

Terms and Conditions

NFQ Solutions GmbH

These Terms and Conditions ("**T&C**") govern all contracts between NFQ Solutions GmbH ("**NFQ**") and the Client. The T&C are divided in parts: Part A encompasses all general terms and conditions applicable to all services provided by NFQ; Part B applies solely to Clients receiving Software Development Services; Part C applies solely to Clients receiving Task Resolution and Support Services; and Part D applies solely to Clients receiving Consulting Services.

A. General

1. Scope of application

- 1.1. NFQ provides a range of services, including software development and product development. Additionally, NFQ offers process digitalization, business analytics, and strategic counsel, with the objective to increase scalability of entrepreneurs' businesses. NFQ also offers consulting services and participates in speaking engagements. All services are individually or collectively referred to as "**NFQ Services**". NFQ Services are directed exclusively to entrepreneurs ("**Client**"). NFQ and the Client are together referred to as the "**Parties**" or individually as "**Party**".
- 1.2. The Parties agree that NFQ may involve their affiliates in fulfilling obligations under this Agreement. Affiliate means the entities related to NFQ through ownership, control, or common management, including instances where NFQ holds a minority stake ("**NFQ Affiliates**"). Any actions or omissions by NFQ Affiliates shall be considered actions or omissions by NFQ.
- 1.3. These T&C follow a Statement of Work ("**SOW**") which NFQ offers to all its Clients (SOW and T&C together referred to as "**Agreement**"). The SOW includes the key terms of the Project, including the relevant NFQ Services, specific completion dates for each Project, and pricing details. The Agreement between the Client and NFQ for NFQ Services, including these T&C, becomes effective upon the signing of the SOW by both Parties. In case of any inconsistency between the SOW including its Annexes and the T&C, the provisions outlined in the SOW shall prevail.
- 1.4. Any general terms and conditions of the Client are deemed inapplicable. Counter-confirmations from the Client referencing its own terms and conditions are hereby rejected.

2. Definitions

Applicable Laws	shall mean the laws governing the contract and the related business operations.
Business Hours	shall mean the business hours from 9:00 a.m. to 6:00 p.m. as approved by NFQ.
Business Day	shall mean any weekday on which the primary affiliate of NFQ, responsible for executing the Project, is open for business, excluding

	weekends and public holidays following the governing law of the primary affiliate.
Client's Information	shall mean all provided information, materials, data, images, plans, and documents by the Client to NFQ.
Critical Errors/ Defects	shall mean any error or defect in NFQ Services that constitutes a not just minor deviation from the Specifications in the SOW or significantly impairs the functionality, performance, or usability of the delivered services and poses a severe impact on the Client's ability to use or derive value from the NFQ Services. Critical Errors are characterized by their urgency, severity, and impact on the core functionality or intended purpose of the services.
IP Rights	shall mean all types of intellectual property rights that may exist or be created under the laws of any jurisdiction, whether registered or not, including: <ul style="list-style-type: none"> (i) trademarks, business names, domain names, trade name rights, work titles; (ii) patents, utility models, rights to inventions and design rights; (iii) copyrights, data-base rights and other rights associated with works of authorship, including exploitation rights; (iv) trade secret rights and rights in know-how; (v) any video, audio, or audiovisual content, images, written or other materials, technology, application, tool, process, code, source code, know-how, methodology, work, business plan, Client list, data base, software, computer programs, inventions; or (vi) any other proprietary rights in intellectual property.
Project	shall mean the method of providing NFQ Services that has a clear beginning and end and is directed towards a unique result. The Project is specified in the SOW.
Service Plans	shall mean predefined packages of NFQ Services offered by NFQ to its Clients encompassing features, and pricing on a monthly basis as outlined in the SOW.
Service Provisioning Capacities	refer to the allocation of resources, in particular personnel, and skills, but further includes equipment, or performance metrics that NFQ shall meet, such as response times, or resolution times.
Total Contract Price	refers to a fixed one-off amount as specified in the SOW paid by the Client for the performance of NFQ Services.
Unfair Competition	refers to actions aimed at gaining a competitive edge, securing benefits, or causing harm to the other Party through the utilization, provision, or disclosure of the other Party's Confidential Information without consent, as well as the receipt of such information from unauthorized sources.
Work Results	shall mean any tangible or intangible outcome, deliverable, or product created, developed, or produced as a result of NFQ Services provided under this Agreement, including but not limited to software code,

designs, documentation, reports, prototypes, inventions or any other intellectual property.

