Terms and Conditions for the Integration and Support of Hard- and/or Software

1. **Vector’s Performances**

1.1 Vector shall support the customer in the course of the integration and use of the hard- and software specified in the contract in accordance with the current state of the art.

2. **Integration Performances**

2.1 Vector shall name a customer consultant, the customer a representative. Both shall promptly have the authority to make the necessary decisions or shall obtain authorization for them in a timely manner. Vector's consultant shall keep records of decisions in writing. The customer representative shall provide all required information. Vector's consultant shall contact the customer's representative as necessary to ensure the proper performance of the mutual obligations.

2.2 Vector shall prepare a detailed time schedule for the performance of the tasks at the beginning of the performance together with the customer, and the parties to the contract shall revise it from time to time if necessary.

2.3 In concert with the customer, Vector shall develop a detailed concept for the integration. Vector shall put it in writing and submit it to the customer for approval. The customer shall respond in writing within 14 days. The approved detailed concept for the integration shall be the basis for the realization of the programs. In the course of the realization of the programs, the detailed specification may be further detailed with the customer’s assistance.

2.4 The customer shall be responsible for providing the IT technical environment for the integration of the software products.

2.5 The customer shall be responsible to test the programs under the conditions they shall be used productively, before using them productively.

3. **Rights of Use**

3.1 Vector grants to the customer the right to use the performances (hardware with integrated software) without any restrictions for the customer’s own purposes.

3.2 All other rights in the performances remain with Vector. Vector may use the performances and the gained know-how for performances outside of the contract, provided Vector complies with Section 13.

4. **Customer-Specific Programming**

4.1 To the extent it is necessary to detail the customer's requirements with regard to customer-specific programming listed in the contract or requested pursuant to Section 5.1, Vector shall develop a detailed specification with the customer's assistance and shall submit it to the customer for approval. The customer shall respond in writing within 14 days. Unless otherwise agreed this performance shall be paid for according to time consumed.

The approved detailed concept specification shall be the decisive basis for the realization of the programming. In the course of the realization of the programming, the detailed specification may be further detailed by Vector with the customer's assistance.

4.2 The customer-specific programming shall embody all legal provisions and other provisions of the customer's scope of business, which are equally binding to the customer, in case these are defined in writing in the contract or pursuant to Section 5.1.
4.3 A user documentation shall be delivered by Vector only if expressly agreed on.

5. Change Requests

5.1 If the customer requests Vector to undertake any modification of the agreed requirements, including any addition to it, and if the requested modification is reasonable and acceptable, Vector must agree. If the realization of such a request results in any burden on Vector's side, Vector is entitled to an appropriate adaptation of the terms of the contract, in particular to the extension of time for the completion and/or to additional compensation.

5.2 Agreements on modifications and the resulting adaptations of the terms of the contract shall be made in writing. If the customer requests a modification orally, Vector may request the customer to deliver it in writing, or Vector may confirm it in writing itself. If Vector confirms the customer's request for modification, the wording of Vector's confirmation shall be deemed to express the customer's requirements correctly, unless the customer objects without delay.

5.3 Vector shall submit its request for adaptations of the contract without delay. The customer shall notify Vector without delay if the customer refuses the required adaptations.

6. Support

6.1 On request, Vector shall assist the customer in the course of the use of the hardware and software in accordance with Section 1 through Section 5.

6.2 If an acceptance test for Vector's performances is expressly agreed upon in writing in the contract, Vector shall develop an acceptance specification for the performances. In this case, the customer agrees to examine the performances and to confirm their acceptance, if they meet the agreed on acceptance specification. Unless otherwise agreed, the acceptance test period shall be four (4) weeks.

6.3 The customer is deemed to have accepted Vector's performances if their use has not been substantially restricted by a reported defect for two (2) weeks after the end of the acceptance test period.

7. Maintenance

7.1 If maintenance is agreed on in the contract, in writing, subject to a comprehensive charge, Vector shall render the following maintenance services:

- The correction of deficiencies, insofar as not covered by Vector's obligation to correct defects out of the contract about the integration and support of the software products,
- The support by telephone related to the handling of customer-specific programming,
- The adaptation of customer-specific programming into new versions of the software products.

7.2 The customer or Vector may request an adaptation of the comprehensive charge once per calendar year. The adaptation must take into account the new hourly rates of Vector as provided in Vector’s then current price list, as well as any additional or any less expenses, which may arise out of better or worse conditions with regard to the availability of the maintenance environment.

8. Tele-Support

8.1 The customer shall enable Vector to perform tele support (tele diagnosis and tele corrections, transfer of new versions) to the extent technically possible. In concert with Vector, the customer shall provide a telecommunication connection as needed to meet the requirements valid from time to time at its own expenses so that the IT systems can be connected. The customer shall pay for communication costs, unless otherwise agreed.
8.2 For security and privacy purposes, access to the customer’s IT-system by Vector shall be controlled by a profile/access code established by the customer. The customer shall release the connection. Vector shall inform the customer of the work performed.

