



**SONNECY Technologies
(Shanghai) Co., Ltd.**

Version 2

General Terms and Conditions of Sale (GCS)

for commercial transactions

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§ 1 Scope of application

(1) These Conditions of Sale apply exclusively to entrepreneurs, legal persons of public law or public legal special fund referred in § 310 paragraph 1 BGB. Conditions of the purchaser that deviate from our sale conditions or contradict them will only be accepted, if we expressly agree to its validity in written form.

2) These Conditions of Sale also apply to all future business with the customer, as long as it refers to legal transactions of related type.

§ 2 Offer and Contract Conclusion

If an order can be regarded as an offer according to § 145 BGB, we may accept it within two weeks.

§ 3 Submitted Documents

We reserve the ownership and copyright of all documents in connection with placing the order, that are submitted to the purchaser, such as calculations, drawings etc. These documents may not be disclosed to third parties, unless we give the purchaser our specific written agreement. If we do not accept the offer of the purchaser within the time limitation of § 2, these documents must be returned to us immediately.

§ 4 Prices and Payment

(1) If there's nothing contrary agreed in writing, then our prices are ex-factory prices, excluding packaging/delivery and plus value-added tax at the applicable rate. Packaging and delivery costs are listed separately in the invoice.

(2) The invoice must be paid solely into the mentioned account. The deduction of discount is only permitted with special written agreement.

(3) The payment terms of our company can be found in the document "Delivery & payment" on our website.

(4) If no fixed price agreement has been made, we also reserve the right to make reasonable price changes due to the altered wage-, material- and distribution costs for deliveries made three months or longer after the conclusion of the contract.

§ 5 offsetting and rights of retention

Only if his counterclaims have been legally confirmed or are undisputed the purchaser has the right to offset. The purchaser is only authorized to implement the right of retention, if his counterclaim is based on the same contractual relationship.



§ 6 Delivery Time

(1) The beginning of the delivery time presupposes the timely and proper fulfillment of the purchaser's obligations. We reserve the right to defend the unfulfilled contract.

(2) As long as the purchaser defaults the acceptance or culpably violates other cooperation obligations, we are entitled to demand the compensation for the loss brought to us, including possible additional expense. Further claims remain reserved. If the prerequisites mentioned above are met, the risk of accidental loss or accidental deterioration of the goods will be transferred to the purchaser at the time, when he runs into default of acceptance or payment.

(3) Legal claims and rights of the purchaser due to delay in delivery remain unaffected.

§ 7 Risk Transfer During Shipment

If the goods are sent to the purchaser at his request, then the risk of accidental loss or accidental deterioration of the goods is transferred to the purchaser with the dispatch to him, at latest with the departure from the factory / warehouse. This applies regardless of whether the goods are shipped from the place of performance or who assumes the freight costs.

§ 8 Retention of Title

(1) We reserve the title of the delivered goods till the full payment of all claims from the supply contract. This also applies to all future deliveries, even if we do not always expressly refer to it. We are entitled to recall the goods if the purchaser breaches the contract.

(2) As long as the ownership has not been transferred to him yet, the purchaser is obliged to treat the goods with care. In particular, he is obligated to sufficiently insure their original value against theft, fire and water damage at his own expense. If maintenance and inspection work must be carried out, the purchaser has to execute them in time at his own expense. As long as the ownership has not been transferred yet, the purchaser must inform us immediately in writing, if the delivered goods are pledged or suffer from other interventions by third parties. If the third party is unable to reimburse us the judicial and extrajudicial expenses of a lawsuit according to § 771 ZPO, the purchaser is liable for the loss incurred to us.

(3) The purchaser is entitled to resell the reserved goods in the ordinary business transactions. The purchaser now already transfers the claims of the buyer from the resale of the reserved goods in the amount of the invoice total amount(including VAT) agreed with us to us. This transfer applies regardless of whether the goods are resold without or after processing. The purchaser also remains entitled to collect the receivable even after the assignment. Our authority to collect the receivable ourselves remains unaffected. However, we will not collect the receivable as long as the purchaser fulfills his payment obligations from the proceeds, as long as is not in arrears and in particular, as long as there's no insolvency proceedings or payment suspension.

(4) Any processing or transformation of the goods by the purchaser is always carried out on our behalf. In this case, the purchaser still owns the expectant right of the transformed goods. If the goods are processed with other items that not belong to us, then we acquire joint ownership of



the new item in proportion of the objective value of our goods to the other processed items at the time of processing. This also applies to the case of mixing. If the mixing is conducted in such a way that the purchaser's item can be regarded as the main item, then it's considered to have been agreed that the purchaser transfers proportional joint ownership to us and reserves the sole ownership or joint ownership for us. To ensure our claims against the purchaser, he also transfers such claims to us, which occur to him with the connection of the reserved goods with a property against a third party; we already accept this assignment.

§ 9 Warranty, Complaints and Recourse / Manufacturer Redress

(1) Warranty rights of the purchaser presuppose that he has properly fulfilled his bound inspection and complaint obligation according to § 377 HGB.

(2) Warranty claims of our purchaser expire 12 months after delivery of the goods supplied by us. The provisions above do not apply if the law according to § 438 para. 1 no. 2 BGB (Manufacture and Objects for Manufacture), § 479 para. 1 BGB (Recourse) and § 634a para. 1 BGB (Manufacturing Defects) prescribes longer periods mandatorily. Before returning any goods the purchaser must asked for our permission first.

(3) If, despite all due care, the delivered goods still have a defect that already existed at the time of risk transfer, we will repair the goods subject to timely complaints with our options or deliver replacement goods. We must always be given the opportunity for supplementary performance within a reasonable deadline. Recourse claims remain unaffected by the regulation above.

(4) If the remedy fails, the purchaser may - notwithstanding any claims for compensation - withdraw the contract or reduce the remuneration.

(5) Warranty claims are excluded in cases of insignificant deviations from the agreed quality, of minor interference in usefulness, of natural wear and tear like damages that are generated after the risk transfer because of faulty or negligent treatment, excessive strain, unsuitable equipment, defective construction work, unsuitable building or due to special external influences, which are not assumed according to the contract. If repairs or modifications are improperly carried out by the purchaser or third parties, then there are no warranty claims for these and the resulting consequences, either.

(6) Claims made by the purchaser to get the necessary expenses for the purpose of supplementary performance, in particular transport, traveling, labor and material costs, are also excluded, as long as the expenses increase, because the goods delivered by us were subsequently sent to another place other than the office of the purchaser, unless such shipment corresponds to its intended use.

(7) Recourse claims of the purchaser against us can only be made insofar as the purchaser hasn't made any agreements exceeding the mandatory statutory warranty claims with his purchaser. Paragraph 6 applies furthermore accordingly to the scope of recourse claims against the supplier.



§ 10 Others

(1) This contract and the entire legal relations of the parties are subject to the law of the Federal Republic of Germany excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).

(2) The place of performance and exclusive jurisdictional court for all disputes arising from this contract is our registered office, as long as there's no other place in the order confirmation.

(3) All agreements made between the parties for the purpose of executing this contract are written down in this contract.

(4) If certain single provisions of this contract are or become invalid, or contain a loophole, then the rest of the provisions still remain unaffected. The parties are obliged to replace the invalid provision with a legally permissible provision which approximates most the economic purpose of the invalid provision or rather fills this loophole.