GENERAL TERMS AND CONDITIONS FOR LEASING

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§ 1 Full Amortization Obligation of the Lessee, Return of the leased Object, Ownership: The Lessee shall be obligated to the full amortization of the total costs of the Lessor associated with the procurement of the leased object and the performance of the contract as well with the computed profit. After the termination of the leasing contract, the Lessee shall return the leased object to the Lessor (see §19). A continuation of the use does not lead to an extension of the contract. The Lessor is the owner of the leased object.

§ 2 Exchange of the leased Object:

1. If the Lessee wants to exchange the leased object or individual items, he must submit a request in writing for such an exchange to the Lessor at least four weeks prior to the desired exchange date. The request must exactly describe the items to be exchanged and contain the request of the Lessee to the Lessor to purchase the new item to be subject to the Leasing Contract. The request shall also indicate the purchase price of the new item to be bought by the Lessor. Based on commercial considerations , the Lessor will decide whether an exchange is possible. If the Lessor agrees to the exchange he will conduct another creditworthiness check.
2. If the Lessor agrees to the proposed exchange he will provide the Lessee with an amendment application to the leasing contract which shall provide that the agreed basic term of the lease will be extended by the already elapsed term of the contract and contain the leasing payments taking into account the still outstanding payments and the acquisition costs of the new items.The Lessee indicates his agreement with the conditions stipulated by the Lessor by returning to the Lessor the signed amendment application along with the invoice made out to the Lessor for the new leasing items. If the Lessor accepts the amendment application, the amended leasing contract for the new and the non-exchanged items comes into effect on the first day of the calendar quarter (or calendar month if monthly payments are agreed) following the date of the exchange.
3. As soon as he receives the new items, the Lessee must return to the Lessor the items to be replaced. The provisions set out in §§ 19 no. 4 to 6, 17 no. 2 and 3 for the return apply. 4. These general terms and conditions for leasing also apply to the settling of the exchange of the leased object and the amended leasing contract.
4. These general terms and conditions for leasing also apply to the settling of the exchange of the leased object and the amended leasing contract.

§ 3 For damage to property and assets due to a slightly negligent violation of obligation of the Lessor or a legal representative or vicarious agent, the Lessor shall only be liable for violation of the contractual main obligations and only to the extent that the occurrence of the damage was foreseeable (for liability in case of defects of the leased object cf. front page and § 8). If the Lessor is liable according to this for slight negligence his obligation to provide compensation is limited to an amount totalling 25% of the net acquisition value of the leased object. The Lessee's and Lessor's rights against the Supplier or third party remain unaffected.

§ 4 Delivery, Rights of the Lessee, Liability of the Lessor for Violations of Obligations:

1. In the relationship with the Lessor, the Lessee shall bear the risk of the delivery and the costs of the delivery, the assembly and the installation, unless otherwise agreed. This applies also to the services additionally agreed in the leasing contract - such as the delivery of updates - which arise during the term of the leasing contract. The Lessor shall only be liable for untimely or improper delivery by the Supplier if the Lessor is responsible for this. The Lessor assigns to the Lessee rights vis-à-vis the Supplier or third party to which the Lessor is entitled; however the claim to reimbursement of an already effected purchase price is subject to the proviso that the Lessee must demand payment from the Lessor and that the Lessor is entitled to revoke the assignment of this claim at any time. The Lessee is obligated to enforce the rights assigned to him without delay and if necessary to take legal action to do so. The provisions of § 8 apply in the case that the leased object has defects.
2. The right of the Lessee to withdraw from the contract in the event of delay of performance by the Lessor or inability of the Lessor to render performance shall remain unaffected. The declaration of the Lessee must be in written form. The right of the Lessee to damages shall remain unaffected

§ 5 Withdrawal of the Lessor: If it is recognisable after the signing of the leasing contract that the lack of ability on the part of the Lessee to render performance endangers the claim of the Lessor to counter-performance of the Lessee, the Lessor shall be entitled to withdraw from the leasing contract unless the Lessee can concurrently and within a reasonable deadline provide surety for the payments which he has to make according to the provisions of the contract. If the Lessee is responsible for the reasons of the withdrawal, he shall compensate the Lessor for the costs incurred.