3. Subject of the Agreement

The subject of the Agreement is NFQ Services. The specific content and scope of the NFQ Services are outlined in the SOW. Should the need for additional or supplementary NFQ Services arise, NFQ will promptly notify the Client. In such instances, the Parties may then extend the SOW with an addendum for supplementary work or agree to enter into a new SOW.

4. Execution of NFQ Services

- 4.1. **Reporting:** NFQ will prepare monthly reports on NFQ Services provided, except for short-term Task Resolution Services (Part C.), Consulting Services (Part D. Section 1), and Speaking Engagements (Part D. Section 2). Reports will be emailed to the Client's Point of Contact by the 5th (fifth) Business Day of the following month. The Client's Point of Contact must approve or comment on the report within 5 (five) Business Days of receipt. After this period, the report will be deemed approved by the Client.
- 4.2. **Distribution of Work Results:** NFQ's Work Results may be electronically disseminated, such as through email transmission or storage on a designated server.
- 4.3. **Time Forecasts:** Time forecasts provided by NFQ are non-binding estimates, as that the duration of performance may depend on factors beyond NFQ's control. While NFQ strives to adhere to proposed timetables, modifications may be necessary due to evolving circumstances throughout the Project. Price adjustments may apply accordingly.
- 4.4. **Subcontractors:** NFQ shall be entitled to hire NFQ Affiliates, subcontractors, or other third parties to provide NFQ Services. NFQ will name the subcontractor in the SOW, if known at the time of conclusion, otherwise, NFW will notify Client once the subcontractor is determined. NFQ remains fully liable to the Client for the appropriate provision of NFQ Services under the Agreement.

5. Change Request by Client

- 5.1. **Procedure:** If the Client identifies the need for alterations in the provided NFQ Services, Software or Project, the Client shall submit a written request to NFQ, specifying the change requirements ("**Change Request**").
- 5.2. **Response:** NFQ shall promptly respond to the Change Request without undue delay, outlining the anticipated effects on the Software, Specifications, Project timetable, and pricing.
- 5.3. **Approval:** Upon NFQ's response, the Parties shall meet to discuss and decide on the Change Request. If approved, necessary revisions to the Project timetable, Specifications, and pricing will be made and documented in new SOW and its Annex 1 (Price List).

6. Warranty

- 6.1. **Warranty of Performance:** NFQ warrants that it will perform its obligations under this Agreement with reasonable care and skill, following industry practices and standards, and in compliance with applicable laws. The Client acknowledges that minor software malfunctions (“Bugs”) may occur during the software development process, which will be resolved by NFQ. Such Bugs are not considered defects of the software. For the purposes of this Agreement, a "defect" shall mean any deviation from the agreed-upon specifications as outlined in the SOW, while a bug is defined as minor errors in the software program's source code that do not result in a deviation from the agreed-upon specifications.
- 6.2. **Exclusion from Warranty:** The warranty shall not apply to the following:
- (i) Non-reproducible defects;
 - (ii) Any defects or deviations resulting from unauthorized modifications made to the software by or on behalf of the Client;
 - (iii) The use of third-party hardware and/or software or solutions for the provision of NFQ Services and/or for the use of the Work Result during the warranty period; or
 - (iv) Consulting Services, Legal Services, and Speaking Engagements.
- 6.3. **Warranty Period:** The warranty period shall be as specified in the SOW and begin on the date of acceptance of the NFQ Service.

7. Cooperation and Client Obligations

- 7.1. **Client Collaboration:** Client is required to collaborate with NFQ to enable the provision of NFQ Services, including but not limited to (i) promptly providing, not later than within two (2) business days of NFQ request, all necessary, , complete, and accurate Client’s Information; (ii) granting any necessary rights and access, including access to Client’s or third-party premises, if needed; (iii) providing prompt feedback, and responses to support NFQ’s service delivery; and (iv) cooperating in good faith and free of charge. Inaccurate or incomplete Client’s Information may affect NFQ's ability to fulfil its obligations, for which NFQ shall not be liable.
- 7.2. **Compliance and Use:** Client agrees not to use any NFQ Services in violation of any law or regulatory requirement, and to respect NFQ’s proprietary, confidentiality, or copyright notices (see Section 12 an Section 13). Client warrants entitlement to use Client’s Information provided to NFQ, and agrees to indemnify NFQ against any third-party claims. NFQ is entitled to discontinue its Services if there is doubt about compliance.
- 7.3. **System Requirements:** The Client is responsible for suitable software and hardware equipment and a sufficient internet connection on its premises and those of its users (“**System Requirements**”). Client must provide a common, state-of-the-art browser in the current version.
- 7.4. **Data Transmission and Formats:** Data input should primarily be transmitted via email in a digital format suitable for the content, using provided templates or electronic data in the requested

format. Acceptable formats include .jpg, .png, .docx, .ppt, .xls, .csv, .json, .HTML, or those that have been agreed with NFQ on a case-by-case basis.

