

Usage and License Conditions for Free-of-Charge Software Licensing in Perpetuity

- 1) The contractual relationship between DR. JOHANNES HEIDENHAIN GmbH (hereafter referred to as HEIDENHAIN) and the Customer regarding the use of the "PLC Basic Programs" software (hereafter referred to as the Software) will be governed solely by the following Usage and License Conditions. Only Customers who have been trained by HEIDENHAIN may use of the Software. The Software may not be given to third parties.
- 2) The Software is made available in perpetuity to the Customer in the scope and condition current at the time it is made available for downloading. HEIDENHAIN clearly states that this Software may not be implemented without further testing by the Customer, and under certain conditions the Customer must adapt it to the requirements of the machine on which it shall be used.

It is not possible for HEIDENHAIN to test the Software on all machines that the Customer might eventually use. For this reason it is impossible for HEIDENHAIN to filter out and eliminate every single possible source of error in the Software. It is therefore possible that the use of the Software will cause the Customer's machine to function incorrectly, without this fault having previously been detected by HEIDENHAIN.

The Customer is therefore obligated to test the Software in an isolated test environment before it is put into productive use on a machine. If the Customer does not fulfill this obligation, and therefore errors or faults resulting in damage to the Customer or to third parties occur during use of the Software in production, then HEIDENHAIN shall not be held liable in any manner for these damages.

If a third party makes claims for regress from HEIDENHAIN due to any damages whatsoever resulting from the Customer not having tested the Software in advance, but rather having loaded the Software onto the machine without testing it and the machine therefore not functioning correctly, the Customer will indemnify HEIDENHAIN from these claims.

- 3) If one or more of the provisions in this agreement becomes partially or completely invalidated or impracticable, then this does not affect the validity of the remaining provisions. Place of fulfillment for all obligations arising from this contractual relationship is the head office of HEIDENHAIN. In addition, the parties agree that the sole venue for all disagreements arising from and in connection with the licensing of the Software shall be the head office of HEIDENHAIN. The law of the Federal Republic of Germany shall apply.