

A. General Part

1. Scope of Application and Structure of Agreement

These General Terms and Conditions of Business of redIT consist of the following parts:

A. General Part

B. Definitions

C. Technology Platform and System Integration

- C1. Hardware Purchasing
- C2. Licenses for Software from Third-Party Suppliers
- C3. Services
- C4. System Maintenance

D. redIT Software

- D1. Licenses for redIT Software
- D2. redIT Software Updates

The General Part contains the terms and conditions of contract applicable to all types of contracts, while Special Parts C and D contain only the terms and conditions of contract applicable to specific types of contracts.

The commercial conditions applicable to each individual transaction, such as product and performance specifications, prices, deadlines, etc., shall be stipulated in the individual contracts.

These General Terms and Conditions of Business shall apply to all redIT companies. When redIT is mentioned below, this shall signify the company with which the customer has concluded the individual contract.

2. Conclusion of Contract

Contracts between redIT and its customer shall be concluded when both parties sign an individual contract or when an order confirmation is received and no objections are raised. When receiving an order confirmation, redIT may assume that the customer agrees with the order confirmation, provided the customer does not raise any objections against the confirmation within 10 days after receipt.

3. Start of Contract

Unless stipulated otherwise, written contracts shall take effect on the date they are signed, order confirmations on the date they are issued.

4. End of Contract

Individual contracts concerning the delivery of hardware or software or the performance of one-time services shall end upon their due fulfillment.

Individual contracts concerning the provision of hardware or software (rental, leasing, outsourcing, personal loans, etc.) or the performance of ongoing services (system maintenance and software updates) shall end upon the expiry of the contract or the termination thereof. Any termination must be made in writing.

5. Performance of Services

redIT may render the contractually owed performances itself or have them rendered in whole or in part by third parties.

6. Deadlines

Deadlines specified for delivery, installation and commissioning shall merely be guides and shall not be binding, unless expressly warranted in the individual contract.

7. Delivery and Acceptance

redIT shall fulfill the owed performance by delivering the product or work result. A formal acceptance shall take place in cooperation between both parties if expressly foreseen in the individual contract. Defects that do not rule out the use of the work result as intended ("minor defects") shall not hinder the acceptance.

Performances shall be considered as accepted if a scheduled acceptance appointment does not take place within 30 days after the agreed acceptance date due to reasons for which redIT is not responsible or, if no acceptance date has been agreed, within 30 days after delivery. Performances shall in all cases be considered as accepted when the customer productively uses products or service results.

8. Default in Acceptance

If the customer does not duly accept the offered performance, after establishing a reasonable subsequent grace period redIT may either:

- (1) continue to adhere to the portion of the contract fulfilled to that time and request the compensation agreed for that portion, while definitively waiving the rendering of any further performances; or
- (2) rescind the entire contract, demand the surrender of all delivered products or damage compensation. Damage compensation shall consist in the reduced value of the products and in the full compensation contractually agreed upon for the services previously rendered.

redIT may moreover in both cases additionally request flat-rate damage compensation for lost future performances. This shall amount to 50% of the contract value for the products or services still undelivered or unrendered at that time. The right to assert further damage based on corresponding documentation shall be reserved.

9. Default by redIT

If redIT fails to keep a contractually stipulated deadline and redIT is responsible for the delay, the customer shall establish a reasonable subsequent grace period of at least 30 days for redIT in writing. If this deadline is not kept, redIT shall be in default and the customer, after establishing further grace period in writing, may:

- (1) insist on the fulfillment;
- (2) waive the subsequent performances, provided the customer declares this without delay;
- (3) rescind the contract, provided the customer declares this without delay and provided the outstanding performance or delivery significantly impairs the utility of all performances procured from redIT.

10. Prices

The specified prices do not include value-added tax or any other taxes.

redIT shall be entitled to modify its prices at any time. Price changes made after the signing of a contract shall not have any impact on previously concluded individual contracts concerning the delivery of products. The new prices shall apply after three months' prior notice to individual contracts concerning the permanent provision of products and the rendering of services.

If redIT provides information on prices for services or entire systems, subject to an express warranty, such information shall exclusively be intended to orient the customer and shall not represent either a fixed price, a binding cost ceiling or an approximate cost estimate. Information on foreseeable service-related expense shall moreover

not take into account travel time.

Invoices from redIT shall be payable within 20 days, subject to special agreement. After the expiry of this period, the customer shall readily be in default.

11. Travel Time

Travel time shall be considered as working time.

For the compensation of travel time, redIT may introduce in lieu of the standard conditions flat-rate compensation covering both the expended time and the expenses.