- 7.5. **Notices:** Notices and Change Requests shall generally be made via email.
- 7.6. **Client's Content:** The Client is responsible for all content and data transferred to NFQ ("**Client's Content**"). Client's Content remains the property of the Client and will not be shared with third parties. The Client must ensure that Client's Content does not infringe any third-party rights. Client's Content, proposals, and instructions do not grant co-authorship of NFQ Services and affect the Remuneration.
- 7.7. **Non-Compliance:** If the Client fails to meet its cooperation obligations despite NFQ's request, NFQ may terminate this Agreement after providing written notice and a reasonable deadline to rectify the non-compliance. Upon termination, NFQ may invoice the Client for NFQ Services rendered up to the termination date, or alternatively, for the agreed or projected total Remuneration minus saved expenses due to the premature termination.

8. Point of Contact

- 8.1. Each Party appoints a designated Point of Contact in the SOW to serve as the main representative responsible for communicating, coordinating, and managing Project matters ("**Point of Contact**"). Either Party may replace its Point of Contact, providing prompt notification to the other Party.
- 8.2. Points of Contact act as authorised representatives empowered to act on behalf of their respective Parties. Each Party is responsible for ensuring the authorization of its Point of Contact. The other Party is not obligated to verify this authorization. Any confirmations or decisions made by the Points of Contact are binding for their respective Parties.

9. Remuneration, Invoicing, Taxes

- 9.1. **Service Fees.** For the provision of NFQ Services NFQ shall receive the remuneration (the "**Remuneration**") from the Client as outlined in the SOW and its Annex 1 (Price List). The Remuneration may include a Total Contract Price, daily rates, or hourly rates, with additional expenses such as incidental costs, travel expenses, and per diems charged separately. Payments are considered received upon crediting to NFQ's bank account. Transaction fees and other charges are the Client's responsibility.
- 9.2. **Payment Terms.** Subject to the SOW, invoices for NFQ Services, generally issued monthly, are due immediately upon receipt. Certain Projects or Project phases may require advance payments. Prices are net and subject to the applicable statutory value-added tax.
- 9.3. **Forecasts.** If forecasts, if any, are exceeded due to circumstances for which the Client is responsible, additional expenses shall be compensated based on NFQ's applicable daily rates. The same applies to overruns of up to 20% caused by unforeseeable circumstances which require changes to the NFQ Services.

- 9.3.1. If advance payments or invoices are not settled, or not settled in full, NFQ may suspend or cancel the Project after providing a written grace period of 10 banking days and an explicit termination threat. NFQ may extend the Project completion term by the delay period. Upon termination, NFQ may invoice the Client for services rendered, or alternatively, for the agreed or projected Total Contract Price minus saved expenses.
- 9.3.2. If the Client defaults on advance payments, the advance payment obligation will be adjusted for subsequent two months' advance payments.
- 9.4. **Price List Changes.** NFQ may change the Price List with at least 20 days' written notice (email is sufficient). The Client may agree within 4 (four) weeks after receiving notice. If consent is not provided, the original Price List remains unchanged; but NFQ may terminate the Agreement with 2 (two) months' notice to the end of a calendar month. This termination right does not apply in the first year of the Agreement.
- 9.5. **Fees for Provided Services.** Notwithstanding any other provisions of the Agreement, the refusal or suspension of NFQ Services shall not release the Client from the duty to settle accounts for the services already provided.

10. Liability and Indemnification

- 10.1. NFQ shall only be liable in the following cases:
- (i) in cases of intent and gross negligence on the part of NFQ or its affiliates,
 - (ii) in cases of death, personal injury or bodily harm for which NFQ or its affiliates is responsible,
 - (iii) for guarantees from NFQ, and
 - (iv) in cases of claims under the German Product Liability Act against NFQ.
- 10.2. NFQ shall also be liable for losses resulting from the breach of its primary obligations. Primary obligations are fundamental duties essential to the Agreement, which were crucial for its conclusion and on which the Client may rely. If NFQ breaches its primary obligations due to simple negligence, its liability shall be limited to the foreseeable amount at the time of service performance.
- 10.3. If NFQ's liability is excluded or restricted, this also applies to the personal liability of its employees, representatives, agents and NFQ Affiliates.
- 10.4. If the Client fails to fulfil its obligations under this Agreement and this results in any claims, including third-party claims, the Client shall indemnify NFQ against any and all claims, litigation, losses, damages, expenses, costs and liabilities ("**Losses**") arising out of or in connection with
- (i) the Client's use of the NFQ Services in breach of these T&C;
 - (ii) any breach of any term or condition set forth in these T&C;
 - (iii) any claim that Client's provided information or Client's Content distributed through the NFQ Services has caused damage to a third party.
- 10.5. In the event of any third-party claims, the Client shall promptly, truthfully and completely provide NFQ with all necessary information for the examination and defence against such claim.

