use or use presupposed in the contract according to the program's description. HeiTel warrants that the carrier of the program has no faults in material or production when handed over to the customer. A warranty for the faultlessness of programs going beyond this scope of warranty cannot be given for the above named reasons. HeiTel shall especially not be liable for the functions of the program being fit for the customer's requirements or for being able to work together in the selection made by the customer. The customer is also responsible for the selection, the installation and the use as well as for the results aimed at. If programs are used with the customer's own hardware, no warranty is granted for their acting in combination but only for the delivered software.
- ## § 7 Retention of Title
- (1) HeiTel reserves proprietary rights on delivered goods and services until all demands resulting from the business with the customer are completely paid for, however the kind of demands or their legal justification may be. For outstanding invoices the reserved proprietary rights are held as security of the balance demand. Working on and processing of the goods delivered by HeiTel and still in HeiTel's property is carried out on HeiTel's behalf without causing any obligations for HeiTel. If the customer installs HeiTel's goods in someone else's goods, HeiTel becomes joint owner of the products thus built, in proportion of the value of the goods delivered by HeiTel to the value of the other goods used for the new product. If the goods delivered by HeiTel are mixed with or connected to other equipment, the customer transfers proprietary resp. co-proprietary rights to HeiTel and keeps it safe free of cost and with the necessary care on behalf of HeiTel.
 - (2) The customer is entitled to process and to sell the reserved goods according to business, as long as he is not in arrears of payment. Pawning and security assignments are illegitimate.
 - (3) The customer transfers the demands resulting of the resale or of other legal justification (insurance / tortious act) concerning the reserved goods (including all balance demands of current account) to HeiTel for the sake of security. HeiTel is obliged, on request of the buyer, to release the securities the company is entitled to, in so far as their value exceeds the demands by more than 20% - to the degree that these demands are not yet paid. HeiTel authorises the customer revocably to collect the demands transferred to HeiTel under his name on HeiTel's account. The authorisation of collection can only be revoked, if the customer did not accordingly comply with his liability to pay.

- (4) If third parties take up steps to pledge to otherwise dispose of the goods, the customer shall immediately notify HeiTel in order to enable HeiTel to seek a court injunction in accordance with § 771 of the German Code of Civil Procedure. If the customer fails to do so in due time he will be held liable for any damages caused.
- (5) The customer is obliged to repel access of a third party.
- (6) In case of arrears of payment – especially in case of non-cashing of a cheque – HeiTel is entitled to take charge of the reserved goods without having a court decision or authorisations asserting the proprietary rights by means of entering the business premises through representatives who have to legitimate themselves accordingly. The customer has to pay for all costs of transportation. If a cheque is not cashed, the customer undertakes to send back to HeiTel the remaining of the received goods on HeiTel's request at his own cost and risk.
- (7) The withdrawal as well as the pawning of the reserved goods through HeiTel is not a withdrawal from the contract.

§ 8 Payment

- (1) Payment of invoices can be effected by T/T in advance, letter of credit (L/C), cash on delivery or in cash if the customer himself collects the goods, unless otherwise agreed upon.
- (2) All payments shall in principal be charged for the latest debt, irrespective of contrary regulations of the customer. If costs of collection and interests have already arisen, the payment shall be charged for the costs first, then for the interests and at last for the main debt.
- (3) Payments must be made to HeiTel only, not to representatives.
- (4) Part-deliveries and part-services can be charged separately.
- (5) Payments are only held to be made, if HeiTel can dispose of the amount without any loss. A payment by cheque is only held to be made when cashed in.
- (6) If the customer falls into arrears with payment, HeiTel is entitled to charge interest on the amount unpaid, at the rate of interest that banks charge for open credits plus legal VAT. Interests must be fixed at a lower rate, if the customer proves a lower charge.
- (7) If HeiTel gets to know circumstances that question whether the customer is creditworthy, especially if a cheque is not cashed in or payments are stopped, or if HeiTel gets to know other circumstances that question whether the customer is creditworthy, HeiTel is entitled to charge all outstanding debt due, even if HeiTel accepted cheques. In this case HeiTel is furthermore entitled to demand advance payment.
- (8) The customer's right to refuse services is excluded in business with merchants. The customer has no right to lien. This does not apply to business with non-merchants so far as the counter claim has originated from the same contract.