12. Additional Expense

redIT may invoice the following performances on a time and materials basis at contractually stipulated compensation rates:

- performances not contained in the defined scope of performance;
- performances for the analysis and remedy of faults that are not caused by delivered or maintained components or that are not reproducible (misuse, incorrect manipulation, unauthorized intervention, effects of third-party products, errors in data material provided by the customer or third parties, changes in databases not made using proper and licensed redIT programs);
- performances for the remedy of malfunctions arising through physical intervention by third parties or *force majeure* (physical damage through the customer or third parties, power outage, overtension, lighting, weather damage, damage by animals, influences through uncommon physical, chemical or electrical loads);
- expenses arising because the customer breached its cooperative duties;
- expenses caused by software/virus attacks.

13. Default in Payment by Customer

If the customer is in default with the payment of an invoice from redIT, redIT may assert default interest at a rate of 5%. Moreover, after establishing a reasonable subsequent grace period redIT may either:

- (1) continue to adhere to the contract, sue for payment of the outstanding claim and damages caused by the delay and refuse to render further performances until due payment is made; or
- (2) continue to adhere to the agreement, sue for payment of the outstanding claim and damages caused by the delay and definitively waive the rendering of further performances; or
- (3) rescind the contract, request the surrender of all delivered products and invoice as damage compensation the full scope of the contractually stipulated compensation for previously rendered services.

In the events of (2) and (3), redIT may additionally request flat-rate damage compensation for lost future performances. This shall amount to 50% of the contract value for the then still undelivered products and the still unrendered services. The right to assert further damage based on corresponding documentation shall be reserved.

14. Cooperative Duties

The customer must procure all prerequisites within its sphere of influence so that redIT can render the owed performances. The customer shall be responsible in particular for the following areas:

- **general responsibility for successful use of the subject-products in business terms:** specification of

the problem to be solved; selection of the products; adaptation of internal routines to the requirements of the subject-products as necessary and reasonable; orientation of redIT concerning the customer's operational routines, to the extent such are relevant to the rendering of the performance; ongoing information on imminent extensions of use; strategic decisions or changes of the technical or legal environment with an effect on the supported IT environment;

- **contract persons and project management:** designation of an expert contract person authorized to make decisions at the customer's premises and, if necessary, designation of a customer project manager; release of such persons for project tasks to the necessary degree;
- **training:** training of employees in relation to the subject-products; conveyance of common user knowledge and, if necessary, training of super users;
- **fault and error reporting:** immediate notice upon the appearance of faults and errors in the form prescribed by redIT; most exact description and documentation of the appearing faults possible;
- **responsibility for data:** provision of the data to be processed; data input; data migration and restoration of data; responsibility for data integrity and compliance with the provision of data protection law;
- **data backups:** execution and controlling of data backups, secure storage of backups;
- **infrastructure:** provision of suitable space for the installation of subject-products; responsibility for compliance with the provisions concerning the temperature and cleanliness of the rooms where components are located; assurance of the power supply; permission for redIT employees to access premises of the customer; provision of the necessary number of workstations for redIT employees when working on-site; provision of the necessary computer time; protection of the subject-products against unforeseen loss, damage, theft and weather damage;
- **usage requirements:** compliance with the usage requirements prescribed by redIT or the manufacturer; careful treatment and external cleaning of the subject-products;
- **support of redIT:** assistance with work at the customer's premises according to redIT's instructions, execution of the work allocated to the customer by redIT;
- **interfaces:** definition and programming of interfaces to be realized by the customer;
- **customer components:** provision, operation and maintenance in due time of the components to be procured by the customer;
- **other contractors:** coordination and assurance of performances rendered by other contractors;
- **communication:** provision and assurance of data communication, Internet and phone connections; management of interfaces with the corresponding providers; maintenance of the technical installations for remote maintenance to be installed by the customer;
- **acceptance and inspection duties:** reception of offered performances and products; inspection of delivered performances and products immediately after delivery; collaboration in system tests; performance of acceptances;
- **consumables:** provision of consumables, such as toner, paper and disks and use of parts subject to wear and tear.

Further cooperative duties may also arise analogously

from the scope of performances agreed in the individual contract.

15. Rights to Work Results

Unless stipulated otherwise in the individual contract, all rights to the work results created by redIT or its subcontractors shall remain with redIT. The customer shall receive a non-exclusive, non-transferable and temporally unrestricted license.

16. Exclusion of Warranty in the Cases of Customer's Own Fault

Any independent subsequent improvement by the customer or third parties shall be excluded hereby. If the customer handles hardware or software products inappropriately, changes or repairs them itself or allows such acts to be carried out by third parties not authorized by redIT, the customer shall lose all warranty and liability claims. Moreover, redIT may invoice the additional expenses instigated thereby at the applicable conditions.

