

General Terms and Conditions SecureW2 B.V.

These are the general terms and conditions in respect of SecureW2 B.V., established in Enschede, the Netherlands, heretofore referred to as SW2.

1 General

1.1 These terms and conditions apply to all Sales, Services and other agreements supplied by SW2 regarding software (packages) to be developed, developed, or supplied by SW2, with the exception of those clauses, by virtue of special mention or by their nature, pertain to one of the two kinds of agreements (Sales & Services).

'Services' are understood to include the giving of courses and advice, the drawing up of specifications, applicability surveys, design, i.e. the development of software as well as the supply of software and any required maintenance of the same.

'Sales' are understood to also include the (re) sale of computer equipment to the client.

1.2 The Principal is the contracting party to SW2, that is, the person(s) awarding the commission to SW2 for Services &/or Sales.

1.3 SW2 is SecureW2 B.V. established in Enschede, registered under number 08153109 at the Chamber of Commerce in Enschede, The Netherlands.

1.4 Deviations from the agreement are permitted only and for so far as SW2 has indicated agreement in writing, i.e. given confirmation.

1.5 Rights and obligations arising from the agreement made with SW2 cannot be transferred to a third party by the Principal without the written permission of SW2.

1.6 SW2 has the right to modify the Terms and Conditions at any time. The Principal shall be informed of any modifications as soon as possible.

2 Offers

2.1 Unless otherwise specifically stated, any offers made by SW2 will remain without obligation and are non-binding.

2.2 SW2 retains specifically all (author's rights and such like) titles to any documentation supplied by SW2 in respect of the agreement. This material shall not be supplied to a third party without the written permission of SW2. This will only be given within the framework of the said agreement.

3 Contract

3.1 A contract will come into effect only when SW2 has confirmed the same in writing, unless another procedure has been agreed unequivocally between the parties.

3.2 Any contract effected electronically will be considered binding only when the Principal and SW2 have followed the agreed

procedure in respect of the said transaction and when both parties have acknowledged receipt of the contract thus sent electronically.

3.3 Parties shall agree that any information received within the framework of the realization of a contract, shall remain confidential. In any case, but so far unlimited, information shall be confidential when one of the parties shall deem it so to be.

4 Commission for provision of Services

All agreements in respect of Services to be provided shall be carried out by SW2 with the utmost care. Should SW2 deliver standard software, or design customized software at the behest of the Principal, then SW2 shall, to the best of its ability and for a guaranteed period of 3 (three) months after the acceptance of the software by the Principal, repair any reproducible errors that fall under the warranty as specified under section 9. Errors shall be understood to include only deviations in the standard software in relation to the functional specifications provided by the SW2 in writing, or, in the case of customized software, only deviations to the explicit agreed functional specifications agreed in writing by the Principal and SW2. Only when the Principal has commissioned SW2 on the basis of a subsequent calculation will the charges for the carrying out of repairs not be without cost and an invoice based on the normal tariff will be submitted unless specifically agreed otherwise.

4.1 If there should be an agreement to the effect that Services may be provided by a specific person, SW2 retains the right to replace this person with another person having similar qualifications.

4.2 If agreed, the Services will be carried out in steps/phases. SW2 is in that case authorized to defer each step/phase until the results of the previous step/phase have been approved by the Principal.

4.3 If the service agreement states that SW2 should design software for the Principal, then the Principal will be responsible for the accuracy, completeness and consistency of the information supplied by the Principal.

4.4 The Principal shall accept the supplied software:

(a) Either if there has been no agreement made between the parties in respect of an acceptance test: then on delivery of the software, or if agreed upon by both parties, after completion of the installation by SW2 .

(b) Or if an acceptance test agreement was agreed upon by both parties: then on the first working day after the test period.

(c) Or if the Principal makes any use of the software before the agreed moment of acceptance for any productive, operational or commercial purposes.

4.5 The acceptance may not in any circumstances be withheld if the errors detected do not reasonably hinder the operational or productive use of the software.

5 Prices: Sales and Services

5.1 General

5.1.1 Unless otherwise stated, the prices quoted by SW2 exclude VAT and exclude any other costs falling within the agreement, such as taxes and tariffs.

5.1.2 SW2 reserves the right to modify any prices, i.e. tariffs. The Principal will be informed of any such changes as soon as possible.

5.1.3 The prices indicated in a contract, estimate or offer are based on work being carried out within normal working hours. Should SW2 be obliged, due to unforeseen circumstances to work outside the normal working hours, then the extra costs involved will be charged to the Principal, unless the subject of working outside normal working hours is covered in the aforesaid contract, estimate or offer.

5.1.4 All extra costs, in connection with carrying out an urgent commission as well as the costs incurred when using registered post, paying cash on delivery, using express delivery and courier delivery are to be born by the Principal.

5.2 Unless otherwise stated, the prices stated are based on delivery from SW2, from a warehouse or from any other storage facility.

