

Consteel license and membership agreement

This agreement is made by and between

any individual or business entity, or organization defined in the Sales Order Agreement

– hereinafter referred to as **Licensee**

and

ConSteel Solutions Kft., the developer and copyright owner of the software

Registered office: H-6000 Kecskemét, Izsáki u. 8 B., Hungary

Office/address: H-1095 Budapest, Mester u. 87., Hungary

Company registration number: Cg. 03-09-120681

EU VAT: HU22790132

Bank account number: 12076903-01231937-00200000

IBAN: HU31120769030123193700200000

SWIFT: UBRTHUHB

– hereinafter referred to as **Licensor**.

1. DEFINITIONS

The following terms shall have the following meaning under this Agreement:

Hungarian Civil Code: Act V of 2013 on the Civil Code;

Hungarian Act on Copyright: Act LXXVI of 1999 on copyright

License Administrator: such individual representing the Licensee who shall be responsible for allocating the Software accesses and membership levels to End-users

Software seat: defines the number of independent accesses to the Software license (as defined below) simultaneously;

Software access: grants the End-user (as defined below) the right to access available Software seat and use the Software (as defined below).

Software license: grants the License Administrator the right to assign and control the access of End-users to the seats of the license permitting the use of the Software

Intellectual Property: any trademarks, patents, copyright, designs, know-how or other registered or non-registered intellectual property rights relating to the Software;

Software: the ConSteel software with the relevant access type and any related software modules (e.g.: ConSteel Joint software) current at the date when an actual licensing agreement is concluded and its upgrades;

Consteel Community Membership system: an organized community of the Software End-users providing them several types of supplementary services (direct support, access to online contents, training, creative services etc.)

End-user: the beneficiary of the Software / membership access, so the actual user of the Software / actual member of the membership through Software/membership access rights represented by an End-user account

End-user Software Access Agreement: an agreement concluded between the Licensor and any End-user defining the general conditions of access and use of the Software

Distributor: An authorized reseller of the Licensor in a given territory. The current partners, their contact information and territory can be found on Licensor's website

USB dongle protection: the protection of the legal Software access and use is provided by a USB dongle which should be plugged into the computer

Online protection: the protection of the legal Software access and use is provided by an online service connected to the authorized account of the End-user. In this protection type a continuous internet access is required for the Software use.

Steelspace: is a cloud-based storing, sharing and service providing open platform for structural models and their analysis or design results

Subscription plan: defines the protection type, number of Software seats and Software accesses of the Software license

End-user management tool: in the Team plans this tool is available in the account of the License Administrator for assigning End-users to the Software seats, Software accesses and membership accesses

License fee: an annual or monthly fee payable on the basis of the chosen protection mode, number and type of Software seats and Software accesses defined on the Sales Order Agreement, which in all cases includes the access to bug fixes and software upgrades

Membership fee: an annual or monthly payable fee for the number and type of ConSteel community membership levels specified in the Sales Order Agreement

Subscription fee: the amount of the License fee and Membership fee payable annually or monthly

Sales Order Agreement: the agreement concluded between the Licensee and the Licensor or the Distributor which creates valid and effective legal relationship between them regarding the use of the Software under the terms and conditions thereof and of this agreement

Party: the Licensor or the Licensee between whom this agreement has been entered into

Parties: the Licensor and the Licensee together

2. PREAMBLE

The **Licensor** is the sole and exclusive author of the Software therefore it shall have all the exclusive rights and those provided in and granted to the developer under the Hungarian Act on Copyright with regard to the Software as an intellectual property.

The **Licensor** is entitled to grant a Software license to use the Software and to transfer the user rights.

This agreement shall be made effective and enter into force upon the Sales Order Agreement having been jointly and duly signed by the **Licensor** or its **Distributor** and the **Licensee**.

By signing the **Sales Order Agreement** the **Licensee** accepts the terms of this agreement.

