

Terms and Conditions of Purchase

SolarWorld Industries GmbH

1. General Provisions

These terms and conditions of purchase shall apply exclusively to all our purchase orders. The general terms and conditions of the supplier are hereby excluded.

The confirmation or execution of our purchase order shall be deemed as acknowledgement of these terms and conditions of purchase. This also applies in cases where the supplier has conflicting or deviating terms and conditions. Conflicting or deviating terms of delivery shall not be acknowledged, even if we do not explicitly reject them.

All other agreements must be made in writing.

2. Quotation

The supplier shall make his quotation based on the request of the buyer and provide notification of any deviations from said request.

The quotation does not entail any obligation for the buyer to accept the quotation or to enter into any agreement.

We do not offer any reimbursement or compensation for visits or the preparation of quotations, projects, plans, etc.

3. Purchase Order

Purchase orders and order changes shall be made exclusively in writing.

The order code designated by the buyer must be included on all written documents.

If no price is quoted in the purchase order, we shall reserve the right to confirm it, even if order processing has already begun.

4. Delivery

All deliveries shall be made carriage paid and without charge for packaging to the receiving center or location we specify. Special guidelines pertaining to the handling of goods, especially the unloading, transport and storage of goods in our facilities, must be indicated to us in writing before the goods are received.

If we explicitly agree to bear the costs, then the supplier must choose the most affordable and most suitable means of shipping the ordered items.

If not included in the agreed price, packaging shall be charged based on the cost price and without deposits. Once the items have been removed, we reserve the right to return bulky packaging materials such as containers, barrels, or boxes back to the supplier with carriage paid and given an appropriate credit note. This can be done regardless of any shipping damages or any other wear and tear on said packaging.

The supplier must observe the legal provisions regarding the delivery and transport of hazardous materials. If these provisions are ignored, the supplier shall be held responsible for the resulting damages and costs.

All shipments that cannot be accepted due to failure to observe the above provisions shall be placed in storage at the cost and risk of the supplier.

All documents necessary for acceptance, operation, maintenance and repairs, particularly the test records, company certificates, drawings, plans, user guides and repair manuals, must be included in the delivery by the supplier free of charge and in a reproducible format.

The opening hours of our incoming goods department are recognizable within our purchase order documents. However, the buyer is entitled to request receiving goods even outside these business hours. Express shipments outside of the goods receipt hours must generally be notified in advance and handed over at the gate.

Each shipment must contain a delivery note in duplicate form in which all of the codes specified in our purchase order are indicated. Partial or outstanding deliveries must be indicated as such.

In order to be able to determine the content of a shipment without actually opening it, the delivery note must be placed either under the label or the wrapping paper with the notice "Delivery Note Here".

5. Delivery Time

The agreed delivery times are deemed binding for the supplier. Whether the delivery times or deadlines are met is determined by when the goods arrive at the receiving center or location we specify or the timeliness in which the delivery is accepted.

If there is a delay in the delivery, the buyer must immediately be notified in writing along with information on the cause and estimated duration of the delay. If the supplier fails to notify the buyer, he may no longer cite the respective circumstances as an excuse for the delay to the buyer.

The buyer is only interested in deliveries that are made in a timely manner. If the supplier fails to meet the agreed delivery time or deadline, the buyer shall therefore be entitled, but not required, to withdraw from the contract without having to offer a grace period with a warning of refusal. The buyer is further entitled to demand compensation in addition to or in lieu of performance without first having to offer a grace period for the delivery. The aforementioned rights shall not be excluded by the fact that previous delayed deliveries have been accepted by us without reservation.

Any delivery made in advance without our consent does not affect the payment deadlines connected to the agreed delivery deadlines.

6. Warranty, Guaranty, Notification of Defects

It is deemed agreed and also guaranteed by the supplier that the items of delivery shall have the conditions and properties indicated in the purchase order, be based on the latest technology available, and meet the standard legal provisions as well as the regulations and guidelines of government agencies and trade and professional associations.

