

General Terms and Conditions

Bosch Solar Energy AG, August-Broemel-Straße 6, 99310 Arnstadt, Germany

Status: September 2009

1. Area of application of these conditions

The following terms and conditions apply to business relationships between us and the contract customer, under exclusion of any contrary business terms and conditions of the contract customer.

- a) Orders issued based on a form containing the contract customer's purchasing conditions shall be regarded as having been placed under our terms and conditions of sale, unless we expressly state otherwise.
- b) If the contract customer is already aware of our business terms and conditions, they shall also apply to future transactions with no requirement of re-notification. The receipt of our deliveries or services and the execution of orders shall be regarded as acknowledgment of our terms and conditions.
- c) Agreements that modify or supplement these terms and conditions, side agreements, and the contract customer's terms and conditions shall apply only if we confirm this in writing. Our trade representatives and traveling salespersons are not authorized to issue binding declarations.

2. Offer

- a) Our offers are non-binding and subject to change without notice, unless the text of the offer provides otherwise. Even after the offer has been made, we can change the specifications at any time by issuing a simple notice, until the contract customer has placed an order. We also reserve the right to change the specifications after the order has been placed based on technical necessities.
- b) The offer shall lapse in all respects if an order from the contract customer is not received 14 days after the offer was made (at the latest), unless the specific text of the offer provides otherwise.
- c) Cost estimates, drawings, and other documents (hereinafter referred to as „documents“) included with the offer are only for the guidance of the contract customer and should not be regarded as an agreement on quality or the assumption of a guarantee of quality with respect to the goods or services described. We reserve unrestricted ownership rights and copyright exploitation rights in the documents. The documents may be made available to third parties only with our prior, written consent, and, if the order is not placed, must be promptly returned, upon request.

3. Orders, order confirmations

We accept orders by issuing written order confirmations. Otherwise, orders are regarded as having been accepted if we execute the order.

4. Delivery, shipment, and passing of risk

- a) Unless otherwise expressly agreed in writing, deliveries shall be made from our plant or delivery warehouse in Arnstadt. We generally shall not be obliged to ship goods, unless otherwise specifically agreed in writing in an individual case.
- b) The risk of the accidental loss and accidental deterioration of the items to be delivered passes to the contract customer when it is notified that the items are available for pickup. If we agree to ship the goods in an individual case, risk passes to the contract customer when it is notified that the goods are ready for shipment or, at the latest, when we deliver the goods to the shipping company. In any case, the risk passes to the contract customer no later than when we deliver the goods to the shipping company. If we agree to shipment in an individual case, the risks associated with shipment and the costs of shipment shall be borne by the contract customer. The costs to be borne shall include packaging and shipping costs and the cost of our employees' hours of work, which shall be compensated at a reasonable rate. We shall choose the type of shipment and the shipping route, unless otherwise specifically agreed. If the contract customer has other wishes, it shall bear the resulting costs. If the goods must be repackaged to satisfy the contract customer's special wishes, the contract customer shall also be required to pay a fee for the hours of work expended by our employees in repackaging.
- c) If the contract customer does not promptly accept the delivery goods after notification that they are ready for pickup or shipping, we will store them for the contract customer, if possible, at his risk and expense. This storage shall not release the contract customer from his payment obligation.
- d) Partial deliveries that seem reasonable to the contract customer shall be permissible.

5. Time of delivery

- a) Any time of delivery given in the offer letter shall be deemed to be only an approximation.
- b) If we are prevented from making timely delivery by unforeseeable events or events that are no fault of our own and could not be averted through reasonable care, the delivery deadline shall be extended for a reasonable period of time.
- c) The delivery period shall begin with the sending of the order confirmation, but not before receipt of the agreed-upon advance payment, before all the technical details have been clarified, and before the contract customer has met all the prerequisites for carrying out the transaction.
- d) The delivery deadline shall be deemed to have been met if notice that the goods are ready for pickup is sent before the delivery period expires. If shipment has been agreed upon, the delivery deadline shall be deemed to have been met if the delivery item has left the plant or a notice has been sent that the goods are ready for shipment.