The Sales Order Agreement sets out the chosen subscription plan and Software access type, the number of Software seats and Software accesses, the pricing model, the membership levels, the protection type, the territory of use, the current payable fees and the terms of payment.

The **Licensee** must provide on the Sales Order Agreement the name of the **License Administrator** and the email address of the registration made on the **Licensor's** website. The **License Administrator** will be responsible for allocating Software accesses and membership levels to **End-users**.

The **Licensor** reserves the right to change the conditions and the payable fees of this agreement, which is notified to the **Licensee** in writing at least 30 days before such change(s) takes effect.

If the **Licensee** indicates to the **Licensor** in writing within 30 days of publication that he does not agree with the modifications, this agreement shall cease to exist.

In the absence of such feedback, the modifications shall be deemed to have been accepted automatically.

Termination of the agreement does not release the **Licensee** from its remaining payment liabilities.

3. BASIC SOFTWARE LICENSE TERMS

An active subscription status is required to use the Software based on the offered Subscription plans.

Different Subscription plans shall define the protection type, number of Software seats and Software accesses, the available Software access type and the membership levels.

The contents of the various Subscription plans and Software accesses are set out in **Annex 1**.

The **Licensor** offers a wide range of additional services within the multi-level Consteel Community Membership system, which is linked to all **End-user** Software access to help users to work with the Software more efficiently

The **Licensor** provide 3 different membership levels for a separate yearly payable fee.

The contents and actual price of the membership levels are set out in **Annex 2 and Annex 3**.

The chosen membership levels and the current payable fees are specified in the Sales Order Agreement. By entering into this agreement the **Licensor** shall grant the **Licensee** the amount of Software seats and Software accesses specified in the Sales Order Agreement to use the Software.

The **License Administrator** must have an account on the **Licensor's** website for which it gets administration rights and access to the End-user management tool. By logging in to this account, the **License Administrator** may distribute the number of Software accesses specified in the Sales Order Agreement to **End-users** in the End-user management tool.

The **End-user** must have an account on the **Licensor's** website in order to use the online services even in the case of USB dongle or USB NET dongle protection.

End-user can be anyone within the territory of use defined in the Sales Order Agreement, who has an account on the **Licensor's** website. The **Licensee** is responsible for the **End-users**.

The **Licensee** shall not obtain exclusive rights to the use of the Software.

The **Licensee** acknowledges that the **Licensor** owns all personal and proprietary rights to the Intellectual Property, including copyrights, patents, trademarks, and trade secrets, in and to the Software and that none of these rights are transferred to the **Licensee** herein.

4. PRICING MODELS

Subscription without entry fee

The **Licensee** pays subscription fee only and is exempt from payment of the entry fee.

The annual or monthly subscription fee valid at the time of concluding the agreement is determined in the Sales Order Agreement.

The subscription fee includes the access to bug fixes and software upgrades and is payable in advance at the beginning of the subscription period.

The subscription period is continuously renewed if the **Licensee** does not terminate the agreement at the latest until the last day of the current subscription period

Software license suspension cannot be requested for this model.

Subscription with entry fee

The **Licensee** pays a separate entry fee when signing the Sales Order Agreement, so the annual subscription fee is lower than the other model.

The entry fee and the annual subscription fee valid at the time of concluding the agreement are determined in the Sales Order Agreement.

The subscription fee includes the access to bug fixes and software upgrades and is payable in advance at the beginning of the subscription period.

The subscription period is continuously renewed if the **Licensee** does not terminate the agreement at the latest until the last day of the current subscription period

The **Licensee** can decide to suspend the payment of the subscription for a maximum of 3 years. In such a case the **Licensee** must notify the **Licensor** in writing at the latest until the last day of the current subscription period and it will not be able to use the Software license during the period of suspension. If the **Licensee** indicates in writing within 3 years that he wishes to continue using the Software license, the **Licensor** will reinstate the suspended Software license at no additional charge. The **Licensee** may continue to use the Software license by paying the subscription fee.

