STANDARD SOFTWARE LICENSE AGREEMENT

for **CAESES®** by

FRIENDSHIP SYSTEMS AG

Potsdam, Germany

Version: August 19, 2021

This Standard Software License Agreement (also called "AGREEMENT" hereafter) is made by and between

FRIENDSHIP SYSTEMS AG,

a stock corporation organized and existing under the laws of the Federal Republic of Germany (also called the "LICENSOR" and/or "PROVIDER" hereafter) on one part, and

the natural or legal person

that installs CAESES® (also called the "SOFTWARE" hereafter) on one or several personal computers, workstations and/or any other hardware (also called the "LICENSEE" and/or "CUSTOMER" hereafter) on the other part.

Article 1 – License grant

1.1 License

Subject to the terms and conditions of this AGREEMENT, the LICENSOR grants the CUSTOMER a non-transferable, non-exclusive, non-sublicensable license to use the SOFTWARE along with its documentation as listed in **annex 1.**

1.2 Key for usage

In connection with the license granted herein, the LICENSOR shall license to the CUSTOMER a user authorization (also called "KEY" hereafter) for the individual users, personal computers or workstations that shall be used to run the SOFTWARE. The CUSTOMER agrees that the number of simultaneous users of the SOFTWARE shall not exceed the number of seats licensed to the CUSTOMER. By default, the SOFTWARE is limited to one SEAT within one SITE, see definitions in **annex 2**, unless specified and agreed otherwise in the respective quotation and/or invoice. In particular, trial or student licenses are limited to one SEAT within one SITE.

Title to each KEY will remain with the LICENSOR and the LICENSOR may reclaim every KEY in the event of an uncured breach of this AGREEMENT. Additional KEYs for additional users, personal computers and workstations will be provided to the CUSTOMER at the LICENSOR's then current charges.

1.3 Term of AGREEMENT

This AGREEMENT comes into effect upon being provided a KEY to run the SOFTWARE as specified in **annex 3**.

1.4 Restrictions

The CUSTOMER shall not

   a. Use the SOFTWARE to provide services under any name other than that of the LICENSEE.

b. Modify or change the SOFTWARE.

c. De-compile, disassemble or otherwise reverse engineer the SOFTWARE.

d. Sublease the SOFTWARE or make the SOFTWARE accessible to third parties in an any way through network connections as Application Service PROVIDER.

e. Give or otherwise provide the SOFTWARE or any portion or derivative thereof to any other person, firm, organization, or government agency.

Article 2 – Deliverables

2.1 Software

The LICENSOR shall provide the CUSTOMER one executable copy of the SOFTWARE along with its documentation. The CUSTOMER shall only copy the SOFTWARE along with its documentation to the personal computers and workstations for which a KEY will be granted. Except for one archival copy for back-up purposes only, the CUSTOMER shall not make additional copies.

2.2 Hardware

The CUSTOMER shall arrange for the purchase or lease, installation, testing and maintenance of adequate hardware. The CUSTOMER shall be solely responsible for hardware maintenance, including periodic inspections, adjustments, and repair.

Article 3 – Installation, service, and training

3.1 Installation

The SOFTWARE shall be installed by the LICENSEE and not by the LICENSOR, unless specified and agreed differently in the appropriate quotation and/or invoice.

3.2 Service

The LICENSOR shall provide a service package as defined in **annex 4** for commercial and academic licenses, respectively. Updates of the SOFTWARE can be downloaded from LICENSOR's website for free, as long as the LICENSEE's maintenance and support contract has not expired. The use of updates by the LICENSEE is not subject to this contract and does no reset any warranty or liability period.

3.3 Training

The LICENSOR shall provide training within its professional training courses only as specified and agreed with the LICENSEE in the appropriate quotation and/or invoice.

Article 4 – Fees and payment

4.1 Fees

All fees for licenses and/or services are specified in the appropriate quotation and/or invoice.

