

## I. General Information

- 1) All goods and services of LiPRO Energy GmbH Co. & KG, hereinafter called Supplier, based on these terms and conditions as well as any separate contractual agreements. A contract is concluded with the written order acknowledgment by LiPRO.
- 2) The Supplier reserves the property- and copyrights of samples, quotations, drawings, and other information either physical or non-physical nature, as well as for electronic data, it is restricted to make them accessible to third parties. The Supplier undertakes to make information and documents of the Buyer, which are designated as Confidential, accessible to third parties only with his consent.
- 3) The offers of the Supplier, also in brochures and advertisements are not. The orders placed by the Buyer becomes binding with the written confirmation of Supplier.

## II. Scope of Delivery Obligations

- 1) For the scope of the delivery the written order confirmation by the Supplier is decisive.
- 2) The Supplier reserves the right to make explicitly reasonable technical changes to goods or services, insofar as these are indispensable and unpredictable.

## III. Price and Payment

- 1) Prices are valid ex works, including loading at the factory, but excluding packaging, transport and unloading. Prices are excluding VAT, taxes at the appropriate legal rate will be added to the prices.
- 2) In the absence of any special agreement, payment shall be made without any deduction to the Supplier's account according to following Payment terms:
  - 80% of the total invoiced amount shall be paid within 7 days after the order of the buyer has been placed in writing and been confirmed in writing by the supplier.
  - 20% of the total invoiced amount will be paid 7 days before the agreed delivery, but no later than 30 days after notification of readiness for shipment, according to the priority principle.
3. The right to withhold payments or set off with counterclaims, shall be entitled to the Buyer only insofar if his counterclaims have been stated legally binding, undisputed or recognized by our company.

## IV. Delivery Time, Delivery Delay

- 1) The delivery period and time begins with the date of full receipt of payment by the supplier in accordance with the terms of payment stipulated in these Terms and Conditions.
- 2) The delivery period terms have been fulfilled and deemed buy the buyer if the delivery item has left the factory or the storage location of the supplier by the agreed delivery period, or the buyer has been notified of the readiness of ordered items for shipment, unless something else has been agreed in writing.
- 3) In the case of measures in the context of labor disputes or in the event of unforeseen obstacles which are outside the Supplier's sphere of influence or in the case of obstacles for which the sub supplier of the Supplier is responsible, the delivery period will be extended accordingly to an appropriate time frame.
- 4) If the delivery is delayed due to circumstances for which the buyer is responsible, 14 days from the date of notification of readiness for shipment, the storage costs of the supplier as well as the third party storage costs will be charged with 1% of the total invoice amount for each month delivery delay. The Supplier is entitled, after granting a fruitless expired period of 6 month from the date of notification of readiness for shipment, to otherwise utilize the ordered product for other purpose, the supply contract as well as any claims for reimbursement by the Buyer against the Supplier become ineffective.
- 5) The compliance with the delivery period terms requires the fulfillment of the contractual obligations of the Buyer.
- 6) If the Buyer does not take over the ordered product after notification of readiness for shipment or violate the contract or the fulfillment of his payment obligation, the Supplier is entitled to withdraw from the contract or to claim compensation for non-fulfillment after granting a fruitless expired period of 14 days. If the Supplier requests compensation due to non-fulfillment, he may charge the Buyer with 15% of the selling price as a lump sum compensation. The Supplier reserves the right to prove a higher loss, the Buyer reserves the right to prove a lower loss. If the Supplier does not make use of this right of lump sum compensation, he shall have the right to freely utilize the ordered product for other purpose and to supply the Buyer with a similar product within an appropriate time to the terms of the contract.

- 7) In the case that the Buyer does not take over the ordered product after notification of readiness for shipment, does not pay, or violate the contract in any other way, the Supplier is entitled to claim compensation. Since the Supplier acquires a large proportion of components supplied by third-party Suppliers, the Supplier is entitled to receive compensation of the actual damage incurred. In the absence of other regulations, the Supplier may require 50% of the total sales price as compensation. The Supplier shall reserve the right to prove a higher loss; the Buyer reserves the right to prove a lower loss.
- 8) The Supplier grants the Buyer the right to cancel the contract if the Buyer is willing to pay the cancellation costs according to the following terms of condition. The cancellation costs are stated as a percentage and are based on the agreed sales price - from the conclusion of the contract / order confirmation:
  - within the first 30 days: 50%
  - within days 31-60: 60%
  - within days 61-90: 70%
  - from day 91 till notification of readiness for shipment: 80%The Buyer is only entitled to execute the cancellation if he pays the above amounts. If the buyer in accordance with this agreement terminates the contract, the Supplier remains the owner of the product as well as the products still in progress.
- 9) If necessary parts of component suppliers are not available in time (delivery bottleneck), although the Supplier ordered in time, the delivery period is extended accordingly. The Supplier must notify the Buyer immediately in writing. In addition, fixed delivery periods are only valid if these have been agreed in writing or have been assured by the Supplier.
- 10) Design or shape changes, deviations in the color shade as well as changes in the scope of delivery by the Supplier are reserved, insofar as the product is not significantly altered and the changes are reasonable for the Buyer.

