

General Terms and Conditions for the grant of a software license by RUAG companies with their place of business in Switzerland (GTC License)

1. Scope and validity

- 1.1 These GTC provide for the conclusion, content and performance of contracts for the grant of a software license by RUAG.
- 1.2 These GTC shall be considered accepted if the Licensee orders from RUAG and reference is made to them in the offer or in the order confirmation. General Terms and Conditions of the Licensee are explicitly excluded.

2. Offer and order

- 2.1 An offer submitted by RUAG is valid during the period mentioned in the offer. If there is no respective information, RUAG remains bound for 30 days.
- 2.2 If the order of the Licensee deviates from the offer or from the order confirmation of RUAG, the offer, the order confirmation respectively, applies, unless the Licensee raises an objection immediately after receipt.
- 2.3 Orders are only binding if they are placed in writing or subsequently confirmed in writing. Electronic orders are binding, if this is foreseen in a written agreement between the parties.

3. Execution

Unless otherwise stated in the contractual document, RUAG shall provide the Product (software and all related documentation) online or on storage media in the agreed languages and number. The premises of RUAG shall be the place of performance.

4. Grant of License

- 4.1 RUAG hereby grants Licensee a non-exclusive, non-transferable right to use the software for the agreed purpose.
- 4.2 Licensee may make copies for backup purposes in order to replace the original copy in the event it is damaged.
- 4.3 Licensee shall not reverse engineer, modify, disassemble, decompile or decode the software in any possible manner and he shall not copy, use, modify, merge, install or transfer copies of the Product unless explicitly authorized in this contract.
- 4.4 RUAG – or third-party - retains all rights not expressly granted in the contract. In particular, Licensee acknowledges that all applicable rights in patents, copyrights, trademarks, and trade secrets embodied in the Product are owned by RUAG – or third-party.

5. Documentation

- 5.1 RUAG shall supply to Licensee, together with the software, a complete documentation for the operation of the software. The documentation (either in paper or digital form) shall be in the languages agreed to in the contract.
- 5.2 Licensee may copy and use the documentation for the purposes specified in the contract. In particular, Licensee may give the end-user the documentation intended for him.

6. Scope of maintenance and support services

- 6.1 Maintenance services by RUAG may be provided remote and during its office hours and include minor changes to the software and correction of programming errors. Unless otherwise stated in the contractual document, the provision of eight hours of maintenance services by RUAG is covered by the remuneration for the duration of 90 days after delivery of the Product. After either of these periods having elapsed, such maintenance services shall be charged at the rates stated in the contractual document.
- 6.2 RUAG offers support services including the performances and at the rates as listed in the contractual document. Such support services are additional performances offered by RUAG in the contractual document, which may include e.g. installation services, training and new releases (if any).
- 6.3 RUAG shall be under no obligation to provide maintenance and/or support services in any of the following events:
 - If the software is installed or operated on hardware or with software that is not approved by RUAG

- If the Product has been damaged or modified by Licensee
- If problems arise due to Licensee's negligence or use not in conformance with the documentation provided by RUAG;

7. Distribution of the Product

In the event the Licensee intends to distribute the Product to a third-party, he shall promptly notify RUAG and provide all reasonable information. Subject to export approval (e.g. ITAR, EAR) and the end-users signature of the specific end user declaration, where required, the parties may then agree on one of the following resale models in the contractual document:

- Sublicense: RUAG grants Licensee the right to distribute the Product to a specific end-user or a defined number of end-users, so that the end-user shall be granted a non-transferable and non-exclusive right to use the Product.
- The right for distribution shall especially include the right to lease, render services or sublicense to the end-user.
- Intermediary agent: Licensee notifies RUAG about the request of the potential customer to use the Product and RUAG offers the customer an end-user license contract or grants the Licensee the right to enter into an end-user license contract on behalf of RUAG.

