

PREAMBLE

These Standard Terms and Conditions for the Sales of Export Goods shall exclusively apply, unless varied by express agreement accepted in writing by both parties. The offer, order acknowledgment, order acceptance or sale of any products covered herein is conditioned upon the terms contained in this instrument. Any conditional or different terms proposed by the Purchaser are objected to and will not be binding upon the Supplier unless assented in writing by the Supplier.

These conditions shall govern any future individual contract of sale between the Supplier and the Purchaser to the exclusion of any other terms and conditions subject to which any such order is made or purported to be made, by the Purchaser.

Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other documents of information issued by the Supplier shall be subject to correction without any liability on the part of the Supplier.

The provisions of these Standard Terms and Conditions extend to standard contract conditions which are used in a contract with a merchant in the course of business only.

1. ORDERS AND SPECIFICATIONS

- No order submitted by the Purchaser shall be deemed to be accepted by the Supplier unless and until confirmed in writing by the Supplier or the Supplier's representative within 21 days after submittal.
- The quantity, quality and description of an any specification for the goods shall be those set out in the Supplier's quotation (if accepted by the Purchaser) or the Purchaser's order (if accepted by the Supplier). Any such specification, sales literature, quotation etc. shall be strictly confidential and must not be made available to third parties.
- The Purchaser shall be responsible for the Supplier for ensuring the accuracy of the terms of any order submitted by the Purchaser, and for giving the Supplier any necessary information relating to the goods within a sufficient time to enable the Supplier to perform the contract in accordance with its terms.
- If the goods are to be manufactured or any process is to be applied to the goods by the Supplier in accordance with a specification submitted by the Purchaser, the Purchaser shall indemnify the Supplier against all loss, damages, costs and expenses awarded against or incurred by the Supplier in connection with or paid or agreed to be paid by the Supplier in settlement of any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual rights of any other person which results from the Supplier's use of the Purchaser's specification.
- The Supplier reserves the right to make any changes in the specification of the goods which are required to conform with any applicable statutory requirements or, where the goods are to be supplied to the Supplier's specification, which do not materially affect their quality or performance.

2. PRICE OF THE GOODS; PAYMENT

- Unless specifically agreed, the prices and conditions in force on the date of delivery will apply. Prices apply ex works plus statutory VAT at the applicable statutory rate. Prices confirmed in non-commercial transactions, are binding if delivery is made within four months after order confirmation. After this period, if production costs have risen the Supplier reserves the right to increase the prices accordingly. In commercial transactions, if production costs have risen, the Supplier reserves the right to adapt prices also within the 4 month period. Insofar as the Supplier quotes prices for resale, they are a non-binding retail price.
- Freight with a net value of goods from €1,000.00, are delivered with freight and packaging paid within the territory of Germany, otherwise we will charge any additional freight costs incurred, such as express delivery, guaranteed deadline and/or notification costs. For deliveries to third parties, we will charge for any additional costs incurred. In the case of third party deliveries / deliveries to building sites, the Purchaser is responsible for the immediate unloading of the goods. A charge will be made for waiting times. Third party deliveries will be made on condition that heavy goods vehicles are able to reach the delivery address without any difficulty. The Supplier is entitled to choose the mode of shipment at its discretion. Export deliveries are subject to prior arrangement.
- For deliveries with a net value of goods under €1,000.00, freight and packing will be charged at cost.
- Unless agreed otherwise by the parties, payment is due to the Supplier's designated account within 30 days without any deduction and free of transaction charges. 14 days from the date of invoice with a 2% discount, 30 days net, unless otherwise indicated. Arrears interest will be charged at 4% above the respective base interest rate of the ECB.
- All invoices will be made out in and payable in €. For bills of exchange or cheques the Supplier will not accept any liability for the timely presentation or provision of the relative deed of protest. Collection costs will be borne by the Purchaser. Any cost approaches incurred will be refunded. The Supplier's representatives are entitled to collect payments. In the event of payment difficulties or the suspension of payments on the part of the Purchaser, all receivables will become due immediately. The right of retention is excluded. Off-setting is only admissible with claims that are undisputed or legally enforceable