6. Reservation of the right to obtain supplies from third parties

- a) To the extent we have engaged in a congruent covering transaction with a third party in order to meet our delivery obligation to the contract customer, we reserve the right to rescind the agreement with the contract customer if the supplier for the covering transaction fails to properly fulfill his obligation to make delivery to us, particularly if the supplier does not deliver on time or in full.
- b) We shall promptly inform the contract customer if our supplier for the aforementioned covering transaction fails to properly make delivery.
- c) In the event we exercise the aforementioned right of rescission, we will promptly refund any consideration that has already been provided by the contract customer. Any damage claims by the contract customer that go beyond this amount are excluded or restricted by the provisions of Sections 13 and 14. Any further claims by the contract customer against us after we have exercised our aforementioned right to rescind the agreement are excluded.
- d) Our entitlement to rescind shall lapse if the failure to deliver under the covering transaction is our fault.
- e) If the supplier for the covering transaction is only able to supply us in part, we shall be permitted to make partial deliveries to the contract customer as long as this is not

unreasonable for the contract customer. In the event of partial delivery, our aforementioned right of rescission shall relate to our remaining obligation to supply the contract customer after the partial delivery has been made.

7. Packaging

There will be a charge for packaging in crates and boxes. It is not possible to return the packaging for a refund of the amount charged. To the extent we are required by law to dispose of the packaging, we will dispose of it, upon request by the contract customer, using third parties designated by us.

8. Prices and payment

- a) All prices are ex works exclusive of packaging plus statutory VAT which applies on the delivery date.
- b) Invoiced amounts must be settled in full no later than 14 days from the invoice date, unless otherwise agreed in writing by the contract customer and ourselves. The contract customer is not entitled to a discount.
- c) Subject to the regulations in the delivery and performance agreement, we will not increase prices within the first four months after the agreement has been entered into. Thereafter, we reserve the right to adjust prices in accordance with Section 315 of the Bürgerliches Gesetzbuch (BGB – German Civil Code).
- d) The contract customer is not authorized to withhold payments due to counterclaims that are not based on this contractual relationship. In addition, the contract customer may exercise a right to withhold payment only with respect to counterclaims that are undisputed or that have been adjudged to be final and absolute.
- e) The contract customer can only set off based counterclaims that are undisputed or that have been adjudged to be final and absolute.
- f) The occurrence of a major deterioration to the contract customer's financial situation or other circumstances that significantly impair the contract customer's creditworthiness shall cause all our receivables to become due immediately, even if the contract customer has provided us with bills of exchange. Our receivables shall become due immediately in the following cases, among others:
 - if the contract customer is in default for longer than four weeks in paying receivables that involve more than an insubstantial amount or,
 - if the contract customer's financial situation or that of the contract customer's personally liable shareholder or the recoverability of the collateral provided for this agreement deteriorates significantly or threatens to do so;
 - if the contract customer or his personally liable shareholder has provided inaccurate information about its / his financial situation;
 - if the contract customer dies or his personally liable shareholder dies or changes;
 - if the contract customer or his personally liable shareholder fails to comply with his duty to disclose his economic condition after a reasonable grace period has been set. When our receivables become due immediately, we shall also be entitled to perform only after payment for the receivables that have fallen due or after prepayment or in exchange for collateral and to rescind the agreement if our demands have not been met.
- g) If the contract customer seriously or repeatedly violates the payment terms, we shall be entitled to rescind the agreement after a reasonable payment period has expired without performance and to demand damages in lieu of performance, etc. The contract customer's liability for default damages shall remain the same.
- h) The place of performance for the obligation to pay shall be our headquarters in Arnstadt.
- i) Our trade representatives and traveling salespersons have no authority to enter into collection agreements or agreements to defer payment.
- j) Only the services, numbers of units, and quantities determined by us shall be controlled with respect to charges, if the contract customer does not object immediately.

9. Reservation of ownership

- a) We expressly reserve ownership of the goods delivered until all receivables have been paid with respect to the ongoing business relationship with the contract customer.
- b) Reservation of ownership also applies if individual receivables are included in an ongoing invoice and the balance is struck and acknowledged.
- c) Receivables are deemed not to have been extinguished, despite payment, if one of us is still liable under a bill of exchange in this regard – for example under a check / bill-of-exchange procedure.
- d) The contract customer shall process or inter-mix the goods for us without obligation for us. In the event the goods are processed or intermixed with other items that do not belong to us, the contract customer hereby transfers co-ownership of the new item to us, as collateral for our receivables, in the ratio of the value of the goods in which ownership has been reserved to the other items processed. The contract customer shall store the new item for us free of charge.
- e) The contract customer shall be authorized to dispose of the delivery items or products in the ordinary course of business, as long as he meets his obligations arising from the business relationship with us in due time.
- f) The contract customer hereby assigns us the receivables from the sale of goods in which we have ownership rights to the extent of our share of the ownership of the goods sold, as collateral. The contract customer also assigns us his claims on whatsoever legal grounds (e.g. claims against insurers or damage claims against third parties) to the extent of our share of the ownership if goods in which we have ownership rights are lost or deteriorate. We hereby declare that we accept the aforementioned assignments. If the contract customer combines or mixes the delivery goods with items belonging to a third party for a fee, the contract customer hereby assigns his claims for compensation against the third party to us up to the amount of the invoice for the delivery goods, as collateral. We hereby declare that we accept this assignment.
- g) Upon our request, the contract customer must provide us with all necessary information on the stocks of the goods owned by us, and on the receivables assigned to us, and must also inform his customers of the assignment.
- h) The contract customer shall store the goods subject to reservation with care and shall, at his own expense, properly insure them against all typical risks, particularly against loss and damage. He hereby assigns any claims he may have under these insurance policies to us in advance. We hereby accept this assignment.
- i) If the value of the collateral exceeds our receivables by more than 10 %, we will release collateral of our choosing at the contract customer's request.