8. Information

At RUAG's request, Licensee shall provide information in order to facilitate resolving technical issues. Further, Licensee shall, to the best of its knowledge, notify RUAG of any malfunctioning or programming error.

9. Remuneration

- 9.1 Remuneration shall be in the form of a one-time payment or a recurring fee. maintenance and support services may be charged based on the rates listed in the contract.
- 9.2 The remuneration compensates for the user rights and the services agreed upon in the contract. Unless expressly otherwise agreed, it is due net, excluding taxes and duties (value added tax, customs, duties, etc.) without deductions.

10. Terms of payment

- 10.1 Unless otherwise agreed, the payments are due at once, payable to RUAG within 30 days from the invoice date without any deduction.
- 10.2 The payment dates have to be complied with, even if the provision of the Product and services are delayed for reasons, for which RUAG is not responsible, or if insignificant parts are missing or slight corrections are necessary.

11. Infringement of intellectual property rights

- 11.1 RUAG shall contest at its own cost and risk any third party claims arising from infringement of intellectual property rights. The Licensee informs RUAG immediately in writing about claims of third parties due to infringement of intellectual property rights. He lets RUAG conduct a possible trial and take care of the measures and instructions for a settlement in court or out of court of the lawsuit. In case of a trial the Licensee shall consult RUAG immediately. If necessary, he takes first damage-reducing measures.
- 11.2 Under these conditions RUAG assumes the costs accruing to and damages paid by the Licensee. In case of a settlement out of court RUAG makes the agreed payment to third parties only if it has approved it beforehand.
- 11.3 In addition the Licensee acknowledges that RUAG may modify the Product to avoid an alleged infringement provided such modification does not materially reduce the software's functionality. If a modification is either technically or commercially not reasonable, RUAG reserves the right to terminate this contract. In this event, RUAG shall only be obliged to refund the license fee. No further damages shall be claimable.

12. Warranty

- 12.1 RUAG warrants for a period of 90 days after delivery of the Product that the Product will perform under normal use as described in the documentation provided by RUAG. With regards to the maintenance and support services, RUAG undertakes to

execute the agreed services faithfully and carefully with the appropriate standard of care.

12.2 Unless explicitly stated otherwise, RUAG neither warrants that the software will be operated free of errors or uninterrupted nor that it meets the Licensee's needs (for example compatibility on a specific hardware).

12.3 If the Product is defective, RUAG can choose between rectification and replacement. Other claims of the Licensee are expressly excluded. RUAG may also terminate this contract and refund the license fees that Licensee has paid for the Product in the event a remediation or replacement is, in the view of RUAG, not reasonable.

13. Liability

RUAG is only liable for violations of contract caused through gross negligence or intentionally. Liability for auxiliary personnel is excluded.

14. Export regulations and authorizations

Unless expressly otherwise agreed in writing, the Licensee takes all measures required to obtain the official authorizations or licenses needed for the provision of the services. In particular they include national and international export regulations. RUAG provides the Licensee with appropriate support.

15. Confidentiality

15.1 Both parties shall treat in strict confidence all information, which is neither generally known nor generally accessible, and shall use it only for the purpose of fulfilling the concluded contract. Moreover the parties shall ensure the confidential treatment by their personnel and consulted specialists. In case of doubt, all information is to be treated confidentially.

15.2 Confidential information of a party does not include information which:

- was already known to the other party, before it was made accessible by the disclosing party;
- is or becomes generally known without the other party's responsibility;
- was disclosed to the other party by a third party without any transfer restriction;
- was developed by the other party itself without using or referring to the confidential information of the protected party;
- has to be disclosed based on a legally binding decision of a law court, administrative or other authority. In this case the party under the obligation to disclose has to inform the other party immediately about the decision and support protective measures the other party may want to take.

15.3 This obligation of confidentiality already exists prior to the conclusion of the contract and remains valid for a period of 3 years after termination of the contractual relationship.

