



General Terms and Conditions of ISN - Surveillance and the Protection of Persons and Property

1. General, scope of application

1.1 These General Terms and Conditions for Surveillance and the Protection of Persons and Property of ISN International Security Network GmbH, Ohiostr. 10, 76149 Karlsruhe, apply both in relation to companies within the meaning of Section 14 of the *Bürgerliches Gesetzbuch* ("BGB") [German Civil Code] of the Federal Republic of Germany and in relation to consumers within the meaning of Section 13 *BGB* (hereinafter referred to as "Customers").

1.2 Business relations with our Customers, also in respect of information and advice, shall be governed exclusively by the General Terms and Conditions set forth below.

1.3 If our General Terms and Conditions are implemented in a contract with a Customer, they shall also apply to all further contracts between the Customer and ourselves unless otherwise agreed in writing. Terms and conditions of the Customer shall only apply if and when we expressly acknowledge them in writing. Our silence regarding such differing terms and conditions of the Customer shall in particular not be deemed acknowledgement or consent, and this shall also apply to future contracts.

2. Services, sub-contractors, guarantee

2.1 All our activities involving national and international surveillance and the protection of persons and property (Section 34a *GewO* [German Industrial Code]) and all other comparable activities, which we have undertaken to provide to the Customer, shall be deemed services (hereinafter "Services") within the meaning of these General Terms and Conditions.

2.2 We are authorised to engage suitably qualified sub-contractors to perform our Services and to use our personnel at our option to provide the Services.

2.3 We shall only be deemed to have given a guarantee to provide our Services if we have indicated in writing that a Service is expressly guaranteed.

3. Conclusion of contract, scope of services, duty to notify

3.1 We shall be engaged to provide Services exclusively by the conclusion of an individual written contract for the respective Service or by the Customer's corresponding acceptance of our written quotation.

3.2 All agreements, collateral agreements, warranties and amendments of contracts shall only be valid when given in writing. This shall also apply to the waiver of this written form itself. This shall not affect the precedence of an individual agreement (Section 305b *BGB*).

4. Customer's obligation to cooperate - general

4.1 The Customer shall be obliged to cooperate fully in the provision of the Services if this is required for us to execute the assignment correctly.

4.2 The individual tasks in the Services can only be defined or modified during the performance of the Services. Each party shall then cooperate during the implementation of the contract on the appropriate performance of such action. In this respect, they shall take account of the contractual objectives, the results achieved by that point in time and the principle of good faith.

4.3 The Customer shall notify us immediately of any events and circumstances which are known or become known to the Customer and are important in performing the Services.

4.4 The Customer undertakes not to use our Services for illegal purposes either for himself/herself/itself or for others.

5. Customer's obligation to cooperate - protection of persons

5.1 The Customer shall provide us with the information required to protect the person(s) before the respective Services commence. This information is in particular all relevant information about the person to be protected such as name, first name and date of birth, appearance (distinguishing features) and detailed information about the itinerary, schedules, places the person(s) is(are) staying, hotels, accompanying persons and all other security-related information.

5.2 It is imperative that the Customer and/or the person to be protected follow our instructions and/or the instructions of our personnel in the context of protecting that person. The Customer and/or the person to be protected shall refrain from any action that compromises their own safety or that of the personnel used by us.

5.3 To accomplish our assignment, the Customer shall confer on ISN all existing rights of self-help of the Customer. In respect of third parties, ISN's employees may only exercise at their own responsibility those rights which anyone is entitled to exercise in a case of self-defence, an emergency or self-help, the rights of self-help contractually conferred by the customer and the powers, to which they may be entitled in cases of legal transfer by delegation of powers.

5.4 Arms and weapons shall be carried during the assignment only at the Customer's express request and in compliance with Section 13 of the *Verordnung über das Bewachungsgewerbe* [German Regulation on the Security Industry].

6. Customer's obligation to cooperate - surveillance and protection of property

6.1 The Customer shall provide us with the information required to perform the surveillance resp. protect the property before the respective Services commence. This information is in particular all relevant information about the property to be protected, such as location and address, and any specific features about the location and all other specifically security-related information such as escape routes, fire regulations, channels of communication, the order in which parties are to be notified etc.

6.2 The Customer shall provide us with the keys required for providing protection in due time and free of charge. The Customer shall grant us rights to determine who shall be allowed or denied access in order for the Services to be performed. We shall be liable for loss of keys or damage to keys and locking systems only according to the provisions of Art. 11 of these General Terms and Conditions.

6.3 The Customer shall provide us, without being asked to do so, with addresses and contact data (telephone numbers etc.) which can and are to be contacted, also outside normal business hours e.g. at night or weekends, in case of danger to the property. We must be notified immediately of any changes to these contact data.

7. Periods, dates

7.1 Binding dates and periods to provide the Services must be

expressly agreed in writing. If dates and periods are not binding or approximate (ca., about etc.), we shall use our best efforts to comply with them.

