Terms and Conditions of the Deutsche Telekom Group for Purchasing Hardware and Maintenance (EB Hardware)

1. Area of Application

(1) The terms and conditions set forth below shall apply to the procurement of hardware, including any included software and for the maintenance of such hardware. Included software means any software which is permanently saved on the delivered hardware or which within the framework of contractual use may be transferred only together with the relevant hardware (e.g. BIOS, operating software). Application software shall not constitute included software, except in case of OEM versions.

(2) These Terms and Conditions and any other contractual conditions indicated in the Order shall apply exclusively. Any conflicting or deviating terms and conditions of the Contractor shall not apply, even if the services provided by the Contractor are unconditionally accepted despite knowledge of such conditions.

(3) In addition to the hardware supply and maintenance services, optional related performances may be stipu-lated on the basis of these terms and conditions (e.g. installation, system integration, support, training).

(4) The special provisions referring to the individual case (e.g. place or time of delivery or of performance, compensation) and the description of the performance shall follow from the contractual stipulation. In doing so, the performances may be ordered independent from one another.

(5) Only orders, calls, contracts, etc. (hereinafter referred to as "Order") and other declarations of intent which are placed in writing by a procurement unit of Deutsche Telekom AG (hereinafter referred to as "DTAG") or a company of its group within the meaning of section 1, subsection 5 (hereinafter referred to as "Customer") shall be legally valid. The requirement of written form in the sense stated above is also satisfied by communication methods provided electronically, by fax or e-mail or electronic communication methods provided by the Customer for handling purchasing transactions, including full integration, web-based applications or declarations transmitted via an Order Management Tool. An electronic declaration of intent is received on the day on which it is available for retrieval by the recipient under its electronic address during normal business hours; otherwise, it is received on the next business day. In the event that a special electronic communications method provided by the Customer to handle purchasing transactions is used, the relevant terms and conditions of use of the Deutsche Telekom Group shall apply to such electronic communications methods provided by it (NB e-commerce); published on www.telekom.com/en/company/global-procurement under "Purchase conditions").

(6) If Customer and Contractor have entered into a Frame Agreement with reference to these General Terms and Conditions, DTAG and all companies affiliated with it in accordance with sections 15 and following of the German Stock Corporation Act [Aktiengesetz] shall be beneficiaries and thus shall be entitled to place Orders under such Frame Agreement as well as all companies worldwide in which DTAG, directly or indirectly, holds at least 25 % of the shares and/or has management control.

2. Parts of the agreement

(1) Depending on the type and scope, the mutual performances shall be regulated in the following parts of the agreement:

a. the Order,
b. further parts of the agreement included in the Order (e.g. service description, hardware/maintenan-ce certificate),
c. these EB Hardware,
d. "Supplier Code of Conduct (DTAG Supplier Code of Conduct) in its most current Version (hereinafter referred to as "Code of Conduct"; under www.telekom.com/en/company/global-procurement).

(2) The above order shall apply in case of any discrepancies between the contract-parts.

3. Readiness for Operation, Maintenance Requirements

(1) Unless explicitly agreed in writing otherwise, in case of deliveries the delivery clause "DDP excl. Import VAT" (Incoterms 2010) named place of destination shall apply, so that import VAT shall be borne by the Customer.

(2) If a performance has been stipulated to be «fully installed at the recipient's location», the Contractor shall deliver the hardware to the Customer's location and make them ready for operation. He shall verify such readiness for operation (unlimited utilizability of the system or the devices), using the stipulated dia-gnostic programs. The Customer shall be notified in writing about the readiness for operation, which shall be evidenced through presentation of appropriate test documents.

(3) The Customer shall undertake to create the stipulated installation conditions by the date of delivery. Upon request, he shall notify the Contractor in due time prior to the expiration of the delivery date in regards to the fulfillment of the installation requirements.

(4) Upon agreement, for the duration of the installation, putting into operation and maintenance of the hard-ware, the Customer shall make available to the Contractor any space necessary for the storage of equipment, tools, spare parts etc., as well as a re-creation room, if applicable.

(5) Upon request, the Contractor without delay shall make available to the Customer any documents and material necessary for maintenance (e.g. maintenance instruc-tions, system description, test measures, test programs, spare parts lists, spare parts etc.). Any such material may be passed on to third parties outside the Telekom Group (maintenance companies) only with Customer's consent. Details shall be stipulated separately.

4. Preparation for Use, Instruction, Staff Training

(1) Within the agreed period of time and to a reasonable extent, the Contractor shall make the necessary operating instructions available to the Customer and shall furthermore transfer any additional stipulated information material.

(2) To the extent that the following has been ordered additionally, the Contractor shall advise the Customer through appropriately qualified personnel during the preparation for use (system analysis, organization, pro-gramming and program test), shall instruct the opera-ting personnel and during the start-up phase shall support the Customer to the appropriate extent. Except in case of a special representation, the Contractor shall not be responsible for any specific results.

(3) To the extent stipulated and if no different period of time has been specified, for a period of five years after the delivery of the hardware, including the software, the Contractor shall train the Customer's required personnel to an appropriate extent and shall further-more provide any material, including any literature, required for the above. The place of such training shall be stipulated by the Parties.