§ 9 Software

- (1) As far as programs are included in the delivery, the customer is granted a single, unrestricted usufruct for these, i.e. he is neither allowed to copy them, nor to let others use them. A multiple usufruct has to be agreed upon in extra writing. In case of violation of these usufructs, the customer is liable for all the damage that has arisen.
- (2) For transmissions via public telephone system or other media of transmission HeiTel offers security for making the line and for the transmission of information which cannot go beyond the security which is typical of this transmission service.

§ 10 Return of goods

- (1) All returns (warranty, repair, credit) are processed according to an RMA-system (Return Manufacturer Authorisation). The customer has to apply for an RMA-number detailing the products, quantity and anticipated error/fault prior to returning any goods to HeiTel. After evaluation by HeiTel the customer will be provided with one or more RMA-number(s). All returns must bear this RMA-number(s) on product and packaging. No return consignment will be accepted without this RMA-number(s). All return consignments have to be shipped freight prepaid. Shipments without RMA-number will be returned to sender freight unpaid.
- (2) Return of goods for credit will be also handled with the above mentioned RMA-system. To receive a full credit note, all goods must be returned in "as new" condition, in original and irreproachable packaging, with all parts and manuals intact and freight prepaid.
- (3) Products which do no longer form part of HeiTel's valid pricelists cannot be returned for credit.
- (4) Products which have been sold to a special net price or been manufactured according to customers request cannot be returned for credit.

§ 11 Exclusions of liability

- (1) Claims not particularly granted in these conditions, especially claims for damages due to impossibility, delay, positive default, tortious act and claims for compensation of damages arisen as a consequence, are excluded - even as far as these claims are connected to the customer's warranty rights -, unless they result from a negligent or intentional breach of contract on the part of HeiTel, of one of HeiTel's legal representatives or of one of HeiTel's fulfilment assistants. In case of negligence HeiTel's liability is restricted to damage which could be foreseen on completion of the contract. Liability in case of negligence is excluded, however, if it results from a breach of non-essential contractual obligations on the part of one of HeiTel's fulfilment assistants.
- (2) Any liability on the part of HeiTel for damages caused by HeiTel's representatives or fulfilment assistants before or during carrying out the orders, is taken over by HeiTel only within the limits of HeiTel's third-party insurance.
- (3) A liability going beyond is not taken over by HeiTel, especially liability for damages that arise as a consequence of punishable offences (robbery, theft, burglary) to persons, to the property of the party to the contract or of a third party. Excluded are in any case claims for entitlements to compensation for damages arisen as a consequence, e.g. in case of equipment, components or installations not functioning, housebreaking, costs for police resp. fire brigade as well as, if necessary, for guards in case of risk of threat, unless legal instructions concerning liability in case of intention resp. negligence are contrary to these exclusions.

- (4) HeiTel shall not be liable for the work of HeiTel's assistants as far as this work is not connected with deliveries and services agreed upon or if ordered directly by the buyer.
- (5) Irregularities in the fulfilment of HeiTel's contractual obligations must be notified to HeiTel in writing for the purpose of stopping them, otherwise any rights can be derived from this.
- (6) Advice given by HeiTel's employees or by representatives instructed by HeiTel are not binding. They are based on HeiTel's current knowledge and experience and are given to the best knowledge. Liability is excluded so far as intention or negligence cannot be proved.
- (7) HeiTel shall not be liable for failed profit and damages of property of the customer which arise in connection with the loss of the goods, with faulty functions of programs or loss of data. Furthermore, HeiTel shall not be liable if the combination of the systems chosen by the customer is not fit for his purpose, unless legal instructions concerning liability in case of intention resp. negligence are contrary to these exclusions.

§ 12 Applicable law, place of jurisdiction, place of performance, part nullity

- (1) These standard terms and all legal relationships between HeiTel Digital Video GmbH and the customer shall be governed by German Law.
- (2) In case of export of HeiTel's goods through the customer in regions outside of his country, HeiTel shall not be liable, if security rights of a third party are violated by products of HeiTel's. The customer is obliged to replace the damage caused by HeiTel through the export of goods which are not particularly delivered for the purpose of export.
- (3) Kiel is the only place of performance and place of jurisdiction for all proceedings following directly or indirectly a privity of contract.
- (4) Should any term of these standard terms or any term of other agreements become void, all other terms or agreements remain in effect.

§ 13 Data protection

- (1) HeiTel is entitled to process and store data on the party to the contract received in connection with the business relationships according to the German law of data protection as far as it seems useful within the carrying out of the contract.

Molfsee, 1st January 2010