

**AREA OF APPLICABILITY / CONTRACTING PARTNERS /
NON-APPLICABILITY OF OTHER TERMS AND CONDITIONS
OF BUSINESS**

1.1 These general terms and conditions of business for mobile phone services of INSYS MICROELECTRONICS GMBH headquartered in Regensburg, hereinafter referred to as "INSYS" apply to all contracts on the basis of which INSYS provides mobile phone services for data transfer between devices and/or machines (M2M), hereinafter referred to as "services" for use by the commercially active contracting partner, hereinafter referred to as "Customer".

1.2 These general terms and conditions of business shall apply exclusively as well as any additional terms and conditions of business of INSYS, provided that these have been agreed with the Customer.

Terms and conditions of business of the Customer shall not become part of the contract even if INSYS does not expressly object to their inclusion. Should the Customer not be in agreement with such, he or she must inform INSYS of this position immediately in writing.

The reference to general terms and conditions of business of the Customer by means of a form is hereby being expressly objected to.

1.3 A renewed reference to the applicability of these general terms and conditions of business in case of future offers and contracts is not required.

2. AMENDMENTS TO THE GENERAL TERMS AND CONDITIONS OF BUSINESS AND SERVICES

2.1 INSYS shall be entitled to amend the general terms and conditions of business and service descriptions with effect also in the course of the existing contractual relationship in compliance with the procedure below, provided that essential

- a) provisions of the contractual relationship are not changed to the detriment of the Customer and
- b) provided that the relationship of performance and consideration is not significantly postponed in a disadvantageous manner to the Customer.

2.2 Regardless of Number 2.1 above, INSYS shall be entitled to amend the service descriptions, should this be necessary due to legal requirements or due to official guidelines.

Furthermore, INSYS shall be entitled to amend the service descriptions regardless of Number 2.1 should such services which are provided by INSYS through third parties (for example network access or data transfer) be altered by the said third party.

2.3 Changes to the general terms and conditions of business and/or to the respective service description in accordance with Number 2.1 or 2.2 shall be notified to the Customer by INSYS at least six weeks prior to the planned taking effect of the alterations. The Customer can object to the changes in writing within 6 weeks of receipt of the notification. Should no objection be received and should the Customer continue to make use of the services following the expiry of the deadline for raising an objection, the changes shall be deemed to have been effectively agreed for all services which are provided following the expiry of the deadline.

At the time of notification of the changes, INSYS shall inform the Customer of the above-mentioned deadline, as well as of the legal consequences of its passing should the option of raising an objection not be taken up.

3. TAKING EFFECT OF THE CONTRACT

Unless otherwise agreed, the contract shall come into existence at the time of receipt of the order confirmation (declaration of acceptance of INSYS) by the Customer, at the latest at the provision of the service by INSYS (for example receipt of the SIM card by the Customer).

4. SERVICES OF INSYS / SERVICE EXCLUSIONS

4.1 The services of INSYS which form the subject matter of the contract are in accordance with the respective service description, the price list and other agreements which have been concluded between the Contracting Parties.

4.2 INSYS shall provide the Customer with a SIM card for use by the Customer. The Customer shall receive a simple, permanent right of use in respect of which no sublicenses can be issued in relation to the software which is stored on the SIM card. Otherwise, all rights in respect of the software shall remain with INSYS or the respective right holder.

INSYS shall be entitled to exchange a SIM card which has been handed over for a replacement card for important reasons, such as necessary technical changes.

4.3 INSYS shall be entitled to provide the services itself or through a third party (subcontractor).

4.4 INSYS does not assume any responsibility for the quality of the network access and network coverage.

5. TERMS AND CONDITIONS OF SERVICES PROVIDED BY THIRD PARTIES

5.1 In respect of the use of such services which are provided by INSYS through third parties (for example third party online services), it may be the case that deviating terms and conditions of the respective third party (for example licensing terms) apply to the said third party services. In addition, the use of the third party services may be made dependent on the acceptance of such terms and conditions on the part of the Customer.

5.2 Unless otherwise expressly provided, the use of the respective third party service(s) by the Customer shall represent his or her acceptance of the terms and conditions which apply in this respect, provided that the customer was (i) informed of the said terms and conditions and (ii) was given the opportunity to study these prior to the use of the respective service(s).

5.3 Terms and conditions of the respective third party which have been accepted by the Customer shall take precedence over these general terms and conditions in case of doubt in respect of the third party service concerned.

