Terms and Conditions for the Delivery and Maintenance of Software Products

I. Delivery of Software Products

§ 1   Scope of Contract

1.1   The software products (hereinafter referred to as the *"programs"*) shall operate as specified in the product description and more detailed in their user documentation. The user documentation may describe functions not ordered by the customer.

The programs shall embody all legal and other provisions the programs must comply with.

1.2   Vector shall transmit the programs to the customer in machine-readable format (object code) on data storage media or Vector may provide them for download from the Internet. Unless otherwise agreed, Vector may deliver the programs by e-mail. Vector shall provide the user documentation either as a printed copy or in electronic format.

1.3   In the event Vector's programs have interfaces for interoperability with other programs, Vector shall provide information for the use of the interfaces, if so requested by the customer, subject to reimbursement of Vector's expenses. The customer may pass such information on to other contractors to the extent necessary.

1.4   To the extent that programs are specified in the contract as products of pre-suppliers, Vector shall only be liable for the correctness of features of these products as they are substantial for the usage of the application programs of Vector. Other than the foregoing, Vector does not assume any warranties or liabilities, neither express nor implied, for any information in the product descriptions of the respective manufacturers.

For these programs Vector shall not assume any duty for defect removal or for maintenance services. However, in cases of material defects, Vector shall use its best endeavours for defect removal by the manufacturer to the extent that the manufacturer agrees to it in accordance with its business policy.

§ 2   Right of Use

2.1   The scope and limits of the customer's right to use the programs are specified in the contract.

2.2   The fee for the right of use is determined by the extent of the customer's right of use, in particular by the size of the configuration and/or the maximum number of simultaneously active users. Unless otherwise agreed, the customer is only entitled to use the programs on 1 designated IT system (single user license). If the customer wants to extend the right of use, the customer shall pay additional compensation in advance of the extended use.

If a single user license is agreed on, the customer may replace the designated IT system by another IT system used by the customer, but the customer is only entitled to use the programs on one IT system at the same time.

2.3   The customer agrees to use the programs only on configurations Vector has declared to be compatible with the programs. The customer shall inform Vector of any modifications of the customer's configuration without delay.

2.4   The customer may transfer the granted right of use per program to another user through resale of the programs if the customer confirms to discontinue the use of the programs and if the new user accepts in writing towards Vector to take over all obligations to the protection of the programs and to comply with the restrictions of the right of use as they were agreed on between the customer and Vector.

If Vector has granted the customer an unrestricted right of use, in particular without limitation, a company or enterprise license, this right of use is not transferable. In the event of substantial expansion of the customer's enterprise or the customer's group of companies in any way, the license fee shall be re-negotiated. Substantial is defined as at least 10% increase of revenues at the time of the expansion in relation to the time of the grant of the original license by Vector.

2.5   The customer shall only modify or enhance the programs and the related documentation within the limits such actions are permissible by the use of the administrator functions and rights provided by Vector.

§ 3   Performances

3.1   It shall be the responsibility of the customer to install the programs on the customer's IT systems. At the request of the customer, Vector shall install the programs in return for compensation based on expense and execute a brief training session. The customer shall confirm the successful installation in writing in such a case.

If it is agreed that Vector shall install the programs, the customer shall ensure that qualified operating staff are available by the time of installation at the latest. The customer shall, in particular, ensure that the customer's operating staff shall possess all necessary system administrator rights as well as all necessary network rights.

Vector recommends that the customer train its employees in a training course by Vector.

3.2   It shall be the responsibility of the customer to bring the programs into operation. To this end, the customer shall inspect the programs under their conditions of use before the customer uses the programs productively. Vector is prepared to assist the customer in this respect upon request in return for compensation based on expense.

3.3   The customer shall examine all Vector performances for defects without delay, if appropriate in the proper course of business. In particular, the customer shall examine programs designed only for occasional use.

3.4   Vector shall appoint a customer adviser and the customer a contact person. The customer adviser and contact person shall either make decisions or bring about decisions without delay. The customer adviser shall record decisions in writing. The contact person shall be available to Vector to provide all necessary information. Vector is obliged to involve such contact person if necessary for the execution of the agreement.

§ 4   The Customer's Duties on Software Protection

4.1   The customer acknowledges that the programs , including the user documentation and additional documents, even in future versions, are copyright-protected and constitute business and trade secrets proprietary to Vector. The customer shall ensure with no limit in time that the programs are protected from misuse.