§ 6 Method of Payment, Offsetting, Value Added Tax:

1. The leasing contract is calculated taking into account the administrative costs that are associated for the Lessor with the fully automated debit procedure. If the Lessee desires a different method of payment different from the pre-authorized debit ("PAD") procedure, the Lessor's personnel and material expenditure associated with the special processing of individual payments shall be compensated by a fee of $ 15,00 , plus applicable taxes for each payment not done by PAD.
2. If the Lessee finds himself in arrears with the amounts due according to the contract, partial payments shall first be offset against the costs, then against the interests and then against the oldest outstanding principal amount.
3. If the sales tax or other similar applicable tax changes, the amount of the instalments under the Leasing contract shall be adjusted accordingly.

§ 7 Obligation to take over the Object:

1. The Lessee undertakes to sign without delay the take-over confirmation with which receipt, inspection and proper condition of the object is confirmed and to forward this without delay to the Lessor as soon he has received the leased object, checked it for completeness, freedom from defects and compliance with the condition stipulated in the contract.
2. The Lessee shall inspect the leased object with the diligence that can be expected of him. He shall make a complaint in respect of a defect immediately on receipt of the goods. The Lessor points out expressly to the Lessee that the take-over confirmation must contain no declarations that are not applicable, as the Lessor pays the purchase price to the Supplier on the basis of the take-over confirmation signed by the Lessee.

§ 8 Rights and Obligations in the Case of Defects of the leased Object, Warranties:

1. If the Lessee has signed a purchase contract with the Supplier of the leased object and if the Lessor enters the purchase contract in place of the Lessee, the terms and conditions of the purchase contract also apply to the purchase contract between Lessor and Supplier.
2. If the Lessor has not entered into the purchase contract concluded by the Lessee, the purchase conditions of the Lessor apply to the purchase contract between Lessor and Supplier. These regulate the rights in cases where there are defects in the matter, as follows:
2.1) If the leased object has a defect the Lessee must first demand elimination of the defect from the Supplier, to the extent that this is not unreasonable considering the case in question.
2.2) Claims based on defects become time-barred a year after the hand-over of the leased object to the Lessee. This does not apply if the Supplier has fraudulently not disclosed a defect.
3. Insofar as the Supplier and/or third party has taken over a warranty regarding the object of the sale, the rights of the Lessee – notwithstanding his legal rights – are governed by the terms and conditions specified in the warranty.
4. The Lessee shall enforce without delay the rights assigned to him (see front page) regarding defects of the leased object, including the rights also assigned to him regarding warranties taken over for the leased object, and at the same time notify the Lessor in writing about the enforcement. The Lessor shall be kept continually up to date by forwarding the correspondence.
5. In cases of a reduction of or rescission of the purchase contract, the Lessee must demand payment to the Lessor. In the event the purchase contract is rescinded, the Lessee can only return the leased object to the Supplier or a guarantor with the reimbursement of the purchase price to the Lessor.
6. The Lessee shall not be entitled to refuse the full or partial payment of the leasing instalments for defects of the leased object. The same applies if the Lessee declares his withdrawal, or reduction, or claim for damages instead of fulfilment regarding the purchase contract. The leased object can only be returned to the Lessor with the reimbursement of the purchase price.
7. The Lessee who applies at the conclusion of a Leasing Contract for a used object, will be advised explicitly of the increased risk of defects regarding used equipment, and will be requested to check the condition and functionality of the object with particular care. The Lessor points out that he will not be liable for defects of used objects unless otherwise explicitly agreed. In the event the Lessor is entitled to rights arising from defects or from guarantees with respect to the used object against the Supplier or a third party, he will assign these rights to the Lessee.
8. The Lessor has no liabilities with regards to the legal and conventional warranties relating to the leased object. The recourses of the Lessee in this respect are exclusively against the Supplier of the leased object.

