

General Terms and Conditions of Business of LTi REEnergy GmbH

I. Scope/General provisions

1. All supplies, services and offers of the Seller shall be based solely on these Terms and Conditions. They form an integral part of all contracts entered into by the Seller with its contract partners (in the following also referred to as "the Buyer") in respect of the supplies or services it offers. They also apply to all future supplies, services or offers to the Buyer, even if not explicitly so agreed.
2. Any terms and conditions of the Buyer or of third parties shall not apply, even where the Seller does not explicitly contest their applicability in individual cases. Even where the Seller makes reference to correspondence containing or referring to terms and conditions of the Buyer or of a third party, this shall not indicate consent to the applicability of the said terms and conditions.
3. Where the supply includes standard software, the Buyer shall be granted the non-exclusive right to use the said software, with the agreed features, in unmodified form. Use of the software on more than one system is prohibited. The Buyer may only reproduce the software, modify it, translate it or convert it from the object code to the source code to the extent permitted by law (sections 69a ff. Urheberrechtsgesetz [German Copyright Act]). The Buyer undertakes not to remove manufacturers' notices – in particular copyright notices – or modify any such notices without the prior express consent of the Seller. All other rights to the software and to the documentation, including copies thereof, remain with the Seller with the software vendor as appropriate. Granting of secondary licences is not permitted.

II. Quotations and contracts

1. All quotations issued by the Seller are subject to confirmation and non-binding, unless expressly identified as being binding or specifying a particular date by which they must be accepted. The Seller may accept purchase orders or orders for services within 14 days of receipt.
2. The sole basis for all legally regulated transactions between the Seller and the Buyer is the written purchase contract, incorporating these Terms and Conditions. The purchase contract stipulates all the agreements made between the parties relating to the transaction concerned. Any verbal consents issued by the Seller prior to signing of the contract are not binding in law, and any prior verbal agreements between the parties shall be replaced by the written contract, unless it is expressly agreed that they shall continue to apply in a binding manner.
3. Specifications of the Seller relating to the contracted supply or service (such as weights, measures, consumption figures, load-bearing capacity, tolerances and other technical data) as well as depictions of same (such as drawings and diagrams) are only approximations, unless their usability for the purposes embodied in the contract requires precise agreement. They do not represent warranted characteristics, but are merely descriptions or identifying designations of the supply or service in question. Normal commercial variations and non-conformance in order to comply with legal requirements or in implementation of technical improvements, or the substitution of components by equivalent components, is permissible, provided such measures do not impair the usability of the supply or service for the purposes embodied in the contract.
4. The Seller reserves title or copyright to all the quotations and estimates it issues, as well as to drawings, diagrams, calculations, brochures, catalogues, models, tools and other documentation and aids provided to the Buyer – both physically and non-physically, including in electronic form. The Buyer must not, without the express consent of the Seller, make any such items themselves, or the contents of any of such items, available to third parties, use or reproduce them itself or allow them to be used or reproduced by third parties, or disclose them in any other way to third parties. It shall return said items in full to the Seller on demand and shall destroy any copies made if they are no

longer necessary to conduct its ordinary business operations, or if negotiations fail to result in a contract award.

5. Unless otherwise agreed, the INCOTERMS provisions applying at the time of signing the contract shall be decisive in interpreting clauses relating to the supply of goods.

III. Prices and payment

1. Prices apply to the scope of supplies and services set out in the order confirmations and are calculated in Euros. Any additional or special supplies or services required shall be charged separately. Unless otherwise agreed in writing, prices quoted are ex works (EXW), but excluding packing and insurance. Prices are subject to statutory sales tax (VAT) at the prevailing rate. Exports are subject to customs duties, levies and other official charges.
2. The prices charged are the selling prices applicable at the time of signing the contract, and are based on currently applicable material and labour costs. If more than four months pass between date of contract and delivery due to delays beyond the control of the Seller, the price may be increased appropriately, taking into account material, labour and ancillary costs incurred (in each case less an agreed percentage or fixed discount). If the purchase price increases by more than 40%, the Buyer shall be entitled to withdraw from the contract.
3. Unless otherwise agreed in writing, payments shall be made as follows:

