

## Preamble

The Contractor will render various services to the Client on the basis of a separate agreement between the two parties. In addition to the provisions of this agreement, the Contractor's following General Terms of Business will also apply. Only the Contractor's General Terms of Business count.

### § 1 Use of Office Space

- a. The Client's right to the use of office space does not commence until the security named in the agreement has been deposited.
- b. The Client may not put the office space to any other use than that contracted without express written consent.
- c. As far as in the Service Contract is agreed that Client has free use of a certain amount of hours using the conference rooms, Client is permitted without additional charge following prior arrangement to use conference room; further use of the conference room will be charged for as set out in the Contractor's current price list. Hours not used will be forfeited without compensation.
- d. The Contractor may assign other rooms of comparable size in the building to the Client without stating reasons, should this become necessary. The Contractor is to notify the Client of such a change in office 30 days in advance. The Client has no right to the use of one or more specific offices.
- e. The Client may not make structural alterations to the offices made available to him. The Contractor's express written consent must be obtained for changes to the wallpaper, painting or floor covering in the offices. The Client is to make use of the protection mats provided by the Contractor. Non-observance of this provision on the part of the Client entitles the Contractor to have any damage to the carpet remedied at the expense of the Client subsequent to his departure. No electric or gas-operated equipment whatsoever may be installed or connected. Exceptions to this require the Contractor's express written consent. Nameplates may only be mounted in the space provided by the Contractor for this purpose; same will be mounted for the Client by the Contractor and will conform to the Contractor's standard version. The design and choice of material rests with the Contractor. Nameplates will be charged for as set out in the Contractor's current price list.
- f. The Client undertakes not to store any explosive or easily inflammable materials in the rooms. No animals of any description may be kept.
- g. By signing the hand-over report the Client confirms and acknowledges the condition of the rooms as set forth in this report. The Client is obligated to return the offices in the same condition upon termination of the agreement. Interior repairs of a decorative nature are solely the responsibility of the Client. Any work required to restore the rooms to their condition on hand-over (as recorded) may only be carried out for and on behalf of the Client by the firms of specialists named by the Contractor. This work must be completed by the date of return. A special demand for interior decorative repairs is not required.
- h. The Client will receive two keys to the offices on commencement of the agreement. He will confirm receipt of these keys with his signature. The Client is obligated to look after these keys carefully and to prevent their use by unauthorized persons; copies of the keys may only be made with the Contractor's express consent. If, on termination of the agreement, all the keys are not returned or there is legitimate reason to believe that other copies of the keys exist, the Contractor may have the locks replaced by a firm of specialists at the Client's expense.
- i. On termination of the agreement the office is to be returned in such a state that it can be put to further use immediately. If this is not possible because the office has not been returned in due order, the Client is obligated to render compensation for losses. If repairs are necessary, the Client has to pay the costs.
- j. The Client is to notify the Contractor of any damage in the rooms immediately. Consequential damage or costs arising from the Client's failure to give immediate notification are to be indemnified by the Client. The Client may not order or carry out repairs himself. Only the Contractor may place an order for repairs with a firm of specialists. In the event of damage caused by the Client, the Client is obligated to render an advance payment equivalent to the expected costs based on a cost estimate from a firm of specialists.
- k. Items brought into the offices by the Client are not insured through the Contractor; the Client is liable for any loss of or damage to them. The Contractor enjoys a right of lien on any items brought into the offices for all present and future claims stemming from this agreement.
- l. The Client undertakes, before moving into the office, to take out company or office third-party indemnity insurance to cover personal injury and property damage caused by his business operation. The insurance cover must include damages caused by employees of the Client in the course of their work. At the request of the Contractor the Client shall show evidence of third-party indemnity coverage.
- m. The Client may not allow third parties to use the rooms. Arrangements to the contrary require the Contractor's express written consent.
- n. Should the Client violate any of his aforementioned obligations, the Contractor is entitled to terminate the agreement with immediate effect. The Client has not entitled to further use of the office subsequent to such summary termination; the applicability of § 568 German Civil Code is reserved.
- o. The fee for the use of the rooms includes the consumption costs for heating and electricity as well as the costs for weekly cleaning of the rooms insofar as they fall within the usual bounds for the agreed use. The Contractor may bill any higher consumption costs due to use in breach of contract or improper heating practices. The weekly cleaning of the offices also includes the emptying of wastepaper baskets and ashtrays as well as the removal of used crockery, empty bottles, etc. on the day of cleaning. The offices will be cleaned more than once a week at the special request of the Client. The charges per extra cleaning are set out in the price list.
- p. Should repair work need to be carried out in a room, the Contractor may furnish the Client with another room for the duration of the repair work without the Client being able to claim compensation.
- q. The Client is to desist from any practices that impair use of the other offices, in particular to refrain from causing noise or odors. The Client will keep his office doors closed when using an impact printer, and also if the Client or his visitors smoke in the offices. Violations of this stipulation entitle the Contractor to terminate the agreement with immediate effect following a prior warning.
- r. The Contractor may have items of low value left in the rooms by the Client after termination of the agreement stored at the Client's expense. The Contractor may arrange for their disposal after a period of four weeks, likewise at the Client's expense, should the Client not discharge his obligation to collect the items.

