

General Terms and Conditions

1. Scope

The following conditions shall apply to all deliveries and services of **Itron Technology GmbH -address: Sperberweg 4C, 41468 Neuss, Germany-** (ITRON) unless otherwise negotiated.

2. Conclusion of Contract

The customer is bound by his offer for a period of three weeks during which ITRON can either confirm the order or start delivering goods and services. Should unavailability of goods and services or legal restrictions affecting performance become manifest subsequent to the conclusion of a contract, ITRON may offer equal goods or terminate the agreement.

3. Prices and Deliveries

- (1) Information given on prices and delivery times are not binding. Partial performance is permissible. Force majeure, commotion, strike, lock out and breakdown prolong negotiated delivery times appropriately. Should subsequent taxes or other duties be levied upon ordered goods, ITRON may apply them towards the customer.
- (2) Conditions of payment are depicted on the confirmation (Auftragsbestätigung), draft (Proformarechnung) or final invoice (Endrechnung). Payments will clear the oldest debt due. The purchaser can only set off conceded or final claims against ITRON. The same applies to retention rights.
- (3) Shipment of goods is executed on behalf of the customer by delivery means at ITRON's choice unless goods are being picked up by the customer himself. Risk concerning any consignment passes to the customer the moment goods are dispatched or notification is given that goods are ready for collection. ITRON is not liable for any loss or deterioration incurred thereafter. In case of default on acceptance/collection of goods, and in cases the customer is liable for delivery delays, ITRON shall keep the goods on stock, either on its own premises or on those of a third party and shall charge a weekly fee for storing those goods of at least 0.5 % of the amount due. If the customer upon completion of a period of grace declines acceptance of goods, ITRON may decline fulfilment of contract and demand either a flat 25 % of the purchasing price or compensation for the actual damage incurred. The customer may prove that no or less damage was incurred.

4. Retention of Ownership

- (1) Goods supplied remain the property of ITRON until complete settlement of all principal and subsidiary claims deriving from previous and future deliveries, including claims reflected on a current account.
- (2) The customer assigns all claims arising from resale ITRON. The buyer remains entitled to seize claims after they have been assigned. ITRON may seize claims as well, but will not do so as long as the customer does not generate a default in payment. If he does, ITRON may demand information about assigned

claims and debtors, request all necessary details and documents for seizure and ask for debtors (third parties) to be informed. Security exceeding 10 % of the value of secured claims will be cleared upon customer's request. Should goods be inseparably connected/mingled with other items, ITRON shall gain joint ownership.

- (3) The customer must inform ITRON immediately about seizure or any other infringement by third parties. Should the customer violate the contract, in particular in terms of default in payment, ITRON reserves the right to withdraw goods. Withdrawal and seizure constitute cancellation of any contract only if specifically expressed or legally prescribed.

5. Warranty

- (1) The contents of a consignment are considered to conform to the invoice and to be free of any obvious defects unless the consignee informs ITRON immediately upon receipt of goods. Paragraph 377 of the Handelsgesetzbuch (German Commercial Code) shall apply, according statements must be made within two weeks upon receipt. There is no warranty on used goods. There is a one-year-warranty on new goods during which ITRON may either repair faulty goods or provide new goods at its own discretion.
- (2) ITRON operates a *Return Material Authorisation Policy (RMA)* to handle requests for product return.
- (3) ITRON is not liable for defects arising from inappropriate handling or storage, excessive wear and tear or interference by third parties and unauthorised persons. The same applies to ordinary attrition, insufficient maintenance and interferences through any other devices or software.
- (4) ITRON's liability is limited to intent and harsh negligence as well as cases of bodily harm. This does not affect liability in terms of the German Product Liability Code (Produkthaftungsgesetz). Equally, it does not affect liability for violation of major duties arising from contract, while limited to foreseeable typical damage beyond the cases depicted in s.1 and 2. No change in onus to the disadvantage of the customer shall be effected hereby.

6. Final Provisions

- (1) All contracts and provisions are governed by the laws of Germany. The *United Nations Convention on Contracts for the International Sale of Goods* is not applicable.
- (2) Place of fulfilment and jurisdiction is Neuss, Germany. However, ITRON may, at its own discretion, take legal action at customer's headquarters.
- (3) Should any provisions set forth herein be void, all other provisions shall remain valid.
- (4) The German version of these General Terms and Conditions shall prevail.