11. Intellectual Property Rights

11.1. Ownership:

- 11.1.1 **NFQ's IP Rights.** NFQ holds and retains all IP Rights on Work Results. Unless stated otherwise in this Agreement, nothing shall be construed as granting to any party any IP Right.
- 11.1.2 **Client's IP Rights.** Any IP Rights provided by the Client to NFQ for the provision of NFQ Services ("Client's IP") remains sole property of the Client. The Client grants NFQ a non-exclusive license to use the Client's IP to fulfil its obligations under this Agreement.
- 11.2. **License Rights.** Unless otherwise agreed in the SOW and subject to the full payment of the agreed remuneration NFQ grants to Client a non-exclusive, non-transferable license to use the Work Results, which is not limited in time, place and scope.
- 11.3. **Open Source Components.** The Client acknowledges and agrees that NFQ may use Open Source Software components within the developed Software, which may be subject to specific license terms, provided that such components do not impair the final work result.
- 11.4. **Reproduction and Reverse Engineering.** The Client shall refrain from reverse engineering any Work Results. If Work Results (or part thereof) need to be reproduced for the purpose of adaptation, the Client may do so only if necessary for the intended use under this Agreement or if the original is lost, destroyed or rendered unusable. Any other copying or adaptation of the Work Results requires NFQ's permission and unauthorized use will be considered an infringement of NFQ's IP rights and the Client must indemnify for damages incurred by NFQ thereof.

12. Confidentiality

- 12.1. **"Confidential Information"** includes all commercial, financial, legal and technical and non-technical information belonging to a Party, or products, or any other person (whether corporate or not) they're commercially linked with, including Affiliates which are provided by a Party (**Disclosing Party**) to the receiving Party ("**Recipient**") either directly or indirectly, before or after the signing of the SOW. Confidential Information may be supplied, disclosed, or communicated in written, visual, electronic or oral form. **Exclusions.** Confidential Information excludes information that the Parties can prove:
 - (i) is or becomes public through no breach of Confidentiality by each of the Party or its Representatives;
 - (ii) is lawfully known to the Recipient at the time of disclosure without an obligation of confidentiality; or
 - (iii) is rightfully obtained from a third party without restriction and without a breach of a confidentiality obligation by such third party;
 - (iv) is independently developed by the Recipient without using any Confidential Information;

- (v) each Party is legally required to disclose by an applicable court of law, governmental or regulatory authority, provided that the respective Party must promptly notify, to the extent legally possible, the Disclosing Party so that the Disclosing Party may seek appropriate protection or remedy and/or waive the other Party's compliance with certain provisions of this Agreement; or
- (vi) is authorized in writing by the Disclosing Party to be released from the confidentiality obligations herein.

12.2. Obligations of the Recipient. The Recipient will

- (i) receive and hold Confidential Information strictly confidential, especially not disclose, transfer or provide such Confidential Information to third parties, and not permit any third party to access the Confidential Information, whether in whole or in part either directly or indirectly in any shape or form;
- (ii) use Confidential Information only within the scope of this Agreement;
- (iii) apply reasonable measures to prevent disclosure, including, but not limited to:
 - a. secure storage and protect the Confidential Information in such as manner as to ensure that third parties be unable to familiarize themselves with such information;
 - b. notify third parties about the confidential nature of the information (where such information must be provided to third parties in order to provide/receive the respective services) and provide instructions regarding the particularities of storage of such information; and
 - c. ensure employees adhere to the confidentiality requirements;
 - d. maintain all confidential or proprietary markings, refraining from removing, destroying, or rendering them illegible;
 - e. not copy, reproduce, or reduce to writing any part of the Confidential Information except as necessary and to ensure that any copies, reproductions or reductions to writing shall be property of NFQ; and
 - f. return or destroy all Confidential Information upon request without undue delay, retaining no copies unless legally required, deleting to the extent technically possible, from any device or media containing it, unless otherwise stipulated by law.

12.3. Notification. Each Party agrees to immediately notify the other Party in writing, of any required or lawful disclosure of Confidential Information, as mandated by law or competent authorities. The respective Party shall only disclose the other Party's Confidential Information in accordance with the instructions of the Party whose Confidential Information must be disclosed.