7.2 A fixed-date transaction shall only exist if we have expressly confirmed such transaction in writing or the legal requirements for a fixed-date transaction exist. The Customer's mere unilateral designation of a transaction as a fixed-date transaction shall not be sufficient for this.

8. Default

8.1 If we default in providing a Service, the Customer must first set us a reasonable extension of time to perform the Service. If this elapses without result, the Customer can assert the rights stipulated in the respective conditions of Sections 280 et seq., 323 *BGB*. Damage claims for breach of duty, for whatever reason, shall only exist according to the provision in Art. 11.

8.2 If the Customer sets us a reasonable extension of time when default has occurred, the Customer shall have the right, after expiry of this extension of time without result, to rescind the contract.

8.3 We shall not be in default as long as the Customer is in default in fulfilling obligations towards ourselves; this shall also include obligations under other contracts.

9. Force majeure and other obstructions

9.1 If events of force majeure occur, we shall notify our Customer of this in due time in writing. In such case, we shall have the right to postpone our Services for the duration of the obstruction or to rescind in whole or in part that part of the contract not yet fulfilled if we have met our foregoing duty to provide information. Events of force majeure are strikes, lock-outs, official intervention, power shortages and shortages of raw materials, war, terror, company obstructions through no fault of our own e.g. due to fire, water and damage to machinery and any other obstructions which, when considered objectively, were not culpably caused by us.

9.2 If a date or period is agreed with binding force and the agreed date or the agreed period is exceeded due to events according to Art. 9.1, the Customer shall have the right, after a reasonable extension of time has elapsed without result, to rescind that part of the contract not yet fulfilled if the Customer cannot be objectively expected to adhere further to the contract. The Customer shall have no further claims, in particular claims for damages, in such case.

10. Prices, payment terms

10.1 All prices for our Services are in principle quoted in euros and exclude any value added tax at the legally valid rate which shall be borne by the Customer.

10.2 If remuneration is determined according to periods of time, it shall be due at the end of the individual periods of time. The Customer shall bear travel and subsistence expenses connected with the Service after prior agreement with the Customer.

10.3 Our invoices shall be payable (without deduction) within 5 days of receipt of the invoice. After this payment deadline expires, the Customer shall be in default.

10.4 We shall also have the right to request payment as and when the Service is provided or to request a reasonable advance on costs for objective reasons. The date payment is received by us or credited to our account shall be deemed the payment date.

10.5 Once the Customer defaults in payment, default interest of 9 % points above the respective base interest rate shall be calculated for companies and 5 % points above the respective base interest rate for consumers.

10.6 If the Customer is in default, we shall also have the right to retain Services based on all contracts with the Customer until the Customer meets all obligations in full.

10.7 The Customer shall have a right of retention or right of set-off only regarding those counter-claims that are not disputed or have been recognised by declaratory judgment.

11. Liability, exclusion and limitation of liability

11.1 We shall be liable in principle only for our intent and gross negligence and intent and gross negligence of our legal representatives and vicarious agents. Our liability and that of our legal representatives and vicarious agents for slight negligence shall, therefore, be excluded except in the following cases:

- a. breach of material contractual obligations;
- b. if, in the event of breach of obligations within the meaning of Section 241 (2) *BGB*, it is no longer reasonable to expect the Customer to accept our performance;
- c. in the event of injury to life, limb and health;
- d. where we have assumed a guarantee for the quality of performance or the existence of successful performance;
- e. fraudulent intent;
- f. initial impossibility;
- g. claims under the *Produkthaftungsgesetz* [German Product Liability Act] or other cases of liability prescribed by law.

"Material contractual obligations" are obligations that protect the legal positions of the Customer which are material to the contract and which have to be granted to the Customer under the contract in terms of subject matter and purpose. Material contractual obligations are also obligations, the fulfilment of which makes the due performance of the contract possible in the first place, where the Customer regularly relies on and may rely on compliance with such obligations.

11.2 We shall be liable only for typical and foreseeable damage unless we can be reproached for intentional or grossly negligent breach of duty or a case of injury to life, limb and health or other case of liability prescribed by law exists.

11.3 Our liability, save for fraudulent intent, intent, injury to life, limb or health and other differing liability coverage prescribed by law, shall be limited in total to the following maximum liability coverage of our insurance:

- a. for personal injury € 2 million;
- b. for the loss of guarded items € 20,000;
- c. for other damages € 1 million

The above exclusion of liability shall not apply if our insurance does not make payment due to a breach of contract or warranty by ourselves or is relieved of liability for payment for other reasons. We shall provide the Customer with a copy of our insurance policy at first request.

11.4 Liability for damage other than the liability stipulated in the above paragraphs shall be excluded without regard for the legal nature of the asserted claim. This shall apply in particular to damage claims arising from negligence when concluding a contract, for other breach of duty or for claims in tort for

compensation in respect of property damages according to Section 823 *BGB*.