It is possible to cancel the subscription keeping the ability to use the Software version – with a permanent license access - that was last paid for if at least 3 years have passed since the conclusion of the agreement and during this time the **Licensee** has paid the subscription fee. Cancellation can be indicated in writing by the **Licensee** and requested from the end of the current subscription period.

If the **Licensee** has previously used the Software with online protection, the **Licensor** activates the version of software currently available at the end of the given subscription period for a USB dongle that can be used by the **Licensee** for an indefinite period of time. In such a case, the **Licensor** is entitled to invoice for the **Licensee** the current list price of the required dongle. The **Licensor** delivers the USB dongle to the **Licensee** by courier service. The ownership of the USB dongle shall be transferred to the **Licensee** after the price has been paid in full.

5. PAYMENT TERMS

The exact payment terms are defined in the Sales Order Agreement.

The payable fees shall be transferred by the **Licensee** to the **Licensor** or the **Distributor** by the payment deadline indicated on the invoice.

In the event of any default on payment, the **Licensee** shall pay an annual penalty interest of 20% and the lump sum for work-out and enforcement as defined in Act IX of 2016. In addition, in such a case, the **Licensor** may suspend the Software license and reject the extension of the right to use the Software or make it conditional upon the provision of adequate payment guarantees or the acceptance of payment terms other than the ones specified in the invoice by the **Licensor**. In such a case, the **Licensee** shall temporarily lose its right to use the Software until it has settled the debts plus interests in full.

The Software license or USB dongle activated upon entering into this agreement shall become suspended on the 5th day following the deadline for payment but shall be restored once the debt has been settled in full.

The current Software license and membership fees are included in **Annex 3**, which the **Licensee** or the **License Administrator** can always find out in his account.

The **Licensor** or the **Distributor** is entitled to invoice the Subscription fee after the start of the new subscription period with the payment deadline specified in the Sales Order Agreement.

If the **Licensee** wishes to change the membership level it can notify the **Licensor** or the **Distributor** in writing.

If the **Licensee** requests the change to a smaller level during a given subscription period, the **Licensor** will not refund the difference, but will set the chosen membership level after the expiration of the prepaid subscription period.

If the **Licensee** requests the change to a higher level during a given subscription period, he must pay the difference between the 2 level's subscription fee from the date of the switch until the end of the given subscription period.

If the **Licensee** defaults on its payment liabilities under this agreement and fails to remedy this breach in 3 working days from receiving a respective notice from the **Licensor** or the **Distributor**, the **Licensor** shall have the right to terminate this agreement with immediate effect.

6. SPECIAL CONDITIONS WHEN USING A USB DONGLE

The **Licensee** may choose to use the Software license with USB dongle or USB NET Dongle protection instead of an online protection.

The **End-users** accessing the Software by USB dongle or USB NET Dongle should have an account on the **Licensor's** website to reach the online services (knowledge base, script library, cloud save, install packages).

The **Licensor** delivers the required USB dongle or USB NET Dongle to the **Licensee** by courier service.

By signing the „Acknowledgement of Receipt” the **Licensee** acknowledges the integrity and receipt of the USB dongle or USB NET Dongle described in the Sales Order Agreement.

The ownership of the USB dongle or USB NET Dongle shall be transferred to the **Licensee** after the fees for the first subscription period specified in the Sales Order Agreement have been paid in full.

If the USB dongle or USB NET Dongle is defective, the **Licensor** shall only be required to replace the defective product if the **Licensee** returns it and pays the **Licensor** the cost of manufacturing a new one.

If the USB dongle or USB NET Dongle fails without external effect, the **Licensor** shall provide the **Licensee** with a new dongle free of charge on the condition that the **Licensee** returns the defective product to the **Licensor**.

7. OBLIGATIONS AND RESPONSIBILITIES OF THE LICENSEE

The **Licensee** agrees not to disclose any access information related to its subscription (user name and password of the user account) to any third party. The **Licensee** must notify the **Licensor** immediately upon becoming aware of any breach of security or unauthorized use of its account or any alteration or interference with the Software.