17. Approval

If the customer employs products and work results productively, such performances shall in all cases be considered as approved if no written defect complaint is made within 30 days after the acceptance or, in the absence of an acceptance, within 30 days after delivery. Exempt herefrom shall be defects that cannot be discovered upon due inspection. Such defects may be claimed until the routine expiry of the warranty period.

18. Liability

In the event of negligence for personal injury and material damage, redIT shall be liable up to the price of the defective product or faulty service. In the event of recurring services (maintenance, etc.), an annual fee shall apply as the price of the service. As permitted by law, all liability shall hereby be excluded for auxiliary personnel and for pecuniary damage, such as lost profit, unrealized savings, the customer's own expenses, regress claims, default damage, damage from data loss and damaged data, damage from the commercial expenses of the products, and for costs resulting from the involvement of third parties.

19. Leasing

Any leasing or refinancing agreement concerning the subject-performance shall only affect the ownership relations and the debtor status concerning the price. The other rights and duties (e.g. the cooperative duties and the authorization to use Software) shall not be prejudiced thereby.

20. Exclusion of Set-Off

The customer may only set off claims of redIT with counterclaims that have been recognized in writing by redIT.

21. Securities

redIT shall reserve the title to the sold hardware products until the customer has paid for hardware products in full. The customer hereby agrees to notify reservations of title to third parties, particularly any lessors, and not to sell any hardware products that are subject to title retentions and to treat them carefully.

Usage licenses shall be issued subject to the full payment of the license fees. If the customer fails to pay the license fee, the customer shall lose all rights to use the unpaid software after a one-time written reminder and shall be obligated to delete all copies of the software and to return all data carriers and documentation to redIT.

22. Re-Exportation

The customer hereby agrees to observe any restrictions on re-exportation.

23. Maintenance of Secrecy

redIT and the customer hereby mutually agree to maintain secrecy regarding all information and documents that constitute business secrets. This obligation shall not apply to information that is known to the general public or becomes known to the general public without any action on the part of the recipient thereof.

The obligation to maintain secrecy shall continue to exist after the cessation of the contractual relation.

24. Prohibition on Poaching

The parties shall not entice away any employees or contractors. This obligation shall apply throughout the term of the contractual obligations between the customer and redIT and for one year thereafter.

25. Change Management

Within the framework of a change management procedure, the parties may change the commercial conditions, such as the scope of performance, deadlines and costs at any time. Such changes may be made both verbally and in writing. Verbal changes must be set out in a record in all cases. The other party must be informed thereof. Otherwise, verbal changes shall not be considered as made. Contractual changes beyond Paragraph 1 shall only be valid if made in writing.

This requirement for the written form may only be waived in writing.

26. Transfer

redIT may transfer this Agreement or parts hereof without the customer's approval and in full exoneration of redIT at any time to another redIT company.

27. Final Provisions

Swiss law shall be applicable to the exclusion of the provisions of the UN Convention on Contracts for the International Sale of Goods. **The statutory registered office of the redIT company listed in the individual contract shall be the exclusive place of jurisdiction.**

B. Definitions

Active network components

All components of the network not physically connected to the building (e.g. hub, router, switch, network software).

Standby time

Normal office hours when redIT performs its services. Standby time will be defined according to the type of contract in the individual sections or the individual contracts.

Call status feedback

Written or electronic confirmation or confirmation by phone of the acceptance of a fault report to the customer.

Individual contract

Contractual document signed by both parties or order confirmation from redIT stipulating the commercial conditions.

Isolated outage

One or more persons cannot use or can no longer use individual system components.

ERP software

Enterprise resource planning (ERP) software is a sub-term of business management software (BMS), which is used as application software to manage administrative routines relating to the operating activities of an enterprise (e.g. financial administration, order processing, warehouse management, production planning).

Escalation

Information to the next higher level in the event of disruptions in a problem-solving process.

Remote support

Telephone support through the helpdesk or support via a remote support installation.

Components

Individual parts of the IT environment (e.g. hardware, software, network).

Communications software

Software that is used for electronic communication with internal and external network participants.

LAN (local area network)

Internal company network enabling connections without access to telecommunications services.

Object code

Program in computer code.

Office Software

Software that is used to resolve technical office tasks (word processing, table calculations, scheduling, address management, etc.).

Passive network components

Network components physically connected to the building (e.g. cable).

Patch

Correction of program errors by the manufacturer (normally in the form of binary files) without any functional extension of the software.

Priority levels

Priority levels describe the degree to which a customer is prevented from performing a task.

Priority 1: complete outage

Priority 2: partial outage

Priority 3: isolated outage.

