

ANDREAS STIHL AG & Co. KG
Postfach 1771 71307 Waiblingen
Phone (07151) 26-0
hereinafter referred to as "STIHL"

General Terms of Purchase of ANDREAS STIHL AG & Co. KG for Software Licensing and Maintenance

A Software licensing

1. Subject matter of agreement

STIHL is granted rights of use, unlimited in terms of time, territory and location, in the software resulting from the respective purchase order in accordance with these terms. If the software contains third-party software as an integral component, this contract shall also be authoritative for that software.

2. Scope of performance

- 2.1 The program scope and software functionality owed result from the program documentation, the supplier's advertising statements, and other statements regarding qualities.
- 2.2 The supplier shall provide user documentation for the software (in written or electronic format).
- 2.3 The software shall be made available to STIHL on a data medium or for downloading.

3. Scope of use

- 3.1 STIHL can use the software for all activities within the scope of its business activity as a producing company and also make it available to companies that are affiliated with STIHL within the meaning of Art. 15 German Stock Corporation Act.
- 3.2 If STIHL hires third parties to do development work, STIHL is entitled to allow said third parties to use the software to fulfill their contract. The third party in question is obligated to use the software exclusively for STIHL.
- 3.3 STIHL is entitled to program possible import or export interfaces itself or have them programmed by third parties.
- 3.4 STIHL is entitled to make a backup copy of the software.
- 3.5 STIHL will inform the supplier to a reasonable extent on the use of the software. STIHL explicitly rejects license audits.

4. Period of agreement

Saving an agreement to the contrary in an individual case, STIHL can use the software for an unlimited period of time after installation.

5. Remuneration, withholding tax

- 5.1 The supplier shall be remunerated in accordance with the respective agreement.
- 5.2 All withholding taxes of whatever nature on payments under this Agreement shall be borne by the supplier. If and to the extent STIHL is obliged to withhold any withholding tax on payments under this Agreement according to the applicable tax laws, STIHL shall deduct the amount to be withheld from the payments, unless and to the extent the supplier provides STIHL, prior to the payment, with a properly executed tax exemption certificate, which allows STIHL to refrain from the withholding tax deduction or to deduct the withholding tax at a reduced tax rate. If and to the extent STIHL is obliged to deduct withholding tax, STIHL shall, according to its obligation under the applicable tax laws, confirm the supplier such withholding tax deduction. The supplier shall indemnify and hold harmless STIHL from and against all taxes and other claims of any tax authority in connection with the imposition of withholding tax on payments under this Agreement.

6. Liability for defects

- 6.1 Saving an agreement to the contrary below, defects shall be governed by the statutory regulations.
- 6.2 A material defect exists if the software fails to fulfill the contracted scope of performance in the hardware and software environment at STIHL so as to impair use of the software.
- 6.3 Subsequent improvement must take place within a reasonable period determined by mutual agreement. If it is impossible to reach an agreement, then STIHL can cancel the contract or reduce the purchase price after the period expires without result or subsequent improvement is not successfully made within said period.
- 6.4 If a third party asserts rights to the software, the supplier shall indemnify and hold STIHL harmless from all claims including the cost of mounting a legal defense.
- 6.5 The period of limitation for any rights due to defects shall begin after complete installation of the software on STIHL's systems or, if applicable, after corresponding acceptance of the flawless functionality of the software.

7. Liability

For the rest, the liability of the contracting parties shall be governed by the statutory regulations.

8. Confidentiality

- 8.1 Confidential information about STIHL and its system environment may be made available to the supplier within the scope of cooperation. The supplier and persons employed in fulfilling the supplier's obligations shall treat confidentially, even after the end of the contract, all information revealed or made available to them within the scope of this contract about STIHL and companies affiliated with STIHL. The supplier shall impose a corresponding obligation on persons employed in fulfilling the supplier's obligations.
- 8.2 The supplier undertakes to make this information available only to those persons who need it to fulfill their tasks for STIHL. Any use of said information for purposes other than that of fulfillment of the contract is prohibited without the prior written consent of STIHL. Even the fact that this contract has been concluded and its contents are to be treated confidentially.