The **Licensee** may not and shall procure that the End-users under the Sales Order Agreement shall not use as a username the name of another person or entity or that is not lawfully available for use by him, or a name or trademark that is subject to any rights of another person or entity other than the **Licensee** without appropriate authorization, or a name that is otherwise offensive, vulgar or obscene.

The **Licensee** understands and agrees that he is solely responsible for all activity or omission that occurs under any accounts of its subscription, whether done so by the **Licensee** or any third person using the account.

The **Licensee** understands that the Software requires the particular operating systems, hardware and the necessary software environment described in the software documentations to run. The documentation can be found on the **Licensor's** website at the Service Center / Online Manual page. The **Licensee** shall ensure and arrange for the hardware and software infrastructure required for the installation and operation of the Software as specified above.

The **End-user** by downloading and installing the Software shall accept the terms of End-user Software Access Agreement which can be found on the **Licensor's** website.

It is the **Licensee's** responsibility to inform the **End-user** about the terms of the End-user Software Access Agreement and to ensure that the **End-user** does not violate the rules of use.

The **Licensee** shall check and be liable for that the **End-user** has the operating system and software environment required for use before setting the Software access.

The **Licensee** shall notify the **Licensor** within 7 days of any change in its particulars. The **Licensee** shall also inform the **Licensor** if a bankruptcy or winding-up petition has been applied against the **Licensee**. In such cases, the **Licensor** may terminate this agreement without notice.

The **Licensee** shall be liable for any damages, losses and costs incurred by the **Licensor** as a result of or in connection with any breach of his obligations hereunder or the unauthorized use of the Software.

8. RESTRICTIONS

The Software is protected by copyright law and international treaty provisions. Unauthorized copying of the Software is expressly forbidden. The **Licensee** may not modify, adapt, translate, reverse engineer, decompile, disassemble, or create derivative works based on the Software. The **Licensee** may use the third party components only in connection with the Software.

The **Licensee** is not allowed to remove any markings or notices of propriety rights.

The **Licensee** is not allowed to make the Software available for use in a third party's business operation.

The Licensee may be held legally liable for any copyright infringement caused by your failure to abide by the terms of this agreement.

9. OBLIGATIONS AND RESPONSIBILITIES OF THE LICENSOR

The **Licensor** may refuse to ensure the access and use if any **End-user** violates the provisions of the End-user Software Access Agreement or the **Licensee** fails to meet its payment liabilities.

The **Licensor** shall have the right to terminate this agreement with immediate effect if the **End-user** is in breach of its obligations under the End-user Software Access Agreement or takes any action which constitutes an infringement of the copyrights or interests of the **Licensor**. Such conduct is typically when the **End-user** uses the acquired rights obviously in a way that is unsuitable for the purpose of the End-user Software Access Agreement or in a manner other than consistent with the intended purpose use.

If the **Licensor** abandons the development of the Software, the **Licensor** shall inform the **Licensee** in writing about the expiration date of the online Software license. If the **Licensee** wishes to continue the use of the last available version, he has the option to purchase an USB dongle on which the **Licensor** shall ensure the functionality of the software without any additional time constraint.

10. WARRANTY DISCLAIMER

To the extent permitted by applicable law, the Software is delivered "AS IS" and without express or implied warranty of any kind by either therefore corporation or anyone else who has been involved in the creation, production or delivery of the Software, including but not limited to any implied warranty of merchantability, non-infringement or fitness for a particular purpose.