11.5 Exclusion resp. limitation of liability according to the foregoing paragraphs 11.1 to 11.4 shall apply to the same extent for the benefit of our executive and non-executive employees and other vicarious agents and sub-contractors.

11.6 There is no connection between the reversal of the burden of proof and the foregoing stipulations.

12. Confidentiality

12.1 ISN and the Customer (hereinafter also referred to as “the Parties”) undertake to keep confidential all actual and personal facts, documents and knowledge, of which they become aware in the course of implementing the contractual relationships and providing the Service as well as financial, business or market-related information, if we have designated the respective information as confidential or we have an obvious interest in its confidentiality (hereinafter referred to as “Confidential Information”). The Parties shall use the Confidential Information solely for the purpose of implementing and performing the contractual relationship in accordance with the contract and providing the Services.

12.2 There shall be no obligation to maintain confidentiality according to paragraph 12.1 above if it is proved that the respective Confidential Information:

- a. is in the public domain or this information enters the public domain without any action by one of the Parties; or
- b. was already known to one of the Parties or is disclosed by a third party authorised to disclose it; or
- c. must be disclosed due to compulsory statutory provisions or orders by a court or official authority.

13. Contract term, termination, right of cancellation

13.1 The orders concluded with the Customer shall have the term specified in the respective individual contract resp. in our quotation.

13.2 In respect of concluded orders and the Services agreed therein, we shall grant the Customer a right of cancellation free of charge up to 7 days prior to commencement of the Service contractually stipulated in the individual contract. Cancellations made after the above cancellation period ends shall be invoiced to the Customer, after deduction of expenses and costs saved, based on the following % figures for the Services ordered according to our quotation:

as of 168 hours: 50%
as of 72 hours: 70%
as of 24 hours: 90%

The Customer shall be at liberty to prove that we incurred no damage or lesser damage.

13.3 We and the Customer reserve the right to terminate an individual contract without notice for good cause.

14. Insurance

We have concluded a third party liability insurance pursuant to Section 6 *Bewachungsverordnung* [German Security Regulation]. The insurance contract is governed fully by the *Allgemeine Haftpflichtversicherungsbedingungen (AHB)* [German General Liability Insurance Conditions] and the *Bedingungen für die Haftpflichtversicherung von Bewachungsunternehmen* [German

Conditions for the Liability of Surveillance Companies]. This insurance coverage excludes in particular damages which are not connected with the actual security service, such as assuming the obligation to grit icy surfaces, when operating sun protection devices or the operation/monitoring of machinery, boilers, heating devices, electrical or similar installations.

15. Protection of intellectual property

The reports, plans, drafts, lists and calculations produced by us may only be used for the purposes agreed in the contract. Use of these Services contrary to the contract, especially their publication by whatever procedure shall require a separate agreement. This shall also apply if the Service provided is not subject to special legal rights, especially copyright.

16. Data protection

16.1 Data protection is governed by the provisions of the *Bundesdatenschutzgesetz (BDSG)* [German Federal Data Protection Act], above all Sections 27 et seq. *BDSG* for non-public bodies as amended. Section 5 *BDSG* (data secrecy) shall in particular apply.

16.2 If personal data or special categories of personal data are collected, processed or used by us on behalf of the Customer, this shall be carried out based on the Customer's instructions (commissioned data processing). We undertake to ensure that all order data and their processing shall remain strictly confidential and in particular shall not be disclosed without authorisation to third parties.

16.3 When concluding a contract with a new customer, our company checks the customer's creditworthiness and, in case of justified interest, also that of existing customers. To obtain this information, we work together with Creditreform Boniversum GmbH, Hammfelddamm 13, 41460 Neuss, from whom we receive the required data. In order for them to provide us with this data, we transmit the names and contact details to Creditreform Boniversum GmbH. The information pursuant to Art. 14 of the EU General Data Protection Regulation on the data processing carried out at Creditreform Boniversum GmbH can be found here: <https://www.boniversum.de/eu-dsgvo/for-consumers-information-under-eu-gdpr/>.

17. Place of performance, place of jurisdiction, applicable law

17.1 Place of performance for all contractual obligations is Karlsruhe.

17.2 Exclusive place of jurisdiction for all disputes with Customers that are companies within the meaning of Section 14 *BGB* is also Karlsruhe.

17.3 All legal relations between the Customer and ourselves shall be governed exclusively by the law of the Federal Republic of Germany but to the exclusion of the UN Sales Convention.

18. Amendments to the General Terms and Conditions

The Customer shall be notified in writing of any amendments to these General Terms and Conditions. They shall be deemed approved by the Customer unless the Customer objects to them in writing within a period of 30 days. We must make special reference to this legal consequence in our notification of amendment. The Customer must send the objection to us within four weeks of receiving the notification of amendment.

Karlsruhe, 30 May 2016