In so far as the parties have concluded or conclude a confidentiality agreement, the regulations of this confidentiality agreement shall apply.

B General terms for software maintenance

In so far as the supplier has undertaken to maintain the software and saving an agreement to the contrary in an individual case, the following terms shall apply:

1. Subject Matter of Agreement

The supplier shall, in accordance with these terms, maintain the software stated in the respective purchase order and support STIHL in using this software.

Maintenance and support encompass in particular:

- Processing and answering of inquiries in connection with the use of the software (tips and solutions to problems, e. g., also in cases of user error)
- Elimination of program errors after expiration of the warranty and/or of errors in connection with the use of the software
- Remote maintenance in the event of problems by means of remote access software
- Administrative task (access rights, server settings, monitoring by job)
- Delivery of software updates (installable program modifications for elimination of gaps or errors in the original program) as well as software upgrades (installable programs that expand the original scope of the program).

2. Support

- 2.1 STIHL can request advice on using the software by phone, e-mail, fax and/or letter.
- 2.2 The supplier shall make its advice available Monday through Friday from 8:00 AM until 6:00 PM.
- 2.3 For consultation, the supplier shall provide staff with comprehensive expertise regarding the software as well as a knowledge of the circumstances at STIHL that is sufficient for answering questions.
- 2.4 When requesting advice, STIHL shall provide information about the hardware used that is as complete as possible as well as a problem description that is as detailed as possible. Whenever possible, any error code that occurs will also be communicated.
- 2.5 The response time to be complied with by supplier depends on the urgency of the problem:
- Priority 1: the problem has effects on the course of operations
(Example: Impairment of the hardware or software environment)
 - Priority 2: The problem substantially impairs use of the software.
 - Priority 3: the problem limits the use of the software without substantially hindering daily activity.

The priority applying to the respective problem shall be stipulated by STIHL. According to this classification, processing shall take place within the contracted periods. If no such periods have been contracted, then the following response times shall apply:

- Priority 1: Processing to remedy the problem shall begin no later than 2 working hours after receipt of the problem report.
 - Priority 2: Processing shall begin within 8 hours after receipt of the report.
 - Priority 3: Processing shall begin within 16 hours.
- 2.6 If the information provided in the problem report is not sufficient for processing, then the supplier shall obtain supplementary information from STIHL immediately.

3. Software updates and software upgrades

- 3.1 The supplier shall make an update available as soon as necessary for trouble free use of the software, at least, however, once each year.
- 3.2 The supplier shall deliver an upgrade at least once a year. STIHL shall be enabled to use the software upgrades permanently according to these licensing terms. The aforementioned response times shall apply for errors that exist in updates or upgrades.

4. Period of agreement

Saving an agreement to the contrary in an individual case, software maintenance shall begin when the purchase order for maintenance takes effect and shall be for an indefinite period of time. It can be terminated by either party without statement of grounds with a period of notice of three months until the end of a year.

5. Remuneration, withholding tax

- 5.1 The supplier shall be remunerated in accordance with the respective agreement.
- 5.2 All withholding taxes of whatever nature on payments under this Agreement shall be borne by the supplier. If and to the extent STIHL is obliged to withhold any withholding tax on payments under this Agreement according to the applicable tax laws, STIHL shall deduct the amount to be withheld from the payments, unless and to the extent the supplier provides STIHL, prior to the payment, with a properly executed tax exemption certificate, which allows STIHL to refrain from the withholding tax deduction or to deduct the withholding tax at a reduced tax rate. If and to the extent STIHL is obliged to deduct withholding tax, STIHL shall, according to its obligation under the applicable tax laws, confirm the supplier such withholding tax deduction. The supplier shall indemnify and hold harmless STIHL from and against all taxes and other claims of any tax authority in connection with the imposition of withholding tax on payments under this Agreement.

6. Liability

- 6.1 Defects within the scope of maintenance of the software delivered shall be governed by the statutory regulations.
- 6.2 The other liability of the contracting parties in connection with maintenance shall also be governed by the statutory regulations.

May 2016