5. Default

(1) The statutory provisions shall apply in case of default ("Verzug") by the Contractor.

(2) In the event the Contractor is in default with the provision of contractually agreed services he shall pay per calendar day in default 0.3% of the contractually owed remuneration for the respective performance. However in total not more than 5% of the contractually owed consideration. The contractual penalty can be asserted until the final payment has been made.

(3) In the event that the Contractor fails to render any due performance or if he renders such performance not in accordance with the agreement, the Costumer may give the Contractor a reasonable time limit for the performance of the obligation or for a subsequent performance. After the unsuccessful expiration of such time limit, the Customer can according to the legal requirements require – within the borders of section 19, subsection 2 – compensation instead of the performance or can withdraw from the agreement. Further legal claims remain unaffected. A forfeit contractual penalty is taken into account on such a claim for compensation in damages.

(4) Customer's default also with regard to payment requires a reminder of no avail.

6. Acceptance Procedure

(1) In case of installation services, system integration services or in case of a special agreement, an acceptance check shall be carried out. In such cases, the Contractor shall provide the performance in accordance with the agreement at the stipulated time for acceptance. The same shall apply accordingly to any stipulated performances by successive install-ments.

(2) After delivery for acceptance, the Customer shall carry out – unless a different period of time is provided in the agreement – within 30 consecutive calendar days an acceptance test. If the acceptance period is not sufficient for reasons attributable to the Contractor, it shall be increased by the period of the delay. The default provisions shall apply for this delay period.

(3) At the acceptance of the final performance by successive installments, additionally the overall functio-nality of the stipulated performances shall be tested, i.e. the error-free coaction.

(4) If the Contractor's performance is conform to the agreement, the Customer shall declare the acceptance after a successful test. If the performance is accepted in spite of any detected defects, such defects shall be noted in the acceptance certificate. The acceptance may not be refused because of any minor defect. Several minor defects may in their entirety justify a refusal of acceptance.

(5) If the Customer fails to declare the acceptance or the justified refusal thereof within a period of 30 consecu-tive calendar days or any other agreed period in writing the acceptance shall be deemed executed.

(6) Insofar as no acceptance is agreed or no acceptance might be required for legal reasons, the Customer shall inspect the delivery only for obvious defects (identity, completeness and damages in transit). In the case of large-scale deliveries, the Customer shall be allowed to narrow the inspection to random checks. In all other respects, the Customer is released from the obligation to inspect and object to defects set forth in Section 377 HGB [German Commercial Code].

7. Maintenance

(1) If maintenance has been stipulated, the Contractor shall be obligated to carry out any maintenance and repair work (any preventive services, which are re-quired for the retention of the operativeness of the ICT system or devices, i.e. measures for the preservation of the planned status, including inspection) on the hard-ware and software set forth in the maintenance agreement.

(2) If the hardware or software was not continuously maintained or if maintenance by a third party is not recognized by the Customer, the Contractor shall, in agreement with the Customer, test the hardware or software within the framework of unpacking and inspection. The modalities of such test shall be stipulated by the Parties separately and in writing prior to the commencement of works. After completion of the test, the Contractor shall submit a written offer for such maintenance.

(3) The Contractor shall carry out the maintenance using personnel familiar with the system to be maintained or with the devices to be maintained. He shall at all times hold sufficient numbers and amounts of suitable personnel and spare parts, tools, measuring equipment and other resources at disposal.

(4) The Contractor shall be notified without delay about any occurring defects, indicating any information useful for the correction of such faults.

(5) Within reason, the Customer shall take any measures that facilitate a determination of the defects and of the causes thereof.

(6) If the Contractor exceeds the agreed reaction or restoration times after a failure of systems or devices, the Contractor shall be obligated to pay for each completed hour of the excess 0,1% of the annual or annualized remuneration, but not more than 5% of the annual or annualized remuneration. Further legal claims remain unaffected. A forfeit contractual penalty is taken into account on such a claim for compensation in damages. If the use of the system or devices is only reduced, the Contractor shall pay a contract penalty pursuant to this section 7 in the amount equivalent to the reduction of use resulting for the Customer.

(7) Contractual penalties pursuant to this section 7 are taken into account on forfeit contractual penalties pursuant to section 5 and possible advanced claims for compensation in damages. For the excess of reaction or restoration times can be agreed in the agreement deviating contract penalties which proceed the regulations of this section 7 as special regulations. These deviating contractual penalties are also taken into account in the sense of this section 7, subsection 7.

(8) If any defects – subject to a stipulation of a different period of time – are not removed within a period of 10 calendar days, calculated starting from the time when the fault report was made to the Contractor, in such a way that the system or devices can be used as intended, the Customer may, upon prior written notification (including by fax) to the Contractor, call in another maintenance provider. If the Contractor is responsible for the failure to remove the defect, the commissioning of such other maintenance provider shall be at his expense. Any additional statutory claims shall remain unaffected – within the limits of section 19, subsection 2 – by the above. In particular, the Customer in this case shall be entitled to terminate without notice. If after such termination any further defects are detected, which have been caused by faulty maintenance on the part of the Contractor, the removal of the above shall be at the Contractor's expense.