30% of the order value on signing of contract
60% of the order value on delivery or in the cases pursuant to section V.3
10% on commissioning, no later than 6 weeks after delivery
4. All payments shall be made immediately on invoicing, without deduction, to the Seller's account, unless otherwise agreed in writing. Payment deadlines shall be considered as having been met if the amount in question is at the Seller's disposal by the given date. At the discretion of the Seller, payments may be allocated to other outstanding claims.
5. Cheques shall be accepted by way of payment. Debit charges and interest shall be credited immediately to the Seller.
6. Offsetting of counter-claims of the Buyer or retention of payments due to such claims shall only be permissible where the counter-claims are undisputed or have been established in a court of law. The Seller shall be entitled to defend against exercising of the right of retention by means of security provision, including by surety.
7. If the Buyer fails to meet its due payment obligations immediately, despite being issued with a reminder, the Seller shall be entitled:
 - to classify all outstanding payments as due immediately;
 - to suspend performance of as yet unfulfilled contracts;
 - to assert its right to retain title as agreed (section X.);
 - after allowing an appropriate period for payment to be made, to cancel the contract and file a claim for damages.
8. If the Buyer fails to make payment by the due date, an interest rate of 5% p.a. shall be applied to the outstanding amounts as from the due date. The right to claim higher rates of interest, such as by reason of default, and to claim additional damages in the event of default shall be retained.
9. The Seller shall be entitled to execute outstanding supplies or services only on advance payment or provision of security if, after signing the contract, it becomes aware of circumstances which are likely

to materially impair the credit-worthiness of the Buyer and which place at risk payment by the Buyer of the outstanding claims of the Seller arising from the contract relationship (including from other specific orders covered by the same framework contract).

IV. Delivery and delivery times

1. Deliveries shall be made ex works (EXW).
2. Any delivery dates or scheduled dates for execution/completion of services specified by the Seller are to be considered as approximations only, unless a fixed delivery date or date of execution/completion has been expressly promised or agreed. Where goods are consigned to carriers, defined delivery periods and delivery dates relate to the point of handover to the carrier or other third-party transport operative concerned.
3. Conformance to the defined delivery date requires that the order should have been fully clarified in all respects, all necessary approvals have been obtained and all documentation, payments and securities to be provided by the Buyer have been received on time by the Seller. The allowable delivery period shall be extended accordingly, notwithstanding the Buyer's rights in respect of delay, if the aforementioned preconditions are not all met on time.
4. The Seller shall not be liable in case of impossibility of delivery or in respect of delivery delays resulting from force majeure or other events beyond its control which were not foreseeable at the time of signing the contract (such as interruptions to production of any kind; difficulties procuring materials or energy, transportation delays; strikes; legally authorized lock-outs; shortage of labour, energy or raw materials; difficulties procuring necessary official approvals; action by public authorities; or missing, incorrect or delayed deliveries from component suppliers). Where such events materially impede or render impossible performance of the supply or service by the Seller, and the impediment is not merely of a temporary nature, the Seller shall be entitled to cancel the contract. In case of impediments of a temporary nature, the periods allowable for execution of the supply or service shall be extended, or the delivery or completion date postponed, by the duration of the impediment plus an appropriate start-up period subsequently. Where the Buyer cannot be reasonably expected to accept the supply or service as a result of the delay, it may withdraw from the contract by immediately notifying the Seller in writing.
5. The Seller shall be entitled to make part-deliveries, provided the Buyer can be reasonably expected to consent to such a procedure.
6. If the Seller delays in executing a supply or service, or if it becomes impossible for it to execute a supply or service, for whatever reason, the liability of the Seller shall be limited to the payment of damages pursuant to section VII. of these Terms and Conditions.

V. Shipping/packing, transfer of risk, acceptance

1. If the Buyer contracts a carrier to ship goods, it shall do so at its own risk and expense. The method and route of shipping and the packing shall be determined by the Seller, excluding any liability in respect of choice of the lowest-cost, fastest mode of shipping, at its own discretion.
2. The risk of loss, damage and resultant delays to deliveries shall be transferred to the Buyer no later than on handover of the goods to the carrier or other third-party transport operative (the point of handover being defined as the start of loading). This shall also apply in the case of part-deliveries or where the Seller has been contracted to take on other work (such as shipping or installation).
3. The goods shall be insured by the Seller against theft, breakage, damage in transit, fire and water damage or other insurable risks only at the express request and expense of the Buyer.