Release

New version of software that a) remedies errors that have appeared and/or contains technical improvements (technical release) or b) contains program extensions that do not significantly extend the software's scope of performance (functional release).

Reaction time

Period from the reception of the fault report to the start of the work by redIT to remedy the fault. The "start of the work to remedy the fault" shall mean contact made by redIT system specialists.

Rollout

Delivery of a large number of similar components to a customer that are preconfigured by redIT.

Standard software

Software which is developed for a majority of customer within the framework of the routine release process.

Second level support

(1) Problem resolution in a second instance by specialists who possess a high level of product expertise (e.g. manufacturer);

(2) in-depth consultation from specially trained employees of the customer. Second level support is not available for questions from end users of the customer related to the operation of products.

Service level

Standard description of the scope of services.

Service level agreement (SLA)

Detailed description of the services to be performed.

Software error

Replicable and documentable erroneous executions of software functions specified in the performance specifications so that the software delivers false results, stops running uncontrollably or otherwise acts not in keeping with its function. The following are not software errors: (1) the isolated appearance of malfunctions that do not eliminate or significantly impair the utility of the software, (2) faults not caused by the software (misuse, incorrect manipulation, unauthorized intervention, effects of third-party products, errors in the data material provided by the customer or third parties, changes in the databases not made using proper and licensed redIT programs), (3) faults caused by the customer through a breach of its cooperative duties, (4) faults caused by virus attacks.

Fault clearance time

"Fault clearance time" means the period between the acceptance of the fault report and the fault remedy. The troubleshooting shall be completed when the system affected by the fault can be used again to the full extent or an adequate alternate system has been provided. The time for restoring databases shall not be factored into the calculation of troubleshooting time.

Source code

Original version of the program that is translated by an interpreter program into machine-readable object code. Source code is not available to licensees.

System integration

Services consisting of the consolidation of various components into a general system.

Technology Platform

Architecture (layout of an IT system), hardware, operating systems, peripheral devices, network technology, etc.

Partial outage

At least one service or the data from a service are not available any longer for the majority of the customer's users.

Total outage

All services or the data from services are not available any longer for the majority of the customer's users.

Update

Compilation of several patches (corrections) by the manufacturer in order to simplify maintenance.

Upgrade

Another term for a new version.

Version

New version of standard software that contains a) a significant extension of the functionality and/or b) a fundamental technical improvement.

WAN (wide area network)

Network beyond the individual company sites with connections via telecommunications services.

Significant error/disruption in operations

Fault which makes it impossible to productively use components of the customer.

C. Technology Platform and System Integration

C1. Hardware Purchasing

1. Subject of Agreement

redIT shall sell to the customer the hardware products designated in the individual contract.

2. Delivery

redIT shall deliver the hardware to the operating site, provided the site is located in Switzerland or the Principality of Liechtenstein.

3. Prices

The customer hereby agrees to pay the purchase price determined in the individual contract.

The purchase price may be invoiced by redIT after the contract is closed. The purchase price includes delivery costs to the Swiss operating site, but does not include the costs of installation, unless stipulated otherwise in the individual contract.

4. Warranty

To safeguard its defect rights, the customer must inspect the hardware products supplied to it immediately after delivery and report any defects in writing without delay. Unless stipulated otherwise in writing, the warranty period shall be three months and shall commence with the delivery of the hardware products to the customer.

The warranty rights of the customer result from the manufacturer's terms and conditions. Such warranty rights shall exclusively exist in relation to redIT in that redIT shall demand the warranty rights pursuant to the manufacturer's terms and conditions from the manufacturer/supplier. If the manufacturer/supplier does not meet its warranty duty voluntarily, redIT shall assign the warranty rights to the customer for legal enforcement. Other warranty claims against redIT are hereby rescinded.

Parts subject to wear and tear and consumables, such as toner, batteries, etc., are to be compensated by the customer in all cases at its own cost.

C2.Licenses for Software from Third-Party Suppliers

1. Use Right

redIT issues the customer the right to use the software product designated in the individual contract pursuant to the following provisions.

The scope and content of the software license shall primarily result from the manufacturer's license provisions included with the software product.

The following shall apply in the event no such manufacturer license has been agreed upon:

- redIT issues the customer the non-exclusive, non-transferable right to use the software and the documentation as intended on the system of the customer foreseen for use for an indefinite period of time.
- The intended use of software shall conclusively encompass: (1) the full or partial loading, storage, transfer, conversion, running or reproduction of the software in object code on the customer's system in order to execute the program instructions and process the customer's data, (2) the production of the temporary copies necessary for this purpose and the use of the documentation in connection with the intended use of the software.
- It shall not be permissible to use the software on any computer system other than the customer's system or on more work stations or mobile accessory devices than specified when acquiring the license or to operate an IT center for third parties with the software, to copy the software beyond the intended use, to lease, lend or pass the software on to third parties, to process, alter or extend the software or to change the object code back into source code.