8. Term of the Maintenance Obligations and Maintenance Times

(1) If a maintenance agreement is concluded, the term of such maintenance agreement shall be stipulated.

(2) The maintenance agreement may be terminated by either the Customer or by the Contractor in writing by giving six months' notice. A different period of notice may be stipulated.

(3) A termination by the Contractor shall be permissible no earlier than at the end of the second year following the commencement of the maintenance obligation for the system to be maintained or for the devices to be maintained, unless a longer period has been stipulated.

(4) If devices are added to a system for which a maintenance agreement already exists with the Customer, the term of the

maintenance obligation for such devices may be adjusted to that of the system.

(5) If the Customer permanently decommissions the hardware to be maintained, the maintenance agreement may be terminated effective from the end of the month by giving three months' notice.

(6) Unless stipulated otherwise, the Customer may require by giving one month' notice effective from the start of a month that the Contractor continuously carries out the maintenance services during a period of time other than the selected maintenance period (period, during which the maintenance time for the maintenance or repair work occurs), if such period of time is within the framework of the specified maintenance times (date, time and duration of the maintenance or repair works).

(7) Within the framework of the stipulated maintenance times, a time schedule shall be specified for carrying out the maintenance work; such time schedule shall be adjusted to the changed operational interests of the parties and/or to technical requirements.

(8) Any repair work shall be commenced during the stipulated maintenance period, beginning with receipt of the fault report by the Contractor and within the specified reaction times; they shall be completed within the restoration period (period between fault report and restoration of the functionality).

(9) In the maintenance agreement, a stand-by period may be stipulated in excess of the maintenance period, for which separate, additional compensation may be provided.

(10) Upon request by the Customer, the Contractor shall furthermore, within reason, carry out repair work outside such stand-by period or – if such has not been stipulated – outside the maintenance period, if engineers are available.

(11) Upon request, the Contractor shall furthermore be obligated to continue to carry out any commenced repair work in excess of the selected maintenance or stand-by period within reason; for the above, no separate compensation may be demanded for the first hour or for any additional hour in case of a repletion of the repair due to the same cause of the defect within eight hours.

9. Compensation and Invoicing of Maintenance Services

(1) Invoices shall be submitted after the service has been provided and accepted in full. The price covers the entire transport, insurance, packaging and other incidental costs and charges through to delivery/setting-up ready for service at the place of receipt/installation site indicated by the Customer, unless otherwise agreed.
The individual prices of the original Order shall apply for subsequent supplements.

(2) Unless otherwise agreed, the price includes the costs of any installation, integration and transference work which may become necessary and which shall be performed by the Contractor without disturbing current operations, if necessary outside normal working hours.

(3) The relevant instructions for the operation, handling, use and service and other documents shall be delivered in the language customary in the country of Customer's contracting unit. The instructions and documents are included in the price.

(4) Every consignment shall be accompanied by a delivery note. Delivery notes and, if specifically agreed, dispatch notes, must contain:
- number, reference number and date of the Order,
- number of any partial consignment,
- number and date of the delivery note,
- date of dispatch,
- any information on the type and size of the consignment along with materials numbers and item numbers specified in the Order and
- mode of dispatch.

(5) If invoicing on an hourly or daily basis is agreed, travel and waiting times as well as travel expenses shall not be paid separately.

(6) The Contractor shall offer DTAG and all companies of its group within the meaning of section 1, subsection 6, its products, work and/or services at the most favourable terms, conditions and prices which the Contractor grants to DTAG itself and/or any company of its group worldwide with regard to quantity, quality and market conditions for comparable products, work and/or services. Exchanging the respective information between DTAG and its group companies is at any time possible.

(7) If maintenance services are agreed separately, they shall be remunerated in the form of a basic monthly flat rate unless the parties make an agreement to the contrary. Details on the operating time of the hardware per month, maintenance periods and surcharges for additional services outside the maintenance and stand-by periods shall be agreed separately. The basic flat rate shall not include the cost of consumables and data carriers.

(8) For ongoing maintenance services payable under the flat rate, which begin or end during a calendar month, the Customer shall pay 1/30 of the agreed monthly flat rate per calendar day, taking account of any agreed flat rate surcharges.

(9) Clearance of failures for which the Contractor is not responsible shall be remunerated on the Contractor's time and materials basis, using previously agreed rates and requiring the provision of detailed evidence.

(10) The agreed prices for maintenance services shall apply – unless otherwise agreed – for the duration of the agreement and shall remain unaffected by any increases in the Contractor's list prices.

(11) If monthly maintenance compensation (basic flat rate and stipulated surcharges, if any) is agreed upon, the maintenance services shall be invoiced quarterly by the Contractor, effective on the first day of the second month of a quarter.

(12) Maintenance services for which payment on a time and material basis is agreed and any other services related to the maintenance, shall be invoiced by the Contractor at the beginning of the following month after performance of the service.

10. Documentation of Repair and Maintenance Work

(1) Records shall be kept about the execution of any repair and maintenance work; such records shall include at least the following information:
a. date and time of the commencement of mainte-nance works,
b. type/model/number of the device maintained,
c. duration of the maintenance service.

