

The Solare Datensysteme GmbH (hereafter referred to as SDS GmbH)

General Terms and Conditions of Purchase

Effective: 01 January 2016

§ 1 Terms and Conditions of Purchase

These Terms and Conditions of Purchase apply to all contracts, deliveries and services concluded with and provided to SDS GmbH. The SDS GmbH Terms and Conditions of Purchase apply exclusively; we do not acknowledge any conflicting or deviating terms and conditions of the supplier unless we have expressly agreed in writing to their application. The execution of our order or contract is considered acceptance of our Terms and Conditions of Purchase.

§ 2 Order Placement / Confirmation / Delivery

Our orders are to be made in writing, including orders placed by means of facsimile and data communications, and are also valid without a personal signature. They are only valid when they verifiably correspond to that from the purchaser and are correct. Additional verbal agreements are only valid when they are confirmed in writing. We are entitled to rescind the contract in the event of obvious calculation and clerical errors. The supplier has to precisely adhere to the offer and has to give written notice of any deviations and/or amendments. Offers has to be submitted free of charge and without any obligation to the purchaser. Cost estimations will only be remunerated upon specific agreement. The supply has to note the following information (if applicable) on all documents that are directly related to the order: quantity, weight, price, name, place of receipt, ordering and contract number, purchase order item, commission number and order date. We have to be notified in advance in the event of partial deliveries. Partial deliveries have to be designated as such and require our prior approval. All deliveries have to be confirmed by our receiving agencies. The supplier has to provide SDS GmbH an unsolicited long-term supplier declaration once per year.

§ 3 Modification to the Delivered Item(s)

When SDS GmbH orders a modification to the delivered item(s), the supplier has to immediately confirm all modifications in writing, including possible additional or reduced costs and changes to the delivery date.

§ 3.1 Delivery Period

All agreed delivery dates and delivery periods are binding. If a delivery period cannot be met, the supplier has immediately notify our purchasing department in writing about the reason and the expected duration of the delay. If the supplier fails to provide notification, the supplier is liable for damages. After an additional deadline of five days has passed, SDS GmbH is entitled to find a remedy itself or with the help of a third party. Additional reasonable additional costs caused by this delay

resulting from the remedy are to be borne by the supplier. If we accept delayed deliveries, this does not constitute as a forfeiture of claims for indemnification.

§ 4 Termination

SDS GmbH is entitled to an annulment of the contact in part or to terminate it completely, if delays in delivery result from force majeure or other unavoidable events. We cannot be held responsible for any consequential compensation claims by the supplier. If there are delays in acceptance, the payment dates are to be postponed accordingly.

§ 5 Prices

The agreed prices are fixed prices. They include all expenditures incurred in conjunction with the services to be rendered and goods to be delivered by the supplier.

§ 6 Warranty

The goods delivered and services rendered are to be free from material defects and defects of title. Unless otherwise agreed in writing, the warranty is valid for a period of twenty-four months. The warranty period begins upon acceptance by SDS GmbH when we are the end-customer or the acceptance by our customers. The supply also has to guarantee that the delivered goods are produced according to the legal guidelines and that the end products comply with the legal requirements. Furthermore, the supplier has to ensure that their preliminary suppliers also meet these requirements.

§ 6.1 Warranty Claims

We are entitled to the statutory liability claims in full in accordance with section 478 BGB (German Civil Code). In the event of a warranty claim on our part, the supplier is required to promptly carry out the necessary repairs or supply replacement item(s). The supplier is required to carry out a rectification attempt within five working days or within an extended time frame confirmed by us. All expenses caused by the defect and its remedy are to be borne by the supplier.

§ 6.2 Product Specifications / Quality Assurance / Product Safety

We have to be informed about any materials, processes or other changes, in particular those relating to the quality or safety of the product to be delivered, in advance. These changes need to be confirmed by us in writing.

§ 6.3 Product Liability / Product Recall

In case that we are held liable by a customer or third party with

respect to product liability issues, the supplier is obliged to assume this liability, provided that the supplier is responsible. The supplier bears all of the resulting costs, including any costs for possible litigation and recalls.

§ 7 Insurance

Transport insurance will be taken out exclusively by the purchaser.