4. If the Buyer delays in carrying out acceptance, or if shipping or handover is delayed due to circumstances for which the Buyer is responsible, the risk shall be transferred to the Buyer on the date on which it is notified of the availability/readiness for shipping of the goods in question. In such a case the Seller shall be entitled to place the goods in storage and insure them accordingly at the Buyer's risk, and to claim reimbursement of the costs incurred. Storage of goods by the Seller shall be billed at 0.25% of the invoice amount of the goods concerned per completed week. The right is reserved to document and claim additional or reduced storage costs as appropriate.
6. Where acceptance testing procedures are required, they shall be carried out at the Seller's works. Acceptance shall be considered to have been issued if the Buyer makes no justified claims by the end of testing.
7. If the Buyer waives the agreed acceptance testing, or if it fails to attend such testing despite being notified of it in good time, the tests carried out by the Seller shall be classed as acceptance.
8. If testing is delayed for reasons beyond the control of the Seller, any additional costs thereby incurred shall be charged to the Buyer.

VI. Warranty („Mängelrechte/Gewährleistung“)

1. The delivered goods shall be thoroughly inspected immediately on delivery to the Buyer or its authorized representatives. They shall be considered accepted if the Seller is not notified in writing of obvious defects or other defects identifiable by means of immediate thorough inspection within seven working days of delivery or otherwise within seven working days of discovery of the defect, or at any earlier time at which the defect was identifiable for the Buyer in normal use of the delivered items without more detailed inspection. The items claimed to be defective shall be returned to the Seller, carriage paid, on demand by the Seller. In the event of a claim being found to be justified, the Seller shall reimburse the Buyer for the lowest-cost method of shipping. This shall not apply where the cost is increased because the goods are at a location other than their place of intended use.
2. Where a defect is identified, the Seller shall initially be obligated and entitled to provide repair or replacement delivery, at its own discretion based on a decision taken within an appropriate allowable period of time. No claim for subsequent performance, or a specific type of subsequent performance, shall apply. The Seller shall bear the necessary cost if repair of defects is required, unless the said cost is increased because the goods are at a location other than the place of performance. Repairs shall be considered to have failed at the earliest on the second unsuccessful attempt, unless further attempts at repair are appropriate and the Buyer can be reasonably expected to consent to them. The Buyer may only assert claims for damages in respect of the defect under the terms set out below when the subsequent performance has failed.
3. The Buyer shall, at its discretion, be entitled to have the purchase price reduced or, instead of requiring performance, to withdraw from the contract and demand compensation for damages in accordance with the provisions set out in section VII if the Seller seriously and definitively refuses subsequent performance or if subsequent performance has failed or cannot reasonably be expected of the Buyer, or if an appropriate period of time allowed for repair to be completed has passed without success. This shall not apply if the Seller is entitled to refuse subsequent performance on legal grounds.
4. All further liability for material defects shall be excluded, unless such defects were fraudulently concealed by the Seller or the Seller has given a written guarantee of warranted characteristics. The right of the Buyer to assert claims for damages on other legal grounds pursuant to section VII shall remain thereby unaffected.
5. In the event of defects in components from other manufacturers which the Seller is unable to repair for reasons relating to licensing law or for material reasons, the Seller shall, at its discretion, assert its warranty claims against the manufacturers and suppliers for the account of the Buyer or reassign

said claims to the Buyer. Warranty claims against the Seller in the event of such defects shall apply subject to the other preconditions, and under the terms of these Terms and Conditions, only if attempts to assert the aforementioned claims against the manufacturers and suppliers in a court of law have failed or have no prospect of succeeding, such as in the case of insolvency. The Buyer's warranty period in respect of claims against the Seller shall be extended by the duration of the legal dispute.

6. Warranty cover shall be voided if the Buyer modifies the delivered items, or arranges for them to be modified by third parties, without the consent of the Seller and repair of defects is thereby rendered impossible or unreasonably difficult. In any case, the Buyer shall bear the additional cost of repair resulting from the modification.
7. Unless otherwise agreed, used goods are sold without warranty. The contractual status of the goods shall be determined by their characteristics to the point of handover to the Buyer. This shall also apply if, at the point of handover or on signing of the contract, the purchased goods exhibit defects which are not identifiable and were not documented in the purchase contract. Used goods under these terms also include exchange parts.

VII. Liability

1. Seller shall not be held liable in the event of negligent infringement of minor contractual obligations. Where this section refers to "negligence", it does not mean gross negligence.

In the event of negligent infringement of contractual obligations of which fulfilment is essential to performance of the contract and in which fulfilment a Buyer routinely trusts and may be expected to trust (cardinal obligations, essential contractual obligations), the liability of the Seller shall be limited to the loss foreseeable and typically occurring in keeping with the nature of the supply or service rendered. In such a case, claims for compensation in respect of consequential loss, such as loss of profit, shall be excluded. The same applies in the event of grossly negligent infringement of minor contractual obligations perpetrated by Seller's agents in performance.