11. LIMITATIONS OF LIABILITY

The **Licensor** draws the **Licensee's** attention to the fact that it shall under no circumstances have any and hereby excludes its liability in advance for keeping the **Licensee** free and harmless against, or for the obligation to compensate the **Licensee** for any damage, claim (whether based upon principles of contract, warranty, negligence or other tort, breach of any statutory duty, principles of indemnity, the failure of any limited remedy to achieve its essential purpose, or otherwise) loss of profits, data, data use or for any direct, indirect, punitive, special, consequential, incidental, or exemplary damages (including but not limited to lost profits, or for any damages or sums paid by the Licensee to third parties) resulting from the use or malfunction of the Software. The warranty undertaken shall only and exclusively cover the software functionality as stated in the documentation and the elimination of any software glitches within a reasonable time. The **End-user** shall use the Software on its own responsibility and any liability for the technical solutions, quantitative and technical accuracy and contents of documents prepared with the Software shall lie exclusively with the **End-user**. The use of the Software shall not replace tests and inspections performed to technical standards and practices as well as the engineering/technical skills generally expected during design.

It is the **Licensee's** responsibility to provide the Software access to **End-users** who have the necessary knowledge to use it.

Parties shall not be liable for any delay, non-performance or non-compliance or any other breach of the agreement, which is the result of any unforeseeable events due to external cause beyond the control of the Parties. Including but not limited to, the following events shall be considered as force majeure events: natural disasters (floods, earthquakes and other kind of natural disasters), fires, wars, civil wars, riots, violent- and terrorist acts, strikes, nuclear disasters, blockades, barricades, epidemics, quarantines, embargo, export- and/or import restrictions, regulatory actions, roadblocks, traffic restrictions, failure or malfunction of energy supply, public utility, IT, communication system, (hacker, virus or other) attacks affecting IT systems and networks, significant restriction or unavailability of raw materials, components or products.

The Party, whose performance is hindered by force majeure shall notify the other Party without any delay of the nature and expected duration of the force majeure. If the duration of the force majeure event exceeds 90 (ninety) days, then any of the Parties shall have the right to terminate the agreement, after which Parties shall settle their accounts without any delay.

12. CONFIDENTIALITY

Each **Party** shall treat any information received or obtained from the other **Party** under the present agreement confidentially and in compliance with the regulations related to the protection of trade secret, personal data and other information as well as the protection of intellectual property, provided that it is

confidential or recognizably confidential. Confidential information, documents can be used and retained by the **Parties** only in the manner, for the time and to the extent required for the performance of the agreement; it cannot be published, disclosed to a third party without the consent of the other **Party** unless this agreement provides otherwise. Subcontractor or any other contributor involved in the performance by the **Licensor** shall not considered to be a third party.

The confidentiality obligation of the **Parties** shall remain in force for 10 (ten) years from the date of transmission or receipt of the confidential information, unless the law stipulates a longer or unlimited period of time. With respect to intellectual property and proprietary knowledge, confidentiality shall be required for at least the statutory term of protection if it exceeds the end of the above specified 10 (ten) years period.

The restriction as provided in the preceding Article above does not apply to information which:

- (a) at the time of disclosure is in the public domain as evidenced by publication or otherwise;
- (b) after disclosure becomes part of the public domain by publication or otherwise through no violation of this agreement;
- (c) was already in possession of the **Party** receiving this information at the time of disclosure without restriction on disclosure and was not acquired, directly or indirectly from prohibited disclosure hereunder;
- (d) is independently developed by one **Party** without the utilization of such confidential information of the other **Party**;
- (e) was received from an independent third party entitled to disclose it and not being obliged to keep such information and data secret and confidential against one of the **Parties**;
- (f) is required to be disclosed in order to comply with the requirements of any law, rule or regulation of any governmental or regulatory body having jurisdiction over agreement.

13. DATA PROTECTION AND PRIVACY

It is the responsibility of the **Licensee** to prevent loss of data held by the **Licensee**, perform backups, prevent unauthorized access and intrusions, use appropriate firewalls, anti-virus procedures and tools as well as to ensure compliance with the requirements and to take the required data protection and security measures that comply with the mandatory regulations such as Regulation (EU) 2016/679 of the European Parliament and of the Council ("GDPR ") and the Hungarian Act CXII of 2011 ("Information Act") (if applicable) and to take data protection and security measures. With respect to the **Licensee's** systems and data, **Licensor** shall have no such obligation or liability.

The **Licensor** shall not be liable for the **Licensee's** operations related to personal data.

