

General Terms and Conditions of Renusol GmbH

Status: 01.05.2009/ All versions issued previously are deemed invalid.

The German version of the General Terms and Conditions of Renusol GmbH shall apply in the event of disputes or lack of clarity.

1 General information, scope

Our General Terms and Conditions shall apply to all current and future business relations with entrepreneurs as defined in Sections 14 and 310 of German Civil Code, i.e. with natural or legal persons or incorporated private companies which carry out an industrial or self-employed activity (hereinafter referred to as "the customer"). Deviating, conflicting or complementary General Terms and Conditions shall not be considered to be part of the contract, even where known, unless their validity is expressly accepted in writing.

2 Formation of contract

Our quotations shall be subject to change without notice. The documents belonging to our quotation, such as illustrations, drawings and details of weights and dimensions, are only approximate unless expressly designated as binding; the right to make technical modifications and changes to form, colour, dimensions and/or weight is reserved.

In placing an order for goods, which must be done in writing or electronic form, the customer makes a binding commitment of intention to acquire the ordered goods. We shall be entitled to accept the offer of contract proceeding from the order within two weeks of its receipt. Acceptance may be indicated in written form, in electronic form, or by delivery of the goods to the customer.

Formation of contract shall take place subject to the accuracy and punctuality of deliveries by our suppliers. This shall apply only in the event that we are not accountable for the nondelivery, in particular where a congruent hedging transaction is concluded with our supplier. The customer shall be informed immediately of the nonavailability of performance. The counterperformance shall be reimbursed without delay.

We reserve ownership and copyright of quotations, cost estimates, drawings and other documents, which shall not be made accessible to third parties. We undertake not to make documents designated as confidential by the customer available to third parties without the customer's permission. The accounting aids provided by us are subject to copyright. Only calculations generated using these are to be issued.

All agreements shall be made in writing; oral agreements shall only be valid once confirmed in writing. This also applies to changes requested subsequently by the customer, for which an additional charge may be demanded.

3 Reservation of ownership

We reserve ownership of the goods until all accounts receivable from a current business relationship have been settled in full.

The customer is obliged to treat the goods with care. Where maintenance and inspection work is required, the customer shall perform it on a regular basis at its own expense.

The customer is obliged to notify us without delay of access to the goods by third parties, for example in the event of their seizure, and also of any damage to or destruction of the goods. The customer shall notify us without delay of a change of ownership of the goods and of its own change in residence.

We shall be entitled to withdraw from the contract and demand the return of the goods in the event of violation of the contract by the customer, in particular late payment or violation of an obligation as defined in points 2. and 3. of this term.

The customer shall be entitled to resell the goods as part of its ordinary business operations. It shall assign to us with immediate effect all accounts receivable falling due to it from a third party, up to the invoice total, as a result of resale of the goods. We shall accept assignment. The customer shall be authorised to collect the account receivable following its assignment. We reserve the right to collect the account receivable ourselves as soon as the customer fails to meet its payments in the proper manner and defaults on payment.

Handling and processing of the goods by the customer shall always be performed on behalf of and for the account of ourselves. If the goods are processed together with articles that do not belong to us, we shall acquire pro rata coproprietorship of the new article, based on the value of the goods delivered by ourselves in relation to the value of the other articles processed. The same shall apply if the goods are mixed with other articles which do not belong to us. At the customer's request, we shall undertake to release the collateral that is due to us where the realisable value of our collateral exceeds the accounts receivable which they protect by more than 20 %; we reserve the right to determine the collateral being released.

4 Delivery

Compliance with our supply commitment shall be dependent on the punctual and proper fulfilment of the customer's obligations. The start of the delivery period quoted by us shall be subject to clarification of all technical questions. The delivery period must be quoted in writing and shall be regarded as approximate. It shall start with dispatch of the final order confirmation, but not before provision of the documents, permits and releases that are relevant to us and to be procured by the customer and before receipt of any payment on account agreed.

The delivery period shall have been met if the delivery item has left the factory or notice of its readiness for dispatch has been given by expiry of this period. The delivery period shall be extended by an appropriate amount in the event of industrial action and unforeseen delays that are beyond our control, insofar as such delays are demonstrably of significance to the completion or delivery of the item in question, even if they occur at sub-contractors. Nor can we be held accountable for the aforementioned circumstances if they arise during an existing delay.

Variations of dimension, content, weight and hue that are due to the production process shall be permissible to the customary degree; the same shall apply for variations that are attributable to technical progress and thus correspondingly represent advances in product development.

For bulk goods, over/underdelivery of up to 5 % is permitted.

Where we expressly agree in writing to binding deadlines and are responsible for non-adherence to these or fall into delay, the customer has the right to compensation for delayed completion although up to a maximum of 0.5 % of the invoice value of the deliveries and services affected by the delay for each complete week of delay up to a maximum total of 5 %. No claims above this and particularly claims for compensation shall be considered unless we can be held responsible for wilful intent or gross negligence.

In the case of special designs, over or underdeliveries of up to 10 % of the order quantity are permitted. If a tighter margin is to be set, a separate, written agreement of this must be made.

5 Payment

The quoted purchase price shall be binding and, unless specifically agreed, shall apply ex works, inclusive of loading and inclusive of packaging. Value-added tax shall be charged on prices at the current statutory rate. Unless specifically agreed, settlement of our invoices shall take place within 30 days from the date of purchase.

