

Terms and Conditions for the Repair of Hardware

1. Scope of Contract

- 1.1 The customer shall send defective hardware (end devices) to Vector, using the original packaging, if so requested by Vector, and the customer shall re-implement the hardware after the repair. Vector shall name a parcel service to the customer, in case the customer requests Vector to do so.
- 1.2 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's 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. Charges and Payments

- 2.1 Unless otherwise agreed, all support services of Vector and additional expenses including freight charges shall be reimbursed separately in accordance with Vector's current standard rates (price list). Vector may submit invoices on a monthly basis.
- 2.2 Payments shall be due without deductions within 30 days after invoicing.
- 2.3 Duties, taxes and levies including V.A.T. – if applicable – shall be paid by the customer on all prices.

3. Disruptions in the Performance, Delay

- 3.1 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 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.
- 3.2 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 the performances that cannot be used according to the contract, but the penalty shall be limited to 5 % of the total contract value.

4. Remedy of Defects

- 4.1 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.
- 4.2 The customer may only raise claims if the customer can reproduce the defect or demonstrate it by using computer output.
- 4.3 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.
- 4.4 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.
- 4.5 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.

4.6 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.

5. Vector's Liability

5.1 In the event Vector defaults on its performances, 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 5.3. 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.

5.2 The limitation period for claims based on defects shall be 12 months.

5.3 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.

5.4 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.

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

6. Confidentiality

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

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

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

6.4 Vector may enter the customer's name into Vector's list of customers, together with a short description of Vector's performances. All other references that the customer is Vector's customer are subject to the customer's prior approval.

7. Miscellaneous

7.1 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.

7.2 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.