3. DELIVERY

- All delivery periods indicated are only binding if they have been designated as binding.
- A delivery time begins when the order confirmation is sent, however, not before the documents, permits and approvals to be procured by the Purchaser have been provided and not before any agreed down payments have been received.
- The delivery period is met if before expiry of this period, the delivery item has left the factory premises or notification has been sent that it is ready for delivery.
- The delivery period will be extended accordingly in the case of measures taken in relation to labour disputes, in particular strikes and lockouts, and in the event of unforeseeable hindrances that are beyond the Supplier's control if such hindrances can demonstrably show to have a considerable influence on the production or delivery of the delivery item. This also applies if the circumstances arise for sub-suppliers.
- If the shipment is delayed at the Purchaser's request, the latter will be charged with any storage costs incurred, however, at least 1 percent of the invoice amount in the case of storage on the Supplier's premises, for each month starting one month after notification of readiness for delivery. However, after a suitable deadline has been set and expired without results, the Supplier is entitled to dispose of the delivery item otherwise and to deliver to the Purchaser with an adequate extended delivery time.
- For any claims of the Purchaser due to non-compliance with a delivery period to be valid, the latter must have complied with its contractual obligations.

4. TRANSFER OF RISKS

Risk of damage to or loss of the goods shall pass to the Purchaser as follows:

- in the case of goods to be delivered otherwise than at the Supplier's premises, at the time of delivery or, if the Purchaser wrongfully fails to take delivery of the goods, the time when the Supplier has tendered delivery of the goods;
- in the case of goods to be delivered at the Supplier's premises ("ex works", Incoterms 2010) at that time when the Supplier notifies the Purchaser that the goods are available for collection.

5. RETENTION OF TITLE

- Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these conditions, the property in the Goods shall not pass to the Purchaser until the Supplier has received payment in full of the price of the Goods and all other Goods agreed to be sold by the Supplier to the Purchaser for which payment is then due.
- After termination of the contract the Supplier shall have absolute authority to retake, sell or otherwise deal with or dispose of all or any part of the goods; Until such time as the property in the Goods passes to the Purchaser, the Purchaser shall hold the Goods as the Supplier's fiduciary agent, and shall keep the Goods properly stored, protected and insured.
- Until that time the Purchaser shall be entitled to resell or use the Goods in the ordinary course of its business, but shall account to the Supplier for the proceeds of sale or otherwise of the Goods including insurance proceeds, and shall keep all such proceeds separate from any moneys or properties of the Purchaser and third parties.

- If the Goods are processed or reshaped by the Purchaser and processing is done with Goods that the Supplier has no property in, Supplier shall become co-owner of the Goods. The same shall apply if Supplier's Goods are completely reshaped and mixed with other goods.
- If third parties take up steps to pledge to otherwise dispose of the goods, the Purchaser shall immediately notify the Supplier in order to enable the Supplier to seek a court injunction. If the Purchaser fails to do so in due time he will be held liable for any damages caused.
- The Supplier shall on demand of the Purchaser release any part of the collateral if the value of the collateral held in favor of the Supplier exceeds the value of the claims being secured. It is to the Supplier's decision to release those parts of the collateral suitable for him.
- For business abroad, the following also applies: The Supplier retains the right of ownership to the goods delivered until the sale price has been paid in full in compliance with the respective legal provisions in force in the country of destination. This retention of ownership is deemed to have been expressly agreed between the Supplier and the Purchaser. Insofar as the country of destination admits other liens in lieu of the retention of ownership, the lien that comes closest to the effect of the retention of ownership will be deemed to have been agreed.

§ 6 WORKPIECE RELATED PRODUCTION UNITS

- Insofar as workpiece related models or production units are manufactured or procured by the Supplier on behalf of the Purchaser, the Supplier will invoice them. Insofar as only cost components have been charged, the Purchaser will also bear any remaining costs if he does not accept the quantities it promised when concluding the contract or if the Purchaser wishes the withdrawal of the models or production units.
- The models and production units are the property of the Purchaser but will still remain in the Supplier's possession.
- The models and production units will only be used for deliveries to the Purchaser, if the latter fulfils its acceptance and payment obligations towards the Supplier.
- The Supplier will treat all models and production units with care. At the Purchaser's request, its models and production units will be insured at its expenses. Any further claims deriving from damage to or the loss of models and production units are excluded.
- If deliveries are made in accordance with drawings or other specifications of the Purchaser and if property rights of third parties are violated as a result, the Purchaser will release the Supplier from any claims.