2. Delivery and Installation

redIT shall provide the customer the software from third-party suppliers on the data carrier provided to redIT by the manufacturer. Documentation shall only be handed over if provided by the manufacturer. The installation of the software is to be contracted separately as an additional service.

3. Unauthorized Use

Any breach of the provisions on the software usage shall trigger a non-exonerating contractual penalty in the amount of twice the license fee for each unauthorized act of intervention.

4. Property Rights

The customer recognizes the property rights of the manufacturers to programs and documentations and shall leave the corresponding property right notices unchanged. The customer hereby agrees not to pass software or documentation on to third parties or publish software or documentation in whole or in part.

5. Payment Conditions

The customer hereby agrees to pay the license fees determined in the individual contract (one-time and/or recurring license fees). License fees merely constitute compensation for the issuance of a use right and shall not entitle the payer to claim further performances, e.g. maintenance and support.

One-time license fees may be invoiced by redIT after the closing of the contract. Recurring license fees shall be due and payable in advance for each calendar year.

6. Material Warranty

To safeguard its warranty rights, the customer must inspect the software supplied to it immediately after delivery and report any defects in writing without delay in comprehensible form.

Unless stipulated otherwise in writing, the warranty period shall be three months commencing with the delivery of the products.

The warranty rights of the customer result from the manufacturer's terms and conditions. Such warranty rights shall exist in relation to redIT only insofar as redIT shall de-

mand the warranty rights pursuant to the manufacturer's terms and conditions from the manufacturer/supplier. If the manufacturer/supplier does not meet its warranty duty voluntarily, redIT shall assign the warranty rights to the customer for legal enforcement. Other warranty claims against redIT are hereby rescinded.

7. Legal Warranty

The manufacturer's provisions shall apply and redIT assigns to the customer all direct claims against the manufacturer/supplier. Any further legal warranty is hereby rescinded.

8. Term of Contract

Individual contracts that stipulate recurring license fees may be terminated upon three months' notice effective as of the end of the year. redIT may moreover terminate such individual contracts for good cause without notice if the customer breaches the terms and conditions of use or fails to pay the license fees despite a written warning. After the cessation of the contract, the customer shall discontinue all use of the software and destroy the copies of the software and the documentation provided to it.

Individual contracts stipulating merely one-time license fees have no term of contract and therefore need not be terminated.

C3. Services

1. Subject of Agreement

redIT shall perform IT services, such as installation of hardware and software, undertake customer-specific settings of the software (customizing and parameterization), rollouts, performance of data migrations, performance of projects, hiring out of personnel, support in product introduction and commissioning (project management), conduct of tests, training and support of customer. The services to be rendered by redIT shall be described in the individual contract.

2. System Integration

redIT shall assume responsibility for the system integration only if this is expressly mentioned in the individual contract. For this responsibility to be assumed, the customer must specify its requirements in advance.

If the redIT does not assume any responsibility for the system integration, redIT shall deliver on a time and material basis, and the purchase of the hardware, the licensing of the software and the performance of services shall be considered as independent legal transactions.

3. Place of Performance

Services shall be performed, at redIT's choice, either at a redIT business location or at the customer's premises.

4. Payment Conditions

Services shall be performed by redIT on a time and material basis at the applicable conditions. Services shall be invoiced monthly, unless a different payment mode is stipulated in the individual contract.

Travel time shall be considered as working time and shall also be invoiced, like expenses, at the applicable conditions.

5. Warranty

When performing every service, redIT shall consider its knowledge and experience and generally accepted technical and scientific principles of informatics and shall exercise due diligence.

If, based on a service, a work result to be delivered is owed, redIT warrants that the work results shall meet the specifications on the delivery date as defined in the individual contract. The customer must immediately report defects to redIT in writing. The warranty period shall be three months after acceptance by the customer. The warranty shall be limited to subsequent improvement by redIT. Other warranty claims shall hereby be rescinded.

In the case of system integration, the warranty period for all products shall commence with the acceptance of the system. Otherwise, Paragraphs 1 and 2 above shall apply to the warranty.

C4. System Maintenance

1. Subject of Agreement

redIT shall perform services for the customer intended to maintain the operability of the cared-for components under normal usage conditions.

The redIT services shall be described generally below and specified in the individual contract with reference to these Terms and Conditions of Contract. The services shall exclusively refer to the components likewise designated in the individual contract.

2. Standard Performances

2.1. On Standby for Maintenance

redIT shall keep its know-how and technical resources ready to be able to maintain and support the subject-products throughout the term of contract.

