

General Terms and Conditions of Purchase of CENTROSOLAR AG

August 2011

I. General, scope

1. Our General Terms and Conditions of Purchasing shall apply exclusively; where the terms and conditions of the supplier conflict with or differ from ours, we shall not recognise the latter unless we have expressly agreed to them in writing. Our General Terms and Conditions of Purchase shall apply even if we accept the supplier's delivery in the knowledge that its general terms and conditions of purchasing conflict with or differ from our own.
2. All agreements that are reached between us and the supplier for the purpose of executing this contract shall be set forth in writing in this contract.
3. Our General Terms and Conditions of Purchase shall only be valid for an entrepreneur, a legal entity under public law or special assets under public law as defined in Section 310 (1) of German Civil Code.
4. Amendments or additions to the order shall only be effective if confirmed by us in writing.

II. Quotation and bidding documents

1. We shall be bound by our quotation for 14 days from the date of sending out our order.
2. The supplier shall be obliged to indicate acceptance of our order within a period of one week and send us a written order confirmation to that effect, quoting the order number and a binding delivery date.
3. We may withdraw our order without incurring billable costs if the supplier has not confirmed the order in writing within that period (order confirmation), unless the goods or service have already been provided.
4. We shall retain title and copyright to illustrations, drawings, calculations and other documents; these may not be made available to third parties without our express written consent. They shall be used exclusively for production on the basis of our order; after completion of the order they shall be returned to us unsolicited. They shall be kept confidential in respect of third parties; the provision of Section 9 (4) shall apply additionally in that respect.

III. Delivery, passage of risk, documents

1. Unless agreed otherwise, delivery shall be CIF.
2. The place of performance for all goods and services shall be the receiving point specified by us. Passage of risk shall take place following handover of the goods or acceptance of the service. Partial deliveries shall only be permissible with our express consent.
3. Delivery notes stating our order number, the exact designation of the article and our article number shall be enclosed with every consignment.

4. The supplier shall furnish all certificates (e.g. certificates of origin, customs tariff numbers etc.) that we require in order to obtain tariff or other concessions.
5. We shall be entitled to demand changes to the design and quantity of the delivery item to an extent that is deemed reasonable for the supplier. The effects of such requests, in particular with regard to additional or reduced costs and the delivery deadline, shall be settled appropriately and by mutual agreement.

IV. Delivery time

1. Agreed delivery dates shall be binding and must be adhered to precisely. Receipt by us or at a delivery point named by us shall be deemed to constitute delivery.
2. Deliveries outside business hours shall only be permissible by prior agreement. Notice shall be given of dispatch by the supplier or by the dispatch point.
3. If the supplier is unable to meet a delivery period or deadline, for whatever reason, it must notify us without delay. We shall then be entitled to grant the supplier an appropriate extension to the deadline for the goods or service.
4. In the event of late delivery, we shall have the statutory entitlements. In particular, if an appropriate extension period elapses to no avail we shall be entitled to demand compensation in lieu of performance, and withdraw the order. If we demand compensation, the supplier shall also have the right to demonstrate that it is not responsible for the breach of its obligations.
5. In the event of late delivery we shall be entitled to demand lump-sum compensation for late delivery of 1 % of the value of the consignment for every full week, but no more than 5 %, reserving the right to further statutory entitlements (withdrawal and compensation in lieu of performance). The supplier shall have the right to demonstrate to us that no or a significantly lower loss was sustained as a result of the delay.

V. Prices, invoices and terms of payment

1. The prices stated in the supplier's quotation or in our order shall be binding and be inclusive of freight, customs duties and packaging, with free delivery to the delivery point indicated. The packaging shall only be returnable by special agreement.
2. Price increases for whatever reason shall only be recognised if they are confirmed by us in writing.
3. We can only process invoices if – in keeping with our order specifications – they quote the order number given there; the supplier shall be responsible for all consequences from failure to meet this obligation unless it can prove that it is not responsible for these.

4. Unless otherwise agreed in writing, we shall pay the purchase price within 14 days calculated from delivery and receipt of the invoice with a 2 % discount, or net within 30 days of receipt of the invoice.
5. We shall be entitled to the right to offset and also to retention of title to the statutory extent.
6. Unless otherwise agreed, the supplier shall bear the shipping and packing costs, customs duties, fees, taxes and other levies. If the prices are calculated ex works or ex supplier's store, goods shall be shipped at the lowest cost possible unless the order has specified a particular form of carriage. Additional costs due to noncompliance with the shipping or packaging specifications or for any accelerated transportation to meet a delivery deadline shall be borne by the supplier.

VI. Investigation of defects, liability for defects

1. We shall check the goods for any quality and quantity discrepancies within an appropriate period of time; notice of defect shall have been given on time provided it is received by the supplier within a period of two weeks, calculated from receipt of the goods, or from the time of discovery in the case of defects.
2. We shall be entitled to claim for defects without restriction; in any event we shall be entitled to demand rectification of defects or delivery of a new article by the supplier, as we deem fit. Our right to compensation, and in particular to compensation in lieu of performance, is expressly reserved.
3. The warranty period shall be 36 months from delivery. If the subject matter of performance is a structure or materials or parts that are customarily used for structures and if these parts or materials have caused the structure to be defective, the warranty period shall be five years from delivery.
4. If the supplier or a third party has issued a declaration of guarantee (guarantee of properties or guarantee of durability), our entitlements from a guarantee shall remain valid in their entirety.
5. A refusal under Section 203 1st sentence of German Civil Code shall be made in writing.
6. In urgent cases we shall be entitled to carry out rectification ourselves or have it carried out by third parties, in consultation with the supplier. The same shall apply in the event of late rectification of a defect by the supplier. If we perform the necessary rectification work ourselves, the price shall be reduced at least by the costs of rectification.