#### V. Transfer of risk, Acceptance

- 1) The shipping is at the expense and risk of the Buyer, unless otherwise agreed. The risk of accidental loss or accidental deterioration shall be transferred to the Buyer ex works or warehouse, unless otherwise agreed.
- 2) If the shipment is delayed at the request of the Buyer or if the Buyer does not take over the product for reasons which are not the responsibility of the Supplier, the risk shall pass to the Buyer upon notification of readiness for shipment.
- 3) The unloading of the product is the responsibility of the Buyer and is at his expense.
- 4) Partial deliveries are permissible, as far as it is reasonable for the Buyer.
- 5) If the Buyer is an entrepreneur, the risk of accidental loss and the accidental deterioration of the product is transferred to the Buyer during the sale of the product with the delivery of the purchased product to the freight forwarder, the freight carrier or the person designated to execute the shipment. The transfer is the same if the Buyer is in default of take over the ordered product.
- 6) The Buyer shall protect the supplied product against theft, vandalism and damage caused by external influences (for example, weather) and to insure insofar as no insurance cover already exists. In the case of damage caused by this, the Buyer is liable.
- 7) If the transfer of risk to the Buyer has been agreed after assembly of the Product at the place of use of the Buyer, the product shall be insured by the supplier, the conditions shall then be defined separately and ordered separately by the Buyer.

#### VI. Retention of Title

- 1) The product will remain the property of the Supplier until full payment of the Suppliers claims, agreed according to the sales contract between the parties, by the Buyer. The retention of title shall also remain for all claims which the Supplier has made against the Buyer beyond the actual product, e.g. invoiced values for repair or replacement and other services.
- 2) Any adaption and processing of the product as it is still under the retention of title of the Supplier, as well as a connection with third parties properties by the Buyer or third parties, shall be the property of the Supplier. The Supplier shall be entitled to as co-ownership of newly acquired items according to the value of the purchase items.
- 3) The Buyer is entitled to process and sell the Product within the framework of his regular business; for security, the Buyer assigns his claims from the resale of the Product to the Supplier. The Buyer is authorized to include the claim. The announcement of the assignment and the recovery of the claim by the Supplier remain reserved. The Supplier undertakes to release the securities to which he is entitled in so far as the invoice amount of the Product to retention of title of title exceeds the claims to be secured, if these have not yet been paid, by more than 20%.

- 4) In the case of a considerable breach of the contract by the Buyer, the Supplier is entitled to withdraw from the contract despite prior warning, in particular in the case of a delay in payment, and to demand the Product. In this case, the Supplier is entitled, after a written announcement, to utilize the purchase object with a reasonable deadline, taking account of the realization proceeds on the purchase price by means of private sale.
- 5) In the case of access by third parties, in particular in the case of seizures of the product, the Buyer shall notify the Supplier immediately in writing and shall immediately notify the third party of the Supplier's retention of title. The Buyer bears all costs that must be used to cancel the access and to restore the product as long it cannot be recovered by third parties.
- 6) The Buyer shall be obliged to keep the purchased item in a proper condition during the period of the retention of title, carry out all maintenance work and necessary repairs provided immediately by the manufacturer - apart from emergencies – the work have to be performed from the Supplier or from a workshop approved by the Supplier.
- 7) If the right of a country does not allow the retention of title but reserves the right to reserve comparable rights, the Supplier may exercise all rights of this type. The Buyer is obliged to take measures at his own expense which are necessary in order to make these rights in the purchased object effective and to maintain them.
- 8) The Supplier is entitled to withdraw from the contract if the Buyer or a third party makes a request for opening insolvency proceedings.

## VII. Services of the Buyer during assembly

1. At his own expense, the Buyer shall provide all the necessary conditions for rapid commissioning by the Supplier.
2. At the Supplier's request, this shall include providing of specialists and tender personnel, equipment, energy, water and work equipment, as well as the preparation of all earth moving, foundation, construction and scaffolding work. The excess and the assembly site must be leveled and sufficient compacted with stable surface for loading equipment and the foundations completely dry and set. At the Supplier's request, the Buyer provides suitable rooms for personnel and assembly equipment.
3. In the case of assembly abroad, all required permissions for entry, work and other necessary approvals are procured by the Buyer at his expense.

## VIII. Fulfillment

1. The delivery is deemed to be fulfilled if the object of purchase has been handed over to the buyer or the readiness for dispatch has been indicated. From this point on, the risk transferred to the buyer.
2. From the date of fulfillment, the Supplier shall be liable in accordance with the provisions of Article XII.
3. Purchased goods, even if they show insignificant defects, are to be accepted by the Buyer without prejudice to the rights under Article XII.