12.4. Marketing. Upon written approval, NFQ is entitled to feature the Client as a user of NFQ Services for presentation and marketing purposes, mentioning the Client's name/logo on public platforms like the Company's website or social media, along with a general description of the services provided. Specific details or confidential information will not be disclosed. Aggregated and anonymous business data may be used for statistical analysis or service enhancement, retaining all intellectual property rights over such information. Without NFQ's prior written consent, NFQ related data or product information (including, but not limited to any image, screen shot, etc.) must not be publicly disseminated by Client, for example in press releases, in or to the media, on the Internet, in advertisements.

12.5. **Survival of Provision.** Confidentiality obligations apply to any and all Confidential Information received before and after the signing of this Agreement and remain in effect post-termination.

13. Non-solicitation of NFQ's employees by the Client

13.1. **Non-solicitation.** During the Term and for 2 (two) year following this Agreement, the Client agrees not to directly or indirectly try to hire or engage in any capacity any employee, contractor, or consultant of NFQ or NFQ Affiliates without NFQ's prior written consent.

13.2. **Penalty.** If the Client breaches this non-solicitation agreement:

- (i) In case of booked Service Provision Capacities: Client must pay to NFQ equal to 24 months service fee per team member.
- (ii) In all other cases: Client must pay NFQ a contractual penalty of EUR 50,000.00 for each individual breach of this non-solicitation obligation. For ongoing breaches, a separate penalty will be imposed at the beginning of each month, without the Client being able to argue that the breach is continuing.

14.3 **Further Damages:** The penalty is considered a minimum damage; NFQ has the right to claim further damages.

14. Non-compete and Penalty

14.1. **Obligation.** During this Agreement and for 2 (two) years following its termination, regardless of the reason, the Client agrees not to

- (i) directly or indirectly, independently or through proxies, offer services similar to NFQ's to NFQ's clients,
- (ii) entice NFQ's clients to terminate their contracts with NFQ and engage with the Client,
- (iii) use Confidential Information for any purposes, or
- (iv) entertain proposals from NFQ employees to provide similar services to NFQ's clients in a way that constitutes Unfair Competition with NFQ.

14.2. **Breach.** If a Party fails to meet its obligations under this Section 14 (Non-compete clause) or breaches the Confidentiality clause in Section 12 by disclosing the other Party's Confidential Information while engaging in Unfair Competition or to an unauthorized recipient constitutes a breach of the Agreement, resulting in significant damages to the affected Party.

14.3. **Penalties.** Upon request by the affected Party, the defaulting Party must pay

- (i) With regard to Section 14.1 (i) and (ii) EUR 50,000 (fifty thousand euros) for each violation of the Non-compete clause;
- (ii) With regard to Section 14.1 (iii) EUR 10,000 (ten thousand euros) for each violation of the Confidentiality clause, and

- (iii) With regard to Section 14.1 (iv) and any other violation of this Agreement a penalty of EUR 25,000 (twentyfive thousand euros) for each violation of a contract clause

and compensate for damages incurred by the affected Party that exceed these penalties. The penalties must be paid within 10 (ten) Business Days from the date the receiving the written demand.

- 14.4. **Minimum Damages:** The Parties agree that the penalties specified represent the minimum damages suffered by the aggrieved Party and do not require further proof. The Parties have the right to claim further damages if proven. The defaulting party is entitled to prove that the damages occurred are lower than the agreed penalty.

15. Data security

In case NFQ is processing personal data on behalf of the client, the Parties hereby agree to enter into a Data Processing Agreement (DPA), as required.

16. Term and Termination

- 16.1. **Term of NFQ Services:** NFQ Services will be provided from the effective date specified in the respective SOW until the expiration of the Service term specified therein ("**Term**"). Ordinary termination is excluded, unless otherwise stated in the SOW.
- 16.2. **Right to Terminate:** Both Parties retain the right to terminate the Agreement without notice for good cause as well as the right to terminate the Agreement in accordance with Section [XX] (special termination in the event of a fee increase) and Section [XX] (special termination in the event of changes to the T&C).
- 16.3. **NFQ's Right to Terminate:** NFQ shall be entitled to, unilaterally and extrajudicially, terminate the Agreement in cases including but not limited to:
- (i) the Client fails to meet payment obligations under the Agreement for at least 60 days from the due date despite a reminder and the setting of a reasonable deadline, or Client being in default more than twice in the last twelve months;
 - (ii) insolvency proceeding have been initiated against the Client's assets or the opening of such proceedings has been rejected due to lack of assets;
 - (iii) the Client is cancelling all NFQ Services as set out in Section [XX] (Suspension) of the Agreement;
 - (iv) force majeure or unforeseeable circumstances beyond NFQ's control making contract fulfilment impossible;
 - (v) Client's failure to fulfil required actions or provide necessary information in the specified timeframe, or discovery of misleading or inaccurate information, necessary for providing NFQ Services;