(2) In case of repair work, in addition, the following shall be included:
a. date and time of the fault or defect report, respectively,
b. date and time of the restoration of operativeness,
c. description of the failure, in particular of the cause of such failure.

(3) Such information shall be signed by both the Contractor's and the Customer's authorized personnel. The signed dates in such records shall be binding for both parties.

(4) Details regarding the recording duties, in particular who must provide which information, follow from the contractual stipulation.

11. Access to the System

(1) For the purpose of any repair and maintenance work, the Customer shall grant to the Contractor access to the system or to the devices without delay, taking into consideration the conditions in accordance with local custom, including safety conditions.

(2) For any other activities on the part of the Contractor, access shall be provided by separate agreement.

12. Expansion and Alteration of the System

(1) If the Contractor in general carries out modification of the type of hardware or of the software version delivered to the Customer, he shall notify the Customer in due time about the above.

(2) If the Contractor during the period of extinctive prescription for defects or in case of stipulated maintenance for maintenancerelated engineering reasons deems it necessary to modify the delivered hardware or software, the Customer shall permit the above, unless he does incur any costs or unreasonable disadvantage.

(3) If due to the above modifications, further modifications of the hardware or software delivered under the agreement should become necessary, the Contractor shall carry out such further modifications also free of charge.

(4) If the Customer intends to carry out any modifications of the hardware or software during the warranty of quality or in case of stipulated maintenance, he shall notify the Contractor in due time about the above.

(5) If the Contractor considers the performance of his contractual obligations to be impaired by such modifications or by the connection of the products, he shall notify the Customer without delay in writing about the above.

(6) If the Customer carries out any modifications in agreement with the Contractor, this shall not affect the Contractor's obligation in respect of his contractual performances.

(7) If the Customer uses products of other manufacturers with the hardware or software supplied or maintained by the Contractor, the Contractor's obligations shall extend only as far as the interface with the hardware or software supplied or maintained by him.

(8) The Contractor shall be obligated to notify the Customer when he becomes aware that intellectual property rights of third parties are infringed by the modifications or by the connection of the products.

(9) If maintenance has been stipulated (maintenance certificate) and if the modifications and connections affect the execution of such maintenance in a way that a re-determination of the maintenance compensation becomes necessary, then such new compensation provision shall be agreed upon, taking into account the increased and reduced costs. The Contractor shall submit a written offer for the above.

(10) If the Contractor has been commissioned with the system integration (services, where the Contractor must create the overall functionality of the hardware to be installed by him and of the included software in coaction with the hardware and software platform which is set forth in the service description and which has already been installed and with the net-work neighbourhood) and if the delivered hardware or software is to be used in accordance with the agreement together with the products of other manufacturers as set forth in the service description, then the Contractor shall guarantee the full compatibility of the hardware and software supplied by him. The Contractor shall be liable within the framework of the terms and conditions of the agreement for any disadvantage, which the Customer suffers because of a failure of the above. The same shall also apply to any damage or defects, which are caused by the hardware or software to the above-mentioned products of other manufacturers as well as to any infringements of intellectual property rights.

(11) None of the modifications pursuant to this section 12, which the Contractor carries out after the delivery of the Customer's hardware or software may affect the compatibility pursuant to section 12, subsection 10.

(12) Upon the Customer's request and within the period of limitation and within a reasonable scope, the Contrac-tor shall be obligated to cooperate in the context of the containment of any faults resulting from the coaction of the products.

13. Relocation, Dismantling of the System

(1) The Contractor shall relocate the hardware and software supplied by him, if the Customer during the period of extinctive prescription for defects requests the relocation from the original site to a different site and if the conditions for installation are met at the new site. Any details in respect of the above shall be agreed separately.

(2) If maintenance has been stipulated, in the event of the relocation of the system or of the devices, the Contractor shall in principle be obligated to continue the maintenance. The Contractor shall be given prior notification in due time about the relocation. If the maintenance is carried out at another location, the Contractor may only terminate for good cause, e.g. if it is no longer reasonable for him to carry out the maintenance at such other location.

(3) If due to the relocation of the devices, maintenance services are changed in a way requiring a re-determi-nation of the maintenance compensation, a new compensation provision shall be stipulated, taking into account any increased and reduced costs.

(4) The Contractor shall point out any possible risks to the Customer.

(5) In the event of a withdrawal pursuant to sections 5, 7 and 17, subsection 1, the Contractor shall take over the dismounting, the packaging and the return transport of the system and of the devices at his expense. Upon request by the Customer, the system or the devices shall be collected without delay by the Contractor or by his agent.

14. Quality Management,Information Security, Spare Parts, Data Deletion

(1) The Contractor shall adhere to the Customer's requirements for quality management, environmental protection and information security. If stipulated in the specification, the Contractor shall document the application of (i) a quality management system in accordance with DIN EN ISO 9001, TL 9000 or a comparable quality system and shall provide data with respect to the metrics described either in the TL 9000 Quality Management System Measurements Handbook or in the agreed upon quality management system and (ii) an environmental management system in accordance with either DIN EN ISO 14001 or the Eco-Management and Audit Scheme and (iii) an information security management system in accordance with ISO/IEC 27001 or comparable.

