

Standard Terms and Conditions of SolarNext AG

as of November 2007

§ 1 Scope

Our Standard Terms and Conditions of Sale shall govern all present and future business relationships.

Customers within the meaning of these Standard Terms and Conditions of Sale are both consumers pursuant to Section 13 of the German Civil Code and businessmen pursuant to Section 14 of the German Civil Code.

Any terms and conditions, whether known or unknown to us, which deviate from, conflict with, or are supplementary to our Standard Terms and Conditions shall not form an integral part of the contract, unless their application has been expressly approved in writing.

§ 2 Offers and Conclusion of Contracts

Our offers are subject to change and are not binding. We reserve the right of changes in technical specifications, shape, color, weight and/or other features, as far as such changes are reasonable.

By placing an order, the customer makes a binding declaration of his intent to purchase the ordered goods. We are entitled to accept the customer's offer to conclude a contract within a period of two weeks from its receipt. Acceptance will be declared by us in writing or through delivery of the goods to the customer.

Regarding contracts concluded by electronic means and customers who are consumers, we will promptly acknowledge receipt of the order, store the contents of the contract and, at the customer's request, send it to him by email together with these Standard Terms and Conditions of Sale.

The conclusion of the contract shall be subject to our receiving delivery from our suppliers in good order and in due time. This shall only apply to such cases where we are not responsible for non-delivery, in particular if we have concluded a congruent covering transaction with our own suppliers. The customer shall be promptly informed of any non-availability of the performance. Any consideration already received shall be promptly refunded by us.

§ 3 Prices, Delivery Period, Payment

The purchase price quoted by us shall be binding. All prices are quoted in Euros, ex works, and for delivery within Germany plus statutory value-added tax.

The delivery dates and periods are not binding, partial deliveries are admissible.

The customer shall settle the purchase price less a 2% discount within a period of 14 days, or net within a period of 30 days, from receipt or acceptance of the goods. After the expiry of such period, the customer will be in default on his payment.

During default, consumers shall pay interest in the amount of 5% above the basic interest rate on such claim. Businessmen shall pay during default interest in the amount of 8% above the basic interest rate on such claim. With regard to businessmen we reserve the right to prove and claim a higher damage caused by default.

The customer may offset his own claims only if such claims have been awarded to him by final and absolute court decree or if they have been recognized by us. The customer may assert a right of retention only if his counterclaims are based on the same contract.

Claims asserted against us may not be assigned without our written approval and may only be asserted by the customer.

§ 4 Acceptance

As far as the nature of a contract requires the acceptance of the goods, or of components of such goods, delivered by us, the customer shall be obligated to accept the goods, unless there is good cause, in particular substantial defects, for the denial of acceptance.

Regarding the acceptance an inspection report to be signed by the customer shall be made, where any items yet to be done shall be recorded.

Such acceptance shall not affect the customer's warranty rights for hidden defects with regard to which it can be proven that we are responsible for them.

In the event that the buyer puts the system into operation without formal acceptance for a period in excess of that required for thorough inspection, the system shall be deemed accepted after the expiry of three working days from its putting into operation.

§ 5 Reservation of Title

For contracts with businessmen we shall reserve title in the goods until all current or future claims arising out of an existing business relationship have been settled.

For contracts with consumers we shall reserve title in the goods until the purchase price has been completely settled.

The customer shall be obligated to treat the goods carefully. In the event that maintenance or inspection should become necessary, the customer shall have such work executed at regular intervals at his own expense.

The customer shall be obligated to inform us promptly of any attachment of the goods, such as levy of execution, of any damages caused to them, or of their destruction. The customer shall inform us promptly of any change of ownership regarding the goods and of a change of his residence or business domicile.

We shall be entitled in case of the customer's acting in breach of the contract, in particular delay of payment or breach of any of the above obligations, to rescind the contract and to reclaim the goods.

§ 6 Right of Cancellation of Orders Placed by Means of Telecommunication

If the customer, as a consumer, places an order exclusively through means of telecommunication, he shall be entitled to revoke his declaration to conclude a contract within two weeks, without giving reason, by notice in writing or by return shipment of the goods.

This period of cancellation shall begin upon receipt of the goods, the dispatch in time of the notice of cancellation or of the return shipment of the goods being sufficient for such period to be observed.

Consumers exercising the right of cancellation shall be obligated to return shipment, if the goods to be returned can be sent by parcel.

Consumers shall have no right of cancellation if the delivered goods have been produced according to the customer's specifications or clearly correspond to the customer's specific needs.

The consumer shall replace the value of deterioration caused by putting the goods into operation as intended. The consumer may inspect the goods carefully and thoroughly. Any loss in value caused by using the goods beyond their mere inspection, which results in the fact that the goods may no longer be sold as "new", shall be borne by the consumer.