- (vi) suspension of service provision due to Client's fault and failure to rectify within NFQ's specified timeframe;
 - (vii) Client's usage of NFQ Services posing a threat to NFQ's reputation; or
 - (viii) other specified cases in this Agreement.
- 16.4. **Notice.** The Client must send notice of termination by e-mail to the designated Point of Contact.
- 16.5. **Post Termination Obligations.** Upon termination of the Agreement,
- (i) Client shall pay to NFQ all undisputed amounts due and payable under the Agreement;
 - (ii) each party shall, as soon as reasonably practicable and possible, return any proprietary software that is not currently licensed, including but not limited to all related materials, and documentation belonging to the other Party, including any and all copies of the whole or any part thereof, or, at the other Party's option, shall destroy or delete the same and shall certify in writing that it has been destroyed or deleted.
- 16.6. **Survival of Provisions:** Provisions of the Agreement that need to remain valid post-termination, including NFQ's liability, liability restrictions, and compensation for damages shall remain in force.

17. Final provisions

- 17.1. **Assignment and Transfer of Claims.** The Client may not assign or transfer any claim under this Agreement without NFQ's consent.
- 17.2. **Governing Law and Jurisdiction.** This Agreement shall be governed and construed in accordance with the laws of the Federal Republic of Germany. The courts of Kiel shall have exclusive jurisdictions for all disputes between the parties arising from this Agreement. Place of performance is Kiel.
- 17.3. **Dispute Resolution.** In case of disputes, the Parties shall resolve any disputes amicably within 30 days of one party notifying the other party about the dispute in question. Any dispute that cannot be resolved amicably shall be submitted to arbitration at the German Arbitration Institute (DIS) in accordance with its DIS Conciliation Rules. The arbitral tribunal shall be comprised of three members. The seat of the arbitration is Kiel, Germany. The language of the arbitration shall be English, unless the parties agree otherwise when initiating the arbitration. Either party may refer the dispute to the competent courts of Kiel for resolution. Notwithstanding the foregoing, either party may apply for interim measures or injunctive relief before or during the pendency of any efforts to resolve a dispute amicably.
- 17.4. **Written From Requirement.** No oral ancillary agreements have been made. Amendments and additions to this Agreement, including this clause, must be in text form.

17.5. **Severability.** Should a provision of this Agreement be or become invalid or unenforceable in whole or in part for whatever reason, including a violation of any laws applicable to it, the validity of the other provisions hereof is not affected.

B. Software Development and Engineering Services

Part B exclusively applies to Clients who have ordered software development services or engineering services for specific IT problems, using either a flexible model or a dedicated team.

1. Software Development Services

- 1.1. **Services.** NFQ Services may include Software Development as part of the Project. Software Development Services involve planning, developing, delivering, and implementing IT programs for purposes outlined in the SOW. Additionally, NFQ will prepare development and user documentation for the Client related to the provided IT programs.
- 1.2. **Software Requirements.** NFQ guarantees that the software shall meet all requirements and Specifications. During the warranty period, NFQ shall rectify Critical Errors/ Defects identified in the NFQ Services at its own expense. If Critical Errors/ Defects occur through no fault of NFQ, the Client must accept NFQ Services and pay for them.
- 1.3. **Warranty Period.** The warranty period is specified in the SOW.
- 1.4. **Warranty Assessment.** When assessing fault, it must be taken into account that software cannot be created without technical errors. Product descriptions are not guaranteed unless separately agreed to in writing.
- 1.5. **On-Site and Remote.** NFQ personnel may provide NFQ Services either at the Client's premises or remotely.

2. Service Provisioning Capacities

- 2.1. **Request.** The Client may request Service Provisioning Capacities as outlined in the SOW and its Annexes, following these T&C. At minimum, the Client must specify the tasks to be completed, the required skill level, and the duration of services ordered (in days or months) via email.
- 2.2. **Team Members.** NFQ will, at its sole discretion, assign team members based on the Client's tasks and requirements, including any necessary replacement of team members.
- 2.3. **Price Changes.** NFQ has the right to change the Price List (see Part A, Section 9). For booked Service Capacities: a) Team members engaged prior to the price change notification will be charged at the original price; while b) additional team members engaged after the notification will be charged as per the updated price.