(2) The Contractor shall adhere to all applicable laws, regulations, decrees and ordinances with respect to the delivery of goods or the provision of services. With respect to the ElektroG [German Act Governing the Sale, Return and Environmentally Sound Disposal of Electrical and Electronic Equipment], the Contractor shall assume the Customer's obligations resulting therefrom, and if such obligations are not transferable support the Customer in meeting its obligations without remuneration. In particular the Contractor shall, at no extra costs and according to the Customer's instructions, mark the products with an identification of the producer (Section 7, sentence 1 ElektroG) and the required symbol (Section 7, sentence 2 ElektroG in conjunction with Exhibit 2 of the ElektroG).

(3) The Contractor is obliged to take back, free of charge, the packaging material and to collect and dispose of it properly. Upon request, proof of such disposal in compliance with the law is to be furnished. If the Contractor fails to comply with this obligation, the Customer is entitled to have the collection and disposal effected at the Contractor's expense.

(4) The Contractor is obliged to meet all obligations arising from the German Packaging Regulation [Verpackungs-verordnung], especially concerning a correct licensing to provide the

Customer with proof thereof on request and to assume the Customer's obligations arising from the German Packaging Regulation and, if such obligations are not transferable, support the Customer in meeting these obligations free of charge. Should, by way of exception, the Customer be to be regarded as the initial distributor who puts sales packaging filled with goods and typically arising at the private end consumer into circulation for the first time ["Erstinverkehrbringer"], the Contractor shall be obliged to inform the Customer of this fact at the latest at the time of placing the Order.

(5) The Contractor ensures to comply with all the obligations regarding the registration, evaluation, authorization and restriction of chemicals (Hereinafter referred to as, "REACH Regulation" imposing on the Contractor and on the Customer at its own expense. If, according to the REACH Regulation, such obligations are not transferable, the Contractor shall immediately inform the Customer thereof and support the Customer free of charge in meeting such obligations to the maximum extent possible. If the Contractor's registered office is outside of the European Union, the Contractor shall, at its own expense, appoint a representative registered within the European Union that shall comply with the obligations under Article 8 of the REACH Regulation and inform the Customer about such appointment.

(6) The Contractor also undertakes to perform and properly fulfill all of the manufacturer obligations in relation to the contractual items; this also applies with respect to the requirements resulting from the "Ecodesign Directive" (2005/32/EC) and the associated implementation ordinances. The Contractor shall provide the Customer with evidence of the fulfillment of these obligations and, without being asked to do so, but no later than upon the first delivery, shall also provide the Customer with the required declarations of conformity or other legally required documents. If the Contractor's headquarters are located outside Germany, the Contractor shall, where required, commission an authorized representative in Germany to fulfill the above obligations and provide this information to the Customer immediately. If the performance of these manufacturer obligations is mandatory by law for the Customer, the Contractor shall support the Customer in the fulfillment of these obligations, to a reasonable extent and at its own cost, whereby the details on this are to be agreed between the parties on a case-by-case basis.

(7) Irrespective of any stipulated maintenance, the Con-tractor shall guarantee the availability of spare parts for the respective devices for a period of no less than five years after the conclusion of the agreement.

(8) The Customer is obligated to delete data on data carriers durably, which are handed over to the Customer because of an exchange or a back completion of the agreement or for disposal. The Contractor guarantees that the data which is present at these data carriers is deleted immediately by the Contractor in such a way that under any circumstances the data cannot be restored. The Customer assures that his processes are subject to a quality management system procedure for data deletion and that a certified procedure is used that complies with DIN EN ISO 9001 during the data deletion.

15. Confidentiality, Data Protection

(1) Both parties hereto shall treat in confidence all information from the business of the other party which they become aware of through the business relation and which is not generally available. Such information shall not be used for their own or third parties' purposes. The aforementioned confidentiality obligations shall not apply within Deutsche Telekom Group.

The Contractor undertakes to comply with secrecy of telecommunications and data protection provisions and in particular the protection of personal data.

(2) The Contractor is responsible for requiring a written commitment to act accordingly on the part of all people the Contractor involves in the provision of the contractual performances.

(3) The Contractor may only pass on to third parties or publish work results from this agreement and any information about them after obtaining the prior written consent of the Customer.

(4) Upon Customer's request or following the termination of the agreement the Contractor shall surrender to the Customer all documentation created and worked on in the performance of this agreement, including all copies and duplicates. Duplicates of documents in electronic media and on data media that can not be surrendered shall be deleted or rendered permanently unusable by the Contractor. This shall also apply in the event of termination of the agreement. The Contractor shall not have a right of retention, irrespective of the legal grounds.

(5) The Contractor undertakes to explicitly and demonstrably inform its employees, vicarious agents and subcontractors that the Customer may collect and process the following personal data on them for the purposes of guaranteeing statutory regulations and its legitimate business interests: title, surname, first name, date of birth, street, zip code, town and country. The following information shall also be collected on employees, vicarious agents and subcontractors to be deployed who require a work or residence permit as per applicable German and European law in order to take up work in Germany: validity period of the work or residence permit, restriction of weekly working hours as per the work permit, restriction of place of deployment as per the work permit, restriction of duties/position as per the work permit.