§ 9 Use, Expenses, Repairs, Permissions:

1. The Lessee undertakes to use the leased object solely for the purpose agreed upon, and to keep it in a proper and functional condition. This shall include the procurement of updates recommended by the manufacturer, at the expense of the Lessee. The Lessee shall be obligated to protect the leased object in every way from overload, and to ensure a proper and professional maintenance. Operating and maintenance expenses including the costs for required repairs and spare parts will go to the expense of the Lessee.
2. The Lessee undertakes not to hand over the leased object to third parties nor to the Supplier (cf. however § 8 no. 5 sentence 2). The leased object may only be given to third parties for the purpose of repair and for the respective time the repair will take. In particular, the Lessee is not entitled to sublease the leased object without the prior written consent of the Lessor. A refusal to consent will not give the Lessee the right to withdraw from the contract.
3. The Lessee shall be obligated to procure and maintain all official and other permissions required for the use of the leased object at his expense. He undertakes to observe all laws, regulations as well as provisions and recommendations of the manufacturer and his suppliers with regard to the leased object or its deployment.

§ 10 Obligation to inform, Protection of Property:

1. The Lessee shall obtain the prior written consent of the Lessor to change the original location (including the surroudings) of the leased object, as well as to change the leased object itself. Fixtures will pass into the ownership of the Lessor.
2. In the event the leased object will be connected with land or a building or immovable property, this will be done for a temporary purpose and with the intention of disconnecting it upon termination of the agreed lease period. The Lessee is to ensure that the connection can be removed. If the Lessee himself is not the owner of the property, he shall be obligated to draw the owner's attention to the only temporary purpose of the connection, and to furnish the Lessor, upon the latter's request, a written statement of the owner to the effect that he consents to the only temporary connection.
3. The Lessor and his proxy are entitled to inspect and check the leased object during normal business hours of the Lessee. Upon written request of the Lessor, the leased object is to be marked visibly as being owned by the Lessor.
4. The Lessee shall promptly inform the Lessor of all imminent or already happened adverse influences on the leased object. In particular, he has to report immediately an imminent or completed enforcement with respect of the leased object or the property, on which the object is located, to forward a copy of all related legal proceedings and to disclose the name and address of the creditor pursuing the enforcement. The Lessee shall bear the costs incurred by the measures to ward off the access of third parties. This shall not apply if the access was caused by the Lessor.

§ 11 Fees, Taxes, Charges The Lessee shall bear all fees, taxes, charges and other burdens incurred in the context with the leased object. Whether the leased object is in the possession of the Lessee or not, the Lessee shall hold the Lessor harmless from any claims whatsoever, which any parties - including government institutions - might assert as a result of the Lessee's installation, or the operation of the leased object or the property rights with respect to the leased object. As contemplated by section 4 of Part I of Schedule IX to Part IX of the Excise Tax Act (Canada) and section 22.5 of the Act respecting the Québec sales tax the parties hereby agree that the ordinary location of the leased objects at the commencement of the lease and for the duration of the lease is the Lessee's business address referenced on page 1 of the Leasing Contract.

§ 12 Assumption of Risk

1. The Lessee shall bear the risks of accidental extinction, loss, accidental damage and theft of the leased object from the delivery until the return of the object. The Lessee shall also bear the risk of premature wear and tear. Such events will not release the Lessee from his obligations set forth in the Leasing Contract; this also applies to his obligation of full amortization (cf. § 1).
2. The compensation payments, which the Lessor received on account of these events, have to be used for the repair or re-procurement of the leased object, or set off against the payment obligation of the Lessee, in the event the Leasing Contract is terminated. However, a set-off only applies to the extent that the compensation payment together with the return of goods exceeds the (appropriately discounted) present value of the leased object in its required contractual condition at the agreed end of the contract.

