

General Conditions for Consulting Services

1 Subject Matter of Contract

- 1.1 Contractor undertakes to provide the services agreed in the contract (the "Contract").
- 1.2 Scope and time schedule of the work to be performed as well as the distribution of tasks are laid down in the Contract.

2 Performance

- 2.1 The Parties to the Contract (the "Parties") shall appoint one member of staff each who, as project manager, will be responsible for the performance of the Contract in his company.
- 2.2 The Parties shall ensure that their employees cooperate closely, inform each other regularly of the state of work and the results thereof, consult with each other and furnish each other the necessary information.
- 2.3 The Parties shall regularly review the work program as specified in the Contract and adjust it to current knowledge and the current state of the work as necessary.
- 2.4 Upon completion of the project-specific services, a documentation according to the specifications laid down in the Contract for this purpose shall be furnished to the Principal, provided such documentation has been agreed upon at all.
- 2.5 Services according to the Contract, which are subject to acceptance by the Principal, shall be expressly designated as such in the specification of services. Services of the Contractor which require acceptance shall be deemed as being accepted upon expiration of four weeks after written notification of their readiness for acceptance, if no acceptance has taken place for reasons outside Contractor's responsibility.

3 Obligations of the Contractor

- 3.1 In performing the services according to Section 1 above, Contractor shall use its efforts to make use of the latest state of science and engineering, if the kind of agreed services so require, and of his own knowledge and experience.
- 3.2 Contractor shall provide the services on his own responsibility by qualified employees. The selection of employees who will render the services shall be exclusively in Contractor's discretion.

3.3 During Contractor's stay on the premises of the Principal, Contractor shall observe Principal's safety rules as far as these have been made known to him, and impose this obligation also on those of his employees who stay on the premises.

3.4 The Contractor undertakes to adhere to the regulations and guidelines issued by the legislator, supervisory authorities and Contractor complies with the applicable Industrial Accident Insurance and Industrial Safety Corporation.

4 Remuneration

- 4.1 The Principal shall pay for the services of the Contractor a remuneration as specified in the Contract.
- 4.2 The terms of payment are regulated in the Contract.
- 4.3 All mentioned prices and rates shall apply plus statutory value-added tax as valid at the date the service is rendered.
- 4.4 Payment shall be effected without deduction within 30 days or as agreed.
- 4.5 Deliveries and services to be paid on the basis of the inputs involved (material, time and expenses basis) will be remunerated according to the "Cost rates for time-based services and expenses" as valid at the date the service is rendered.

5 Secrecy

- 5.1 The Contractor undertakes not to disclose to third parties any information, business transactions, documents of the Principal, which come to his or his employees' knowledge under the Contract, or make such information, business transactions and documents in any manner available to third parties.
- 5.2 The obligation to maintain secrecy shall not apply if such information is in the public domain, had already had come to the knowledge of the Contractor when received, or has been made available to the Contractor by third parties without obligation to maintain secrecy.
- 5.3 The provisions as stated above shall apply vice versa both to the Principal and his employees.

6 Liability

- 6.1 Irrespective of the legal grounds, the Contractor shall only be liable for intent and

gross negligence, for the violation of major contractual obligations and the absence of any guaranteed characteristics as well as provided under the product liability law. In case of violation of major contractual obligations – such liability shall be limited, however, to the reasonably foreseeable damage that is typical to the contract. Other or any further claims of the Principal shall be excluded. This Clause shall not imply a change in the burden of proof to the detriment of the Principal.

- 6.2 In no case shall the Contractor be liable for the loss of income, loss of use, loss of production, cost of capital or cost in connection with business interruptions. Moreover, the Contractor shall by no means be liable for any indirect or consequential damage or loss.
- 6.3 Unless a statutory limitation period shall provide a shorter period, all claims under this Section 6 shall have a limitation period of 2 years commencing upon acceptance by the Principal or – to the extent no acceptance is required – upon performance of the respective services by the Contractor.

7 Compensation for Delay

- 7.1 In case of delays in performance by the Contractor for reasons for which Contractor is responsible, after lapse of a reasonable grace period granted to the Contractor the Principal may claim as liquidated damages for each full week in delay the amount of 0.5 %, in total a maximum of 5% of the remuneration owed for the services according to Section 1 above.
- 7.2 Further claims for damages shall be excluded. This shall not apply where in cases of intent or gross negligence there is a mandatory liability on the part of the Contractor. No change in the burden of proof to the detriment of the Principal is involved. This shall not affect Principal's right to withdraw after lapse of a reasonable grace period granted to the Contractor, provided such delay exceeds a period of 10 weeks.

8 Rights of Use

- 8.1 Notwithstanding the obligation to permit the Principal the use of the services owed to him according to Section 1 above, all rights to and in the know-how and any of Contractor's results capable of being protected (inventions, copyrights, etc.) shall remain with the Contractor.
- 8.2 Upon payment of the agreed remuneration, the Principal shall be granted the non-exclusive and non-assignable right of use thereof, but only within the scope of the purpose of the Contract.
- 8.3 The Contractor shall, in particular, be entitled to make unrestricted use for his business activities of know-how acquired in connection with the execution of this Contract.

9 Software

- 9.1 Granting of rights in or to software by the Contractor shall require a separate written agreement between the Parties.

10 Term of Contract, Termination

- 10.1 Both Principal and Contractor may terminate the Contract on each working day for good cause. Such termination must be made in writing.
- 10.2 In the case of termination, the Contractor shall be entitled to receive payment of that part of the remuneration, which corresponds to the services provided by him up till then.

11 Final Provisions

- 11.1 Modifications and supplements to the Contract shall not take effect unless made in writing.
- 11.2 If individual provisions of the Contract become invalid or unenforceable, this shall not affect the validity of the contract as such. The invalid or unenforceable provision shall be replaced with a valid and enforceable provision, which comes as close as possible to the economic purpose of the invalid or unenforceable one, respectively.
- 11.3 Exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be Waldshut, Germany

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