Trial and student licenses as defined in **annex 5** are provided by LICENSOR without fee and must not be utilized for any commercial purpose.

4.2 Payment

The CUSTOMER shall pay the LICENSOR the fees, in the amounts and under the terms set forth by the LICENSOR. All fees shall be payable upon presentation of invoices. Standard Payment Terms are within

28 days (in words: twenty-eight days) of the date the invoice was issued by LICENSOR. Overdue payments will be charged with an interest rate of 9.5% p.a. The CUSTOMER shall remit to the bank account specified by the PROVIDER in EURO by telegraphic transfer. Amounts are exclusive of all bank charges, taxes, and other costs.

4.3 Taxes

Taxes levied on fees in this AGREEMENT by the country of the LICENSEE shall be borne by the CUSTOMER.

Article 5 – Confidentiality and protection

5.1 Confidentiality

The CUSTOMER agrees that neither the CUSTOMER, its agents nor its employees shall in any manner use, disclose or otherwise communicate any information with respect to the SOFTWARE and its documentation which might enable copying of all or any portion of the SOFTWARE.

5.2 Protection

The CUSTOMER agrees to take all necessary protective action. In any event, it shall utilize its best efforts to prevent disclosure of such information and maintain the confidential nature of such information to the same extent that it protects its own confidential information. The obligation of this section shall survive any termination of this AGREEMENT.

Article 6 – Title, ownership and copyright

6.1 Title and ownership

It is mutually agreed that this AGREEMENT involves licenses for use of the SOFTWARE and that nothing contained herein shall be deemed to convey any title or ownership interest in the SOFTWARE to the LICENSEE.

6.2 Copyright

The CUSTOMER agrees that the LICENSOR owns all copyright, trade secret, patent, trademark, and other proprietary rights in and to the SOFTWARE, including all modifications thereto.

Article 7 – Warranties and liability

7.1 Warranties

The LICENSOR warrants that it has clear title to the SOFTWARE. The LICENSOR further warrants that the SOFTWARE, if used by the CUSTOMER in accordance with the SOFTWARE's documentation, will substantially perform the functions set forth in **annex 1**.

THE LICENSOR MAKES NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

7.2 Liability

The LICENSOR shall not be liable for special, indirect, incidental, or consequential damages, whether arising from contract or negligence. The LICENSOR's liability shall not exceed the fees paid by the CUSTOMER according to **article 4.1**, unless other provisions are specified and agreed in the respective quotation and/or invoice.

No action or claim relating to this AGREEMENT, or the SOFTWARE may be instituted more than one year after the event giving rise to such action or claim.

Article 8 – General provisions

8.1 Assignability

This AGREEMENT and all rights and obligations hereunder shall not be assignable by the CUSTOMER except with the prior written consent of the LICENSOR. A change in control shall be deemed an assignment subject to this subsection. This AGREEMENT shall be binding upon each party's permitted successors and assigns.

8.2 Indemnification

The LICENSOR shall indemnify and hold the CUSTOMER harmless from and against any claim of infringement of any patent or copyright based upon the SOFTWARE, provided the CUSTOMER gives the LICENSOR prompt notice of and the opportunity to defend any such claim. The LICENSOR shall have the right to settle such claim or, at the LICENSOR's option, (i) provide the CUSTOMER a paid-up license; (ii) substitute functionally equivalent SOFTWARE; or (iii) give a refund of a pro rata portion of the license fee paid for the SOFTWARE based on a deemed license term of five years.

8.3 Entire AGREEMENT and amendment

This AGREEMENT with its exhibits is the complete and exclusive AGREEMENT of the parties and supersedes all other communications, oral or written, between the parties relating to the AGREEMENT's subject matter.
Any change to this AGREEMENT shall not be valid unless it is in writing and signed by both parties. As an exception any written invoice shall be considered a valid change if accepted and paid, also in parts, by the LICENSOR.