3. Working Groups

- 3.1. **Composition of Working Groups.** NFQ may establish a working group for the Project. NFQ may change the composition of its working group, notifying the Client's Point of Contact promptly. The group will work in a self-organized manner, without being bound by Client's instructions.
- 3.2. **Client's Working Group.** If necessary for Project completion, the Client will establish a working group and inform NFQ's Point of Contact about its members and any changes.
- 3.3. **Change Request.** If a Change Requests (see Part A, Section 5) requires a separate working group, a new SOW must be signed outlining the specific Project. NFQ will then form this working group within 3 (three) Business Days of signing the SOW.
- 3.4. **Working Group Meetings:** Minutes of all working group meetings shall be taken and sent to the Client's working group (if any) and each Point of Contact by email within 1 (one) Business Day.
- 3.5. **Authorized Representatives:** Members of the working groups are duly authorised representatives of the respective Parties. Each Party is responsible for proper authorizing its representatives, with no obligation for the other Party to verify authorization.

4. Acceptance of Services

- 4.1. **Acceptance.** To accept NFQ Services the Work Results must be fully tested. NFQ must notify the Client at least 14 (fourteen) days before the intended acceptance date. The functionality testing must be documented in minutes of acceptance signed by both Parties.
- 4.2. **Declaration of Acceptance.** If the functionality testing shows that the Work Results meet the agreed Specifications, the Client must declare acceptance and NFQ will release the NFQ Services without undue delay. Minor deviations do not justify refusal of acceptance; any outstanding work will be documented in the minutes and completed within a reasonable deadline.
- 4.3. **Refusal of Acceptance.** The Client may refuse acceptance only for material deficiencies. If the Client unreasonably refuses acceptance, NFQ may set a three-week deadline for the Client to declare acceptance. If the deadline passes without valid written reason for refusal, acceptance will be considered granted.

5. Procedure for Rectifying Defects

- 5.1. **Claim for Rectification.** This section covers the rectification of Critical Errors/Defects of NFQ Services identified after Client's acceptance of NFQ Services. Only Critical Errors/Defects will be rectified at NFQ's expense during the warranty period.
- 5.2. **Notification of Defects:** The Client must notify NFQ of any Critical Error/Defects within 5 (five) Business Days of initial detection. NFQ shall rectify Critical Errors/Defects within a reasonable timeframe after notification by the Client.
- 5.3. **Rectification:** If the Client demands rectification because of a Critical Error/Defect, NFQ can choose between improvement, or other rectification of NFQ Services. If NFQ fails to cure the

defect within the initial time limit and a reasonable second time limit, or if multiple attempts to remedy, replacement deliveries or rectification services are unsuccessful, the Client may, subject to the statutory prerequisites, terminate this Agreement or reduce the price, and claim damages or reimbursement. Rectifying the defect may include delivering or installing a new program release or a workaround.

- 5.4. **Client Responsibilities:** For clarity, if Critical Errors/Defects occurred through no fault of NFQ, the Client cannot refuse to accept and must pay for NFQ Services. Other non-critical defects identified during the warranty period shall be rectified by the Client through separate paid orders.

5.5. Task Resolution Services / Support Services

Part C exclusively applies to Clients who have ordered support or programming services for the effective resolution of IT issues, elimination of technical defects, or implementation of tasks, whether these services are provided at a fixed hourly rate or through a Service Plan.

1. Task Resolution Services

NFQ Services include defect resolution, task implementation, programming, training, consultancy, communication with the Client (via phone, email, or video conferencing platform), and assessing additional service requirements (“Task Resolution Service”).

2. Service Delivery

- 2.1. **Service Plan.** NFQ will provide Task Resolution Services according to the selected Service Plan in the SOW and the Client may pay according to the payment modalities and deadlines in the SOW. If NFQ Services exceed a Service Plan, extra time will be charged based on the actual hours worked by NFQ's employees, with double rates for services provided outside NFQ's regular Business Hours.

- 2.2. **Task Prioritization.** Upon registration, each task will be categorized based on its nature:
- (i) **High Priority:** Critical issue preventing the desired outcome through standard procedures, directly impacting business operations and resulting in financial damages.
 - (ii) **Regular priority:** Issue causing inconvenience but not preventing System use.
 - (iii) **Low priority:** Issue occurring in specific or rare situations, causing minimal inconvenience.

- 2.3. **Reaction times.** NFQ will respond to tasks within specified reaction times based on their priority mentioned above. Reaction times will begin at 9:00 a.m. of the Business Day following notification of the task registration if such notification occurs after Business Hours. If task was registered and received during Business Hours, reaction times will start immediately.