If Vector provides source codes the customer shall make the programs accessible only to employees creating and processing object codes derived from the source code.

4.2   If Vector provides programs in source code, the customer shall only make them accessible to any third party with Vector's prior written consent. Vector shall not unreasonably withhold such consent, but Vector does not need to give it to enable the customer to obtain maintenance services for the programs from a third party.

4.3   The customer shall not create programs derived from the programs.

The customer shall use the user documentation for internal purposes only and only copy it to the extent admissible with regard to the customer's right of use. The customer shall not translate, modify or enhance the user documentation or develop any works based on the user documentation.

II. Modifications and Enhancements

§ 5   Scope

5.1   In the event that modifications and/or enhancements are agreed on in the contract, the customer may use modifications and enhancements of the standard programs to the same extent as the customer is entitled to use the related standard programs.

5.2   Vector shall deliver modified standard programs in object-code only. Vector shall deliver enhancements of the standard programs or other additional individual programs in source code, only if this is agreed upon in the contract. The documentation related to the source code shall only be delivered, if this is expressly agreed upon in the contract.

5.3   Vector shall deliver a user documentation only if expressly agreed upon in the contract. In this event the following shall apply: The user documentation for modifications and enhancements need not be integrated into the user documentation of the related standard programs, but shall be delivered as an addition thereto.

§ 6   Performance

6.1   If it is necessary to detail the customer's requirements listed in the contract or requested pursuant to § 7.1, 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 remunerated by the customer on the basis of time and material in accordance with Vector's valid price list.

6.2   The approved detailed specification is 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 with the customer's assistance.

6.3   In addition, § 3 shall apply.

§ 7   Change Requests

7.1   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 of the programming and/or to additional compensation.

7.2   Modifications and resulting adaptations of the terms of the contract must be confirmed in writing by both parties. If the customer gives a request for a modification orally, Vector may request the customer to give it in writing or Vector may confirm it in writing. The wording of such confirmation of Vector shall be deemed to express the customer's requirement correctly unless the customer objects in writing without delay.

7.3   Vector shall submit its request for adaptations of the contract without delay. The customer shall notify Vector without delay if the customer refuses the requested adaptation.

III. Maintenance and Support

§ 8   Subject Matter

8.1   If maintenance and support are agreed on in the contract, maintenance and support services shall include the delivery of further developed versions of the programs , the remedy of defects and telephone support during the usual business hours of Vector, in return for a lump-sum compensation.

Support shall be performed starting with the installation of the programs.

8.2   All other performances shall be compensated separately, in particular the installation of further developed versions, the transfer of customer specific modifications to further developed standard versions, and the adaptation of customer specific enhancements to further developed versions.

8.3   The maintenance and support agreement shall run for an indefinite period of time. It may be terminated by the customer or by Vector to the end of a contract year, in writing, giving 3 months notice.

Vector may not terminate until the end of the third support year, but is entitled to termination with the option of alterations to the agreement even earlier on objective grounds, particularly in the event support for system software required by the programs or other software needed for the operation of the programs is limited by the supplier thereof.

§ 9   Correction of Defects

9.1   Defects are defined as deviations from the features the programs shall have in accordance with § 1.1 or which they must have for customary use.

9.2   The duty to remove defects as a specified performance and to provide telephone support shall relate to the current and the preceding version of the programs. Support for the preceding versions shall end 6 months after the release of the latest version. However, such duty shall continue to exist if the acceptance thereof would be unreasonable to the customer, provided Vector is capable of rendering such performances. In the above case, Vector is entitled to claim for added costs and expenses, including costs and expenses accruing for maintenance of the required support and maintenance environment.

9.3   § 16 shall apply accordingly for the execution of defect removal as a specified performance.

§ 10   Further Development of the Programs under Maintenance

10.1   Vector shall deliver further developed standard versions including associated documentation to the customer as set forth in § 1.2, after the release of such versions by Vector. The above shall not apply to enhancements Vector offers separately, as new programs in Vector's price list.

The customer shall test new versions before the customer uses them for productive purposes.

10.2   In the event the manufacturer of the system software necessary for use of the programs for which Vector performs maintenance and support releases a new version of the system software under a maintenance agreement with Vector, Vector shall examine after the availability thereof whether such version works properly together with Vector's programs under maintenance with the customer. If that is the case, Vector shall release such version (cf. § 2.3). Otherwise, Vector shall adapt Vector's programs to the further developed version of the system software within a reasonable period. The reasonable period shall begin upon the release and availability thereof for Vector.