These limitations and exclusions of liability also apply to claims in respect of fault on signing of the contract, other infringements of obligations and inadmissible actions. They do not apply in the case of injury to life, limb or health, or to claims pursuant to product liability law.

2. The liability of the Seller shall in any case – except in case of intent, in case of gross negligence of executive bodies or senior management staff, in case of injury to life, limb or health, in case of claims pursuant to product liability law or in case of intentional or grossly negligent infringement of cardinal obligations/essential contractual obligations – be limited to a maximum amount of EUR 10,000 per case and a maximum of EUR 20,000 per calendar year. Any higher maximum liability amount must be explicitly agreed in writing. At the express written wish of the Buyer, the Seller shall, at client's expense, take out corresponding liability insurance providing cover above and beyond the said maximum liability amount, up to an amount to be agreed in the specific case. This limitation of liability shall not apply in the case of injury to life, limb or health for which the Seller is deemed responsible.
3. The Seller shall not be held liable for loss resulting solely from fault of the personnel deployed by the Buyer, even where the said personnel is supervised and instructed in its work by the technical personnel of the Seller. The same applies with regard to technical information or advice given, unless forming part of the services to be rendered under the terms of the contract.
4. The aforementioned limitations of liability shall also apply in respect of claims against officers, employees, contract workers, representatives and agents in performance of the Seller.

VIII. Time limitation

1. Unless otherwise agreed in writing, the warranty shall cover a period of one year from date of delivery or, in cases under the terms of section V.3, from the date of notification of availability/readiness for shipping or, where acceptance testing is required, from date of acceptance.
2. Claims in respect of fault at the time of signing the contract and of other infringements of obligations shall be limited to a period of 24 months. The period within which claims shall be allowed begins on the date on which the Buyer is notified of the circumstances giving rise to the claim, or should have become aware of such circumstances without the occurrence of gross negligence. Notwithstanding the said notification or grossly negligent lack of awareness of the relevant circumstances, these claims – except for claims in respect of injury to life, limb or health or infringement of freedom – shall expire no later than five years after they arise. These provisions do not apply to claims in respect of product liability.
3. At variance from section 212, paragraph 1 clause 1 of the German Civil Code (BGB), the limitation period in respect of the Buyer's claims arising from the above provisions shall recommence only when the Seller expressly acknowledges the Buyer's claims in writing.
4. The aforementioned time limitations shall also apply in respect of claims against officers, employees, contract workers, representatives and agents in performance of the Seller.

IX. Protected rights

1. Subject to the provisions set out below, the Seller warrants that the delivered goods are free of any intellectual property rights or copyright held by third parties. Unless otherwise agreed, the Supplier shall provide the Supplies free from third parties' industrial property rights and copyrights with respect to the country of the place of delivery only. Each party shall notify the respective other party immediately in writing if claims are asserted against it in respect of infringement of such rights.
2. Where the delivered goods infringe against intellectual property rights or copyright held by third parties, the Seller shall be, at its discretion and at its own expense, modify or exchange the items concerned such that third-party rights are no longer infringed but the items still fulfill their contractually agreed functionality, or shall procure a right of use on behalf of the Buyer by entering into a licensing agreement. If it fails to do so within an appropriate period of time, the Buyer shall be entitled to withdraw from the contract or to have the purchase price reduced. Any claims for damages of the Buyer shall be subject to the limitations laid down in section VII of these Terms and Conditions.
3. In the event of infringement against the law by products from other manufacturers supplied by the Seller, the Seller shall be, at its discretion, assert its claims against the manufacturers and component suppliers for the account of the Buyer or reassign said claims to the Buyer. Claims against the Seller shall apply in such cases under the terms of this section IX only if attempts to assert the aforementioned claims against the manufacturers and component suppliers in a court of law have failed or have no prospect of succeeding, such as in the case of insolvency.

X. Loss of Prospective Sales / Profits

Any liability on the part of the contractor for loss of prospective sales and/or profit on the part of the client shall be excluded. The client shall take out insurance in the required scope against the risk of failure of the plant. The contracting parties have taken assumption of this economic risk by the client into consideration within the scope of calculation of the respective prices in accordance with Clause III.