(6) To mention the Customer as a reference requires the prior and explicit authorization in writing. The authorisation is valid until its revocation by the Customer which may happen at any time without observation of a time limit and without giving reasons.

(7) If personal data are transfered from the Customer to the Contractor and processed by the Contractor within the Scope of its services, the Contractor agrees to accept the Customer`s standard Agreement on the processing of personal data under contract.

(8) The present obligations shall continue to apply after the Agreement has expired.

16. Rights of Use of Included Software

(1) Unless stipulated otherwise, the Contractor shall, without any separate compensation, grant (or ensure that the relevant rights are granted) to the Customer the non-exclusive, irrevocable, unlimited and (together with the relevant hardware, to the extent limited) transfer-able rights to fully use the software, which has been included with the hardware in accordance with the agreement, on the relevant systems and devices and any auxiliary devices connected to the above. The above shall apply irrespective of whether such devices are his or those of other manufacturers. If a corres-ponding agreement has been reached, the Customer shall furthermore have the right to copy the software, which has been included in the delivery performance, for operational purposes and – if agreed – to alter it.

(2) The Contractor shall undertake to immediately – at latest upon the delivery of goods or the Provisioning of services - notify the Customer in writing if open source software is to be used and which licensing terms and conditions shall apply.

17. Third Party Right

(1) The Contractor shall guarantee that its services are free of third party rights, in particular free of third-party intellectual property rights, which could restrict or prevent the contractual use.

(2) Each Party shall immediately notify the other Party of any claim related to said third party rights made or threatened against the other Party and/or if it becomes aware of any infringement or alleged infringement of any third party rights in connection with the contractual services.

(3) On the first written request, the Contractor shall fully indemnify the Customer from any and all legal actions, demands, costs,

charges, losses, claims and expenses suffered by the Customer as a result of the infringement or alleged infringement of any third party industrial property rights. In addition to these duties, the Contractor may, at its own discretion and at its own expense either

(a) modify or replace the services in a way that prevents third party rights from being infringed or allegedly infringed, however which ensures that the services continue to comply with the contractually agreed requirements in all respects; or

(b) obtain the right for the Customer to (further) use of the services in accordance with the agreement.

(4) If the Contractor fails to cease the infringement of third party rights within a reasonable period of time, the Customer shall, at its own discretion, be entitled to withdraw from the relevant Order and to assert claims for compensation or for a corresponding reduction of the purchase price and/or the licensing fee.

(5) The limitations on liability under section 19 shall not apply to this section 17.

18. Liability for Defects

(1) If the Contractor performs its services by successive installments, at the acceptance of the final performance, if such one has to take place, the overall functionality shall be tested, i.e. the error-free coaction of the successive installments. The performance shall only be considered as free of defects if the overall functionality of the successive installments is given. The warranty period in respect of the overall functionality shall start to run with the acceptance of the last successive installment. The warranty period shall be 36 months.

(2) The period of limitation shall be interrupted by the number of days, on which the Customer could not use the contractual performances because of the defect.

(3) The Contractor shall eliminate the defect immediately by subsequent performance (replacement, repair or recreation).

(4) If the defect cannot be removed in a short time, the Contractor shall – so far as possible and appropriate regarding to the effects of the defect – provide a provisional solution.

(5) If the defect is not removed, even within an adequate time given to the Contractor for subsequent performance, the Customer shall be entitled to reduce the price or to withdraw from the contract and to demand compensation in accordance with the statutory regulations within the limits of section 19, subsection 2.

(6) System error means any defective functions that are inevitably contained in all equipment with these functions. Software errors are always system errors unless they are data errors specific to individual equipment. Hardware errors are system errors whenever they cannot be cleared by restoring the delivery target status. Errors in the system documentation are treated as system errors. In case of an epidemic failure (frequency of errors distinctively above the error frequency rate specified or to be expected normally) the rules stipulated for system errors shall apply accordingly.

19 Liability

(1) The parties shall be liable without limitation in case of willful intent or gross negligence, personal injuries, acceptance of a guarantee or if an unlimited liability is obligatorily regulated by law.

(2) Without prejudice in respect of liabilities to which sub-section (1) applies, in all other cases, the parties' liability shall be capped per event or series of connected events at the higher of 150% of the contract value or five million Euro (5,000,000€).

20. Terms of Payment, Taxes

(1) The Contractor shall submit a verifiable invoice. For each Order a separate invoice is required. Collective invoices which refer to various Orders are not permitted. In particular, invoice line items must match the order items. As a rule upfront and partial invoices are not allowed. If in an Order partial settlement is agreed, the upfront, partial, partial final and final invoice are to be marked as such and listed individually in numbered sequence. The invoice shall contain the unit placing the Order, the Order number and the place of receipt. The invoice shall be in accordance with Section 14 UStG (Value Added Tax Act [Umsatzsteuergesetz]). In case an invoice does not comply with the aforementioned requirements, the Customer reserves the right to return such outstanding invoice in order for the Contractor to complete and/or correct it. In such a case the payment period starts not until the receipt of the completed and/or corrected invoice. Even if the Customer does not make use of the aforementioned proviso, any default in payment due to an invoice which does not comply with the aforementioned requirements is not the fault of the Customer. The invoice with the address given in the Order shall not be issued before the day of performance in accordance with the agreement.