§ 8 Shipping Instructions

On the shipment date, the supplier is to send a detailed advance shipping notice for each individual shipment, separately from the goods and invoice. A delivery note and packing list have to be included with the shipment. If the goods are sent by ship, the name of the shipping company and the vessel are to be included in the shipping documents. The supplier is required to select the most suitable transport method with the lowest costs. Our stipulated order references and unloading point information have to be fully provided on all advance shipping notices, delivery notes, packing lists, bills of lading, invoices, outside packaging, et cetera.

§ 9 Substances in Products

The supplier is required to comply with all of the EU REACH regulations for chemicals. SDS GmbH is not required to obtain existing REACH regulatory approval from a supply. If a supplier sends us goods with substances that are on the SVHC list (Substances of Very High Concern), the supplier has to notify us in advance without delay. The supplier is also required to take responsibility for all damages relating to the use of forbidden substances and is obliged to release us from the resulting liability.

§ 10 Safety / Environmental Protection

The supplier has to ensure that the environmental and safety regulations and accident prevention regulations are adhered to and has to guarantee compliance from its preliminary suppliers as well. As an ISO certified company, SDS GmbH places the highest value that all of the delivered packaging is environmentally friendly.

§ 11 Payment

Payments do not constitute an acknowledgment of the delivery or service as in accordance with the contract. As a consequence, in the event of a deficient or incomplete delivery of goods, we are fully entitled to exercise our other rights. Payment may be withheld until the delivery has been completed or exchanged. Settlement of payment upon the receipt of the invoice will be finalized by us as follows: we are entitled to a 3% discount upon payment within 14 days after receipt of invoice; otherwise 30 days net unless other terms of payment were agreed. If the goods are delivered – or services are rendered – ahead of schedule, the payment period commences according to the agreed upon delivery date.

§ 12 Invoice

Invoices are to be submitted as a single copy and to contain the invoice number and other information as listed in section 2. Any additional or reduced services are to be stated separately in the

invoice. No invoices may be sent via facsimile or data communications.

§ 13 Provision of Equipment and Materials

All tools, documents, manufacturing equipment and parts that we provided remain our property and are to be insured by the supplier against loss and damages. All provided equipment and materials are to be treated with care. On request, SDS GmbH is to be granted access to the provided equipment and materials. The supplier is to notify us immediately if there is any change in possession of the the provided equipment and materials. The supplier is liable for damages resulting from violation of these obligations unless the supplier can prove that the supplier is not responsible for the circumstances that caused the loss and/or damages.

§ 14 Items

Molds, models, films, etc. which were manufactured by the supplier to execute the order become the sole property of SDS GmbH upon payment, even if they remain in the possession of the supplier. They are to be insured by the supplier against damage, loss and destruction. Upon request, these items have to be delivered to SDS GmbH.

§ 15 Import and Export Regulations / Customs

In the event that goods are delivered from the US, outside of Germany, the EU VAT identification number and country of origin are included in the delivery note and invoice. Delivery is to be made "delivered duty paid", according to the DDP clause of INCOTERMS 2010, unless otherwise agreed in writing. When fulfilling the contract, the supplier is required to observe the relevant statutory and official regulations and requirements. The supplier is liable for ensuring that no embargo provisions of the UN Security Council, the European Commission or any national legislators are violated or ignored by supplying the delivered items. The supplier is exclusively responsible for the proper exportation of all of the delivered items from the country of consignment and is required to obtain any and all of the necessary official permits for foreign trade, and to indicate the origin under commercial law as well as the Export Control Classification Number (ECCN) of the delivered items in writing, particularly in relevance of the US Export Administration Regulation (EAR) or International Traffic in Arms Regulation (ITAR). The delivered goods have to fulfill the origin requirements under the preferential trade arrangements of the EU, unless stated otherwise in the order confirmation.

§ 16 Place of Jurisdiction and Severability Clause

The place of performance and exclusive jurisdiction for all disputes including bank checks and bills of exchange arising from the contract relationship is Geislingen-Binsdorf, Germany. This contractual relationship is subject to German law under exclusion of the international civil law and of the UN law on international sale of goods. If individual provisions are or become fully or partly ineffective, the validity of the remaining provisions remains unaffected. The fully or partly ineffective regulation shall be replaced by a regulation whose economic success as far as possible most closely approaches the ineffective one.