10.3   For system software whose manufacturers do not offer new versions within the framework of maintenance and support performances, instead offering new generations for sale from time to time, the following shall apply: In the event the manufacturer offers improvements (e.g. service packs), Vector shall act in accordance with § 10.2.

In the event the manufacturer offers a new generation, Vector shall evaluate if Vector adapts Vector's programs to the new generation with due regard for user requirements. In the event Vector adapts Vector's programs to the new generation, Vector shall only further develop the programs on this basis.

10.4   The customer shall ensure that the customer's IT-equipment, particularly the system software thereof meets the state of technology required by the programs under maintenance within the framework of further development in accordance with § 10.2 and § 10.3. Vector shall notify the

customer promptly which state of technology must be provided for maintenance and support services.

The customer shall not introduce a new system software version until Vector has released the programs for such version (cf. § 2.3).

The customer shall notify Vector in advance if the customer plans to install a new version of the required system software.

10.5 § 10.2 through § 10.4 shall apply accordingly for other third-party programs with which Vector's programs are to work together. § 10.3 and § 10.4 shall also apply for third party programs which are freeware or in the public domain (e.g. Linux).

10.6 Vector agrees to further develop the respective current version in the event changes in legal regulations or other provisions applicable for the programs require such further development.

10.7 Not covered by the lump-sum maintenance compensation shall be the inclusion of changes pursuant to § 10.2 through § 10.6 which can only be realized through full or partial reprogramming of the programs, or changes pursuant to new regulations or provisions. In such a case, Vector may request a reasonable additional compensation with due regard for all customers which require and request reprogramming.

10.8 Vector shall keep further developed versions of the programs compatible with the preceding version with regard to Vector own performances. However, if circumstances not attributable to Vector cause the incompatibility of the programs, e.g. if pre-supplier programs cause the incompatibility, Vector shall only be obliged to transmit the migration aids provided by the pre-supplier.

§ 11 Compensation for Maintenance

11.1 The lump-sum compensation shall be calculated in accordance with the specified scope of use (cf. § 2.1). The compensation shall be adjusted as soon as such scope increases.

11.2 The customer shall pay the lump-sum compensation annually in advance.

11.3 Vector is entitled to request the compensation which Vector charges upon the conclusion of new maintenance agreements pursuant to the price list, effective next calendar year, with a notice period of 3 months. Vector is obliged to pass reductions on without a notice period.

§ 12 Maintenance of Modifications and/or Enhancements

12.1 As long as there is an agreement on basic maintenance of the standard programs, Vector shall render maintenance for modifications and/or enhancements performed for the customer subject to remuneration on the basis of costs if so requested by the customer. The correction of defects shall be free of charge during the warranty period.

12.2 If maintenance of modifications and/or enhancements performed for the customer is agreed to subject to a comprehensive charge, Vector shall render the same services as for the standard programs. The comprehensive charge shall cover also the transfer of modifications/enhancements onto new versions of the standard programs, and if needed the adaptation of the customer's individual programs to new versions. The customer is entitled to terminate the maintenance pursuant to § 8.3 regardless of the termination of the maintenance of the standard programs.

IV. General Terms and Conditions

§ 13 Charges and Payments

13.1 The license fee for the software shall be due after delivery is made.

13.2 All support performances (particularly pre-installation support, preparations for use, installation and demonstration of operational readiness, conversion of old data, instruction, training or consulting) shall be compensated based on expense, unless otherwise agreed. In case of remuneration per expense, hourly rates, travel expenses and ancillary costs shall be remunerated in accordance with the contract, or, if not specified in the contract, in accordance with Vector's price list, respectively. Vector may invoice monthly.

13.3 Payments shall be made in full within 30 days after invoicing.

13.4 Duties, taxes and levies including V.A.T. – if applicable –shall be separately calculated on top of all the payable prices and paid by the customer.

13.5 If payments are delayed, the customer shall not be allowed to use the programs.

§ 14 Disruptions in the Performance

14.1 In the event that a cause, for which Vector is not responsible, including strikes or lockouts, impairs compliance with a deadline, Vector may request reasonable extension of the deadline. In the event the expense is increased due to a cause falling within the scope of responsibility of the customer, Vector may request reimbursement for its added expenses as well.