2.2. Call Center

redIT shall maintain a call center to serve the customer as an initial contact point if faults appear.

2.3. Troubleshooting

If faults appear, redIT shall initiate the necessary measures to remedy the faults through remote or on-site support. These measures shall serve to diagnose the fault, define the suitable solution and remedy the fault. redIT shall proceed as follows:

- Remote support: If faults appear, an attempt shall first be made to remedy the fault using remote support. If no system is available for remote access, or if the fault cannot be remedied via phone support within a helpful period, on-site support shall be necessary.
- On-site support: If faults cannot be remedied via remote support or by phone, on-site support shall be provided. In the absence of an express agreement, the instigated expenses shall not be satisfied by the maintenance fee but shall be invoiced separately.

3. Additional Performances

3.1. Triage

redIT and the customer may agree for redIT to accept fault reports that do not relate to the maintained components. Such faults shall be forwarded by redIT to the competent provider for processing and redIT shall monitor the progress of the fault remedy.

3.2. Spare Parts

redIT and the customer may agree for redIT to procure spare parts and either to provide them at redIT's premises or on-site exclusively for the customer's use. Unless expressly agreed otherwise in the individual contract, the storage of spare parts shall not pertain to the scope of performance.

3.3. System Monitoring

Upon separate request, redIT shall monitor the ongoing operation of the subject-products for early fault detection.

3.4. Update and Patch Management

Upon separate request, redIT shall assume software update and patch management. Within this framework, redIT shall supply and install in consultation with the customer the software updates and patches for subject-products normally supplied by the manufacturer at no extra cost. Moreover, redIT shall keep a list of the software installed at the customer's premises, to the extent subject-products are concerned.

If the manufacturer requests additional compensation for the delivery of software updates, the customer must procure the software at its own cost.

3.5. User Support

redIT and the customer may also agree for redIT to warrant user support in the terms of first level support. The applications and components to be supported are to be specified precisely in the individual contract by product, version and language.

3.6. Quality Assurance

Upon separate request, redIT shall monitor the quality of the troubleshooting. The following tools will be implemented contingent on the agreement:

- Trouble tickets: recording the features: call status feedback, type of troubleshooting and troubleshooting time per fault event
- Quarterly reports: regular reporting on troubleshooting
- Quality reports: reports upon special request
- Quality review: evaluation of the quality of troubleshooting by the works committee

4. Details of Troubleshooting

The components supported by redIT shall normally be produced by third parties. redIT's services in the case of faults shall therefore consist in coordinating the troubleshooting with the manufacturers or suppliers of these components. redIT shall act as follows:

- In an initial stage, redIT shall attempt to remedy the fault, provided this is possible with the means available and based on the agreed service level.
- If this is not possible or if troubleshooting by redIT is not indicated from the outset, redIT shall involve the manufacturer's service personnel.

In the case of components for which the guarantee period granted by the manufacturer/supplier is still running, redIT shall claim the guarantee rights granted by the manufacturer/supplier if faults appear.

redIT shall not assume any responsibility for the success of troubleshooting or warranty work of the manufacturer/supplier.

5. Supported Components

The services rendered by redIT shall relate exclusively to the components listed in the individual contract.

In the case of Software, redIT may request the customer to use the most up-to-date release supplied by the manufacturer and to likewise procure recent versions that are subject to charges. In the case of hardware, however, redIT may make the performance of services contingent on the manufacturer offering support for the products and keeping spare parts ready.

If these conditions are not met, redIT may discontinue the

services for the affected components at any time after one month's prior notice. The validity of the system maintenance agreement in relation to the other subject-products shall not be prejudiced thereby.

6. Adjustment of the Scope of Performance

redIT reserves the right to adapt services unilaterally to new technological findings and requirements. Such changes shall be communicated to the customer 1 month before the effective date in writing.

7. Degree of Readiness

redIT distinguishes between the following degrees of readiness:

Standby time

Standby time is from Monday to Friday from 8:00 a.m.-12:00 p.m. and 1:00-5:00 p.m., except on general holidays at the competent redIT business location. During standby time, all resources maintained by redIT shall in principle be available.

On-call service

During the on-call times determined in the individual contract, redIT shall maintain an emergency organization that is designed to remedy major disruptions in operations.

If work cannot be finished during the standby time, it will be taken up again at the start of the next working day. If the redIT service employee deems it expedient or if the customer so requests, initiated work may be continued beyond the end of the standby time; a surcharge shall be billed.

8. Reaction and troubleshooting time

The reaction times shall be determined in the individual contracts and shall in principle only apply within the agreed standby time.