8.4 Choice of law

This AGREEMENT shall be governed by the laws of the Federal Republic of Germany.

All disputes arising from and connected with this AGREEMENT shall be settled by negotiations between the LICENSOR and the LICENSEE. If these parties are unable to resolve them amicably, such disputes shall be finally settled under the Rules of the International Chamber of Commerce, by three arbitrators appointed in accordance with the said Rules, and such arbitration shall take place in Berlin, Germany.

8.5 Default and termination

In the event of any default or breach in the performance of any obligations under this AGREEMENT by either party, written notice must be given to the other party without delay, specifying the nature of such default or breach. The violating party is obliged to clear off or commence to clear of the default or breach within 15 days upon notice given, otherwise the other party may terminate this AGREEMENT by giving written notice of such termination on a date specified therein, which shall not be less than 15 days from the date when said notice is given.

If this AGREEMENT is terminated, all outstanding fees will immediately become due and payable, and the CUSTOMER shall return all copies of the SOFTWARE along with all KEYs to the LICENSOR and erase any copies residing in any machine.

8.6 Force majeure

Neither the LICENSOR nor the LICENSEE shall be held responsible or liable to the other for any delay in carrying out their respective obligations hereunder in so far as such delay arises directly or indirectly at any time hereafter on account of force majeure whatever not within the control of either party.

8.7 Waiver

Neither the failure nor any delay to exercise a right, remedy, or privilege under this AGREEMENT shall operate as a waiver thereof, nor shall any single or partial exercise of a right, remedy or privilege preclude any further exercise of the same.

8.8 Language and communication

English is the official language of this AGREEMENT and of all further communication between the LICENSOR and the LICENSEE.

All notices, notifications and other communications required under this AGREEMENT shall be in writing and shall be deemed to have been received when personally delivered or when deposited in the mail, sent registered mail, postage prepaid, addressed as set forth in **annex 6** of this AGREEMENT. The parties undertake to inform each other of any change of address.

8.9 General Terms and Conditions

Further to this AGREEMENT the General Terms and Conditions of the LICENSOR are applicable as distributed with the SOFTWARE, see **annex 8**.

8.10 Severability clause

A determination on that any provision of this AGREEMENT is invalid, illegal, or unenforceable shall not affect the enforceability of any other provision. A provision similar or close to the original meaning to that which is found to be invalid, illegal, or unenforceable shall be utilized as a replacement.

For and on behalf of the LICENSOR

Potsdam, Germany, August 19, 2021

Claus Abt and Dr Stefan Harries

Executive Board of FRIENDSHIP SYSTEMS AG

This AGREEMENT contains the following annexes:

Annex 1 – SOFTWARE

Annex 2 – SEAT, INSTANCE, and SITE

Annex 3 – Term of AGREEMENT

Annex 4 – Service Package

Annex 5 – License Definitions

Annex 6 – Registered addresses

Annex 7 – Customization

Annex 8 – General Terms and Conditions

Annex 1 – SOFTWARE

CAESES® is a Computer Aided Engineering system for the geometric modeling, numerical simulation (in connection with one or several external simulation tools), systematic variation and formal optimization of functional surfaces.

In particular, CAESES® is a design and integration environment for the advanced simulation-driven design of ships and other functional surfaces such as turbomachinery, internal combustion engines, valves, etc. It facilitates the workflow at the early stage of shape development by closely coupling CAD capability to CFD analysis. The system supports the consistent generation and assessment of variants and offers integrated constraint management.

The SOFTWARE and all its documentation are and will be in English.

The computer platforms on which the SOFTWARE can be made available are

    o Windows 7, Windows 8, Windows 10 and

    o Various Linux distributions.

Further specifications can be found on ***www.CAESES.com***.

Annex 2 – SEAT, INSTANCE, and SITE

A single seat (also "SEAT") is a user and/or a corresponding computer that may use the SOFTWARE at any given time. Hence, the number of licensed SEATs describes the number of users and/or computers that might concurrently use the SOFTWARE.