(2) The prices agreed are net prices. If applicable, value- added tax to the statutory amount shall be added.

(3) The invoice shall not be paid before performance. The payment period shall be 30 calendar days net. The payment period shall commence on the first day after receipt of the verifiable invoice which meets the requirements of this section, but not before delivery/acceptance of the service. A 3% discount shall be applied if payment is made within 14 calendar days from the commencement of the payment period.

(4) Unconditional payment of the invoiced amount by the Customer does not constitute recognition of the Contractor's performance as being in accordance with the agreement.

(5) If a credit note procedure has been agreed, the following provisions shall apply in deviation from respectively in addition to the provisions of this section:

- The Customer effects payments without the Contractor submitting invoices. The payment period shall commence when the Customer has finished entering the data, but not later than three working days after submission of the delivery note/ certificate of performance, but not before provision/acceptance of the goods and services.

- The goods and services shall be billed on the basis of the delivery note/certificate of performance. The Contractor shall receive a credit note from the Customer on a monthly basis by the third working day of the following month as proof of the provided goods and services recorded electronically by the Customer. The credit note shall show the goods and services per delivery note/certificate of performance according to type, quantity, net price, value-added tax, value-added tax rate and total amount.

(6) The liability for value-added tax shall pass to the Customer if the Contractor is not a German company and the services ("Dienstleistungen") or sales performed under a contract for work and materials ("Werklieferungen") by the Contractor are taxable in Germany (Section 13b Value-Added Tax Act). In such a case, the Contractor shall not itemize German value-added tax in the invoice. If the Contractor brings items from a third country to Germany in order to provide the aforementioned services or work and if in this connection turnover taxes on imports are levied, these taxes shall be borne by the Contractor.

(7) The Customer may deduct any withholding taxes which may possibly accrue from the price to be paid and pay them to the fiscal authorities for account of the Contractor unless a valid certificate of exemption is provided by the Contractor.

21. Rescission or Termination for Good Cause

Either party may in particular rescind or terminate the agreement for good cause, if a petition for insolvency proceedings has been filed with the court, the other party has suspended payments on a not merely temporary basis, ceased its business operations or the part thereof relevant for the contractual performance, or if a similar event occurs under the laws applicable at the registered office of the affected party. The Customer is further entitled to extraordinary terminate the agreement in

case the Contractor or its subcontractors do not comply with the regulations of the minimum wage legislation.

22. Product Liability

(1) Insofar as the Contractor is accountable for a damage concerning product liability, the Contractor undertakes to indemnify the Customer against any claims for damages by third parties upon first written request. Same applies in cases of joint and several liability in accordance with the product liability law.

(2) In addition, the Customer shall be entitled to reimbursement of all costs and expenses incurred in this context, in particular those incurred by product recalls. The Customer shall notify the Contractor of the type and scope of recall actions, if this is possible and can be reasonably expected.

(3) The Customer shall immediately inform the Contractor of the assertion of claims based on product liability and not make any payments or recognise any claims without consultation with the Contractor.

(4) Other statutory claims shall remain unaffected.

23. Independent Service Provision/, Work and Residence Permit

(1) The Contractor shall provide the contractual services independently and on his own responsibility.

(2) In principle, the Contractor is free to choose the place of performance in providing its services. However, if the project requires the services to be provided, in part, on the Customer's premises, the Contractor shall be prepared to provide the services to this extent in the relevant facilities, the parties shall agree on the relevant place of performance, taking the project requirements into account.

(3) The Contractor is solely responsible for providing instructions to its employees and those of the subcontractors it engages. The Contractor is free to organize the provision of his services and to schedule his activities. If required by the project, however, the Contractor shall cooperate with other parties involved in the project to coordinate the working time and to observe agreed deadlines.

(4) Where employees, vicarious agents or subcontractors are deployed, the Contractor hereby assures that all necessary official approvals (i.e. work and/or residence permits) have been obtained. The Contractor shall indemnify the Customer from any legal consequences resulting from failure to comply with these requirements.

(5) As an independent contractor, the Contractor shall undertake to properly submit any value-added tax received to the tax office and to independently and properly pay tax on any remuneration received from the Customer.

24. Deployment Ban

(1) Contractor's attention is expressly drawn to the fact that it is strictly forbidden for civil servants who left the Deutsche Telekom Group by taking early retirement to perform any further work for the Deutsche Telekom Group, either directly or indirectly. This shall also apply, in principle, to former employees of the Deutsche Telekom Group for a period of 15 months after leaving the company, if they have received severance payment in connection with termination of employment. In addition, if in the specific instance the Customer's procurement department has not issued in advance a written exclusion, a general deployment ban shall exist for current employees of the Deutsche Telekom Group.

(2) Against this background, the Contractor, in turn, shall undertake to ensure that in providing its service to the Customer, the retired civil servants stated in number 24 (1) or personnel as defined by number 24 (1), sentence 3, shall not be deployed as employees or temporary workers or as subcontracted work or service providers or in any other way, and none of the former employees specified in number 24 (1) are deployed as subcontracted work or service providers or as temporary workers lent to units of the Deutsche Telekom Group.