The **Licensee** shall ensure, that the **Licensor** does not have access to or take possession of or be able to get aware of personal data managed or processed by him unless and to the extent agreed and approved otherwise. The **Licensee** shall erase all personal data from the devices, which may have been made available, handed over to the **Licensor** or returned by him during the performance of the services. If it is not possible, the **Licensor** shall be notified of this fact in writing.

In the event that the fulfilment of the **Licensor's** obligations necessarily entails the processing by the **Licensor** of personal data managed or processed by the **Licensee** or for any other reason processing the data received from the **Licensee**, the **Licensee** shall provide the prerequisites required for the compliance with the GDPR and Information Act and Parties shall act in accordance with its provisions and with this agreement.

Any other terms and conditions of data management, processing, and privacy under this agreement shall be governed by the Privacy Policy of the **Licensor** effective from time to time. The Privacy Policy is available at <https://consteelsoftware.com/privacy-policy> and shall be deemed an integral part of this agreement by reference.

14. TERMINATION OF THE AGREEMENT

The **Licensor** does not grant a perpetual Software license, the **Licensee** receives the right of use from the signing of the Sales Order Agreement until the termination of this agreement.

The agreement may be terminated for the following reason:

- the **Licensee** cancels the subscription for any reason
- the **Licensee** defaults on its due payment liabilities
- any **End-user** violates the terms of the End-user Software Access Agreement
- the **Licensee** violates the terms of this agreement

Given that the Subscription fee is paid in advance by the **Licensee**, the subscription can only be terminated before the end of a given subscription period. If another subscription period has started and the **Licensee** only terminates the agreement after that, the termination is only possible at the end of the given period.

Upon this agreement becoming null and void the Software license granted to use the Software shall be withdrawn and the **End-user** shall be deprived of its permission for any further use of the Software.

In the event of termination of the agreement for any reason, the **Parties** shall settle their accounts without delay.

Termination of this agreement shall not affect any stipulations of the present agreement that otherwise explicit provisions or considering their legal nature shall remain in force after the termination of the present agreement (such as confidentiality, data protection, governing law and jurisdiction).

15. MISCELLANEOUS

The agreement and the Sales Order Agreement comprise the entire agreement between the **Parties** regarding the subject matter of the agreement and supersedes all legal statements and agreements concerning the subject matter of the agreement prior to the present agreement.

Parties exclude the application of the provision stipulated in paragraph (5) of Section 6:63. § of the Hungarian Civil Code. Accordingly, the customary practices of the **Parties** agreed on in their previous business relations and any practices developed between them, as well as any practices commonly known and regularly used by the subjects of a similar contracts in the **Licensor**'s business, shall not be subject to this agreement.

The **Licensee** shall not have a right to set off any of its debts to the **Licensor**, assign its claim, or assign the agreement or any right deriving therefrom without the prior written consent of the **Licensor**. Transactions concluded by the violation of this provision shall be deemed as null and void with respect to the **Licensor**.

In the event that any provision contained in this agreement is found to be invalid, it shall not result in the invalidity of the agreement as a whole or of any other provision thereof. In such a case, the **Parties** shall commence negotiations in good faith and without any delay to agree on a valid term, which is appropriate and in line with their intention at the time of the conclusion of the agreement and the provision in question as well as agree on the amendment of the agreement accordingly.

Any matters and issues not regulated here in shall be governed by and this agreement shall be interpreted in accordance with the laws of Hungary in force from time to time - with special regard to the Civil Code and the provisions of Hungarian Act on Copyright.

The **Parties** agree that any legal disputes arising in connection with the present agreement which cannot be settled amicably shall be submitted to the exclusive jurisdiction of the Local Court of Székesfehérvár or the Regional Court of Székesfehérvár, subject to scope of competence.

ANNEXES

Annex 1 – Subscription plans and software access types

Annex 2 – Consteel Community Membership levels

Annex 3 – Pricelist

The Annexes form an integral part of this agreement.