8.3 If the customer does not enable Vector to perform tele support, the customer shall reimburse Vector’s additional costs including travel time and additional costs for the correction of defects.

8.4 If the customer transfers data to Vector for their restoration or for the search of defects, Vector shall establish all technical and organizational measures in Vector’s organization equivalent to those the customer has to establish for security and privacy pursuant to the laws and statutes on data protection applicable to the customer. At the customer’s request, details shall be agreed on separately.

9. Charges and Payments

9.1 Unless a fixed price is expressly agreed on in the contract, the customer shall remunerate Vector on the basis of costs incurred. In this case, hourly rates, travelling expenses and incidental expenses shall be paid in accordance with Vector's current standard rates (price list), which Vector may alter from time to time, unless otherwise agreed. Vector may submit invoices on a monthly basis.

9.2 In case fixed prices are agreed on in the contract, all support (including specifically installation, brief or extended training, consultancy) shall be reimbursed separately, unless it is expressly included in the fixed price.

9.3 Payments shall be due without deductions within 30 days after invoicing.

9.4 Duties, taxes and levies including V.A.T. – if applicable – shall be paid by the customer on all prices.

10. Disruptions in the Performance, Delay

10.1 In the event of any circumstances for which Vector is not responsible and which adversely affect the performance of the contractual obligations, including strike and lock-out, Vector may request an appropriate adaptation of the terms of the contract, in particular to an appropriate extension of the delivery date. If the cause is attributable to the customer and results in additional efforts to Vector, Vector is also entitled to additional compensation.

10.2 If Vector's delay exceeds 30 days, the customer is entitled for every subsequent week to a penalty of 0.5 % of the value of that part of the programs that cannot be used in accordance with the purpose of the contract, but the penalty shall be limited to 5 % of the total contract value.

11. Remedy of Defects

11.1 If the customer finds, in the course of correct use of the products, what the customer believes to be a defect in a product, the customer shall provide Vector with reasonably specific information as to the nature of the defect and the conditions under which it occurs, in writing, if so requested by Vector.

11.2 The customer may only raise claims if the customer can reproduce the defect or demonstrate it by using computer output.

11.3 Upon request, the customer shall provide all necessary support to Vector, in particular provide the product to Vector and/or testing time on the customer's IT system and install corrections delivered by Vector.

11.4 Vector shall, within a reasonable period of time and at no cost to the customer, remove the defect, at Vector’s choice, either by replacing the defective product or by correcting the defect. If a defect substantially restricts the use of Vector’s deliveries, Vector shall provide a workaround solution prior to the final remedy of the defect so that the defect is not substantial any longer.
11.5 All claims against Vector shall expire, if the customer modifies or intervenes with the products, unless the customer proves when reporting a defect that the defect did not result from the modification or intervention.

11.6 Vector is entitled to reimbursement of its expenses if the customer reports what the customer believes to be a defect without being able to prove it to be one.

12. Vector's Liability

12.1 In the event Vector defaults on its performances (through delivery) or supplementary performances (through removal of defects or replacement delivery), the customer may set a reasonable period for performance or supplementary performance. If the period expires without result, or if the performance or supplementary performance ultimately fails in any other manner, the customer may assert its statutory claims, damage claims within the framework of Section 12.3. Vector may request a period for the customer to declare whether the customer still requests primary or supplementary performance. If the customer does not request primary or supplementary performance within this period, the customer shall no longer be entitled to claim it.

12.2 The limitation period for claims based on defects shall be 24 months.

12.3 Vector – including any person engaged in performing any obligation under this contract – shall be liable for damages under any claim based on normal negligence only if Vector breaches a basic obligation of the contract which jeopardizes the contract goal (cardinal obligation). In this event, Vector’s liability shall be restricted to € 100,000.00 or the contract value, whichever amount is higher. The customer may claim a higher maximum, but Vector may then require a surcharge for the aggravated risk.

12.4 The restrictions shall not apply to the extent the damages are covered under Vector’s business liability insurance and the insurance company has paid Vector. Vector agrees to maintain the insurance coverage in effect at the time of the execution of the contract.

12.5 Claims for bodily injuries and claims based on the German Product Liability Act shall remain unaffected.

13. Confidentiality

13.1 Vector shall keep confidential the customer’s trade and business secrets, and all other information designated in writing as confidential. Vector shall have no obligation with respect to any information that is already in its possession, is independently developed or becomes publicly known through no wrongful act of Vector.

13.2 Vector is not obligated to keep confidential any ideas, concepts, know-how or techniques related to hard- and/or software services.

13.3 Vector shall oblige its employees to adhere to the confidentiality obligations.

13.4 Vector may enter the customer’s name into Vector’s list of customers together with a short description of the Vector’s performance. All other references that the customer is Vector’s customer are subject to the customer’s prior approval.

14. Miscellaneous

14.1 The contract shall constitute the entire agreement between the parties and shall not be altered, amended or cancelled, except in writing and with the consent and signature of all parties concerned.

14.2 The contract shall conform with and be governed by the laws of the People’s Republic of China without regard to its choice of law rules and excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods. Exclusive venue shall be Vector’s main place of business.