6. TECHNICAL REQUIREMENTS FOR THE PROVISION OF SERVICES

The selection of the infrastructure and components in the area of responsibility of INSYS which are necessary for the provision of the services, including the necessary hardware and software tools shall be undertaken by INSYS. The Customer shall not be entitled to a selection of specific components.

7. OBLIGATIONS AND RESPONSIBILITIES OF THE CUSTOMER

7.1 The Customer shall be obliged to keep his or her personal access data (in particular passwords and access codes such as PIN and PUK) confidential. He or she may not make the access data accessible to unauthorised persons and must immediately change the access data or have the access data changed should he or she suspect that unauthorised persons have gained knowledge of this.

7.2 Changes to the company name and/or its address, the bank details or the invoice recipient must be notified to INSYS in writing immediately.

7.3 The loss of a SIM card or a device which contains the SIM card must be notified to INSYS by the Customer immediately. Should the notification take place by telephone or in text form (for example by email), the Customer must immediately submit a written report.

7.4 Unless otherwise agreed, the Customer shall be responsible for ensuring the technical requirements for the use of the services in accordance with the contract are met in his or her area of influence.

In particular, the Customer must ensure that the devices deployed for the use of the services are at locations which possess sufficient network coverage.

The Customer must also ensure and is responsible for the fact that deactivated SIM cards are not inserted at anytime in devices that are in operation. The Customer bears the full costs resulting from non-compliance.

8. PROHIBITIONS OF USE / BLOCKING

8.1 The Customer shall be responsible for ensuring that the use of the services by him or her and/or his or her employees does not breach applicable laws and does not take place in an abusive manner elsewhere.

8.2 In particular, the following actions are prohibited:

- a) The transmission of contents which breach good customs and/or which are illegal (such as racist, violent, obscene, insulting or defamatory contents)
- b) The transmission of contents which breach laws concerning the protection of young people, data protection laws or criminal laws
- c) The transmission of contents which are legally protected or which are subject to third party rights (such as copyright), without being expressly and verifiably authorised to do so
- d) The forwarding on of connections via the SIM card(s), unless this is expressly provided for in the service description
- e) The handing over of SIM cards(s) which form the subject matter of the contract to third parties without the express written permission of INSYS in this respect
- f) Offering, providing and/or handing over the services or parts thereof to third parties for commercial purposes without the express written permission of INSYS
- g) The use of the SIM card(s), the services or parts thereof for the provision of one's own commercial telecommunications and/or telemedia services without the express written permission of INSYS in this respect and
- h) The creation of connections with the purpose of receiving payments and/or other consideration of third parties to the Customer.

8.3 In addition, the use of the services for carrying out the following actions is prohibited:

- a) General (private or professional) communication by SMS and/or voice telecommunications to preferred numbers
- b) Internet access
- c) Unauthorised spying and/or intrusion into third party computer systems
- d) Endangering, interrupting and/or other hindrance of the network operation or the provision of services by INSYS for other end users and/ external computer (for example through the mass sending and/or forwarding on of data streams)

8.4 In case of serious breaches on the part of the Customer against numbers 8.1 to 8.3 above, INSYS shall be entitled to block the access of the Customer to the services either temporarily or permanently (including the deactivation of the SIM card(s)). At the time of the taking of a decision concerning a blocking and its duration, INSYS will take the severity of the breach and the justified interests of the Customer into account in a reasonable manner.

In case of a temporary blocking in accordance with the paragraph above, the Customer shall remain obliged to pay the agreed fee independent of usage. In case of a permanent blocking, the Customer shall not be entitled to a refund of fees which have already been paid.

8.5 The rights and obligations on INSYS in accordance with Number 8.4 shall apply accordingly in case of other serious breaches of the general terms and conditions of business at hand on the part of the Customer.

9. FEES / PRICE INCREASES / PAYMENT TERMS

9.1 Unless otherwise agreed, the fee to be paid by the Customer shall be determined in accordance with the price list which forms the subject matter of the contract, otherwise in accordance with the respective current price list of INSYS.

9.2 Fees which do not depend on use which are charged monthly must each be paid for the whole month.

The above shall also apply if the operationally capable provision of the services does not commence at the start of the month.

9.3 The Customer must pay the agreed fees which are charged to him or her on time.

9.4 The Customer must also pay those usage dependent fees which are incurred due to use of the services by third parties, unless the Customer provides proof that the use of the services by the third party cannot be attributed to him or her. In case of loss of the SIM card, the above shall only apply until receipt by INSYS of the loss report of the Customer. Number 9.2 shall remain unaffected.

