

# **General Purchasing Conditions (GPC)**

of Wagner Solar GmbH Germany

# Dated: January 2015

#### 1. Scope

1.1 These general purchase conditions apply towards corporations, corporate bodies under public law and special public assets.

1.2 All your deliveries and services are exclusively governed by these purchase conditions. They will also apply to all future business relations with you, provided those are legal transactions of an identical or similar nature.

1.3 We expressly object to your terms of sale. This also applies if your terms of sale contain regulations regarding areas not covered by our purchase conditions. In this case the legal conditions as defined by law shall apply. Our purchase conditions also apply if we are aware of a suppliers terms of sales and accept a suppliers delivery without reservations.

#### 2. Orders

2.1 Our orders and modifications and amendments of orders must be made in writing or in text.

2.2 We shall be entitled to revoke our order at no cost if the same has not been confirmed without modification by you within two workdays upon receipt.

#### 3. Time Limits and Consequences of Exceeding the Time Limits

3.1 Agreed time limits for the deliveries and performances are binding. With delays to be expected or having occurred, you shall have to inform us in writing immediately.

3.2 If you fail to deliver or perform also within the extension granted by us, we shall be entitled, even without warning, to refuse to take delivery, to withdraw from the contract, or to claim damages for nonperformance. We shall also be entitled to such withdrawal if the delay is not your fault. The additional costs incurred by us by your delay, especially by a therefore required otherwise covering of our requirements, shall be borne by you.

3.3 Until final payment we will reserve the right to claim an agreed penalty for failure to perform according to the terms of the contract (§ 341 BGB / German Civil Code).

#### 4. Prices

The prices are fixed prices. They comprise all expenses connected with the deliveries and performances to be effected by you.

#### 5. Handling and Delivery

5.1 Subcontracts may not be allocated but with our consent, as far as not just the delivery of ordinary marketable parts is concerned. Deliveries on call shall be binding as to the kind and quantity of the goods called for as well as to their delivery time. Partial deliveries are subject to our consent.

5.2 Each delivery shall be accompanied by a delivery note that indicates our order number as well as the designation of the contents as to its kind and quantity.

5.3 With reusable packaging being used, you shall have to place the packaging at our disposal on loan. The return is at your costs and your risk. Should we exceptionally agree to assume the packaging costs, the same shall be calculated at provable cost.

5.4 Devices shall be accompanied by a technical description and operating instructions at no cost. With software products, the obligation to deliver shall not be fulfilled but with also the complete (systemoriented and user-) documentation having been handed out. For programs custom-made especially for us, the source format shall also be delivered.

5.5 With deliveries or performances executed on our premises, you are obliged to comply with our safety, environmental and fire protection instructions for non-employees, as amended.

#### 6. Invoices, Payments

6.1 Invoices shall be sent to us by separate mail; or to an e-mail address given by us. You have to indicate our order number.

6.2 As far as not agreed otherwise, your right to remuneration shall become due for payment 90 days upon the income of goods and the receipt of your invoice, or at our choice upon 30 days less 3% discount. As date of payment shall be regarded the day our bank has received the remittance order.

6.3 Payments shall not signify any acknowledgment of deliveries or performances to be in conformity with the contract. At defective or incomplete delivery or performance we shall be entitled without prejudice to our other rights to hold back to a reasonable amount payments on receivables under the business until proper performance.

6.4 The assignment of your claims against us to third parties is excluded.

#### 7. Safety, Environmental Protection

7.1 Your deliveries and performances must meet the valid statutory provisions, especially the safety and environmental protection provisions including the dangerous substances regulation and the ElektroG / German Electrics and Electronics Act. Additionally, your deliveries and performances must comply with the safety recommendations of the responsible German technical bodies or professional associations, such as VDE, VDI, DIN. Pertinent attestations, test certificates, supporting papers, and instructions shall be added costfree to the deliveries.

7.2 You are obliged to see to, and comply with the up-to-date versions of the respective guidelines, standards, and laws pertaining to substance restrictions under which your components fall. You are obliged not to use prohibited substances. Substances to be avoided and hazardous substances under the laws and guidelines in force shall be indicated by you on the specifications. If applicable, the safety data sheets shall be handed over already with your offers and at the respective first delivery with the delivery note (at least in German and English). Information of substances shall be communicated to us without delay.

7.3 With deliveries and the effecting performances you shall be solely responsible for the compliance with the prescriptions of the employers' liability insurance association.

#### 8. Import and Export Regulations, Customs

8.1 With deliveries and performances coming from an EU-country outside Germany you must indicate your EU-turnover tax identification number.

8.2 Imported goods shall be delivered duty paid. You are obliged within the scope of Directive (EC) No. 1207 / 2001 to make requested declarations and give information, to allow controls by customs authorities, and to furnish any required official certifications.

8.3 You are obliged to instruct us in full and in writing of possible duties to obtain permission at (re) exportation as provided for by German, European, and US-American export and customs regulations, as well as by export and customs regulations of the country of origin of the goods and services.

# 9. Passing of Risk, Acceptance, Property Rights

9.1 Regardless of the agreed pricing, the risk shall pass to us at delivery without installation or mounting with receipt of the delivery at the address given by us, and at delivery with installation or mounting upon successful completion of our acceptance. Putting into operation or use do not replace our declaration of acceptance.

9.2 The title to the delivered goods shall pass to us upon payment. Each prolonged or extended reservation of title shall be excluded.

