

General Terms and Conditions of Purchase

of PEER Energy GmbH, represented by the managing director, Mr. Ralf Giebmanns

(hereinafter referred to as: "buyer")

I. Scope

1. The following terms and conditions shall apply to all contracts concerning the delivery of goods concluded between buyer and seller. They also shall apply to all future business relations, even if they have not been expressly agreed once again. Deviating terms and conditions of the seller not expressly acknowledged by the buyer shall be without obligation for the buyer, even if he does not expressly disagree with them. The terms and conditions of the buyer shall apply, even if the buyer accepts the delivery of the seller without reservation being aware of conflicting terms and conditions or of terms and conditions deviating from his own ones.
2. The seller shall acknowledge the exclusive validity of these terms and conditions of purchase for all further orders as of first delivery.
3. All the agreements made between buyer and seller in connection with the purchase agreements have been put into writing in the purchase agreements, these terms and conditions and the quotations of the buyer.

II. Offer and Conclusion of Contract

1. The buyer shall be bound by the offer concerning the conclusion of a purchase agreement (purchase order) for two weeks. The seller may accept the offer by way of a written declaration towards the buyer within these two weeks only.
2. Drawings, plans and other documents belonging to the purchase order shall remain the property of the buyer who reserves all the copyrights in these documents. If the seller does not accept the offers of the buyer within the period stated in section 2 item 1, these documents shall have to be returned to the buyer immediately.

III. Payments

1. Unless otherwise agreed between the parties in writing, the price stated in the purchase order by the buyer shall be binding and be considered free domicile. Packing costs shall be included in the price. Prices are to be understood to include the current legal value-added tax. All the invoices of the seller shall indicate the purchase order number stated by the buyer.
2. Unless otherwise agreed with the seller in writing, the buyer shall pay within fourteen working days from delivery of goods by the seller and receipt of invoice less a 3% cash discount or within 30 days net.
3. The buyer shall be entitled to make full use of the legal rights to offset and to withhold. He shall be entitled to assign any claims arising out of the purchase agreement without the consent of the seller. Without obtaining the advance written consent of the buyer, the seller shall not be entitled to assign any claims arising out of the contractual relationship to third parties.

IV. Delivery Time

1. The delivery period or the delivery time indicated in the purchase order by the buyer shall be binding for the seller.
2. If the seller is in default, the buyer shall be entitled to all legal claims resulting from the default. If the buyer asserts claims for damages, the seller shall be entitled to prove that he does not have to answer for the breach of duty.
3. The contractual periods and the completion deadline agreed in the contract shall be subject to a contractual penalty.
4. If the seller is in default with a contractually agreed schedule, he shall owe 0.1% of the net billing amount as a contractual penalty for each working day exceeding the schedule.
5. The maximum contractual penalty for exceeding the delivery times shall be 8% of the net billing amount.

V. Warranty/Liability

1. The buyer shall be obliged to examine the goods for deviations in quality and quantity within a reasonable period of time from the delivery of the goods by the seller. A notice of obvious defects shall be in time, if it is sent by the buyer within 7 (in words: seven) working days from the delivery of the goods and is subsequently received by the seller; a notice of hidden defects shall be in time, if it sent by the buyer within 14 (in words: fourteen) working days from their discovery and is subsequently received by the seller.
2. The buyer shall be entitled to the statutory claims for defects towards the seller and the seller shall be liable towards the buyer to the statutory extent. Unless any deviating agreement has been made, the limitation for claims for defects shall be 36 months from the transfer of risk.
3. The seller shall warrant that the goods comply with possibly submitted specifications, relevant standards and the state of the art.
4. During the warranty period, the seller shall waive the objection of the delayed notification with regard to hidden defects.

VI. Liability of the Seller/Insurance Cover

1. If third parties claim damages from the buyer because of a defective product to be answered for by the seller, the seller – upon first request – shall indemnify the buyer against any claims of third parties including the necessary costs to defend such claims, if the seller has set the cause in his sphere of power and organisation.
2. If the buyer is obliged to start a recall campaign because of a defect in terms of section VI item 1, the seller shall be obliged to reimburse any expenses to the buyer resulting from or in connection with the recall campaign carried out by him. As far as it is possible for the buyer and time reasonably allows it, the buyer shall inform the seller about the content and scope of the recall campaign and give him the opportunity to state his position. Further legal claims of the buyer shall remain unaffected from this.
3. The seller shall be obliged to take out and to maintain a product liability insurance with an insurance coverage being appropriate for the goods of at least € 3 million (in words three million) per personal injury/damage to property. Further legal claims of the buyer shall remain unaffected from this.

4. If a claim is asserted against the buyer by a third party because the delivery of the seller infringes a statutory property right of the third party, the seller shall undertake to release the buyer from these claims at first request including all necessary expenses suffered by the buyer in connection with the claim asserted by the third party and its defence, unless the seller is not at fault. Without the written agreement of the seller, the buyer shall not be entitled to accept the claims of the third party and/or to enter into any agreements with the third party with regard to such claims. The limitation for these indemnity claims shall be 36 months from the transfer of risk.

VII. Secrecy/Reservation of Title

Any parts and documents received from the buyer shall remain the property of the buyer. The seller shall only be entitled to utilize these outside this agreement and/or to disclose them to third parties or to make them available to third parties with the written consent of the buyer. After completion of the respective contract, the seller shall have to immediately return them to the buyer at his cost.

VIII. Place of Jurisdiction/Place of Performance/Applicable Law

1. Place of performance and exclusive place of jurisdiction for deliveries and payments (including actions concerning cheque payments) as well as for all disputes resulting from the contracts concluded between the seller and the buyer shall be the seat of the buyer provided that the seller is a merchant in terms of the German Commercial Code (HGB). The buyer shall be free to sue the seller at his seat as well.
2. The relations between the contractual parties shall be exclusively subject to the laws of the Federal Republic of Germany to the exclusion of the UN Convention on Contracts for the International Sale of Goods and of Private International Law.