## IX. Lack of material

1. The Supplier is to be notified immediately in writing of any defect in quality. Replaced parts become the property of the Supplier.
2. The Supplier shall be responsible for the cost of repair or replacement.
3. If it turns out, that this is not a warranty case, but the alleged defects are due to the fact that the Buyer did not handle the plant properly, he bears the costs.
4. For necessary repair work, the Buyer has to carry out:
  - a) to provide the necessary time and opportunity.
  - b) to provide tender personnel, equipment and operating facilities at his own expense, as well as to undertake tender work.
  - c) carry out the work beyond the original scope of the contract at his own expense.
5. The obligation to remove material defects does not relate to natural wear and tear as well as parts which are subject to premature consumption due to their material nature or usage. Furthermore, the Supplier is not liable for damages resulting from the fact that the Buyer incorrectly stores, treats or uses the objects of the supplier according to the contract, has made faulty assembly or commissioning, has used unsuitable equipment, overused products, etc. There is also no liability for any other circumstances (E.g. deficient foundations, unsuitable foundation, chemical or electrochemical or electrical influence, etc.).
6. The obligation to remove material defects does not exist if:
  - the Buyer has not immediately notified the Supplier of a defect in writing.

- any changes or repairs carried out on the part of the Buyer or third parties without the prior consent of the Supplier, shall be without prejudice to the liability for the resulting consequences.
- the Buyer has been installed or mounted something, which has not been proven and permitted by the Supplier,
- parts of third parties have been installed which have an influence on the operation of the plant
- The Buyer has not complied with the regulations on the treatment, maintenance, operation and care of the purchased item (e.g. operating instruction manuals).

## X. Infringement of industrial property rights

If the use of the purchased object, in the event of infringement of industrial property rights or copyrights in Germany, the Supplier will, at his own expense, procure the Buyer the right to further use - or modify the purchased object for the Buyer in a reasonable manner, so that the infringement no longer exists. If this is not possible at economically reasonable conditions or in a reasonable time, the buyer is entitled to withdraw from the contract. Under the above conditions, the Supplier is entitled to withdraw from the contract. In addition, the Supplier shall release the Buyer from undisputed or legally established claims of the protected property rights, otherwise defend any attacks by third parties against the Buyer and / or Supplier.

## XI. Limitation of warranty

Warrenty claims of the Buyer, due to technical or legal defects, expire after one year from the date of commissioning of the object of purchase, if the Buyer is a legal entity of public law, a public fund or an entrepreneur who, upon conclusion of the contract, carries out its commercial or independent business Activity. In any case, the claims expire no later than 15 months after delivery or notification of the readiness to deliver. The limitation of warrenty period of one year is extended in the event that the Buyer and the user are a private person, for two years from commissioning.

## XII. Liability

- 1) If the Supplier assambles spare parts within the scope of the warranty, the warranty for such parts is one year, this period does not end before the warranty period for the delivered plant expires.
- 2) Further claims of the Buyer, in particular for compensation for damages, which are not caused by the delivery item itself, are excluded. This disclaimer of liability does not apply in case of intent, gross negligence of the owner or executive employee, as well as culpable violation of essential contractual obligations. In the case of culpable violation of essential contractual obligations, the Supplier shall be liable - except in cases of intent and gross negligence on the part of the holder or executive employee - only for the contractually typical, reasonably foreseeable damage. The exclusion of liability also does not apply in the cases in which the product liability law is liable for faults in the delivery item for persons or property damage to privately used items. It shall also not apply in the absence of characteristics which are expressly assured if the assurance has been intended to protect the Buyer against damages which are not caused by the delivery item itself.

## XIII. Software use

If software is included in the scope of delivery, the Buyer is granted a non-exclusive right to use the delivered software, including its documentation. It is left to the intended delivery item for use. Use of the software on more than one system is prohibited.

The Buyer is not allowed to reproduce, process, translate, or convert the software from the object code to the source code. The Buyer undertakes to provide manufacturers, in particular copyright notices, not to be removed or altered without the prior express consent of the Supplier.

All other rights to the software and the documentation, including the copies, remain with the Supplier or with the software Supplier. Sublicensing is not permitted.

#### XIV. Applicable law, jurisdiction

1. For all legal relations between the Supplier and the Buyer, the law of the Federal Republic of Germany, which is decisive for the legal relations between the parties, applies under exclusion of the UN purchase law
2. Jurisdiction is the court competent for the seat of the Supplier. However, the supplier is entitled to file a claim at the court where the Buyers headquarters is registered.

#### XV. Severance clause

Should any provision of these terms be or become invalid, the remaining provisions shall remain unaffected. If individual provisions are contested or invalid, a regulation which corresponds as closely as possible to the intended one takes place in its place.