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- j) The contract customer's right to dispose of the delivery goods or products subject to our reservation of ownership and to collect the receivables assigned to us shall be extinguished as soon as the contract customer is in default on payment obligations to us for more than 14 days, generally ceases payment, and /or falls into a financial crisis. The contract customer's aforementioned right shall also be extinguished if our receivables fall due immediately in accordance with Section 8 f). If the aforementioned conditions occur, we shall be authorized to demand immediate return of all the goods subject to our reservation of ownership or to demand assignment of the contract customer's return claims against third parties relating to the goods subject to reservation of ownership. This applies exclusive of any right of withholding by the contract customer to the extent it is not based on the same contractual relationship. It is not necessary to set a grace period or to rescind the agreement before demanding immediate return of the goods or the assignment of the return claims referred to above. Such a demand for return or assignment shall not constitute rescission of the agreement.
- k) The contract customer must prevent third parties from attaching the goods subject to reservation of ownership and the assigned receivables. The contract customer must inform us immediately of any pending or executed attachment of the goods subject to reservation of ownership and the assigned receivables by third parties. The contract customer shall bear the costs of any intervention incurred by us.
- l) To the extent the reservation of ownership is not valid under the laws of the country in which the delivery goods are to be found, the contract customer shall provide collateral of an equal value at our request. If the contract customer does not promptly fulfill this request, we can demand the immediate cash payment of all open invoices irrespective of any agreed-upon payment targets and we can liquidate any collateral on hand.

10. Technical application advice

- a) We provide technical application advice to the best of our knowledge. We generally provide advice without making any guarantees, unless otherwise provided in a consulting agreement.
- b) Any information and data about the suitability and use of our goods (e.g. in the form of data sheets) does not constitute binding consultation services and is provided without guarantee. Such information does not release the contract customer from performing his own checks and tests regarding the suitability of the products for the intended processes and purposes.
- c) The statute of limitations for claims alleging faulty advice is three years commencing at the end of the year in which the claim arose. If the claims are based on intentional or grossly negligent acts, the statutory provisions on time limits shall apply.

11. Duty to inspect and report defects

- a) The contract customer shall inspect the goods without delay and promptly report defects to us (not to our trade representatives or traveling salespersons) in writing – no later than 14 days after receipt at the destination.
- b) Hidden defects must be reported in writing no more than three business days after their discovery.
- c) Sending a written complaint of the defect with a precise description of the defect being complained about in due time is sufficient to meet the deadline for complaints.
- d) If complaints or reports are not reported within the prescribed period of time, the delivery shall be regarded as having been accepted.
- e) The contract customer shall check whether the delivery goods are suitable for their intended purposes, if necessary, by processing a sample.
- f) If the contract customer does not fulfill his duty to inspect under Section 11 e), or does not do so in due time or properly, warranty claims arising from defects or other claims for damages made by the contract customer against us shall be excluded to the extent that conducting this check would have avoided or reduced the loss that occurred. In all other respects, we are liable only within bounds of Sections 12 and 13.

