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GTCT

General Terms and Conditions of Trade

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1 Applicability of the Terms and Conditions

The consignments, achievements and offers of the Arendi AG exclusively take place due to these trading conditions, even if they are not especially agreed upon. With order for the commodity or achievement these conditions apply as accepted. Deviations from these trading conditions are effective only if the Arendi AG confirms them in writing.

2 Quality Assurance

Guidelines of the customer can be taken over, if this is agreed upon in writing.

Any development work of an Arendi AG employee is based on the internal quality guide lines.

This includes:

- Coding Rules
- Documentation
- Tests

Customer guidelines can be integrated if requested and agreed in writing.

In order to guarantee the quality of the provided software concepts, a Review process is accomplished. Thus conceptual errors are to be recognized and solved in a early state.

3 Expenses

Expenses are charged on a time and material basis.

For travel expenses the following is charged:

- Travel time to 50% of the hourly rate
- Train travel the ticket price is charged (Half price, second class)
- Car travel is charged at Fr. 0.70 / km

Lunch flat rate: Canteen Fr. 15.-; Restaurant Fr. 25.-

An accommodation / a hotel is in general organized and settled by the client

4 Secrecy

The customer and Arendi AG commit themselves to keep the contents of contracts (conditions, hourly rates, etc..) as secret versus third parties.

5 Non-competition clause

The Arendi AG commits itself not to compete the customer with any during the task acquired know-how.

6 Poaching Prohibition

The Arendi AG and the customer commits themselves, not to poach any coworkers of the contracting party while the processing of the order and during six months after completion of the order.

7 Contractual Penalty

The Arendi AG commits itself, to pay a contractual penalty of Fr. 50'000. in case of violation of the provisions stated in the sections 4 to 6. If the suffered damage exceeds this amount, then the client is entitled to require full compensation. The same rights apply for Arendi AG incase the customer violates any of the provisions stated in the sections 4 to 6.

8 Conditions of Payment

Payments are due within 30 days after the invoice date without any deductions. Different terms of payment can be agreed upon and are valid, only if they are in writing mentioned on the confirmation of order or the invoice. Any collection expenses are covered by the customer. If terms of payment are not met or if after the conclusion of the contract evidences occur which reduce the credit-worthiness of the customer substantially, Arendi AG is entitled to choose if all accounts receivable are due immediately or to request securities for the outstanding payments and/or to make any outstanding deliveries only against cash in advance. If after an appropriate period of grace, no securities or no payment in advance is received, Arendi AG is entitled to withdraw from the contract.

9 Reporting

For orders, which are charged on a hourly or daily rate, commits itself to furnish the client a detailed proof over the expenditure with the following data:

- number of hours
- hourly or daily rates according to categories agreed upon before order placement
- Any Material Expenses
- Expenses

Arendi AG explains itself ready:

- to grant all necessary information
- to grant insight into the project documents

10 Liability

The Arendi AG is liable for a faithful and careful execution as well as for a successful achievement of the agreed tasks.

On insufficient development results the regulations of Art. 367 ff. OR apply accordingly. Concerning the project documentation, the obligations to explanation and faithfulness Art. 394 ff OR applies.

As soon as the Arendi AG recognizes that it's achievements lead to a result, with which a foreign patent, a copyright or an other immaterial law on property are actually or allegedly concerned, is obliged to inform the customer in writing immediately.

The Arendi AG guarantees that the developed software and hardware fulfill the specified criteria. A productively used soft/hardware is considered accepted and transferred. The warranty term begins with the delivery and lasts for 90 days.

Defects are to be announced immediately after their occurrence in writing and with a detailed description. The Arendi AG exclusively commits itself to the free rework. The warranty is void, if the defect is due to circumstances which Arendi AG is not responsible for. e.g. change of place of usage, change of operation conditions or handling errors. The Arendi AG does not guarantee that the supplied results of working are error free or that programs can be used without interruption.