9.5 Also with effectiveness within the existing contractual relationship, the agreed fees can be reasonably increased by INSYS in order to meet increased costs by means of a unilateral declaration in relation to the Customer in accordance with the procedure below ("price increase").

a) For example, INSYS shall have a right to increase prices if

- third parties from whom INSYS purchases preliminary services which are necessary to provide the services which form the subject matter of the contract increase their prices or
- the prices for services which INSYS provides through third parties are increased by the said third party.

b) Furthermore, INSYS price increases shall be permitted to the extent required due to an increase in value added tax and/or due to other statutory changes or due to official guidelines (for example Federal Network Agency).

c) Intended price increases in accordance with this Number 9.5 shall be notified to the Customer at least 6 weeks prior to their planned taking effect.

Except in the case of a price increase in accordance with Number 9.5 Letter b), the Customer shall be entitled to a special right of termination at the time of taking effect of the price increase, should the price increase exceed 10% of the amount paid for the period concerned and the service concerned so far.

Should the Customer be entitled to a special right of termination in accordance with the above and should no written notice of termination be received from the Customer within 6 weeks of receipt of the notification concerning the price increase, the price increase shall be deemed to have been effectively agreed following the expiry of the above-mentioned period of notice for termination for all services which are provided following the expiry of the deadline.

d) Except in the case of price increase in accordance with Number 9.5 Letter b), the price increase by INSYS may only take place once per year as a maximum.

9.6 Unless otherwise agreed, INSYS shall invoice the agreed fees to the Customer each month.

9.7 The fees contained in the invoice shall each become due for payment at the time of receipt of the invoice.

Should invoicing in electronic form be agreed, the invoice shall be deemed to have been received if it is available in the customer centre or in in the online area which can be accessed by the Customer for this purpose.

9.8 The fees which are charged shall be collected by the SEPA direct debit process as standard. In this respect, the Customer must issue INSYS with a corresponding SEPA direct debit mandate, must co-operate in the direct debit procedure and ensure a sufficient credit balance in the account which is to be debited. INSYS will debit the invoice amount at the earliest seven calendar days following receipt of the

invoice and the SEPA pre-notification from the agreed account.

- 9.9 Should the Customer not participate in the direct debit process by prior agreement with INSYS in deviation from Number 9.8, the fees which have been invoiced must be paid by the Customer within 10 calendar days of receipt of the invoice.

10. SET OFF AND RETENTION

- 10.1 The Customer may only set off against claims of INSYS with such counterclaims which have been recognised by a court or which are undisputed.
- 10.2 Rights of retention of the Customer shall only be permitted if these concern claims which relate to the same contractual relationship.

11. COMPLAINTS

- 11.1 Complaints concerning the amount of the usage dependent fees which have been charged must be submitted to INSYS immediately following receipt of the invoice.
Such complaints must have been received by INSYS within 8 weeks of receipt of the invoice.
- 11.2 Failure to submit complaints on time shall be deemed to represent approval.
- 11.3 Statutory claims of the Customer in case of justified complaints following the expiry of the deadline shall remain unaffected.

12. CONTRACTUAL TERM AND TERMINATION

- 12.1 Unless otherwise expressly agreed, the contract shall run for an indefinite term and can be terminated by both parties by means of compliance with a notice period of two weeks to the end of the month, however at the earliest with effect of the expiry of a minimum term of one month.
- 12.2 Should deviating terms and notice periods for termination be agreed for additional services, these shall apply as a priority to the services concerned.
The termination of an additional service shall not affect the remainder of the basic contract.
- 12.3 The right of each party to terminate the contract for important reasons shall remain unaffected.
- 12.4 All notices of termination require written form.

13. LIABILITY AND LIMITATION OF LIABILITY

- 13.1 Within the area of applicability of the German Telecommunications Act (TKG), the liability of INSYS is limited as follows in accordance with § 44a TKG:
- a) Should an obligation to provide compensation in respect of a financial loss to an end user exist on the part of INSYS as a provider of publicly accessible telecommunications services and should this not relate to intent, the liability is limited to a maximum of 12,500.00 EUR per end user. Should the compensation obligation exist due to a unified act or an event which causes a unified loss in relation to more than one end user and should this not be due to intent, the obligation to provide compensation shall be limited to a maximum of 10 million EUR, regardless of the limit in Sentence 1. Should the compensation which must be paid to more than one claimant due to the same event exceed the maximum threshold, the compensation shall be shortened by the relationship of the sum to all damages claims.
- b) The limitation of liability in accordance with Number 13.1 Letter a) does not apply to the reimbursement losses which are incurred to delay in the payment of compensation.
- 13.2 Should the liability of INSYS not be limited in accordance with § 44a TKG its liability shall be determined in accordance with the following provisions:
- a) INSYS shall only incur liability if it is at fault and for fault on the part of its legal representatives, management employees and other vicarious agents and this shall be

in accordance with the following regulations.