§ 13 Total Damage, Theft, other Damage Events in the Meaning of § 12 no. 1:

1. If one of the events mentioned in § 12 no. 1 occurs, the Lessee shall be obligated to inform the Lessor thereof in writing without delay.
2. In the event of an accidental total damage, extinction, loss or theft of the leased object, the Lessee shall be entitled to terminate the Leasing Contract for this cause. The notice of termination has to made in writing within three weeks after the Lessee has gained knowledge of these conditions. If the Lessee does not make

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use of his right of termination, the Lessor shall be obligated within an appropriate period of time, to either procure the replacement himself at the expense of the Lessee, or to commission the Lessee to procure the replacement. In case the Lessor procures replacement, the Lessee shall be obligated to pay the costs of the replacement in advance, if the Lessor so requests. Should the Lessee refuse the advance payment or the procurement of the replacement, the declaration of rejection shall be considered as termination of the Leasing Contract. The consequences of a termination are determined by § 17.

3. In case of an accidental damage or the premature wear and tear (cf. however § 12 no. 1, sentence 4) – with the exception of a total damage (cf. § 13 no. 2) – of the leased object, the Lessee may select to either

a) have the leased object repaired at his expense by the manufacturer, or a specialist workshop and to restore it to the contractual condition, or

b) to terminate the Leasing contract in writing. § 13 no. 2 sentence 2 apply in case of termination. The consequences of a termination are governed by § 17.

If the Lessee does not make use of his right of termination, he shall be obligated to make a repair order without delay, and to present the Lessor with the written authorization of the repair order immediately. If the Lessee does not carry out these obligations, the Lessor is entitled to terminate the Leasing Contract. The consequences of the termination are determined by § 17.

4. If the leased object represents a majority of the main items, and if only parts are affected by damage, wear and tear or loss, the above regulations shall apply mutatis mutandis.

§ 14 Property Insurance, Insurance and other equivalent Benefits:

1. To cover the risks borne by the Lessee according to § 12 no. 1 sentence 1, a property insurance has to be taken out – for electronic equipment in the form of an insurance for electronic equipment – at the replacement value, the expenses of which shall be borne by the Lessee.

2. The Lessee shall be entitled to take out this insurance with an insurer of his choice. In this process, an insurance deduction of 25% of the replacement value can be agreed but which in no circumstances shall exceed $ 700,00 . The insurer shall be obligated to issue an insurance confirmation in favour of the Lessor. The insurance confirmation is to include the coverage of the risks according to § 12 no. 1 sentence 1 as well as the insurance deduction agreed upon.

3. If the Lessee does not prove the conclusion of an insurance to the Lessor in accordance with no. 1 and 2 by presenting an insurance confirmation, the Lessor is entitled but not obligated to include the leased object into his own Framework Property Insurance at the expense of the Lessee the Lessor has contracted with an approved insurance company. The attached General Terms and Conditions for Property Insurances apply to this insurance. They provide for an insurance deductible of $ 200,00, unless another amount of insurance deductible has been agreed in writing with the Lessee. The Lessee shall be responsible for the insurance deductible.

4. If, according to no. 3, the leased object is included in the property insurance of the Lessor, the insurance costs plus any applicable taxes including Canada's Goods and Service Tax, Harmonized Sales Tax and Quebec sales tax will be charged by the Lessor as principal (and not as agent for the insurer who issued the Framework Property Insurance policy) on the first of each calendar year in advance. Nevertheless, the Lessee remains entitled to take out his own insurance at any time. If the Lessee submits a subsequent insurance confirmation in favour of the Lessor according to no. 2, the insurance premiums already paid in advance will be reimbursed for the period from presenting the insurance confirmation to the end of the year. If the insurance premiums are not paid on time according to sentence 1, the Lessor can set a deadline for payment of two weeks. Following the futile elapse of this deadline, the Lessor is entitled to terminate the inclusion of the leased object in his Framework Property Insurance without notice, if he threatened to do so when setting the deadline. If the Lessor makes use of this right of termination, the Lessee shall be obligated to prove the conclusion of a property insurance to the Lessor by presenting an insurance confirmation according to no. 2 within three weeks after receipt of the termination.

5. Upon request of the Lessor, the Lessee shall be obligated to prove the conclusion of an insurance according to no. 1 and 2 within three weeks of the request of the Lessor. The Lessor is also entitled to request the Lessee to conclude his own insurance according to no. 1 and 2 during the term of the contract. In this case, the Lessee will be reimbursed with the insurance premiums already paid in advance in accordance with no. 4 sentence 3.