### § 2 Telecommunications Package

- a. All the Contractor's telecommunications equipment is leased to the Contractor by Deutsche Telekom AG or made available to the Contractor by same through line-connection contracts (e.g. Internet Provider). The Contractor is only liable for damages caused by the willful and gross negligence or nonfeasance of his employees. His liability is restricted to a maximum of € 5,00.00 per case. The Center Manager must be informed by fax by non function of the equipment.
- b. If the Client receives an IP-address from the Contractor he is allowed to use this address only. It is forbidden to use another one. In case the Client uses another IP-address than the one he has received malfunctions may occur. The Client is liable for all damages resulting from this counteracting.
- c. The basic telecommunications package for resident clients comprises the provision of a telephone number, an answering service at the switchboard and in the secretary's office as well as an extension number and telephone in the Client's office. The basic telecommunications package for non-resident clients comprises the provision of a telephone number as well as a switchboard answering service.
- d. Telecommunications charges incurred for and by the Client will be additionally charged to the Client monthly. The price is based on the valid price list.
- e. Detailed telephone accounts will only be presented to the Client at the special request of same and will be charged for as set out in the price list.
- f. The Client will bear any costs incurred to settle disputes regarding telephone accounts and the telecommunications equipment insofar as the dispute was caused by improper usage by the Client.

### § 3 Services

#### § 3.1 Telephone Service

- a. The Contractor will answer incoming calls for the Client on the telephone number provided to the Client using the name required by the Client. The costs for the installation of the number and monthly connection and toll charges will be borne by the Client.
- b. Calls to resident clients will be put through to the Client. In the Client's absence the telephone service includes the noting down of the name and number of the caller as well as the reason for his call. The same applies to non-resident clients. Resident clients are to collect the information on incoming calls at the reception; non-resident clients will be informed of their incoming calls by fax.
- c. The flat-rate fee for the telephone service does not include the taking down of orders, inquiries, information or the like. These services will be charged for separately as set out in the price list.