- b) For losses which are caused intentionally or gross negligently by INSYS, its legal representatives, management employees or other vicarious agents, INSYS shall incur unlimited liability.
- c) In case of a simply negligent breach of an obligation on whose compliance the Customer may rely and whose fulfilment is essential for the proper performance of the contract (so-called cardinal obligation), the liability of INSYS shall be limited to those losses which can be typically expected within the framework of the service relationship at hand (so-called foreseeable losses which are typical of the contract). Otherwise the liability for losses which are caused by simple negligence shall be excluded.
- d) In the cases of liability of INSYS in accordance with Number 13.2 Letter c), the liability of INSYS within the framework of the respective contractual relationship shall be limited to a total sum of 100,000.00 EUR and to a total of 250,000.00 EUR per contractual year.
INSYS is of the opinion that the said amounts are sufficient to fully cover the loss which is foreseeable and typical of the contract in case of a loss event. Should this limitation of liability for covering the loss which is foreseeable and typical of the contract in case of a loss event appear insufficient to the Customer, the Customer must inform INSYS of such, so that insurance can be taken out against a possible higher liability risk.
- e) The liability for data loss is limited to the restoration costs in case of usual data backup (daily backing up by the Customer), unless data backup is expressly agreed by INSYS.
- f) The strict liability of INSYS in accordance with § 536a of the German Civil Code (BGB) in respect of defects present at the time of conclusion of the contract is excluded. Number 13.2 Letters b) and e) shall remain unaffected.
- 13.3 The liability for fraud, personal injury and liability in accordance with the German Product Liability Act (Produkthaftungsgesetz) shall remain unaffected by the provisions above.

14. FORCE MAJEURE

Events for which INSYS, its legal representatives and vicarious agents are not responsible ("force majeure"), in particular technical events outside of the area of influence of INSYS for which it is not responsible, power cuts or other comparable technical hindrances and their consequences shall release INSYS for the duration of their presence from the requirement to fulfil the performance obligation assumed under the contract which has become more difficult or impossible due to the said events.

15. CONFIDENTIALITY; DATA PROTECTION AND DATA SECURITY

- 15.1 The Parties shall be obliged to treat confidentially all operational and business secrets and the technical and organisational information of the respective other party of which they become aware within the framework of the performance of the contract - hereinafter summarised as "**confidential information**". Information which is generally published by the Party which it relates to or which is general knowledge (such as software or communications technology) is not confidential information.
- 15.2 Each party shall be solely responsible for compliance with the provisions under data protection laws which apply to them in their area of responsibility.
- 15.3 INSYS shall be entitled to record, save and process the personal data of the Customer notified to it in connection with the business relationship or of which it becomes aware within the framework of the provision of services in compliance with the applicable laws concerning data protection, provided that this is necessary for the provision of services or performance of the business relationship and is not pro-

hibited by law.

INSYS shall take reasonable measures in its area of responsibility in order to comply with the applicable regulations under data protection laws.

- 15.4 Should INSYS have the services which form the subject matter of the contract provided by third parties, INSYS shall be entitled to disclose confidential information and customer data to the said third parties, provided that this is absolutely necessary for the provision of services in accordance with the contract and is not prohibited by law. INSYS shall impose an obligation on the said third parties to handle confidential information and customer data confidentially.
- 15.5 Furthermore, INSYS shall be entitled to disclose confidential information and customer data should it be obliged to do so due to statutory provisions or orders of the authorities and also should this concern third parties who are obliged to maintain professional secrecy.

16. CLOSING PROVISIONS

- 16.1 Amendments and additions to the contractual relationship shall require written form. This shall also apply to annulment of this clause.
- 16.2 The exclusive place of jurisdiction for all disputes under or in 8 the law of the Federal Republic of Germany to the exclusion of the United Nations Convention governing the International Sale of Goods in respect of all legal relationships under the contractual relationship.