If it is necessary to deviate from these regulations in individual cases, then the supplier must obtain our written consent before

making the delivery. Our consent in this regard shall not affect the warranty or guaranty obligations of the supplier.

Provided a longer period has not been agreed to individually, the warranty period shall be two years after the delivery items have been commissioned or used for the first time.

If a notification of defects is given during the guaranty or warranty period, the guaranty or warranty shall be extended by the time that elapses between notification of defects and rectification of defects. If the delivery item is completely replaced, the warranty period shall begin anew. If only some parts are replaced, then only the warranty for those parts shall be renewed.

The buyer shall immediately notify the supplier of any defects in the delivery or service as soon as they are discovered in the normal course of business. Notification of hidden defects that only appear at a later time shall be given by the buyer immediately or within two weeks of their discovery at the latest.

The supplier shall indemnify the buyer from all third-party claims arising from the manufacturer's liability or the Product Liability Act provided the supplier or one of the contractors of the supplier is responsible for the product defect in question.

7. Invoicing and Payment

A single invoice must be sent separately for each order and contain information that complies with the delivery note and the dispatch note. Any and all additional or reduced services must be listed separately in the invoice.

Unless indicated otherwise in the purchase order, payment is due within 30 days minus a 3% discount or within 60 days in the net amount. The payment term shall begin upon receipt of proper invoice at the earliest, but not before receipt and acceptance of ordered goods or acceptance of service. The date on the receipt stamp determines the date of invoice receipt.

Payment shall not constitute acknowledgement of conditions and prices and shall not affect the right to give notice of defects and the guaranty and warranty claims against the supplier.

Invoices that fail to meet the requirements of the buyer, especially if they are missing the order numbers, shall be sent back to the supplier immediately. In this case the discount period begins once the amended invoice is received.

8. Documents, Non-Disclosure, Property Rights

All drawings, standards, guidelines, analytic methods and other documents that the supplier receives from the buyer as well as documents from the supplier that are created according to the specifications of the buyer shall remain the property of the buyer and must be used by the supplier for their intended purpose only and may neither be duplicated nor disclosed to third parties. The buyer can demand the return of such documents at any time, including all transcripts and copies thereof.

In addition, all other information the supplier receives in connection with order placement and execution about quantity of items, prices, etc., or about the operating workflows of the buyer may not be disclosed by the supplier and shall be kept confidential for a period of 5 years after the business relationship between the parties ends. The supplier shall be held liable for all damages to the buyer arising from the failure to meet this obligation.

Documents the buyer requires to use, set up, install, handle, store, operate, maintain, inspect, service or repair the delivery items shall be provided by the supplier without request and in due time.

The standards and guidelines listed by the buyer shall apply in their most recent form.

The supplier shall ensure that the manufacturing, processing, use or sale of the offered and delivered goods do not violate any national or international industrial property rights or third-party copyrights.

The supplier is obliged to indemnify the buyer or the buyer's customer from all third-party compensation claims arising from such legal relationships. Any and all licensing fees shall be borne by the supplier.

9. Assignment

Without the prior consent of the buyer, the supplier may neither transfer his receivables to a third party nor commission a third party with the collection of his receivables.

10. Origin of Goods

The delivered goods must meet the origin conditions of the most-favored nation agreements of the EEC unless explicitly stated otherwise in the order confirmation.

11. Applicable Law, Place of Performance and Place of Jurisdiction

The law of the Federal Republic of Germany shall apply exclusively excluding the UN Convention on Contracts for the International Sale of Goods and private international law.

Customary clauses shall be interpreted based on the relevant Incoterms.

The place of performance shall be the reception center designated by the buyer, unless indicated otherwise in the purchase order. The place of jurisdiction is the registered office of the buyer.

Should individual provisions of these terms and conditions of purchase be or become invalid either wholly or partially, the validity of the remaining provisions or parts of such provisions shall not be affected thereby. The invalid provision shall be replaced by a valid provision that best reflects the commercial intent of the invalid provision. The same shall apply for filling any loopholes in the contract and/or terms and conditions.