6. The Lessee herewith assigns his claims from the insurance contract as well as against a possible tortfeaser to the Lessor. As long as the Lessor has not informed the Lessee that he has asserted these claims himself, the Lessee will be obligated, in the occurrence of a contingency, to assert these claims in his own name and at his own expense, and to request payment to be made to the Lessor. In any case, the Lessee shall be obligated to bear a insurance deduction provided by the insurance contract.

7. The Lessor is obligated to use or set-off insurance or other equivalent benefits received according to § 12 no. 2.

8. To the extent the Lessee has provided compensation to the Lessor for the damage to be paid by the insurer or another third party, the Lessor is obligated to pass on the benefits received from the insurer or the third party to the Lessee. The Lessor is also entitled to assign any claims for damage to the Lessee.

§ 15 Default, Consequences of Default, Termination without Notice:

1. If the Lessee is in arrears of its contractually agreed payments, outstanding leasing payments and other amounts owed, amounts in arrears will be subject to interest at the rate per annum equal to 8 percentage points above the prime rate of interest charged by HSBC Bank for loans of Canadian dollars to its customers in Canada, as the same is adjusted from time to time.

2. The Lessor is entitled to terminate the Leasing Contract without notice, if the Lessee is in arrears with two quarterly leasing payments, in case of monthly payment with two monthly leasing payments, consecutive or not.

§ 16 Further Reasons for a Termination without Notice: Among other reasons, the Lessor also has the right of termination without notice and the assertion of claims for damages if the Lessee gave false information at the conclusion of the contract or failed to disclose material facts to Lessor or he becomes insolvent or bankrupt or makes a proposal to his creditors or ceases to carry on business or there occurs, in the opinion of the Lessor, a material adverse change affecting the Lessee or its business or because the Lessee violates material contractual obligations despite a reminder or if he does not remedy the consequences of material violations despite the setting of a deadline or the Lessee fails to conclude or give evidence of a property insurance upon request of the Lessor (cf. § 14 no.5) in spite of an appropriate deadline or one of his personally liable shareholders endanger or hamper the enforcement of the Lessor's rights or if the Lessee or a personally liable shareholder abandons his residence or business in Canada or there is a deterioration of the financial circumstances of the Lessee or if insolvency proceedings have been filed with respect to the Lessee.

§ 17 Consequences of the extraordinary immediate premature Termination:

1. In the event the Lessor makes use of his right to terminate without notice, or if the Lessee terminates in accordance with § 13, the Lessor will be entitled to the leasing payments still outstanding for the entire lease period and all other amounts owed by Lessee under this Lease including any applicable sales taxes. To the extent the Lessor determines that any payment made by the Lessee is deemed by section 182 of the Excise Tax Act (Canada) or any similar provision with respect to Quebec Sales Tax to be inclusive of GST/HST or QST, then the Lessee shall pay, in addition to the payment, an amount equal to the GST/HST and QST that is deemed to be included in the payment.. The claim of the Lessor will become due upon delivery of the notice of termination. The Lessee shall be in arrears if he does not make payment within 30 days following the receipt of the notice of termination and the schedule of damages.

2. Moreover, if the Lessee loses the right of possession, he shall be obligated to return the leased object to the Lessor without delay at his expense and risk. The leased object is to be returned to the business address of the Lessor as set down in the Leasing Contract to the address of the Lessor unless the Lessor has named another address for the return of the object, which is closer to the business seat of the Lessee. In the event the Lessee does not return the leased object immediately, the Lessor is entitled but not obligated to have the leased object picked up at the expense of the Lessee.

3. With the exception of the cases of premature termination of contract regulated in § 13, the leased object must be in a proper, functional condition upon return, which corresponds to the condition at delivery and taking into consideration the wear and tear caused by the contractual use of the object. If the leased object is not in the said condition, the Lessor shall be entitled to have it restored to a contractual, workable condition at the expense of the Lessee. However, this shall not apply if the costs incurred in restoring the object exceed the fair value, which is attributable to the non-contractual condition described in sentence 1. Data of the Lessee that are visible on the leased object, are to be removed professionally prior to return, making it impossible for third parties to restore the data.

