General Terms and Conditions of the limited-liability company Johnson Language Services UG (haftungsbeschränkt)

Place of registration: Amtsgericht Freiburg i. Br., HRB 714454 Registered Office: Karlstr. 15, D-77694 Kehl Director: David Johnson

1. General

- 1.1 These General Terms and Conditions ("Terms"), in the version applicable at the time, apply to all contracts which we shall enter into with our clients, i.e. both for language courses and for translation services. They apply to the entire duration of the business relationship and therefore also to future business.
- 1.2 These Terms shall be accepted by the client when an order is placed. A client's own terms and conditions that deviate from our own are applicable only if we have given explicit prior consent to this.
- 1.3 These Terms are available in English, German and French and can be read and printed out at any time at the following addresses:

<u>http://www.chatbella.com/wp-content/uploads/terms.pdf</u> (English version)

http://www.chatbella.com/wp-content/uploads/agb.pdf (German version)

http://www.chatbella.com/wp-content/uploads/cgv.pdf (French version)

Should any differences arise between versions, the German version shall exclusively apply.

2. Formation of a contract

2.1 Language tuition for private individuals

A private individual can book language tuition verbally, by telephone, by post, e-mail or fax. In this case a contract comes into effect if we confirm the booking in writing or once the tuition has begun.

Right to cancel:

Private individuals may cancel their contract within 14 days in writing (letter, fax, email), without needing to indicate the reasons for doing so. In order to respect the cancellation period, the cancellation has to be sent in timely fashion. The cancellation is to be sent to Johnson Language Services UG (haftungsbeschränkt), Karlstraße 15, D-77694 Kehl, Fax: +49 (0)7851 636 7598, E-mail: info@chatbella.com

Once the cancellation has been accepted, services mutually provided are to be returned. If the consumer cannot return the service provided in whole or in part, (s)he must provide indemnification. This shall apply in particular if the consumer has already received tuition.

For this reason, we reserve the right to begin language tuition only after expiration of the two-week cancellation period. If the customer wishes for the tuition to begin before, the right to cancel shall expire.

2.2 Language tuition for companies

Business clients generally book language tuition for their employees in writing. A contract comes into effect when we confirm the booking and contractual content in writing.

2.3 Translation services

When requesting an offer, the client must indicate the target language, the field of expertise, the intended purpose, special terminology requests, as well as particular wishes regarding the external appearance of the translation and the desired delivery date; the client should also attach the text to be translated.

The text supplied must be written according to the rules of modern correct spelling and punctuation and be easily comprehensible. The way to write names, addresses and similar appellations in a non-Latin language is to be included on a separate page in a Latin language.

Delays or defects resulting from unclear, incorrect or incomplete information being provided are the responsibility of the client.

After receiving a request, we provide a written offer, to which we are bound for two weeks. The contract to supply translation services comes into effect upon written acceptance of the offer by the client (by fax, e-mail or post).

3. Prices, payment terms, proprietary rights

3.1 The prices indicated are in EUROs to which the applicable rate of value added tax is added.

3.2 Language tuition

As long as not otherwise agreed, course fees for private individuals shall be paid in advance at the latest five working days before the course start date.

Course fees for company clients are due two weeks after receipt of our invoice.

3.3 Translations

The costs of a translation are based on the word count, the desired target language, the degree of difficulty of the text and the urgency of the assignment. The word count is usually calculated in the source language using the function provided for this in translation or word-processing software.

Costs for the manipulation of graphics, tables, layouts as well as changes, corrections, special requests etc. incur additional charges to be agreed with the client.

Unless different payment conditions have been agreed for certain services, full payment without deductions and discounts is due at the latest on the agreed delivery date. The company is obliged to hand over the work only once full payment has been received.

The translation that has been delivered and the copyright to it remain property of the company until complete payment of all sums due has been received.

3.4 Payment and outstanding liabilities arising from the contract are to be charged interest at five percentage points per year above the applicable base rate of the European Central Bank. In case of late payment, all outstanding liabilities become immediately due for payment. The client has no right to set off or to retain such monies, unless these are uncontested or stipulated in law.

4. Service provision / delivery date

4.1 Language tuition

One lesson lasts a minimum of 60 minutes. Tuition takes place at the times and places agreed.

Individual lessons may be postponed by the client giving us 24 hours' notice by e-mail, fax or letter. Without this, the lesson shall be charged to the client with no right to re-arrangement.