In the event of late performance, the customer shall pay 8 % above the basic interest rate of the German Federal Bank on the money owed. We reserve the right to supply proof of and enforce claims for higher compensation for late performance.

The customer shall be entitled to offset payments only if its counterclaims have been found to be legally valid or acknowledged by us. The customer may exercise a right of retention only if its

counterclaim is based on the same contractual relationship. Separate written agreement is required for the deduction of discount.

6 Cancellation of orders / returns / credit items

The cancellation of orders that have already been confirmed must be issued in written or electronic form within 1 week. In general, we reserve the right to charge the customer a cancellation fee of 20 % of the order value. Orders cannot be cancelled after delivery of the goods.

In all cases, the return of goods already delivered requires our written or electronic agreement. The acceptance of goods returns without our prior agreement will be refused. The shipping costs must be paid by the sender.

Goods may be returned from a goods value of € 150.00, although notification of these must be provided in written or electronic form and our written or electronic agreement is required. Shipping is to be carriage paid to the delivery address provided by us in the confirmation. The credit will be issued after inspection of the goods for completeness and intactness. A restocking fee of 20 % of the value of the goods will be deducted from the credit.

7 Passage of risk

Unless otherwise indicated in the order confirmation, in the case of sale to destination according to the buyer's instructions, the risk of accidental loss and accidental deterioration of the goods shall pass to the customer upon delivery of the article to the forwarding agent, carrier or other person or institution designated with the task of performing shipment, including for delivery by instalments or if we have taken charge of other services, e.g. the shipping costs or delivery and installation. The customer's failure to accept delivery shall be deemed equivalent to handover.

The passage of risk in the case of agreed self-collection shall be from allocation of the goods in our warehouse. The goods are to be collected within one week of the allocation notification. In the case of later collection, we reserve the right to charge for the warehousing costs incurred.

7 Warranty

We provide warranty cover for defective goods in the form of rectification or substitution, as we deem fit.

If the attempt to rectify performance fails, the customer shall fundamentally be entitled to demand a decrease in the payment (reduction) or rescission of the contract (withdrawal), as it deems fit. However, in the event of only minor lack of conformity with the contract, in particular only minor defects, the customer shall have no right to rescind the contract. Fundamentally, we guarantee only defective products.

The customer must notify us in writing of apparent defects without delay and within a period of one week from receipt of the goods and the goods are fundamentally not to be processed further in such circumstance; otherwise enforcement of the warranty claim shall be excluded. Posting of notification within the above period shall suffice. The full burden of proof that all conditions for a valid claim are met shall be on the customer, in particular with regard to the defect itself, the point in time at which the defect was ascertained and the prompt submission of notice of the defect.

If the customer chooses to withdraw from the contract due to a defect of title or a material defect following a failed attempt at rectification of performance, it shall not additionally be entitled to claim compensation for the defect.

If the customer chooses compensation following a failed attempt at rectification of performance, the goods shall remain at the customer if this is deemed reasonable. Compensation shall be limited to the difference between the purchase price and the value of the defective article. This does not apply if we are fraudulently in breach of the contract.

The warranty period is one year from delivery of the goods. This shall not apply if the customer has not notified us of the defect in good time (point 3 of this term).

Only the product description of the manufacturer shall fundamentally be regarded as the agreed description of the goods. Public comments, assertions or advertisements by the manufacturer shall not constitute a contractual quality description of the goods. No warranty shall be accepted for damage caused by inappropriate or improper use, faulty installation or commissioning by the customer or third parties, natural wear and tear, faulty or negligent treatment, unsuitable operating materials, the use of substitute materials, defective construction work, unsuitable foundations, chemical, electrochemical or electrical influences, insofar as we are not at fault. In particular, no warranty shall be accepted for goods which have been modified by resellers, buyers or other customers.

If the customer has been supplied with defective installation instructions, we shall be obliged solely to supply a correct set of installation instructions, and even then only when the error in the installation instructions prevents correct installation.

Outside our standard guarantee terms, we shall provide the customer with no guarantees in the legal sense, unless otherwise agreed.

8 Limitations of liability

In the event of failure to comply with our duties out of ordinary negligence, our liability shall be limited to the direct average loss that is foreseeable for the type of goods and is typical of the contract. This shall also apply to failure by our legal representatives or vicarious agents to comply with their duties out of ordinary negligence. We cannot accept liability for ordinary negligence in respect of immaterial contractual obligations.

The aforementioned limitations of liability shall not affect the customer's claims based on product liability. The limitations of liability moreover shall not apply to injury and damage to health for which we are accountable, or to loss of the customer's life.

The customer's entitlement to compensation for a defect shall expire one year after delivery of the goods. This shall not apply in the case of intent to deceive on our part. Liability for direct, indirect and/or consequential losses caused by the use of our goods shall in all cases be excluded.

9 Final provisions

The law of the Federal Republic of Germany shall apply. There shall be no application of the provisions of UN sales law. The place of fulfilment and jurisdiction for all disputes shall depend on the base of the supplier and the court responsible for the same.

If the customer is a trader, a legal person under public law or a public special fund, the sole venue for all disputes arising from this contract shall be our place of business. The same shall apply if the customer does not maintain a general venue in Germany or if its domicile or usual place of residence are not known at the time at which proceedings are instituted.

If individual provisions of the contract with the customer, including these General Terms and Conditions, are or become wholly or partly null and void, the remaining provisions shall remain valid notwithstanding. The partly or wholly null and void provision shall be substituted by a provision that is as close as possible in economic effect to the null and void provision.