#### § 3.2 Fax Service through Central Fax Number

- a. The flat-rate fee for the fax service includes the use of the central fax number for incoming and outgoing faxes; the transmission of faxes will be charged for separately as set out in the price list.
- b. Faxes are received through the central fax number. If the Client is in his office, he will be notified of incoming faxes by telephone, otherwise incoming faxes will be placed in the Client's pigeonhole for collection. Faxes will only be placed on the Client's desk at the express request of the Client and will be charged for separately at a rate of one time unit (time 1) per fax. Non-resident clients will be notified of incoming faxes within the framework of the flat-rate fee; forwarding of such faxes will be charged for separately as set out in the price list.
- c. The transmission of faxes comprises the transmission of faxes placed in the outgoing fax tray by the Client to the fax number clearly noted on the fax by the Client. Every transmission will be charged for at a rate of one time unit (time 1) as set out in the price list insofar as the fax can be sent within at most three dialing attempts. Should further attempts be necessary, they will be charged for at the rate of one time unit (time 1) for every further set of three attempts initiated. Transmission will be ceased insofar as the receiving fax machine reports three attempts as being unsuccessful. The toll charges of Deutsche Telekom AG incurred for the fax transmission will be charged for separately as set out in the price list.
- d. It is the Client's responsibility to check whether his fax has arrived properly and to arrange for its retransmission should this be necessary.
- e. A fax is regarded as having been delivered to the Client when it is placed in the Client's tray; the Contractor accepts no liability for any loss of faxes after this point in time.

#### § 3.3 Business address

The Client uses the Contractor's address on his note paper, on other business papers and also for his trading registration.

#### § 3.4 Mail Service

- a. Mail services will be rendered during office hours from Monday to Friday from 08:30 to 17:00 and not on weekends or public holidays.
- b. The mail service includes daily handling of incoming and outgoing mail within the scope defined below.
- c. The handling of incoming mail includes acceptance thereof and placement in the Client's tray. Not included are the notification of the Client, the opening and date-stamping of incoming mail. The Contractor's staff will render this service on request. It will be charged for by the actual time incurred (time 1) per item of incoming mail. The Contractor will not take delivery of COD mail save that the Client has given the Contractor the COD sum beforehand. For legal reasons, the Contractor cannot accept postal deliveries requiring acknowledgment of delivery, official dunning notices, etc. If the Client is absent, the deliverer will be informed of the Client's private address.
- d. The handling of outgoing mail includes the posting of normal letters in a mailbox up to 24:00 h. Not included are the weighing and stamping of the outgoing mail. The Contractor's staff will render this service on request. It will be charged for by the actual time incurred. (Time 1).
- e. The Contractor accepts no liability for damages arising through the late posting of mail insofar as the mail was posted in a mailbox within three working days of being handed over to the Contractor's staff; within this period of time the mail is considered to have been forwarded by the Contractor without delay. Should mail not be forwarded without delay in the sense defined above, the Contractor's liability is restricted to cases of gross negligence and willful intent. Mail that is to be posted as registered letter/insured letter/registered letter with return receipt will be posted in a post office. This service will be charged for separately by the actual time incurred (time 1) as set out in the price list. Any liability is also restricted to cases of gross negligence or willful intent.
- f. Should the Client assert any claim against the Contractor for the loss of incoming mail, the onus of proof that the mail was actually delivered to the Contractor rests with the Client.

- g. Should the Contractor assume the task of weighing and stamping outgoing mail at the request of the Client, the Contractor is only liable for damages in cases of gross negligence or willful intent.
- h. Should the Contractor assume the task of date-stamping and opening incoming mail at the request of the Client, the Contractor is only liable for damages arising from incorrect date-stamping in cases of gross negligence or willful intent. No liability is accepted for the completeness of incoming mail after it has been opened.

### **§ 3.5 Furniture and Office Equipment Package**

- a. The Client may not remove from the office any items made available to him by the Contractor for his use. Nor may he sell them, transfer title to them or pledge them as security. In the event of enforcement measures by a third party, the Client is obligated to point out the Contractor's title to the items and to notify the Contractor immediately.
- b. The Client is to treat the items with care and, on termination of the agreement, to return them to the Contractor in the condition they were originally handed over to him. Any damage is to be repaired at the Client's expense.
- c. The Client may neither carry out repairs to such items himself nor arrange for such repairs. The Contractor is to be notified of any damage immediately; the Client is liable for any consequential damage arising from his failure to give immediate notification. The Client is obligated to grant the Contractor access to his rooms to inspect the furniture and office equipment at any time following prior notification by the Contractor of his intention to do so.