11 Duty to Supply Information

The state of the order and summaries of important meetings are to be recorded in written minutes.

Unexpected events, which can place the success of the work in question, are to be announced to the client in writing, respectable the Arendi AG has to be informed in writing immediately.

12 Order Cancellation

If an order cannot be finished within the prescribed period, an appropriate extension of time has to be granted if the project permits.

The contract can at any time be cancelled by the contractual body if a term of notice of 30 days is adhered. The Arendi AG has the right to charge for resources planned during the term of notice if they cannot be used otherwise. Further demands of the Arendi AG cannot be made valid.

13 Intellectual Property Right

After the full payment has been received, Arendi AG will surrender all transferable copyrights, which have been developed by itself or in cooperation during the project to the contracting body.

This transfer of rights and developed computer software entitles the contracting body to the exclusive usage right. Additionally it includes the following rights:

- the exclusive right for the alteration, treatment, transformation and further development
- the exclusive right to production of copies and dupes
- the exclusive right, to determine the time and range of the publication
- the exclusive and unrestricted rights to use, inclusive letting and selling
- the right to act as the only owner and to define the author relations
- the exclusive right for the pursuit of copyright infringements
- further ones here not especially described rights from Art. 9 to 11 URG

This transfer of rights continues to apply without reservation after completion of the order relationship. A license-free further usage of the soft and hardware developed by Arendi AG, requires written agreement of the client.

14 Retention of Title

Until the full payment has been received by Arendi AG, any transferable copyrights on the full filled works and services (Software and Hardware) stay with Arendi AG.

15 Publication Right

On request, the client explains himself willing to grant Arendi AG a publication right on the work, which was implemented in the context of an order as long as such a publication does not contradict the interests of the client.

16 Applicable Law and Place of Performance

Area of jurisdiction is Zurich. The legal relation is subordinate to the Swiss right.

17 Special Arrangements for Merchandise Trade

17.1 Sales Documentation

The data in the sales documents of the Arendi AG (designs, illustrations, mass, weights and other achievements) are not to be understood only as approximate values and are no guarantee of any characteristics unless they are explicitly declared in written as obliging.

17.2 Price

The quotations in price lists, advertisements and other verbal or written offers are not binding and noncommittal. Written confirmation of orders are considered as obligatory.

The prices for storage goods are fixed at the time of the order. On delivery shortages as well as on purchasing the current market price applies of the order day.

The prices understand themselves, if not other wise agreed, plus transport costs, excl. 7,6% VAT.

17.3 Transition of Use and Risk

Use and danger are transferred to the buyer, as soon as the goods are handed over to the person implementing the transport. If the transport is delayed or becomes impossible without our guiltiness, the risk is transferred with the notification of ready for dispatching.

If Arendi AG takes over the transport costs, this has no influence on the transition of risk.

17.4 Retention of Title

The supplied commodity remains until the complete payment property of the Arendi AG.

17.5 Warranty Provisions

If not otherwise agreed, the warranty begins with the distribution of the goods, which complies with the warranty of the original manufacturer or its representative.

The Arendi AG guarantees that the supplies and achievements are not afflicted with defects and that they fulfill the characteristics requested by the original manufacturer. Warranty claims are permitted only if the damage is due to bad material, incorrect construction or unsatisfactory execution. Defective parts of the delivery are repaired or exchanged by the original manufacturer or its representative as rapidly as possible. Further rights of the customer because of unsatisfactory delivery, in particular on compensation and cancellation of an order or a contract, are impossible.

Excluded from the warranty are damages due to natural wear, unsatisfactory maintenance, ignoring of operational procedures, wrong operation, enterprise with unsuitable operational funds as well as due to other reasons, which the Arendi AG does not have to represent.

The Arendi AG does not take over the responsibility for the functional efficiency of the delivered products, if they are not properly installed or used by the customer. Warranty claims against the Arendi AG are entitled only to the direct buyer and are not transferable.