

TERMS & CONDITIONS

1 . General Information

These terms and conditions of business are an integrated part of every product and service offered by HELIODYNE and every purchasing agreement signed with it. They apply starting 3/1/2008. General terms and conditions of business, regardless of the type, that conflict with these terms and conditions of business shall be considered invalid and of no legal force.

2 . Products and Services

Our range, descriptions, and specifications of products are not binding. We reserve the right to make technical changes to products due to technical developments. All technical documents remain the intellectual property of the contractor.

3 . Prices

Unless otherwise agreed in writing, prices are net prices ex works, not including packaging and not including discounts. Prices are merely suggested prices, approximated at the time of signing the agreement. If material costs increase between the time the agreement is signed and performed regardless of reason of the parity commission, prices in consideration shall be increased accordingly, unless fewer than 3 months have elapsed between the signing of the agreement and performance.

4 . Time for Performance and Deadlines

Delivery dates are never binding unless a fixed date is expressly agreed. If a change to an agreement is agreed, HELIODYNE is entitled to set a new delivery date. HELIODYNE is not liable for delivery delays that are not due to our fault or negligence. In this case, the contractor waives the right to terminate the agreement and to assert claims to damages. In the case of delay in performance of service caused by the contractor or suspension, the contractor must cover all additional costs caused by the delay or suspension, and HELIODYNE can cause our services and costs to become due using partial invoices.

5 . Payment

Unless otherwise agreed, goods shall be delivered only cash on delivery or on prepayment net without discount. Checks and bills of exchange will only be accepted if agreed separately and only on account of payment, not instead of performance. Recovery and discount charges shall be borne by the contractor. HELIODYNE can decline payments offered in the form of checks or bills of exchange without providing a reason. Set-off or withholding payment for any reason whatsoever by the client is prohibited unless expressly agreed. Payments must be made in full to one of our accounts or to a person with the authority to collect. If the credit period is exceeded, if payment is received late or if deadlines are not met, HELIODYNE is entitled to assess late charges in the amount of 5% above the rate set by the Bank of America as its prime rate of interest. In the case of default, the contractor must pay collection fees, intervention costs and attorney fees in addition to late fees. Warranty claims asserted by the client do not entitle the client to withhold agreed payments.

6 . Failure to Meet Due Dates

If the client defaults on a payment that is part of an agreement or a part of a payment for over 2 weeks, HELIODYNE is entitled to call due the entire remaining purchase price (remaining invoice amount) immediately. Further, the entire remaining balance becomes due if execution of the property fails, forced sale of properties or sequestration is authorized, or if the credit rating or credit worthiness declines in any other form. Failure to meet due dates shall entitle HELIODYNE to terminate the agreement.

7 . Shipping and Transfer, Exchange, Reversed Transaction

The client must inspect and accept goods immediately after receiving goods at the agreed transfer site or have goods inspected and accepted by persons authorized to do so, in such manner. If the contractor does not inspect the goods, the object of purchase shall be deemed duly delivered and accepted. Shipping always takes place, even in the case of freight-paid shipping, at the contractor's cost and risk. HELIODYNE's contractual obligations are fulfilled upon transfer of the goods ordered by the client to the carrier, and risk of loss is transferred to the client. The agreement can only be terminated or modified despite proper performance by HELIODYNE with the consent of HELIODYNE. In all cases, the client must pay the full purchase price including costs (delivery, etc.) or —at the discretion of HELIODYNE— a lump sum that covers the generally expected costs, but not less than 15% of the purchase price. Goods must be returned to HELIODYNE in undamaged condition including the original packaging. HELIODYNE shall not agree to replace goods later than three months after the date they were delivered. Special goods (not stock goods) shall not be replaced.

8 . Retention of Title

8.1. HELIODYNE retains the title to goods it supplies until outstanding debts resulting from the business relationship are paid in full. These goods may only be sold in a normal business transaction as long as the client is not in default of payment with HELIODYNE.