- 2.4. **Task Resolution Hours.** NFQ may spend up to four (4) working hours for Task Resolution Services, regardless of its priority. If more time is needed, or if the maximum hours limit is reached without completion, or if NFQ determines at the time of response to the Client's task

registration that more than four (4) hours will be needed, NFQ will promptly notify the Client and they will agree on the expected number of working hours. Time spent resolving tasks will be billed hourly at rates agreed upon in the SOW.

3. Acceptance of Services and Warranty

- 3.1. **Acceptance.** Part B, Section 4. applies accordingly.
- 3.2. **Warranty.** The warranty period is defined in the SOW.
- 3.3. **Rectification.** Part B, Section 5 applies accordingly.

C. Consulting Services and Speaking Engagements

1. Consulting Services

- 1.1. **Services.** NFQ Services may include consulting in software development and IT, offering expert guidance and support to Clients in such areas as: strategic planning, technology assessment, software architecture, project management, quality assurance, IT infrastructure optimization, and training (“**Consulting Services**”).
- 1.2. **NFQ’s Responsibilities.** NFQ provides independent, instruction-free advice and services. A concrete success is neither owed nor guaranteed. The Client shall be solely responsible for deciding on the timing, type and scope of the measures recommended by or agreed with NFQ.
- 1.3. **Warranty.** NFQ consultants decide when, where, and how to perform their assignments, without being subject to Client instructions. NFQ consultants shall not be subject to any authority from the Client to give instructions. No specific outcome or guaranteed success is promised.
- 1.4. **Client’s Responsibilities.** The Client is solely responsible for determining the timing, type, method, place of work and scope of measures recommended by NFQ or agreed upon with NFQ. This responsibility remains even if NFQ assists in implementing agreed plans or measures.
- 1.5. **Scope of Work.** The specific content and scope of NFQ's work will be outlined in the SOW. If additional or supplementary activities become necessary, NFQ will inform the Client accordingly. The SOW may be extended at the Client's request, or a new SOW may be agreed upon.
- 1.6. **Sharing Results.** Sharing or presenting NFQ’s written elaborations or results to third parties requires prior consent from NFQ. Consulting Services are conducted solely in the Client’s interest and on behalf of the Client. Third parties are not included in the scope of this Agreement between the Client and NFQ, even if the third party contributes to the payment for NFQ Services.
- 1.7. **Advances Payments.** Subject to the SOW, NFQ may invoice reasonable advance payments for Consulting Services. Consulting Services will commence upon settlement of the initial advance invoice. Time and remuneration forecasts are non-binding estimates, as the time required may depend on factors beyond NFQ’s control.

2. Speaking Engagements

- 2.1. **Services.** NFQ Services may include speaking engagements, presentations, and moderations for events, which involve communication and interaction beyond traditional consulting services.
- 2.2. **Reproduction of Presentations.** The reproduction of the presentation, including but not limited to its inclusion in conference documentation, is prohibited without prior consent from NFQ.
- 2.3. **Warranty.** Speaking Engagements are not subject to any warranty.

3. Cancellation Policy

- 3.1 **Client Cancellation.** If the Client cancels the speaking engagement up to 30 days before the event, the Client agrees to pay 50% of the agreed fee. If the cancellation occurs within 30 days of the event, the Client agrees to pay the entire agreed fee. In addition to the cancellation fee, the Client shall reimburse the Speaker for any non-refundable expenses incurred due to the cancellation, including but not limited to flight rebooking or cancellation fees.
- 3.2 **Speaker Cancellation:** If the Speaker cancels the engagement after the order confirmation, NFQ will make reasonable efforts to provide a suitable replacement speaker. While NFQ will endeavour to propose a qualified replacement, there is no guarantee of availability or acceptance by the Client. The Client retains the right to decline the proposed replacement speaker. In the event of a cancellation by the Speaker and if no suitable replacement is agreed upon, any advance payments made by the Client will be promptly refunded.
- 3.3 **Workshops and Meetings.** In the event of a cancellation by the client, the following conditions apply:
 - (i) **Workshops:** If a workshop scheduled to be held in person is cancelled with less than 72 hours' notice, NFQ reserves the right to charge the client for the estimated time consumption associated with the workshop.
 - (ii) **Meetings:** If a meeting is cancelled with less than 24 hours' notice, NFQ reserves the right to charge the client for the estimated time consumption associated with the meeting.

The estimated time consumption will be calculated based on the agreed-upon duration and scope of the workshop or meeting. The charge will reflect the hourly rate agreed upon in the contract multiplied by the estimated hours planned for the engagement, including preparation time already undertaken by NFQ.

In the event of a cancellation by the workshop facilitator the provisions outlined in Section 3.2 shall apply accordingly.