4. If the Lessee does not return the leased object contrary to his obligation acc. to no. 2 and despite the request of the Lessor to do so, he will be subject to payment of 1/30 of the contractually agreed monthly leasing payments for each extra day as of the end of the total lease period.

5. The Lessor shall reserve the right to assert a further damage, if the Lessee is responsible for this damage.

§ 18 Death of the Lessee: In case of the death of the Lessee, his heirs will be entitled to terminate the contract to the end of a contractual quarter (or calendar month in case of monthly payment) in writing. For the consequences of the termination § 17 will apply accordingly.

§ 19 End of contract, Termination, Extension, Return of leased object, No Acquisition Right of the Lessee:

1. Both Contracting Parties have the right to give written notice of termination of the Leasing Contract with a notice of three months, first at the end of the basic lease period (refer to the front page).

2. If no use is made of the right of termination to the end of the basic lease period, the contract will extend for another six months. The same applies subsequently, if the contract is not terminated in writing by one of the parties with a notice of three months to the end of the extension period.

3. By this contract, the Lessee has no right to acquire ownership to the leased object.

4. In case the Leasing Contract is terminated in accordance to no. 1 or 2, the Lessee shall be obligated to return the leased object at the end of the contract. The conditions of § 17 no. 2 and 3 will govern the return (for example, for the removal of the Lessee's data). If the leased object is not returned in a contractual condition, and if the net proceeds of dispostion obtained by the Lessor are lower than the proceeds that would have been obtained had the leased object been in a contractual condition, the Lessee will have to pay the differential amount.

5. If the Lessee does not return the leased object contrary to his obligation according to no. 4 and despite the request of the Lessor to do so, he will be subject to payment of 1/30 of the contractually agreed monthly leasing payments for each extra day as of the end of the total lease period. During this period, the Lessee's obligations under this contract shall apply mutatis mutandis. If the Lessee is responsible for the delay in returning the leased object, he shall be obligated to reimburse the Lessor with the damage thus incurred.

6. In case the Lessor gave the Lessee a deadline stating that after futile expiration of same, he would refuse the acceptance of the leased object and file a claim for damages, he will be entitled to assert the fair value the leased object would have had in contractual condition at expiration of the deadline as part of his damage incurred. The Lessor is entitled to the rights in accordance with no. 5 for the period starting with the end of the contract up to the expiration of the deadline.

§ 20 Transfer of Rights and Obligations: The Lessor is entitled to cede and assign (including by way of security) all or any rights and obligations arising from this contract to any third party without consent of the Lessee. In case the assignee informs the Lessee of the cession or assignment, the latter will be obligated to confirm and return the notice of cession or assignment within 10 days.

§ 21 Inspection of the Balance Sheet, Information: In the case of acquisition values exceeding $ 35 000, the Lessee shall be obligated to submit his financial statements and annual reports to the Lessor annually for confidential consultation, and to provide any additional information on his financial situation if so requested.

§ 22 Change of business seat or residence: The Lessee and personally liable shareholder of the Lessee shall be obliged to inform the Lessor of a change of his head office or place of business. At the time the Lessee informs the Lessor of any such change, as contemplated by section 4 of Part I of Schedule IX to Part IX of the Excise Tax Act (Canada) and section 22.5 of the Act respecting the Québec sales tax, the parties hereby agree that the ordinary location of the leased objects is, from that time onward and for the duration of the Lease Contract, the place where the Lessee's new business address is located.

§ 23: If the Lessee has completed the preauthorized payment section on the reverse side, the Lessee warrants that all persons whose signatures are required on the Specified Account have signed the authorization. The Lessee acknowledges that the delivery of the authorization to the Lessor constitutes delivery by the Lessee to the branch of the financial institution at which the Special Account is mainteained and that such financial institution is not required to verify that the payments are drawn in accordance with the authorizatioin. The Lessee agrees that the termination of this authorization does not cancel or reduce its obligation under this Agreement. The Lessee will notifiy the Lessor in writing of any change in the account information or termination of the authorization prior to the next due date of the preauthorized debt.