§ 7 Passing of Risk

If the buyer is a businessman, the risk of accidental loss and of accidental deterioration of the goods shall pass to the buyer upon delivery, and in case of sale to destination according to buyer's instructions, upon delivery of the goods to the person or entity who is the recipient of the shipment.

If the buyer is a consumer, the risk of accidental loss and of accidental deterioration of the goods shall pass to the buyer upon delivery of the goods, even in case of sale to destination according to buyer's instruction.

Upon the buyer's request in writing we will take out insurance for the transport of the goods at his expense.

§ 8 Notice of Defects

Businessmen shall give written notice of defects within a period of two weeks from receipt of the goods with apparent defects, otherwise warranty claims shall be excluded. The posting in time of such notice shall be sufficient for the period of notice to be observed. Businessmen shall bear full burden of proof for all requirements of the warranty claim, in particular the defect itself, the date of its discovery, and the timeliness of the notice of defects.

Consumers shall give written notice of defects within a period of two weeks from the discovery of an apparent defect in the goods. The relevant date for the observance of this period shall be the date of posting the notice of defects. In case of hidden defects, the period of notice shall be two years. Should the consumer fail to give notice within the respective period of notice, warranty shall lapse upon expiry of such period of notice. This shall not apply to cases where the seller acted with the intent to deceive. The consumer shall bear the burden of proof for the date of the discovery of the defect.

If the consumer was induced into buying the goods through incorrect manufacturer's data, the consumer shall bear the burden of proof for his inducement to buy.

§ 9 Warranty

If the buyer is a businessman, we shall remedy defects in the goods, at our discretion, through repair or substitute delivery.

If the buyer is a consumer, he shall have the choice of demanding subsequent performance through repair or substitute delivery. We shall be entitled to reject the way of subsequent performance chosen if it involves unreasonable costs and the respective other way of subsequent performance does not have considerable disadvantages for the consumer.

If subsequent performance fails, the customer may, at his option, demand a reduction of the price or rescind the contract. In case of only insignificant breach of contract, the customer's right to rescind the contract shall be excluded.

If after a failed subsequent performance the customer rescinds the contract due to a defect in title or in quality, he shall not be additionally entitled to damage claims for the defect.

For businessmen the warranty period shall be one year, for consumers two years, from the delivery of the goods.

At buyer's request, the remedy of defects may be carried out at such place as determined by him. He will not be charged for work covered by the warranty, but shall refund any expenses other than those covered.

If the buyer is a businessman, the quality of the goods agreed upon shall always be the manufacturer's product description. Public statements, promotion or advertising of the goods by the manufacturer may not be considered as contractual quality description of the goods.

§ 10 Liability

In case of slightly negligent breach of duty, our liability shall be limited to the direct average damage caused to third parties which is foreseeable and typical in respect of the type and nature of the goods. This shall also apply to slightly negligent breach of duty through our legal representatives and the persons employed in performing our obligations.

We shall not assume liability for damage not caused to the delivered item itself, in particular for loss of profit or other pecuniary loss, unless the unfulfilled obligation was precisely intended as protection against the consequential damage occurred.

We shall not be liable to businessmen for slightly negligent breach of unessential contractual obligations.

The above limitations of liability shall not apply to loss or damage arising from injury to human life, limb and health for which we are responsible.

Damage claims asserted by a customer for a defect shall become statute-barred one year from the delivery of the goods. This shall not apply to damage claims based on intentional misrepresentation by us.

§ 11 Data Protection

We assure that we will observe the provisions of the Federal Data Protection Act (BDSG) and any other relevant regulations with regard to any personal data of the customer that are obtained, processed and used by us.

Personal data will be obtained, processed and used by us only if this is necessary for entering, drafting or modifying contractual relationships, for advising the customer, and for promotion, market and opinion research carried out by us, provided that there is no reason to assume that a customer has an interest meriting protection which excludes such use of data.

The customer shall be entitled to contradict the use of his data for advertising, market and opinion research realized by us.

§ 12 Final Provisions

If the customer is a businessman, a legal entity under public law, or a public separate estate, the place of jurisdiction for all disputes arising out of this contract shall be the place of our registered office. In such case we shall also be entitled to take recourse to the courts having general jurisdiction at the place of the customer's place of business.

This contract shall be governed exclusively by the laws of the Federal Republic of Germany, the United Nations' Convention on Contracts for the International Sale of Goods being excluded.

In the event that any provision of the contract concluded with the customer, including these Terms and Conditions of Sale, should be or become wholly or partly invalid or challengeable, this does not affect the validity of the remaining provisions or of the contract. Such invalid provision shall be replaced by a valid provision which comes as close as possible to the intended purpose of the contract. This shall apply analogously to any gaps in the contract that need to be filled.