Troubleshooting times shall only be granted if agreed separately in the individual contract. The period for the restoration of databases shall not be counted when calculating troubleshooting time.

9. Flat-Rate Fees

As compensation for the services pursuant to Section 2, the customer shall pay redIT the flat-rate compensation designated in the individual contract in advance at the start of each calendar year.

The customer may bindingly agree within the framework of a service subscription to procure a certain number of support hours in return for an advance payment. The service subscription shall be invoiced after the order is placed. Unused support hours shall lapse two years after the order is placed and in the event of a termination of the system maintenance contract by the customer. However, the customer shall be free to have the advance payments affected by the forfeiture credited towards the procurement of other performances from redIT, provided the customer declares this without delay and provided these performances can be invoiced by redIT within 30 days after the forfeiture of the advance payment.

10. Third-Party Costs

If redIT must avail itself of the support of third parties (manufacturers, etc.) when rendering its performances because intervention or spare parts beyond the agreed service level are necessary for troubleshooting purposes, the resulting costs may be invoiced as third-party costs.

11. Warranty

redIT agrees to perform the services with due care. However, redIT cannot assume any guarantee that the sub-

ject-products can be used uninterruptedly and without defects in all desired combinations with any hardware and software products and data.

12. Term of Contract

Individual contracts shall be concluded for an indefinite period of time. In the absence of an express agreement, individual contracts shall take effect on the first of the month following the date of the installation of the supported components at the customer's premises.

Individual contracts may be terminated effective from the end of any calendar month after three months' notice.

13. Consequences of Cessation of Contract

With the expiry of the individual contract, the obligation on the part of redIT to perform services shall cease. Spare parts acquired and stored by redIT at the customer's request must be acquired by the customer at the residual value. The residual value shall be calculated based on a straight-line period of 36 months and interest at a rate of 7% per year.

D. redIT Software

D1. Licenses for redIT Software

1. Use Right

redIT issues the customer the non-exclusive, non-transferable right to use the software designated on the cover sheet of the contract and the documentation as intended on the system of the customer foreseen for use for an indefinite period of time. redIT issues the customer the non-exclusive, non-transferable right to use the software and the documentation as intended on the system of the customer foreseen for use for an indefinite period of time.

The intended use of software shall conclusively encompass: (1) the full or partial loading, storage, transfer, conversion, running or reproduction of the software in object code on the customer's system in order to execute the program instructions and process the customer's data, (2) the production of the temporary copies necessary for this purpose and the use of the documentation in connection with the intended use of the software.

It shall not be permissible to use the software on any computer system other than the customer's system or on more work stations or mobile accessory devices than specified when acquiring the license or to operate an IT center for third parties with the software, to copy the software beyond the intended use, to lease, lend or pass the software on to third parties, to process, alter or extend the software or to change the object code back into source code.

2. Delivery and Installation

redIT shall provide the customer the software on suitable data carries or provide the software in electronic form. Documentation shall only be handed over if provided by the manufacturer. The installation of the software is to be contracted separately as an additional service.

3. Transfer of Software

After obtaining prior written approval from redIT, the customer may pass software on to third parties, provided the customer confirms in writing that it has not retained any copies thereof and has definitively discontinued using the software.

4. Unauthorized Use

Any breach of the provisions on the software usage shall trigger a non-exonerating contractual penalty in the amount of twice the license fee for each unauthorized act of intervention.

5. Property Rights

The customer recognizes the property rights of redIT to the software and the documentation and shall leave the corresponding property right notices unchanged. The customer hereby agrees not to pass software or documentation on to third parties or publish software or documentation in whole or in part.

6. Payment Conditions

The customer hereby agrees to pay the license fees determined in the individual contract (one-time and/or recurring license fees). License fees merely constitute compensation for the issuance of a use right and shall not entitle the payer to claim further performances, e.g. maintenance and support.

One-time license fees may be invoiced by redIT after the closing of the contract. Recurring license fees shall be due and payable in advance for each calendar year.

7. Material Warranty

To safeguard its warranty rights, the customer must inspect the software supplied to it immediately after delivery and report any defects in writing without delay in comprehensible form.

Unless stipulated otherwise in writing, the warranty period shall be 6 months commencing with the delivery of the products. During this period, reproducible program errors shall be remedied or solutions to circumvent the errors (patches) offered within a reasonable period, if the software does not meet the contractual specifications. Other warranty claims are hereby rescinded.

8. Legal Warranty

redIT represents and warrants that it or another redIT company possesses all rights to the redIT Software. The customer shall be obligated, however, to inform redIT early on before the instigation of litigation about alleged third-party claims and follow all instructions consequently issued by redIT. If the customer fails to do so, redIT shall be released from its warranty obligation. To avert litigation, redIT shall moreover be free to take back the affected products and reimburse the acquisition price.