(3) If the Contractor violates the provisions of number 24, the Customer shall be entitled to terminate the agreement for good cause. The Customer also expressly reserves the right to assert damage claims due to such violation.

25. Contractual Performance by Third Parties

(1) The deployment of third parties as subcontractors shall require the prior written consent of the Customer.

(2) If the Customer gives its consent, the Contractor shall ensure that all subcontracts awarded under the relevant Order are drawn up in such a manner that the Contractor is fully able to meet its obligations to the Customer.

(3) The Contractor's liability shall remain unaffected by the subcontracting, the information on the structure of the subcontracting relationship, or the consent to this by the Customer.

26. Foreign Trade Regulations

(1) The Contractor shall be accountable for the compliance with all applicable foreign trade regulations in connection with any delivery and, in particular, for obtaining all authorizations or any other permissions required under foreign trade regulations or export laws on his own responsibility and at his own expense.

(2) For any delivery of goods the Contractor shall, in particular, provide the Customer with the following information:

a. the Statistical Commodity Code of the goods in accordance with the Harmonized System of the World Customs Organization (WCO),
b. the country of origin of the goods (where applicable, in accordance with EU Preferential Agreements), as well as
c. any foreign trade information and documents relevant for shipment (weight of the goods, customs number, value-added tax identification number).

The information described above under a. and b. must unsolicited be provided as separate information prior to the shipment or latest as separate annotation on the Contractor's respective invoices.

(3) If the Contractor delivers goods with US origin or goods with predominat US origin, the Contractor shall be obliged to provide the Customer with the Export Classification Number (ECCN) and to identify any applicable "license regulations" and "license exeptions" according to the US-Re-Export-Regulations.

(4) To the extent that the Contractor has procured the delivered goods in to or in part from third parties, he guarantees that these goods have been procured from reliable sources and that they have been exported or imported in compliance with the export regulations of the country of manufacture/ dispatch.

27. Integrity and Cooperation

(1) DTAGhas designed core principles and values which demonstrate the Customer`s willingness to share its business ethics, the social and environmental commitments with its suppliers. The Contractor agrees to take all necessary measures to prevent and to sanction any case of active or passive corruption. Details are set forth in the Code of Conduct.

(2) The Contractor shall immediately inform the Customer in writing as soon as he becomes aware of indications suggesting that there might be problems regarding compliance with the Code of Conduct within his area of responsibility, and in particular to avoid anything which might harm Deutsche Telekom's Group brand image and/or endanger its security of supply.

(3) The Contractor is obligated to comply with the security provisions of the Deutsche Telekom Group (published on www.telekom.com/en/company/global-procurement under "Terms & Conditions") which apply to contractors and their vicarious agents and to inform all persons and/or subcontractors deployed to provide the products or services and to obligate them to do the same.

(3) If work is to be performed at the Customer's security-sensitive sites, the Contractor shall ensure that only staff who have passed the security check are em-ployed in accordance with the Security Clearance Check Act [*Sicherheitsüberprüfungsgesetz*] in Germany or a comparable security clearance check elsewhere.

(4) The Contractor ensures to comply with all the obligations regarding the minimum wage legislation (Mindeslohngesetz) for himself and its subcontractors. In this sense and upon request by the Customer, he is – among others – obliged to document respective minimum wage payments. The Contractor shall indemnify the Customer from any legal consequences (including fines) resulting from failure to comply with minimum wage requirements. He shall further immediately inform the Customer as soon as any suspicion arises in case any of its subcontractors does not comply accordingly.

28. Written Form

(1) Amendments and alterations of the agreement shall be made in writing. The above must be clearly identified as such. The abolishment of this writing requirement requires written form too.

(2) Any oral agreements shall require a subsequent written confirmation by the contracting body of the Customer in order to become valid.

29. Assignment of Claims

(1) The Contractor’s claims against the Customer may only be assigned with the express written consent of Customer’s contracting procurement unit. Section 354a HGB [German Commercial Code] shall apply if the transaction is a commercial transaction for both parties.

(2) The Customer shall be entitled to assign his rights and obligations arising from the agreement individually or in whole to any company of the Telekom group within the meaning of section 1, subsection 4. Such an assignment shall not require Contractor’s consent.

30. Set-off

(1) The Contractor has no rights of retention insofar as they are based on counterclaims resulting from other legal transactions with the Customer.

(2) The Contractor may only offset such claims which are undisputed or recognized by final and binding judgment.

31. Final Provisions

(1) The place of performance shall be the place of final destination indicated by the Customer.

(2) The laws of the Federal Republic of Germany shall apply, with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods and provisions referring to foreign law.

(3) The venue shall be at the court with jurisdiction at the Customer's principal place of business. However, the Customer shall also be entitled to have recourse to the court with jurisdiction at the Contractor's principal place of business.

(4) Notwithstanding the legal invalidity of individual items, the remainder of the agreement shall remain binding. This shall not apply if adherence to the agreement would constitute an unreasonable hardship for one party.