5.3.1 Services

Quotations and prices which will be submitted are:

- (a) based on subsequent calculation, in which case clause 5.3.2 applies, or
- (b) based on a fixed price specified in the estimate or in the commission confirmation

5.3.2 If a commission should be executed on the basis of subsequent calculation, SW2 will charge the time spent on the said commission multiplied by the agreed tariff added to which will be costs incurred by SW2 when carrying out the commission.

5.3.3 The time spent by SW2 on the commission shall be recorded in an hourly record that will be maintained by SW2's employees and a specification of which will be available to the Principal on request. The aforementioned hourly record is binding for both parties. SW2 will submit invoices based on this record.

5.3.4 An estimated price is non-binding between the parties. If the figure calculated in accordance with clause 5.3.2 should threaten to exceed the said estimate by 20% or more, then SW2 will inform the Principal of this fact without delay.

5.3.5 Should a fixed price have been agreed, SW2 reserves the right to declare to the Principal any (extra) work not covered by the agreement, calculated on the basis of subsequent calculation under clause 5.3.2, should this work have been made necessary as a result of circumstances, and the costs of which should be reasonably met by the Principal.

6 Payment, Invoicing

6.1 Payment should be made to a bank account designated by SW2, within thirty (30) days of the date of the invoice, unless stated otherwise in the commission agreement or on the invoice

without any subtraction from or alteration to the amount stated on the invoice.

6.2 SW2 is authorized to submit the invoice on the completion of the entire commission, or on the completion of part of the same as stated in the commission agreement. Unless otherwise agreed in writing, the invoicing for automation projects (in the broadest use of the expression) will be executed as follows: 1/3 at the commencement of the agreement, 1/3 after completion of the first delivery, 1/3 after the acceptance by the Principal, but in any circumstances within 90 (ninety) days after delivery.

6.3 Without prejudice to any of its future rights, SW2 will be legally within its rights to charge the Principal interest in the case of default, calculated from the date from which the Principal is deemed to be in default.

7 Time limits in respect of Commencement/Delivery/Execution

7.1 All agreed time limits in respect of commencement, delivery and execution of the work are indicative.

7.2 Time limits within which the agreed activity(s) by SW2 must be completed will be in every instance, but not exclusively, automatically extended by period(s) if:

- (a) there is a possibility of a delay in the production and/or any other circumstances that might temporarily hinder the activity of SW2. The Principal will be informed of any such instance(s) without delay;
- (b) the Principal falls short of one or more of his obligations to SW2, or should there be a reasonable fear that he shall fall short in one or more of his obligations to SW2, or fails to provide the co-operation and/or correct, complete and timely information to SW2 that might be reasonably expected;
- (c) the Principal does not enable SW2 to perform that which what has been agreed.

8 Property restriction

8.1 Supplies are covered by a property restriction. This restriction covers any claims as well as the payments for all products delivered or to be delivered by SW2 to the Principal and/or within the framework of carrying out any required tasks covered by the agreement as well as in respect of claims regarding shortcomings of the Principal in the observance of this agreement.

8.2 SW2 is entitled to take back any supplied products that are to remain the property of SW2 in accordance with the previous clause. For as far as is possible the principal will irrevocably authorize SW2 to remove or allow to be removed the relevant products wherever they might be situated.

9 Warranty

9.1 If the delivery by SW2 of material, equipment or any other products, i.e. software, originate from a sub contractor, then the warranty conditions of the subcontractor will apply exclusively. SW2's liability is in every such instance limited to that remitted to SW2 by the subcontractor. In the case of such products SW2 is otherwise under no obligation in respect of a warranty obligation.

9.2 SW2 does not guarantee explicitly that the software supplied by SW2 shall operate without interruptions or faults.

9.3 Incorrect use of the software by the Principal or faults that occur through no fault of SW2, or faults that could have been detected during the course of any acceptance test do not fall under the warranty.

9.4 The recovery of any data lost as a result of any fault in the software also does not fall under the warranty.

9.5 The warranty liability will lapse if the Principal and/or a third party should repair faults or make modifications to the software without the written permission of SW2.

9.6 SW2 does not guarantee that the software, products or Services are suitable for the use to which they will be put by the Principal. The Principal is responsible for this choice and for the application of the software, products and Services within his organization.

10 Products that are made available

10.1 Any production material made available to the Principal by SW2, including (but not exclusively), designs, data carriers and software is not the property of the Principal, unless otherwise specifically agreed.

10.2 Any production material made available to SW2 by the Principal shall be handled with care by SW2; these products remain nevertheless at the Principal's own risk.

11 Control by the Principal; complaints

11.1 Any complaints made by the Principal in respect of invoices submitted by SW2 and the manner in which SW2 is fulfilling its obligations, must be made to SW2 in writing within 8 (eight) working days of the detection of the complaint. In the absence of such, the Principal shall forfeit any rights against SW2. This also applies should SW2 later handle any complaint in a fair and reasonable manner.