The number of instances (also "INSTANCES") describes how many times the SOFTWARE can be opened within a single SEAT. By default, each SEAT allows the utilization of two INSTANCES of the SOFTWARE.

A site (also "SITE") is any location that belongs to the same legal entity.

Annex 3 – Term of AGREEMENT

This AGREEMENT comes into effect upon being provided a KEY to run the SOFTWARE.

For perpetual licenses, this AGREEMENT is unlimited, unless terminated by either party in written form.

For term licenses, this AGREEMENT expires automatically at the end of the contractual license period, as specified in the appropriate quotation and/or invoice.

For trial or student licenses, this AGREEMENT ends 14 days after receiving a KEY or when the provided license volume is depleted, unless extended or terminated by the LICENSOR at the LICENSOR's sole discretion.

If the address, also the email address, given by LICENSEE when registering is invalid and/or non-existing and no valid address is given in the appropriate quotation and/or invoice the LICENSOR retains the right to terminate the license at any time and at the LICENSOR's sole discretion.

Annex 4 – Service Package

All commercial and academic licenses are delivered with a standard service package that covers SOFTWARE maintenance and support.

For term licenses, the service package is provided for a period equal to the contractual license period.

For perpetual licenses, the service package is available as term package (MSP – Maintenance and Support Package) or by subscription (MSS – Maintenance and Support by Subscription).

As part of the maintenance, the LICENSOR will be responsible for providing corrections for programming errors and periodic program releases. The LICENSOR does not warrant that the licensed products will meet all requirements of LICENSEE, that the operation of the licensed SOFTWARE will be uninterrupted or error free, or that all SOFTWARE defects can or will be corrected. Technical enhancements will be provided by the LICENSOR at such times as determined solely by the LICENSOR.

The LICENSOR agrees to provide technical support via email or via a dedicated online helpdesk. CUSTOMER support may be provided by the LICENSOR or a channel partner (as applicable to the geographic region of the CUSTOMER).

The prerequisite for the utilization of the service package is that the LICENSEE has a valid maintenance and support contract for the SOFTWARE. Interrupted service packages are subject to a re-entry fee when resumed.

In general, the LICENSOR provides no services for trial and student licenses.

Annex 5 – License Definitions

According to the respective circumstances and individual agreements, the license granted to the LICENSEE will fall in one the following scopes:

- A commercial license is intended for use in the context of commercial, professional, or any other for-profit purpose. Commercial licenses are provided as perpetual or term licenses. Prepaid licenses are term licenses where a specific license volume is made available for a specific period of time. Details of the commercial license term and scope of the licensed SOFTWARE are specified in the associated quotation and/or invoice.

- A non-commercial academic license is intended for educational purposes and is called ACADEMIC TEACHING LICENSE. "Educational purposes" means learning, teaching and training, as well as individual and non-funded research and development as part of the instructional functions provided by a qualified educational institution. "Educational purposes" does not include commercial, professional, or any other for-profit purposes. Academic licenses that may be used for funded research and development projects, so-called ACADEMIC RESEARCH LICENSES, are designated as such in the corresponding quotation and/or invoice. Academic licenses are provided as perpetual or term licenses. Details of the license term are specified in the associated quotation and/or invoice.

- A non-commercial trial license is granted free of charge and may only be used to evaluate the SOFTWARE. The sole aims of the evaluation shall be to support potential CUSTOMERs in their effort to identify if the SOFTWARE is applicable to their design tasks and if they want to purchase a suitable commercial and/or academic license at a later point in time. "Evaluation Purposes" means purposes of evaluation and demonstration of the capabilities of the SOFTWARE or supplemental materials, but excludes competitive analysis and any commercial, professional, or other for-profit purposes. Trial licenses are limited in time and granted at the sole discretion of the LICENSOR.