VII. Product liability, indemnity, third-party liability insurance cover

1. Insofar as the supplier is deemed liable for product damage, it shall be obliged to indemnify us against third-party compensation claims insofar as the cause is deemed to have been under its power of control and organisation and it is deemed to be liable itself towards third parties.
2. In terms of its liability for damage in the sense of Item 1 the supplier shall also be obliged to reimburse any expenditures according to Sections 683, 670 of German Civil Code as well as Sections 830, 840, 426 of German Civil Code which result from or in conjunction with a recall campaign carried out by ourselves. The same shall apply if the recall campaign is carried out by our customer. We shall inform the supplier about the content and scope of any recall measures required – to the extent possible and reasonable – and grant it the opportunity to state its position. Other statutory rights shall remain unaffected.
3. The supplier shall undertake to take out product liability insurance cover of EUR 10 million per personal injury/property damage claim – as a lump sum – and to furnish evidence of this cover. This shall not affect any additional compensation claims to which we may be entitled.

VIII. Protective rights, rights of use

1. The supplier shall be responsible for ensuring that no third-party rights are infringed in connection with its delivery and shall indemnify us from any third-party claims. The supplier's indemnification shall extend to all applications and losses suffered by us from or in connection with claims by a third party.
2. The exclusive rights of use as well as protective rights to illustrations, drawings, product descriptions and data sheets shall hereby already be transferred to us to the extent that they have arisen or been produced on our behalf. We shall have the sole and exclusive right to use and commercially exploit these results. The supplier shall not be entitled to use these objects outside the scope of the order without our written consent. The supplier shall be entitled to store them revocably. The supplier shall identify the objects in such a way that our right of ownership is also made apparent to third parties. The supplier shall have no right of retention to these objects, except where it has undisputed or legally effective counterclaims.

IX. Retention of title, additional supplies, tools

1. Retention of title by the supplier shall only become part of the contract if retention of title lapses upon payment of the agreed price for the retained goods and we are authorised to resell and further process as part of our ordinary business operations. No retention of title by the supplier over and above this shall be accepted.
2. Insofar as we provide the supplier with parts, we reserve ownership of these. Processing or transformation by the supplier shall be performed on our behalf. If our retained goods are processed together with articles that do not belong to us, we shall acquire coproprietorship of the new article based on the value of our article in relation to the value of the other processed articles
3. If the article supplied by us is inseparably amalgamated with other articles not belonging to us, we shall acquire coproprietorship of the new article based on the value of the retained goods in relation to the other amalgamated articles at the time of amalgamation. If amalgamation is such that the supplier's article is to be regarded as the principal article, it shall be deemed agreed that the supplier transfers pro rata coproprietorship to us; the supplier shall administer sole proprietorship or coproprietorship on our behalf.
4. We reserve ownership of tools made on our behalf. The supplier shall be obliged to use the tools exclusively for the manufacture of goods ordered by us. The tools shall be returned to us at the end of the order. The supplier shall have no rights of retention, except where it has undisputed or legally effective counterclaims.
5. The supplier shall be obliged to insure tools belonging to us against damage by fire, water and theft, for their replacement value. It shall be obliged to perform any maintenance and inspection work needed at its own expense. It shall notify us immediately of any operating faults. If it culpably fails to do so, claims for compensation shall remain unaffected.

X. Confidentiality

1. The supplier shall be obliged to treat confidential information, but also any specimens, drawings, calculations and other documents received, in strictly confidence. The obligation of confidentiality shall apply to all information that the supplier has received in connection with the execution of this contract. The confidentiality obligation shall comprise all information concerning ourselves and our potential contracting partners.
2. Confidential information shall include in particular knowledge of the processes and business methods of CENTROSOLAR AG and our companies relating to technical, commercial and other matters, knowledge of data and other information that concerns the financial status and personnel management practices of CENTROSOLAR AG as well as information on project management details, to the extent that it is not generally known or

may not be disclosed to third parties without our express prior consent.

3. The confidentiality undertaking shall continue to apply after the winding-up of this agreement.

XI. Safety instructions

The supplier shall be obliged to observe the safety regulations of CENTRO SOLAR AG when making deliveries and carrying out other tasks on our factory sites.

XII. Data protection

We shall be entitled to store and evaluate all the necessary data, whether relating to individuals or matters, in accordance with the Federal Data Protection Act; no separate notice shall be given by us. The supplier shall undertake to handle data concerning our company in accordance with the Federal Data Protection Act.

XIII. Venue, place of performance, applicable law

1. The place of performance shall be our place of business unless otherwise indicated in the order.
2. If the supplier is a merchant as defined in the German Commercial Code, our place of business shall be the sole venue, unless a different venue is mandatory. However, we shall also be entitled to bring action against the supplier at the court responsible for its place of business.
3. The law of the Federal Republic of Germany shall apply. Application of the regulations on the international purchase of goods (United Nations Convention on Contracts for the International Sale of Goods - CISG) and of German international private law is expressly excluded.

XIV. Continuing validity in event of partial nullity

If a provision in these Terms and Conditions should be null and void, for whatever reason, the validity of the remaining provisions shall remain unaffected. Wherever legally possible, we shall be entitled to replace null and void provisions with ones that come as close as possible to their intended purpose.