9. Term of Contract

Individual contracts that stipulate recurring license fees may be terminated upon three months' notice effective as of the end of the year. redIT may moreover terminate such individual contracts for good cause without notice if the customer breaches the terms and conditions of use or fails to pay the license fees despite a written warning. After the cessation of the contract, the customer shall discontinue all use of the software and destroy the copies of the software and the documentation provided to it.

Individual contracts stipulating merely one-time license fees have no term of contract and therefore need not be terminated.

D2. Maintenance of redIT Software

1. Subject of Agreement

redIT shall perform the software update services described below for the standard software listed in the individual contract. These services are intended to remedy

any software errors that appear, support user operation of the software and maintain the software.

The redIT update services shall be described generally below and specified in the individual contract with reference to these Terms and Conditions of Contract.

2. Standard Performances

2.1. Trouble Analysis

redIT shall analyze faults appearing in the updated software, allocate the fault to the responsible area and propose a suitable solution, if the fault is caused by the updated software. redIT shall proceed as follows:

- Phone/e-mail/remote access: If faults appear, an attempt shall first be made to analyze the fault by phone or by written description or via remote access. If this is not possible, e.g. because no system is available by remote access, on-site support shall be necessary.
- On-site support: If faults cannot be remedied via remote support or by phone, on-site support shall be provided. In the absence of an express agreement, the instigated expenses shall not be satisfied by the maintenance fee but shall be invoiced separately.

2.2. Troubleshooting

redIT shall remedy any errors that appear in the standard software in accordance with their urgency as follows:

- by developing customized correction code or patches;
- by adapting the operating routines and corresponding instructions of the customer;
- by supply software updates.

In the event of major disruptions in operations, the customer shall have a claim to a customized fault remedy. In all other cases, the fault shall normally be remedied through the delivery of a corrected release.

2.3. Maintenance of Software

New releases of the standard software shall be provided to the customer free of charge.

redIT shall inform the customer if such releases exist and provide a recommendation as to whether it is necessary to install them at the customer's premises. The installation of new releases on the customer's system is not covered by the software update fees and shall be invoiced separately.

redIT shall be entitled to make the performance of software update services contingent on the installation of a particular release.

2.4. Archiving

redIT shall archive the program versions in use at the customer's premises throughout the period the software is used both as source and object code.

redIT must assure that the software can be reinstalled if lost. However, the expenses incurred by redIT for the software reinstallation shall be invoiced as a service if the fault was not attributable to a software error.

2.5. Separate Performances for Special Products

The update services for the "pebe Steuern" tax software shall include the periodic updating of all integrated forms, rates and values.

3. Hotline

redIT shall maintain a hotline to answer queries related to the use of the software.

The use of the hotline shall be compensated in addition to

the flat-rate maintenance fee, though the customer may choose between a flat-rate fee and hourly compensation.

The flat-rate fee shall be set out in the individual contract and invoiced in accordance with Section 8. In the case of flat-rate compensation, the customer shall designate a person in charge of the system.

This person shall receive user queries as an initial contact point within the customer's business and forward the queries to redIT. The hourly compensation shall be billed at a rate of CHF 50 per call.

This shall include one quarter hour of consulting. An additional CHF 50 shall be invoiced for each further initiated quarter hour.

4. Support

redIT shall perform support services beyond the scope of performance pursuant to Section 2 upon special request in return for additional compensation at the applicable conditions.

5. Maintenance of Customized Software

The software update services pursuant to Section 2 refer to the standard software mentioned in the individual contract. The maintenance of programs or program components customized for the customer shall not form part of the standard update services and must be agreed separately.

6. Delivery of New Versions

New versions shall be installed within the framework of a software update agreement. They are to be procured separately by the customer.

7. Standby and Reaction Times

redIT shall perform its software update services during the following standby times:

Monday to Friday from 7:30 a.m. to 12:00 p.m. and from 1:00 to 5:00 p.m., except on general holidays at the competent redIT business location. In the case of major disruptions in operations, redIT guarantees a reaction time of one working day during standby times.

8. Flat-Rate Fees

As compensation for software update services, the customer shall pay redIT the flat-rate compensation designated in the individual contract in advance at the start of each calendar year.

9. Warranty

redIT shall perform the software update services with due care. redIT cannot guarantee, however, that the software it has updated can be used uninterruptedly without any errors.

10. Term of Contract

Individual contracts for software updates and the hotline shall be concluded for an indefinite period of time. Unless agreed separately, individual contracts shall take effect on the first of the month following the date of the installation of the software at the customer's premises.

Individual contracts may be terminated effective from the end of any calendar month after three months' notice.