- A non-commercial student license is granted free of charge and is strictly intended for personal use and self-learning and may not be used for funded projects or university-sponsored R&D programs. The SOFTWARE must be installed on a personal PC/notebook rather than on university computers. "Student" means an individual person enrolled as a student at a qualified educational institution. The LICENSOR retains the right to determine the eligibility of a student license. Student licenses are limited in time and granted at the sole discretion of the LICENSOR.

Within the scopes defined above, and under the respective AGREEMENT with the LICENSEE, the license KEY can be technically deployed as:

- A "node-locked" license KEY, in which a single SEAT is assigned to a particular hardware device and may only be utilized on said hardware device.
  The LICENSOR may request change of the assigned hardware device not more than once per 180 days and shall delete any existing license KEYs on the previously assigned hardware device after the change has been completed.

- A "local floating" license KEY, in which a limited number of license SEATs (as specified in the appropriate quotation and/or invoice) are shared among a larger number of users over time. When an authorized user wishes to run the application, a license KEY is obtained from a central – on-premise – license server. If a free license SEAT is available, the license server allows the application to run. When the user finishes using the application, the license KEY is reclaimed by the license server and made available to other authorized users.
  The LICENSEE is prohibited from providing access to the license server, through the internet, an intranet, or any other means, to users outside of the LICENSEE's site.

- A "web-based floating" license KEY (also "online license KEY"): As "local floating" license KEY, see above, but with a remote license server hosted by the LICENSOR (internet connection required), rather than an on-premise license server.
  A web-based floating license KEY can be temporarily converted into a license KEY for offline use (checked out).
  If the LICENSEE does not have a valid maintenance and support contract, as described in annex 4, the LICENSOR reserves the right to discontinue the service of providing an online license server and may require the LICENSEE to switch to a "local floating" license KEY as defined above.

Annex 6 – Registered addresses

The LICENSOR (PROVIDER):

FRIENDSHIP SYSTEMS AG (FSYS)

Benzstrasse 2
14482 Potsdam
Federal Republic of Germany

Tel.: 49-331-96 766 0
Fax: 49-331-96 766 19

Email: support@FRIENDSHIP-SYSTEMS.com

Web: www.friendship-systems.com

The LICENSEE (CUSTOMER):

Unless specified differently in the appropriate quotation and/or invoice, the address provided by LICENSEE when registering for the KEY shall be taken.

Annex 7 – Customizations

No customizations of the SOFTWARE are arranged between the LICENSOR and the LICENSEE under this AGREEMENT.

Annex 8 – General Terms and Conditions of FRIENDSHIP SYSTEMS AG

The General Terms and Conditions (GTC) given in this agreement are a verbatim replication of the GTC dated 1st of January 2015. The agreement supersedes the GTC in case of conflicting provisions.

1. Scope

The following General Terms and Conditions apply to software licensing and delivery by FRIENDSHIP SYSTEMS as well as to services rendered and work performed by FRIENDSHIP SYSTEMS. They apply correspondingly to other transactions if there are no special conditions. All services performed for customers by FRIENDSHIP SYSTEMS are rendered exclusively on the basis of these General Terms and Conditions. Diverging Terms and Conditions posed by the customer shall only apply if FRIENDSHIP SYSTEMS confirms the same in writing.

2. Offers, Conclusion and Contents of Contract

a) Offers made by FRIENDSHIP SYSTEMS are not binding. Contracts only become effective upon written confirmation of the customer's order, by performance of services or by delivery by FRIENDSHIP SYSTEMS. Verbal commitments constitute no guarantee and are only binding if confirmed in writing by FRIENDSHIP SYSTEMS.

b) For optimization of forms and similar services the volume of performance is limited to computer-aided optimization of products. The accuracy of such simulations may be influenced by a multitude of partially unknown factors. Since computer-aided simulations may contain – owing to the method – simplifications and thus may diverge from the factual physics, FRIENDSHIP SYSTEMS is only obliged to verify its proposals with respect to plausibility. The customer shall screen the proposals with appropriate measures himself or by a third party. The same applies to all other performance by FRIENDSHIP SYSTEMS, if based on simulations.