We are entitled to re-arrange lesson schedules and appointments for an important reason, such as unavailability of teaching personnel, illness and technical problems.

If a customer has paid in advance and started a language course with an agreed upon number of hours, and within a period of 6 months since the last appointment, no further tuition has taken place, we are entitled - after prior notification and notifying a deadline - to terminate the language course without notice. There shall be no right to repayment of sessions that have not yet taken place.

If a client can no longer participate in tuition, (s)he is entitled to designate a replacement who will take his/her place in the contract.

Tuition by certain named teachers/trainers shall not be assured. The designation of certain named teachers/trainers is therefore non-binding.

4.2 Translations

Translations are carried out to completeness and to the best of knowledge and belief. Technical terms are translated in generally accepted and understandable form, unless the client provides special instructions for translating technical terms.

The company may use third parties to carry out all its translation work. In such cases, we are solely liable for their careful selection. This duty is considered performed, if the third party in question is a translator, with corresponding training and experience in the language concerned.

Delivery of the translation takes place in accordance with the client's wishes by e-mail, fax or post.

As far as no expressly binding date for delivery has been agreed upon, our dates of delivery and/or deadlines shall be non-binding. The client can request us in writing, two weeks after a

non-binding date of delivery/deadline, to supply the translation within an appropriate deadline. If we let this deadline lapse without completion, the client is entitled to withdraw from the contract.

Should we not maintain an explicit delivery date/deadline due to negligence or if, for some other reason, we incur a delay, then the client must set us an appropriate period of grace to provide the service. If we let this grace period lapse without completion, the client is entitled to withdraw from the contract.

5. Claims and guarantees

- 5.1 The client is required to check the translation and notify any objections within 5 days of its reception. If no claims are made during this period, the translation is to be considered faultless.
 - Should, within the five-day deadline, the client identify an objective and significant defect, this must be described as concretely as possible. We are entitled and obligated to eliminate duly indicated defects in the translation. All further claims are excluded, insofar as we are not granted a possibility to correct the text.
- 5.2 We shall accept no liability for translation errors caused by incorrect or incomplete information/documents or failure to make these available at the correct time or by (partly or entirely) illegible source texts or texts containing errors.
- 5.3 We shall not be liable if the text is shown to be unsuitable for a specific purpose determined by the client or if, as a result of incorrectly adapting the text, the publication or advertisement has to be repeated or if this causes damage to the client's reputation or image. The client is required to notify the company in advance of the purpose of the translation If the translation is to be printed, the client must supply us with the proof copy before going to print.
- 5.4 We shall only be liable for gross negligence and deliberate intent.
- 5.5 We shall be liable for defects caused by simple negligence, insofar as such negligence concerns breaches of contractual obligations, whose observance is of particular importance for fulfilling the purpose of the contract (cardinal obligations). We are, however, only liable, insofar as the defects are typically connected with the contract and are foreseeable. We shall not be liable for simple negligent breaches of non-significant obligations in the contract. The limitations to liability in 5.1-5.3 above also apply, insofar as liability for legal representatives, management employees and other company servants is concerned.
- 5.6 Further liability shall be excluded, regardless of the legal nature of the claim being validly made. Insofar as our liability is excluded or limited, this applies also to the personal liability of our employees, representatives and company servants.
- 5.7 We shall not be liable for damages resulting from force majeure and from other unforeseeable events which make delivery substantially more difficult or impossible and which are not our responsibility (war, warlike events, official orders, limitation of trade, strike, lock-out and other operational disturbances of any kind, traffic disturbances, natural events), whether these

events have occurred with us or with third parties/cooperation partners. Expressly agreed dates of delivery are extended in cases of force majeure by the duration of the hindrance.

6. Data protection

We shall treat all texts and information confidentially. We commit ourselves to maintaining secrecy regarding all facts which become known to us in connection with our activity for the client.

7. Miscellaneous

- 7.1 The sole place of execution and place of jurisdiction is as far as permitted Kehl am Rhein, Germany.
- 7.2 German law applies, excluding the UN Law on Purchases.
- 7.3 If any provision of these terms is held by any court or other competent authority to be invalid or unenforceable in whole or in part, the validity of the other provisions of these terms and the remainder of the provision in question shall not be affected. In such circumstances, the parties to the contract will find the closest possible, legally acceptable substitute to replace the invalid clause and achieve the relevant commercial objective. The same shall apply if a loophole is discovered in the contract.