### **§ 3.6 Additional Services**

- a. In addition to the aforementioned services, the Contractor also offers other services, in particular secretarial services of simple, medium and demanding difficulty. The valid prices for additional services are open to inspection in the secretary's office.
- b. Additional services of which the Client makes use will be charged for separately and monthly in accordance with the International Production Standards (IPS) or, in the case of clerical work, the actual time incurred for the work (in time units).
- c. It is not possible to set these costs off against time or telephone credits.

### **§ 4 Increases in the Costs of Services**

- a. The prices for monthly flat-rates (office space and service flat-rates) will be increased annually by 5%. This compensates for price increases for the services provided, personnel costs, rental and ancillary costs.
- b. The increase in prices will become effective automatically on 1<sup>st</sup> January of each new year. A separate notification of the same is not necessary.

### **§ 5 Terms of Payment**

- a. The flat-rate fee for the use of the rooms and those for the service packages are to be paid monthly in advance by the third working day of the respective month. A reduction due to defects is only permissible if the Client has given written notification of the defect one month in advance and the Contractor the opportunity of correcting same.
- b. The charges for any additional services utilized will be billed for each past month together with the flat-rate fee for the next month. These charges for additional services are to be paid by the 10<sup>th</sup> day of the month following billing. In case of delayed performance no formal notice is required to put the client in default.
- c. On signing the agreement the Client will deposit security amounting to three times the contractually agreed monthly fees. Should the scope of services rendered be expanded at some later date and/or the rates for monthly fees be increased, the amount of the security will be adjusted accordingly. No interest will be paid on the security. Its sole purpose is to secure any claims by the Contractor. The Client may not set it off against outstanding payments. The Contractor is entitled to deny services until payment of the security.
- d. The Client will grant the Contractor authorization to debit his account for the monthly payments. If no direct-debit authorization has been granted, the Contractor will charge a monthly flat-rate fee of € 50,00 for additional administration work.
- e. The Contractor is entitled to charge interest on arrears amounting according to the law; this does not affect his right to assert further claims for compensation.
- f. All prices are quoted excluding value added tax.

### **§ 6 Contractor's Liability**

- a. The Contractor is only liable for damages caused by the willful and gross negligence or nonfeasance of his employees. His liability is restricted to a maximum of € 25.000,00 per case. No liability is accepted for simple and minor negligence. Minor negligence includes, in particular, the incorrect noting down of names and telephone numbers within the framework of the Contractor's telephone service as well as typing mistakes and arithmetical errors. For mistakes concerning data which the customer publishes on his/her business papers the service provider is liable only if the data was transferred by the service provider to the customer in written form.
- b. The Contractor is not liable for damages incurred by the Client through the latter's failure to perform his contractual duties.
- c. The Contractor's liability for damages caused by faults in the communication equipment leased from Deutsche Telekom AG or other provider is restricted to the extent to which they are also liable.
- d. No liability is accepted for damages incurred as a result of computer viruses.
- e. The Client indemnifies the Contractor of all liability if, at the Client's request, letters, messages, faxes and the like are signed and/or sent to addressees on the Client's behalf.
- f. The Client is obligated to notify the Contractor by registered letter with return receipt of any damages for which he intends to hold the Contractor liable within seven days of learning about the damage.

### **§ 7 Personal Liability of the Client**

- a. The Client accepts personal and unlimited liability for all claims stemming from these General Terms of Business and the agreement signed by him.
- b. Should the Client be a limited liability company (GmbH), the signing managing director accepts personal and unlimited liability next to the limited liability company for all obligations stemming from this agreement. The same applies to the signing partner of a limited partnership with a limited company as general partner (GmbH & Co. KG). He assumes the absolute guaranty for an unlimited period under waiver of a plea of unexhausted remedies.
- c. The Client is to notify the Contractor immediately of any change in his place of residence. Violations of this obligation entitle the Contractor to terminate the agreement with immediate effect.
- d. The Contractor cooperates with the authorities.