3. Prices, Maturity and Terms of Payment

a) If prices are not stipulated individually, FRIENDSHIP SYSTEMS' list prices as valid at the time of confirmation of the order shall apply plus postage, freight, insurance, and delivery fee.

b) In addition to the prices the value added tax shall be payable at the applicable rate.

c) According to the volume of the order, FRIENDSHIP SYSTEMS may invoice the customer up to 50% of the value of the order in advance either at the placement of the order or at partial delivery.

d) Any banking charges and currency exchange costs shall be at the customer's expense.

e) Invoices are payable upon receipt.

4. Delivery period, Delivery duties, Communication

a) The delivery period and performance start at the date of the confirmation of the order. If the customer is obliged to perform in advance, the period of delivery and performance starts upon receipt of such performance. FRIENDSHIP SYSTEMS has the right to partially deliver and perform.

b) If FRIENDSHIP SYSTEMS wrongfully fails to deliver or perform by the agreed date, the customer may rescind the agreement after a reasonable grace period communicated by him in writing has elapsed. This shall be the customer's sole remedy save in cases of malice, wilful misconduct or gross negligence or breach of an essential contractual obligation. This does not apply to cases of death or personal injury or product liability. In cases of force majeure or lack of cooperation by the customer FRIENDSHIP SYSTEMS may deliver and perform after the obstacle has ceased to exist, if such obstacle occurred when FRIENDSHIP SYSTEMS was still permitted to deliver and perform.

c) Unless otherwise expressly agreed in writing, periods of delivery contained in the confirmation of the order are only approximate since they are based on estimates of the amount of work involved.

d) FRIENDSHIP SYSTEMS may execute correspondence and delivery via unencrypted email without restriction unless otherwise agreed in writing on conclusion of the contract.

5. Delivery of software

a) For third party software and for software by FRIENDSHIP SYSTEMS the customer receives a non-exclusive, non-transferable right to use the software and documentation for a contracted period of time. Further details are governed by the standard license agreement or individual agreement if the latter has been agreed upon. The standard license agreement will be shipped with the software.

b) The customer himself has to check the delivered software for usability, expediency and utilizability upon receipt.

c) FRIENDSHIP SYSTEMS allows the customer to use software in its object code and in the user documentation only on one physical electronic data processing system at a time and only to fulfill the tasks the software is designed to fulfill. If not explicitly permitted by law, the customer may not decompile the software or reverse engineer it. The customer may copy the software as far as necessary for the permitted use, in particular for safeguarding. Upon delivery of software – also of updates and upgrades – the customer shall make a copy for safeguarding. Utilization of the software on a virtual electronic data processing system requires the express prior consent by FRIENDSHIP SYSTEMS.

d) FRIENDSHIP SYSTEMS may terminate the right of use if the customer – despite a warning – after a period of 30 days continues to violate the conditions of use. Upon termination of his right of use the customer shall either return the original and all copies or partial copies of the software to FRIENDSHIP SYSTEMS or erase them within 30 days. FRIENDSHIP SYSTEMS has to be notified of an erasure in a plausible manner without delay. Upon written approval the customer may keep a file copy for archiving purposes.

6. Performance of Service and Work

a) When performing services, FRIENDSHIP SYSTEMS shall advice and support the customer in reaching the contracted performance goal. As far as necessary and beneficial, the customer shall provide FRIENDSHIP SYSTEMS with auxiliary means and sources of information.

b) If the customer fails to contractually cooperate, and consequently, delays or additional expenses occur, FRIENDSHIP SYSTEMS may – without prejudice to further rights – demand compensation of the additional expenses.

c) If the delivery of a work performance is obliged, FRIENDSHIP SYSTEMS shall produce the work. After completion of the work or at another agreed date FRIENDSHIP SYSTEMS will prove to the customer the execution in accordance with contractual specifications by set terms of acceptance or by test data supplied by the customer. If that succeeds, the customer shall accept the performance. Minor divergence from agreed features or terms of acceptance do not give the customer the right to refuse acceptance.