11.2 In the case of a legitimate complaint, SW2 can choose either to provide a renewed delivery, i.e. service, or a compensation payment, with the following proviso: that SW2 shall never be held responsible for company and or indirect damage and will not be held accountable for a larger amount of compensation than that which is stated in the following clause(s).

12 Liability

12.1 SW2's liability based on calculable shortcomings in respect of any agreement is limited to the reimbursement of the direct demonstrable damage. If and insofar as the agreement is a long term agreement, then the liability shall never in any instance exceed the price (excluding VAT) stipulated in the relevant agreement for the performance of SW2 in the period of two months preceding the shortcoming. The maximum liability will be reduced by any outstanding payments due to SW2 and will be limited to the amount that will be covered by SW2's liability insurance.

12.2 SW2 shall be liable only on the grounds of imputable shortcoming, and only after it has been demonstrated

immediately, indisputably and in detail that SW2 is in default. This last will assume that a reasonable timescale has been agreed to enable SW2 to fulfil any obligations.

12.3 In no instance will SW2 be liable to any damage caused by software and equipment supplied by the Principal.

12.4 the aforementioned liability exclusions will not be applicable in so far as the damage that has occurred is a result of the intentional or the gross culpability of the board of directors of SW2 and/or supervisors or employees.

12.5 If it is determined irrevocably by law that the software designed by SW2 or any related material represent an infringement of any intellectual rights of a third party, or if in the opinion of SW2 there might be a reasonable possibility that such an infringement might occur, SW2 shall reimburse the payment for the deliverables less a reasonable fee, or shall ensure that the Principal is permitted to make unhindered use of the software (or a functionally similar software), the choice being that of SW2. All other or ongoing liabilities or warranty obligations on the part of SW2 in respect of the infringement of any rights of intellectual property is precluded.

12.6 Should the interoperability, i.e. support, to be supplied by SW2 not be possible, as a result of the Principal's circumstances, (e.g. that the (source) codes, i.e. licenses and manuals cannot be provided by the Principal), then SW2 will not be held liable for any damages save for that determined in clause 12.4. Whether the aforementioned impossibility in effect is to be determined by SW2.

13 Force Majeure

13.1 Neither party shall be liable in damages or have the right to terminate this agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

13.2 Neither party shall be liable for any failure or delay in performance under this agreement (other than for delay in the payment of money due and payable hereunder) to the extent said failures or delays are proximately caused by causes beyond that party's reasonable control and occurring without its fault or negligence, including, without limitation, failure of suppliers, subcontractors, and carriers, or party to substantially meet its performance obligations under this Agreement, provided that, as a condition to the claim of no liability, the party experiencing the difficulty shall give the other prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

14. Non-observance

Should the Principal fall short towards SW2 in the observance of any one of his obligations, then if he should die, or should apply

for a suspension of payment or declare himself bankrupt; should he be declared bankrupt or should the company or organization be closed down, liquidated or be wholly or partly taken over; should any capital-element be confiscated, or should an private agreement be offered or should declare a payment incapacity covered by the Coordination Law for Social Insurance (Coördinatiewet Sociale Verzekeringen), then these will constitute reasonable grounds, on the basis of which SW2 can dissolve the agreement, either by suspension or by means of an extra judicial declaration, without prejudice to SW2's future rights. In such cases every claim against the Principal will be directly and wholly claimable without SW2 being liable for compensation or warranty. In all cases where the Principal has a serious concern that he might not be able to meet his obligations towards SW2, he must inform SW2 of this fact immediately. Should he fail to do so, then this will constitute such reasonable grounds as referred to above.

15 Surety

SW2 is authorized to demand surety for payments for the duration of the agreement. Should this surety not be forthcoming, then SW2 is authorized to suspend its activities until the surety is confirmed within a period of time to be defined by SW2 in writing according to the norms of reason and moderation. Should the Principal not offer the required surety within the defined time eriod, then SW2 has the right to terminate the agreement without any judicial mediation by simply cancelling any work that has not yet been carried out. In such an instance the entire sum, (that has yet to be invoiced, i.e. the sum that would have been invoiced had SW2 been able to fulfil the agreement) in addition to a penalty of 10%, can be demanded immediately by SW2, without prejudice to the rights of SW2 in respect of compliance and/or to any further compensation that might be due.

16 Final provisions

16.1 This agreement is covered by Dutch law.

16.2 All disputes between the parties arising from this agreement will be placed before the authorized magistrate in Almelo, The Netherlands.

16.3 SW2 retains the right to modify these Terms and Conditions. Modifications also apply to any agreements already concluded with due regard to the following provisions.

16.4 Any modifications to these General Terms and Conditions that might have implications for any users with whom agreements have already been made, will be declared in writing in good time. They will come into effect 30 (thirty) days after the written notification or on a later date specified in the notification.

16.5 Should a suffer consequences related to any modification(s) to these Terms and Conditions and does not wish to accept the said modification(s), then he is entitled to terminate the agreement earlier than the time specified in clause 12, that is on the date of the modification(s), or on the date of the receipt of the termination should this be later than the date of the modification.