### **§ 8 Termination and Immediate Termination due to Default in Payment/Insolvency**

The agreement between the Client and the Contractor is concluded for an indefinite period of time – as long as the contract does not say an other date - and may be terminated to the end of a month with three months' notice. The contract can, referring to singular services oder service packages, be given notice to be terminated partly; this likewise with a period of three month' notice. The Contractor is entitled to terminate the agreement with immediate effect should the Client:

- a. be in default of payment of more than 50 percent of his office utilization fees for two consecutive months;
- b. be in default of payment of his office utilization fees for an amount totaling more than the office utilization fees for two months for a period exceeding two months;
- c. be in default of payment for additional services utilized and this sum exceeds the total of two monthly flat-rate fees for all services;
- d. violate contractual obligations in spite of prior warning, in particular should the Client repeatedly be in default of payment. Repeated default regarding all possible claims stemming from this agreement, in particular also default regarding one-off payments, therefore entitles the Contractor to terminate the agreement following prior warning;
- e. declare in lieu of an oath that a warrant for his arrest has been issued or that bankruptcy proceedings have been filed against him or have been dismissed for want of assets.

Depositing a written notice of termination of the agreement in the Client's pigeonhole is regarded as adequate service of immediate notice. Immediate notice of termination entails refusal of admittance to the offices, the disconnection of telephone lines, and refusal to accept mail.

Payments received by the Contractor will first be used to settle outstanding claims for flat-rate fees for services and technical equipment. Thereafter they will be used to settle the fee agreed upon for utilization of office space. This order of payment is binding for both parties.

The basis of the agreement for the rendering of services and guaranty of utilization of technical equipment is the existence of an untermintated contractual relationship regarding the utilization of office space. Should the prerequisites allowing immediate termination of the contractual relationship regarding office utilization exist, the Contractor is entitled to terminate the complete contractual relationship with immediate effect.

In the event of premature termination of the agreement, the Contractor is entitled to demand payment of 70 percent of the total flat-rate fee agreed upon for the remaining term of the agreement as compensation without having to furnish further proof. The Client is at liberty to demonstrate that the Contractor's loss is lower. This does not affect the Contractor's right to claim further compensation.

### **§ 9 Restraint of Trade**

- a. The Client undertakes not to offer any services in competition with those offered by the Contractor.
- b. The individual clients of a business center enjoy no rights of protection from competition among each other. The Contractor is entitled to conclude agreements with various suppliers of identical services or products at one and the same business center.
- c. The Client undertakes not to hire or give work to any of the Contractor's permanent or freelance employees during or directly after their employment with the Contractor or within a period of six months following termination of the contractual relationship between the Contractor and employee. Violations of this stipulation are subject to a contractual penalty of € 15,000.00. This does not affect the Contractor's right to claim further compensation.
- d. Violations of the aforementioned stipulations entitle the Contractor to terminate the contractual relationship with immediate effect.

### **§ 10 Written Form**

All agreements and declarations by the parties (additions to the agreement, amendments, deletions, cancellations and termination, notices of consent, etc.) must be made in writing. This also applies to any cancellation of this clause requiring the written form.

### **§ 11 Escape Clause**

Should any clause in these General Terms of Business be invalid, this will not affect the validity of the remaining clauses. The invalid clause is to be replaced by a valid one coming as close as possible to the economic interests of the parties and the arrangement originally intended by them.

### **§ 12 Place of Performance and Jurisdiction**

- a. The place of performance for all obligations stemming from the above agreement is the Contractor's business center in which the services are rendered (Dortmund, Düsseldorf, Essen or Hagen, as the case may be).
- b. Legal domicile for all disputes on rights and obligations stemming from this agreement is the place of performance.