7. Warranty

a) In case of a defect, FRIENDSHIP SYSTEMS may elect to either remedy the defect either at FRIENDSHIP SYSTEMS' or at the customer's premises – or to redeliver a good free from defects. If the defect has not been remedied after the second attempt or FRIENDSHIP SYSTEMS fails to deliver goods free from defects within a reasonable time, the customer may reduce the purchase price or rescind from the contract. This shall be the customer's sole remedy in cases of defective goods or services save in cases of malice, willful misconduct or gross negligence or breach of an essential contractual obligation. This does not apply to claims arising out of death or personal injury or product liability.

b) The customer has to inspect the delivery immediately and give written notice of defects to FRIENDSHIP SYSTEMS. Hidden defects and defects discovered only later (despite a first inspection) have to be communicated immediately in writing. If the customer fails to comply FRIENDSHIP SYSTEMS is relieved from any warranty-obligation for such defects.

c) The limitation period for warranty claims is one year from delivery and acceptance of the goods or services.

8. Liability

a) The liability of FRIENDSHIP SYSTEMS for cases of slight negligence shall be limited to the agreed remuneration or EUR 50,000, whichever is the lower, except in the event of breach of an essential contractual obligation. In such a case, the liability of FRIENDSHIP SYSTEMS shall be limited to the typical foreseeable damage.

9. Ownership Rights and Rights of Utilization

a) FRIENDSHIP SYSTEMS retains all ownership title of documentation and data media, on which software is delivered, until the purchase price for the product or performance has been fully paid. In case of contracts with merchants, FRIENDSHIP SYSTEMS retains all ownership title of documentation and data media until all trade accounts receivable concerning current transactions have been fully paid.

b) FRIENDSHIP SYSTEMS will hand over to the customer the results of work such as program material, documentation, drawings in written or machine-readable form owed by FRIENDSHIP SYSTEMS as a debtor after completion, acceptance and payment. FRIENDSHIP SYSTEMS may retain copies of these data for documentation.

c) FRIENDSHIP SYSTEMS grants the customer the right to, unlimitedly in terms of time and territory, use, duplicate and process the work created in execution of an order for purpose of the customer's enterprise, and to unite it with other works. The passing on of the work or of parts of it is not allowed.

d) Inventions made by employees of FRIENDSHIP SYSTEMS during the execution of an order may be filed by FRIENDSHIP SYSTEMS in its name for an industrial property right.

10. Set off, Right of Retention, Right of Termination without notice

a) The customer may set off counter claims only if they are undisputed or finally awarded by a court. The customer has the right of retention only if based on the contractual relationship. Every order is considered a separate contractual relationship.

b) FRIENDSHIP SYSTEMS has the right to terminate a contract or license agreement without giving due notice in the event that the customer's financial situation has deteriorated considerably or the enforcement of insolvency proceedings over the customer's property has been requested for.

11. Final Provisions

a) All contractual relationship between the parties shall be governed by the Laws of Germany, excluding the UN Convention (CISG) on the International Sale of Goods, dated April 11, 1980.

b) The agreed place of performance is Potsdam. The courts of Potsdam have jurisdiction over all claims of the parties. FRIENDSHIP SYSTEMS may start legal action at the customer's seat as well.

c) The invalidity of any provision of these General Terms and Conditions does not affect the validity of the other provisions. The parties commit themselves in this case to agree upon a new provision that comes close to the economic purpose of the deleted provision to the greatest extent possible and that they would have agreed upon had they known the invalidity. The equivalent is valid in case of the need to fill a gap.