15.4 Without the approval of the other party the disclosure of information to third parties is not permitted. The companies of the RUAG Group, particularly the RUAG Holding AG as well as its subsidiaries and enlisted specialists (lawyers, auditors, experts) are not third parties in terms of this agreement. If the approval is given, the obligations of confidentiality are to be transferred to the receiving third party.

15.5 Advertising and publications about specific services in connection with the contractual relationship require the written approval of the other party. Without the written approval of RUAG the Licensee may not advertise the fact that cooperation between the parties exists or existed, and may not give RUAG as a reference.

15.6 If a party violates the above-mentioned obligations of confidentiality, it owes, unless otherwise agreed, a payment to the other party, unless it can prove that it was not at fault. For each case the payment amounts to 10% of the total remuneration respectively 10% of the annual remuneration in case of a recurring remuneration, but no more than CHF 50'000.00 per case. This payment does not relieve the respective party from the obligation of confidentiality; however it is credited against the compensation for damages to be paid. Possible penal consequences remain reserved.

16. Data protection

16.1 The parties commit themselves to adequate data protection, corresponding with Swiss legislation. In particular they undertake to take economically, technically and organizationally reasonable measures to protect the data affected by contract performance effectively against unauthorized knowledge by third parties.

16.2 Personal data may only be processed for the purpose and to the extent required for the fulfillment of the contract and for safeguarding a high service and security standard. To this extent and for this purpose personal data may also be passed on to another company of the RUAG Group and to domestic and foreign business partners, as far as legally admissible.

16.3 The parties transfer these commitments to their subcontractors, suppliers and other third parties enlisted for the fulfillment of the contract.

17. Compliance

17.1 The parties comply with applicable legal standards, particularly with the competition and antitrust laws, industrial safety and child protection provisions (e.g. regarding conflict commodities), the prohibition of trafficking in women and with the core conventions of the International Labor Organisation and with the core conventions of the International Labor Organisation, as well with the provision against counterfeits or for the protection of the environment and of health.

17.2 The parties commit themselves not to accept financial or other favours, if in return the giving party expects an unjustified advantage or is rewarded. They also commit themselves to observe the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions concluded within the OECD on 17 December 1997 also in private business transactions.

17.3 The parties shall commit their personnel, subcontractors, suppliers and other third parties enlisted for the fulfillment of the contract contractually to compliance with this article.

17.4 If one of the parties violates the above-mentioned compliance commitments, it shall owe a contractual penalty, unless it can prove that it was not at fault. For each case of violation this penalty amounts to 10% of the total remuneration or 10% of an annual remuneration in case of a recurring remuneration, but no more than CHF 50'000.00. This payment does not relieve the respective party from its contractual obligations.

18. Termination

18.1 If a contract is concluded for an indefinite time period, it may be terminated in writing by either party as of the end of a calendar month. Unless otherwise agreed in the contractual document, three months' notice shall apply. Parties shall be free to separately terminate maintenance services at any time.

18.2 The licence contract may be terminated at any time without notice if the other party is in severe breach of contract. This shall be the sole remedy of the Licensee.

18.3 Licensee shall destroy the original software and any copies and shall, on request submit written confirmation, within 30 days of the termination of the contract.

19. Assignment and pledging

The contractual relationship or rights and duties therefrom can only be assigned or pledged after previous written approval of the other party. Apart from that, RUAG may assign rights and duties from the contract to another company from the RUAG Group at any time.

20. Set-off

The Licensee shall not be entitled to set-off.

21. Applicable law and jurisdiction

21.1 For the rest material Swiss Law shall apply, excluding its rules on conflicts of legal systems (in particular Federal Law on International Private Law of 18.12.1987). The United Nations Convention on Contracts for the International Sale of Goods shall be expressly excluded.

21.2 For all disputes arising out of or in connection with the contractual relationship only the law courts at the domicile of RUAG shall be competent.