§ 24. Governing Law: This Lease shall be governed by the law of the Province where the leased object was delivered to the Lessee. The parties have expressly required that this agreement be drawn up in English.

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GENERAL TERMS AND CONDITIONS OF THE FRAMEWORK PROPERTY INSURANCE OF THE GRENKE-ENTERPRISE

(11.13)

A. General Section

1. As owner of the property, GRENKE took out a Framework Property Insurance policy with an approved insurance company. If the property given to the customer for its use is to be covered under this Framework Property Insurance policy, then the following conditions apply as per the agreement.

2. Insurance benefits in general are intended to cover the costs for restoring an object, respectively providing an equivalent replacement for the object in the event of damage, based on the object's value at the time when the loss occurred. Cover is not therefore provided on a "new for old" basis.

3. The insurance generally grants subsidiary insurance protection; i.e. it grants protection only when insurance coverage is not provided by any other source.

4. The excess payable by the hirer shall total $ 200,00 per loss event.

B. Insured Loss / Damage and Risks, Exclusion of Liability

1. The insurer renders compensation when insured property is damaged or destroyed due to unforseen events and when the insured property is lost due to theft, burglary or looting.

Damage is unforeseen if neither the policyholder nor his representatives foresaw the same in due time or would have been able to foresee the same with the specialist knowledge necessary for the work carried out in the business; in this respect, only gross negligence is detrimental, and this shall entitle the insurer to curtail its payment proportionate to the severity of the fault by the policyholder.z

Compensation is rendered when property is damaged or destroyed (material damage) in particular as a result of the following cases:

a) handling or operating errors, lack of skill, negligence

b) excess voltage, electromagnetic induction, short circuiting

c) fire, stroke of lightning, explosion or implosion (including damage caused by water for firefighting, demolition, clean-up work or loss of property in the course of these events)

d) water, humidity, flooding

e) wilful intent by a third party, sabotage, vandalism

f) force majeure

g) faulty design, faults in the material, faulty workmanship

2. For electronic components (units) that are part of the insured property, compensation is rendered only if it is proven that an insured risk has exter- nally affected the replacement unit (in case of repair this is usually the unit to be replaced) or has affected the insured property as a whole. If proof cannot be brought forward, the predominant probability is sufficient that the damage is attributable to an external insured risk. Consequential damage on further replacement units shall be reimbursed.

3. If not otherwise agreed, the insurer renders compensation for tubes, (e.g. picture tubes, high frequency tubes, laser tubes) and photo conductors (e.g. selenium cylinders) only in cases when the damage was caused by one of the following items:

a) fire, stroke of lightning, explosion and only to the extent that these risks can be covered by fire insurance

b) burglary, robbery, vandalism and only to the extent of coverage by a burglary and robbery insurance

c) burst pipes and only to the extent that this risk of coverage by a domestic water damage insurance. Items 4 and 5 remain unaffected

4. Irrespective of possible concurrent causes the insurer does not render any compensation for damage that was brought about in any of the following manners:

a) by the client's wilful intent

b) by acts of war of any type or civil insurrection

c) by nuclear energy

d) as a result of wear due to normal or operational wear or abnormal operational wear or deterioration; however, compensation is rendered for consequential damage in further replacement units. Item 2 remains unaffected.

5. If proof cannot be delivered for one of these causes in accordance to 4b) – d), the predominant probability that the damage is the result of one of these causes is sufficient.

C. Insured Property / Uninsured Property

1. Insurance coverage exists for the following objects that have been designated in the agreement for use

a) facilities and equipment of information technology, communication technology, medical technology

b) other electrotechnical or electronic facilities and equipment

c) machinery and other technical facilities and equipment of domestic en- gineering, bulk material handling technology and transport technology

d) office furnishings and equipment

e) software and related accessories

2. If not agreed otherwise, insurance coverage includes data (machine readable information) only if they are necessary for the basic functions of the insured property (system program data from operating systems or other data of equal status)

3. Property in motor vehicles
Due to the high theft risk property in motor vehicles is only insured if it is incorporated in the vehicle interior or has been inconspicuously placed in the closed and if possible locked glove compartment or in the boot of the vehicle so that it is not visible and if the vehicle has been properly locked before leaving it.