14.2 If Vector's delay exceeds 30 days, Client is entitled for every subsequent week to a penalty of 0.5 % of the value of that part of the works 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.

§ 15 Tele Support

15.1 On request by Vector, the customer shall enable Vector to perform tele support (tele diagnosis, tele corrections, transfer of new versions) to the extent technically possible. In concert with Vector, the customer shall at its own expense provide a telecommunication connection as needed to meet the requirements from time to time, so that the IT systems can be connected. The customer shall pay for the communication costs, unless otherwise agreed.

15.2   For security and privacy purposes, access to the customer's IT system by Vector shall be controlled by a security procedure established by the customer. The customer shall release the connection for usage. Vector shall inform the customer of the works performed by Vector.

15.3 If the customer does not enable Vector to perform tele support, the customer shall reimburse Vector additional costs, in any event travel time and additional costs for the correction of defects.

15.4 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.

§ 16 Agreements on the Remedy of Defects

16.1 In the event defects occur during contractual use of the programs, the customer shall give notice of such defects in comprehensible form, specifying information useful for identification of the defect, and, upon the request of Vector, in writing.

A precondition for all claims against Vector shall be that the defect is reproducible or can be displayed through mechanically generated copies.

The customer shall assist Vector, within reasonable limits, in the removal of defects, particularly transmitting the program as used upon occurrence of the defect, at the request of Vector, making available machine time or integrating replacement deliveries provided by Vector.

16.2 Vector shall remove defects within a reasonable period. Vector shall render the supplementary performance either by removing the defects or rendering a replacement performance within a reasonable period, at its option. In the event of defects which seriously impair use of a program, Vector shall provide a workaround solution prior to the final supplementary performance, if necessary, so that the defect no longer has a serious impact.

Vector need only remove other defects at the time scheduled by Vector within the framework of proper version support. Vector shall provide workaround solutions for such defects as well if such is reasonable for Vector (in the event of programs expressly identified as such by pre-suppliers, Vector need only attempt corrective measures of the pre-supplier.

16.3 The duty for supplementary performance shall expire for programs which the customer modifies or in which the customer otherwise intervenes, unless the customer demonstrates that the intervention did not cause the defect.

16.4 Vector may request reimbursement for its own expenses in the event Vector performed work based on receiving notice of a defect (beyond telephone support in accordance with § 8.1) and the customer fails to demonstrate a defect.

§ 17 Vector's Liability

17.1 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 shall exist within the framework of § 17.3. 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 for it save those compulsory primary or subsequent performance stipulated by applicable laws.

17.2 The warranty period for claims based on defects shall be 24 months starting from the delivery of the programs to the customer. The extension of the right of use (§ 2.2) or the delivery of a further developed version under the maintenance agreement (§ 12) shall not cause a new warranty period save that correction of defects emerged in the foregoing 24-months warranty period shall extend the warranty period of such corrected defects for another [6 months] starting from completion of the correction.

17.3 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 EUR 100,000.00 or the contract value whichever amount is higher. In the event of claims on the grounds of a maintenance agreement, the yearly comprehensive maintenance charge for the year, in which the damage occurs, shall be taken as the contract value.

The customer may claim for a higher maximum, but Vector may then require a surcharge for the aggravated risk.

The restrictions shall not apply to the extent the damages are covered under Vector's business liability insurance provided the insurance company has paid. Vector agrees to maintain the coverage of this insurance as given at the time of the execution of the contract.

Claims for personal injury and claims based on the PRC Product Quality Law and other PRC applicable law shall remain unaffected.

§ 18 Confidentiality Obligations

18.1 Vector shall keep the customer's trade and business secrets confidential for an unlimited period of time, as well as all other information obtained by Vector under or in connection with this contract, designated in writing as confidential by the customer. However, Vector shall have no

obligation with respect to any information which is (i) already in Vector's possession at the time of the execution of the contract, (ii) independently developed by Vector, or (iii) which is publicly known through no wrongful act of Vector.

18.2 Notwithstanding § 18.1, Vector is not obliged to keep confidential any of Vector's ideas, concepts, know-how or techniques related to the development of software.

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

18.4 Vector may include the name the customer and a brief description of the rendered performances in a reference list. All other advertising references to the customer shall be agreed on in advance with the customer.

§ 19 Miscellaneous

19.1 The contract and its modifications require written form.

19.2 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.