12. Requisite condition and warranty

- a) The requisite condition of the delivery item shall be determined exclusively through our written information on quality, e.g. the data sheets we issue to our contract customer in conjunction with the specific contractual relationship. Any objectives of the contract customer that are not expressly agreed upon in writing as requisite characteristics are not requisite qualities of the item.
- b) If the delivery item is defective when risk passes, the contract customer can demand repair or replacement. The election whether to repair or replace is ours.
- c) We shall be entitled to refuse to repair or replace if the expense of doing so is disproportionately high. In that case, the contract customer shall have the rights provided under Section 12 d). It shall be presumed that the expense of the chosen type of repair is disproportionately high if the cost of repairs would exceed the value of the item when risk passed by 20%.
- d) If we do not succeed in eliminating the defects within a reasonable period of time, the contract customer can, at his option, reduce the purchase price, rescind the agreement, or demand damages in accordance with Sections 13 and 14. If the remedy chosen is not reasonable for the purchaser, he shall immediately be entitled to the rights provided in Sentence 1. There shall be no right to rescind the agreement or claim damages if the defects in quality are minor.
- e) The warranty period for transactions between merchants is 12 months. If, as is generally the case, delivery is made in accordance with Section 4, the time period shall commence when notice is given that the ordered goods are ready for pickup. If shipment has been agreed upon, the time period shall commence when notice is given that the goods are ready for shipment. In any event, the time limit shall commence no later than when the goods are invoiced.
- f) In particular, there is no warranty for defects if and to the extent that damage to the delivery goods or other legal assets of the contract customer are due to the following reasons:
- inaccurate information on the purpose, place, or conditions of use of the delivery goods,
 - faulty processing, assembly, or handling,
 - normal or excessive wear and tear that is not attributable to production defects or defective materials,
 - excessive use and improper handling of the delivery goods.
- g) If the contract customer does not promptly comply with his duties under Section 11 to inspect, report, and check, or does not do so in due time or properly, the contract customer's defect warranty rights shall be extinguished.

- h) Of the direct costs of repair or replacement, we shall bear the expenditures directly required to remedy the defect, particularly the cost of the replacement item, including shipping and reasonable removal and installation costs – to the extent the complaint turns out to be justified. In other respects, the contract customer shall bear the costs.
- i) If the contract customer or a third party resells the item that we delivered to a consumer, who asserts justified warranty claims on account of defects that were in existence when the risk passed from us to the contract customer, the statutory provisions shall apply to the company's recourse with the proviso that the damages we pay shall be limited to 120 % of the invoice amount for the items in question.
- j) In all cases, we shall eliminate defects of quality in accordance with Sections 12 b) and 12 c) or perform in accordance with Sections 12 d), 12 h), and 12 i) without acknowledging any legal obligation to do so.

13. Other damage claims

- a) In the event of a purely negligent breach of duty by us or persons employed by us – to the extent this does not concern a grossly negligent breach of duty – our liability shall be restricted to typical foreseeable damages under the agreement. This does not apply to a violation of a major contractual obligation or to injury to life, limb, or health. The limitation on liability also does not apply to liability under the product liability act with respect to personal injury or damage to privately used items in the event of defects in the delivery item.
- b) We do not acknowledge any legal obligation with respect to any indemnification we may make.

14. Limitation of the amount of any claim made by the contract customer under Sections 12 and 13

- a) Claims by the contract customer under Sections 12 and 13 shall be limited to 120 % of the invoice value of the item in question.
- b) In the event of a purely negligent breach of duty by us or persons employed by us – to the extent this does not concern a grossly negligent breach of duty – our liability shall be restricted to 120 % of the invoice value of the agreement in question. This does not apply to a violation of a major contractual obligation or to injury to life, limb, or health. The limitation on liability also does not apply to liability under the product liability act with respect to personal injury or damage to privately used items in the event of defects in the delivery item.

15. Termination of the contractual relationship

- a) Continuing obligations, particularly master agreements, between us and the contract customer shall continue to be terminable for good cause in accordance with the provisions of law.
- b) There shall be good cause, in particular:
- if the contract customer is in default in paying substantial portions of outstanding claims for more than four weeks, or
 - if the contract customer's financial situation or that of the contract customer's personally liable shareholder or the recoverability of the collateral provided for this agreement deteriorates significantly or threatens to do so; after an insolvency petition has been filed, termination for default in payment before the filing of the petition or due to deterioration of the financial situation is excluded as long as insolvency proceedings are pending;
 - if the contract customer or his personally liable shareholder has provided inaccurate information about his financial situation;
 - if the contract customer dies or his personally liable shareholder dies or changes;
 - if the contract customer or his personally liable shareholder fails to disclose his economic situation after a reasonable grace period has been set.

16. Data protection

We shall be entitled to process data concerning the contract customer that relates to the business relationship or that was received in connection with it, irrespective of whether it was provided by the contract customer himself or by third parties, in accordance with the German Data Protection Act.

17. Severability clause

If individual provisions of these terms and conditions should be or become invalid or ineffective, this shall not affect the remaining provisions. Any invalid or ineffective provision shall be replaced by a valid provision that most closely approximates then meaning and purpose of the invalid or ineffective provision by way of interpretation.

18. Jurisdiction and place of performance

- a) In transactions between merchants, the place of performance and the place of jurisdiction for all disputes – including proceedings restricted to documentary evidence, summary bill enforcement proceedings, and summary check enforcement proceedings – shall be Erfurt.
- b) Contractual relationships with our customers shall be subject to the laws of the Federal Republic of Germany exclusively, with the exception of the UN Convention on the International Sale of Goods (CISG) and international private law.