4. Exempt from insurance coverage are such items as follows:

a) auxiliary and operating supplies, consumable supplies and work equipment, e.g. developing liquids, reagents, toners, cooling and extinguishing agents, ink ribbons, films, picture and sound carriers, foil combinations, prepared paper, type face carriers, ratchet discs, pipettes, replaceable cuvettes, reagent tubes

b) tools of any sort, e.g. drills, milling cutter

c) other parts that from experience have to be replaced during the life cycle of the insured property, e.g. fuses, light sources, batteries (both rechargeable and non-rechargeable), accumulators, filter compounds and cartridges.

d) Maintenance
Expenditures that are part of regular maintenance are not the object of the insurance. In particular these expenditures refer to the exchange of structural elements, assemblies and components, provided the damage has not been caused by an insured event that externally affected the insured property and can verified.
Object of maintenance within the meaning of this stipulation are the following services:
- safety check
- preventive maintenance
- removal of defects due to ageing
- repair of a damage that is the result of normal operation and has not been brought by an external cause

D. Insurance Location

For appropriately employed property the client's location that is quoted in the agreement for use is the insurance location. Apart from that the insurance location is worldwide.

E. The Event of Damage / Obligations

1. In the event of damage the client is obliged to immediately notify GRENKE by means of a notification of loss as soon as he or she has gained knowledge of the damage. In order to make notification of damage, the damage claim form is to be used which can be requested from GRENKE at any time.

2. The notification of loss must include the following information:
- name and address of the client
- contract number
- location and time of damage occurrence
- detailed description of the event of damage
- number of the damaged objects
- detailed description of each damaged object
- type of damage

a) for partial damage: the cost estimate for the repair of the defect object.
b) for total loss: the designation "total loss".
c) for damage caused by third-party intent (e.g. theft) and damage caused by fire: in this case the client must immediately file a charge and communicate the investigating authorities and their file number to GRENKE.

3. Storage
The damaged parts must be stored respectively the damage scene must remain unaltered until the insurer or GRENKE inspects the damage or expressly foregoes the inspection or has settled the damage.

4. Delayed notification of loss
If the client does not report the damage as soon as he or she has gained knowledge of it in the form required in item E1 and 2 and if GRENKE does otherwise not receive notification of the insured event, the insurance benefits are omitted.

F. Payment of the insurance costs / termination by GRENKE/ exemption from liability

1. The client's obligation to bear the insurance costs and the due date for payment are determined by the provisions in the agreement for use and the acceptance letter by GRENKE. The client is entitled to insure himself with an insurer of his choice in compliance with the provisions in the agreement for use.

2. If the first insurance costs have not been paid yet when the insured event occurs, entitlement to insurance benefits is omitted.

3. If the insurance costs are not paid in time, GRENKE can determine a payment deadline of 15 days after notice is received by the client. After this period has expired GRENKE can termi- nate the acceptance of the object in its Framework Property Insurance without notice, provided a termination threat had been pronounced at the time when the deadline was communicated to the client. If an insured event occurs after the agreement for use was terminated, no entitlement to insurance benefits exists.

4. Irrespective of the above-mentioned provisions GRENKE is at all times entitled to request the conclusion of the client's own insurance in accordance with the agreement for use.

G. Final Provisions

1. According to the agreement for use the client who insures the objects himself is obliged to obtain from the insurer a confirmation of insurance coverage for leasing companies in favour of GRENKE. As long as the client has not yet submitted this evidence of insurance, GRENKE is entitled, but not obliged to include the object in its Framework Property Insurance in accordance with the above-mentioned conditions.

2. There is no insurance certificate issued for individual clients with regard to the objects that are included in this Framework Property Insurance.

3. The occurrence of an event of damage does not release the client from obligations that arise from the agreement for use.

4. The settlement of a damage claim occurs in compliance with the provisions set out in the contract.

5. No verbal ancillary agreements have been made.