XI. Retention of title

1. Unless otherwise agreed, the goods (items subject to retention) shall remain the property of the Seller until full payment of all present and future claims due to the Seller arising from its business relationship with the Buyer – including current account balance claims – has been made.
2. The Buyer shall treat the items subject to retention with due care and attention, and shall insure them at its own expense against fire and water damage and theft, providing adequate cover in keeping with the as-new value of the goods. If maintenance and inspection becomes necessary, the Buyer must carry out the work promptly, at its own expense.
3. The Buyer shall be entitled to sell the items subject to retention in the normal course of business, provided it has promptly fulfilled its obligations arising from its business relationship with the Seller. The Buyer must not pledge or reassign the items subject to retention of title by way of security. It shall be obligated to safeguard the rights of the Seller in the event of credited resale of the goods.
4. If the Buyer infringes against its obligations – in particular if it defaults on payments – the Seller shall, after allowing the Buyer an appropriate period of time to meet its obligations, be entitled to cancel the contract and retake possession of its goods, including entering the Buyer's premises to do so. The legal provisions relating to the waivability of such an allowed period of time remain unaffected. The Buyer shall be obligated to hand over the goods in question.
5. The Buyer hereby reassigns to the Seller in full, by way of security, all its future claims against its customers arising from resale of the goods subject to retention of title as well as its claims against its customers or third parties in respect of the said goods based on other legal grounds (in particular claims arising from inadmissible actions and insurance claims), including all current account balance claims. The Seller hereby accepts the aforementioned reassignment.

The Buyer may collect the said claims reassigned to the Seller for its account, in its own name, on behalf of the Seller, provided this authorization is not rescinded. The right of the Seller to collect the said claims itself is not thereby affected. However, the Seller shall not assert the claims itself and shall not rescind the Buyer's authorization to collect them provided the Buyer properly fulfills its payment obligations. If the Buyer infringes against contract obligations however – particularly by defaulting on a payment claim – the Seller may demand that the Buyer disclose details of the reassigned claims and the debtors concerned to it, advise the debtors concerned of the reassignment and provide the Seller with all documentation and other relevant particulars necessary to assert its claims.

6. The Buyer shall carry out processing of the goods subject to retention of title on behalf of the Seller. If the goods are processed together with, or inseparably combined with, other goods not belonging to the Seller, the Seller shall be assigned pro rata title to the newly created item based on the invoice value of the goods subject to retention of title relative to that of the other processed or combined items at the time of processing or combining them. If goods of the Seller subject to retention of title are joined to, or inseparably combined with, other movable assets to create a unified item, and if the new item is classed as the primary item, the Buyer shall assign the Seller pro rata title to the said primary item, provided the item belongs to the Buyer. The Buyer shall preserve and protect the seller's absolute or shared right of title as appropriate. In other respects, the same provisions apply to the item created by processing or joining/combining as apply to the goods subject to retention of title.
7. The Buyer shall notify the Seller immediately of any levies of execution by third parties against the goods subject to retention of title, against the claims reassigned to the Seller or against other securities provided, and shall provide the Seller with all the documentation necessary for it to intervene. This shall also apply to impairments of other kinds.

8. Where the realizable value of all collateral attributable to the Seller exceeds the value of all secured claims by more than 20%, at the request of the Buyer the Seller shall, at its discretion, release a corresponding portion of the collateral.
9. If retention of title as stipulated above is not legally enforceable according to the laws of the destination country, the Buyer shall assist in establishing grounds for right to security in accordance with the laws of its country on behalf of the Seller.

XII. Concluding provisions

1. Unless otherwise stipulated, the place of performance in respect of all obligations arising from the contractual relationship shall be the domicile of the Seller.
2. Jurisdiction in respect of all disputes arising from business transactions between the Seller and the Buyer lies with the courts of Unna. The Seller shall, however, be entitled to file suit against the Buyer at any competent court. Legal requirements relating to sole jurisdiction remain unaffected by this provision.
3. The relations between the Seller and the Buyer are subject solely to the laws of the Federal Republic of Germany. The Hague Convention dated July 1, 1964 relating to unified laws applicable to the international sale of goods and the UN Convention dated April 11, 1980 relating to contracts for the international sale of goods are not applicable.
4. If the contract or these Terms and Conditions omit some necessary provisions, in fulfillment of those provisions the legally enforceable provisions which the parties would have stipulated in accordance with the commercial objectives of the contract and the purpose of these Terms and Conditions if they had been aware of the omissions are agreed as applying.

Notice:

The Buyer hereby acknowledges that the Seller will store data arising from the contractual relationship in accordance with section 28 of the German Data Protection Act (Bundesdatenschutzgesetz) for the purposes of data processing and that it reserves the right to disclose the said data to third parties (such as insurance companies) where necessary in performance of the contract.