# 10. Requirement of Inspection and to make Complaint, Inspection Expenses

10.1 An incoming goods inspection takes place regarding obvious defects. Complaints in respect of hidden defects shall be made by us as soon as they are discovered by us under the conditions of our due course of business. You shall waive the defense of delayed complaint in respect of a defect for all defects complained of within two weeks upon discovery.

10.2 With defective goods being returned to you by us, we shall be entitled to recharge you the invoiced amount plus a lump sum expenditure at 5% of the price of the defective good. We reserve ourselves the proof of higher expenditure. The proof of lower or no expenditure shall remain with you.

# 11. Warranty for Material Defects and Defects of Title

11.1 Defective deliveries shall without delay be replaced by faultless deliveries and defective performances shall faultlessly be repeated. In case of developmental or constructional defects we shall be entitled to immediately assert the rights provided for in item 11.3.

11.2 A rectification of defective deliveries or performances shall require our consent. For the period of time during which the object of the delivery or of the performance is not in our custody the risk lies with you.

11.3 If you do also not remedy the defect within a reasonable extension granted to you, we may at our choice withdraw from the contract or reduce the remuneration and in each case additionally claim damages.

11.4 In urgent cases (especially when industrial safety is involved, or to ward off extraordinarily high damages), to remove slight damages, as well as in case of your default in removing a defect, we shall be entitled upon prior information to you and upon the expiration of a short extension as reasonable regarding the situation, to remove ourselves at your cost the defect and the damages possibly caused in doing so, or to have them remedied by a third party at your cost. This shall also apply to delayed delivery or performance, and if we have to remove defects immediately to avoid a delayed delivery on our side.

11.5 The prescription period for our material defect claims is 36 month from the passing of risk as under 9.1 et seq.; the prescription period for our claims for defects in title is 25 years from the passing of risk as under 9.1 et seq. The running of the prescription period is suspended for the period of time beginning with the sending of our notice of defect and ending with the fulfillment of our claim based on defect.

11.6 Having to deliver or perform according to our plans, drawings, or other special requirements, the conformity of the delivery or performance with the requirements shall expressly be considered as guaranteed. Should the delivery or performance differ from the requirements, we shall immediately be entitled to the rights set forth in 11.3.

11.7 Our statutory rights shall in other respects remain unaffected.

# 12. Repeated Impairment of the Performance of an Obligation

If after an admonition in writing you render substantially identical or similar deliveries or performances again defective or delayed, we shall be entitled to immediate withdrawal. Our right to withdrawal from the contract shall in such a case include also such future deliveries and performances that you are obliged to render to us under this or another contractual relationship.

# 13. Indemnification from Material Defects and Defects of Title

You shall indemnify us from any claims made against us by third parties - for whatever cause in law - for a material defect or a defect in title or any other defect of a product delivered by you, and repay us the necessary costs of our bringing an action in such matter.

#### 14. Technical Documents, Tools, Production Means

14.1 All technical documents, tools, inhouse standard sheets, production means, etc. that were provided by us shall remain our property; all trade mark rights, copyrights, and other protection rights shall remain with us. They have to be returned to us unsolicited together with all made duplicates immediately after execution of the order; insofar you shall not be entitled to assert a right of retention. You shall not use the specified objects but for the execution of the order and not leave them or make them otherwise available to unauthorized third parties. Any duplicating of the specified objects shall only be admissible to such extend as this is required for the execution of the order.

14.2 If you produce for us the objects given in item 14.1 phrase 1 in part or in whole at our costs, item 14.1 shall apply accordingly with us becoming (co-)owners at the production according to our proportion in the production costs. You shall preserve these objects for us at no cost; we may at any time acquire your rights in the object by reimbursement of not yet amortized expenses and reclaim the object to be handed over.

14.3 You shall be obliged to at no cost keep in good condition and maintain the objects named above, and to remove normal wear and tear. If you order a subcontractor to produce tools and samples to carry out our order, you shall assign to us your claims to the transfer of ownership against the subcontractor.

# 15. Allocation of Material

15.1 Material allocated by us shall remain our property and shall be preserved by you with the diligence of a prudent businessman, separate from your items and labeled as our property. It may not be used but for the carrying out of our order. Damages of the allocated material shall be indemnified by you.

15.2 If you incorporate or transform the material allocated by us, such activity shall be done for us. We shall directly become owners of the new objects so created. With the allocated material being only a part in the new objects, we shall be entitled to co-ownership in the new objects to the proportion corresponding to the value of the allocated material contained therein.

#### 16. Confidentiality

16.1 You shall be obliged to treat confidentially and not to disclose to any third party any commercial and technical details not being common knowledge that have become known to you under the business relation.

16.2 Any production for third parties, the presentation of products custom-made for us, especially according to our plans, drawings, or other special specifications, and any publication concerning the orders and performances, as well as the reference to such orders towards third parties shall require our prior written consent.

16.3 We draw your attention to the fact that we store the personal data that are connected with our business relation with you, and that we communicate such data also to Wagner Solar GmbH companies related to us.

# 17. Other

17.1 Place of performance shall be the respective indicated delivery address.

17.2 If you are a businessman, a legal person under public law, or a special fund under public law, place of venue shall be the corporate seat of such company of the Wagner Solar-Group that uses these Terms and Conditions. We shall yet be entitled to assert a claim against you at your corporate seat.

17.3 The German Law shall be applicable under exclusion of the UN-Convention on Contracts for the International sale of Goods and of the provisions concerning the determination of the municipal system of law of the German Private International Law.

17.4 The invalidity in whole or in part of any provision of these General Purchasing Conditions shall not affect any part of the remaining provisions or the remaining part of such provisions.