8.2. In the case of resale, the following provisions apply:

– In signing the agreement, the contractor already cedes to HELIODYNE outstanding debts resulting from the sale.

– On request, the client must inform HELIODYNE of transfer to a third-party purchaser and give HELIODYNE all documents and information required for asserting ceded debts.

– If reserved goods or outstanding debts ceded to HELIODYNE are pledged, HELIODYNE must be notified of all circumstances that are required for asserting its claims.

8.3. The power of the client to sell reserved goods in a proper business transaction ends at the latest with the client's cessation of payment or if insolvency proceedings regarding the client or the client's property are filed. In this case, the client must deliver the reserved goods to HELIODYNE at HELIODYNE's first request. Demanding return of reserved goods does not equal termination of the purchase agreement.

8.4. Pledging or assigning reserved goods by way of security or transferring assigned debts is not permitted.

8.5. HELIODYNE shall release securities pledged to HELIODYNE according to the above provisions at its discretion if the value of the securities exceeds the debt to be secured by 10%, taking into account value added by the customer.

8.6. HELIODYNE must be informed of levies of attachment immediately by the execution creditor.

8.7. The client is required to send HELIODYNE a statement on goods that are still under retention of title and a statement of debts to third-party debtors in addition to credit notes as soon as the client has stopped payment, meaning immediately after giving notice that the client is stopping payments.

9 . Warranty

9.1. HELIODYNE shall provide a one-year warranty for defects in compliance with the purchased goods delivered on 3/1/2008 as follows: Objects are warranted at HELIODYNE's discretion by repair of the object of purchase or replacement of defective parts, exchange or reduction of price. The right of the contractor to convert objects is ceded by common consent. Replaced parts become the property of HELIODYNE. Wages and costs spent on installation and disassembly must be covered by the client. This provision similarly applies to all warranty agreements. It is at HELIODYNE's discretion to replace defective goods with similar, faultless goods. In this case, any rights to cancel the agreement cease. The client expressly waives the right for it and its legal successors to assert claims for damages or loss of profit (including without limitation special, indirect, loss of use, contingent, or consequential damages) due to defects or nonconformity in the purchased good. The warranty set forth above constitutes the sole and exclusive remedy against HELIODYNE for the furnishing of any nonconforming or defective goods. THE ABOVE WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. Damage resulting from improper or negligent treatment is excluded from the warranty. Claims on warranty will only be admitted and considered if they are announced in writing immediately after the defect was first noticed. Oral communication or communication by telephone are not sufficient.

9.2. For collectors (except broken glass and collector accessories e.g. sheet metal edgings) and storage tanks (except attached components), HELIODYNE replaces materials that demonstrably fail to meet one of the requirements of the ASHRAE standard 93-77 at no charge, works within five years for storage tanks and ten years for collectors, of the date of the invoice issued by the company HELIODYNE. HELIODYNE is not liable, however, for damage caused by mechanical stress and/or changes caused by weather-related influences. Minor variations in color and/or damage to the surface that have no effect on the function of the collector are also not covered in the warranty. The warranty excludes damage caused by force majeure and malfunction that are due to improper assembly, and/or product installation. HELIODYNE is not liable for possible costs resulting from defects. In order for HELIODYNE to accept liability:

– Installation must have been carried out by a licensed specialized company (heating contractor or plumber) following the version of installation instructions in force;

– HELIODYNE or its representative was given the opportunity to check complaints on site immediately after any defect occurred;

– Confirmation exists that the system was commissioned properly and that the system was checked and maintenance was performed annually by a specialized company licensed for this purpose. The warranty agreed by HELIODYNE is only valid for their clients.

10 . Place of Performance and Jurisdiction

The place of performance for delivery and payment is Richmond, California. The contract shall be in all respects constructed and governed by the laws of the State of California. Any dispute arising hereunder shall be settled in accordance with California law, and the client consents to jurisdiction in the State of California.