§ 7 WARRANTIES AND EXCLUSION CLAUSES

- For defects in delivery the supplier will be liable subject to the exclusion of all further claims as follows:
- All parts that within 24 months of commissioning turn out to be unusable or only usable with major impairment due to a circumstance that existed prior to the transfer of risk, in particular due to faulty construction, poor construction materials or defective design, are to be repaired or re-supplied without charge at the reasonable discretion of the Supplier. If such defects are found, the Supplier must be notified immediately in writing. Replaced parts will become property of the Supplier. If the dispatch, installation or commissioning is delayed at no fault of the Supplier, this liability will expire at the latest 30 months after the transfer of risk. For deliveries in Germany and to Austria only: with the exception of electric components or products that are connected with electric components, the above liability will expire after 60 months provided that the products have been installed by a company specialised in sanitary, heating and air-conditioning technology and approved in accordance with the "Handwerksordnung" [Crafts Code] in Germany and in Austria according to similar provisions.
 - The Purchaser's right to assert claims due to defects will in all cases become time-barred 24 months after the date on which the complaint is made in a timely manner, however, at the earliest on the expiry of the warranty period.
 - No warranty is given for damage that occurs for the following reasons: Unsuitable or improper use, faulty installation or commissioning by the Purchaser or third parties, natural wear and tear, defective or negligent handling, unsuitable operating equipment or replacement materials, defective construction work, chemical, electro-chemical or electric influences, non-compliance with standards and regulations, etc. and the information and advice provided by the Supplier, unless they are the Supplier's fault.
 - After informing the Supplier, the Purchaser must give the Supplier the necessary time and opportunity to carry out any repairs and replacement deliveries that appear necessary at the Supplier's discretion, otherwise the Supplier will be released from liability for defect. Only in urgent cases where there is a risk to operational safety and to avert disproportionately large damage does the Supplier have the right to remedy the defect itself or have the defect remedied by third parties and to demand that Supplier reimburses any costs incurred, whereby the Supplier must be informed immediately of the remedy. It is also the case if the Supplier is late remedying the defect.
 - Of the costs incurred for repairs or replacement deliveries, the Supplier will bear the costs of the replacement part including shipment provided that as the complaint proves to be justified. For the rest, the costs will be borne by the Purchaser.
 - The warranty period for the replacement part and the repair will be 12 months. It will run at least until the expiry of the original warranty period for the delivery item. The period of liability for defects to the delivery item will be extended by the duration of interruption to business due to the repair works.
 - In the case modifications or maintenance work carried out incorrectly by the Purchaser or third parties without the prior authorization of the Supplier, the liability for any resulting consequences will be excluded.
 - Any further claims of the Purchaser, in particular a claim for compensation for damage that has not occurred to the delivery item itself, are excluded. This exclusion of liability will not apply in the case of intent or gross negligence, the culpable breach of essential contractual obligations and in cases in which liability exists under the product liability law for damage to persons or property for privately used objects in the case of defects of the delivery item.
 - The limitation of warranty to the repair or new delivery (supplementary performance) will be omitted if the supplementary performance fails.
 - The Supplier will not be liable for consequential damage resulting from defective software.
 - Only for the "Copepe" multi-layer composite pipe, the "Copepe" PE-Xc-synthetic pipe and the "Cofit" connection as well as the "Cofloor" system of panel heating and air conditioning: provided they have been installed together in the system by a company that is demonstrably specialized in sanitary, heating and air-conditioning technology and approved in accordance with the "Handwerksordnung" [Crafts Code] in Germany or according to similar provisions in Austria: Throughout an extended warranty period of ten years after the date of production, the Supplier will be liable for the maximum total amount of 1 million euro per loss and 5 million euro per year. In all other cases, the provisions of clauses 1 to 9 apply.

§ 8 RETURN SHIPMENTS

- Return shipments will only be accepted after prior, specific agreement in writing, indicating proof of delivery. The goods must be in their unopened and undamaged original packaging and must meet the state of the art. The goods may not be any older than 12 months after the delivery date. Returns will be accepted subject to an inspection by the Supplier. For items returned carriage-paid, a credit note will be issued to the amount of the invoice with a deduction of 20% for processing charges, however, at least 20.00 € per return shipment.
- The possibility of return shipments of custom-made productions or modified serial fittings as well as electric or electronic control components is excluded.

§ 9 CHOICE OF LAW; PLACE OF JURISDICTION;

- For any disputes arising from the contractual relationship, if the Purchaser is a merchant, a legal entity under public law or a special fund under public law, law suits must be filed at the court which has jurisdiction over the Supplier's head office or its branch office that carried out the delivery. The Supplier is also entitled to file a suit at the place in which the Purchaser has its head offices.
- The Purchaser will acknowledge these General Terms and Conditions of the Supplier when issuing orders. Any conditions of purchase of the Purchaser that contradict those herein do not apply. Any diverging agreements must be made in writing. If individual clauses of the above conditions are fully or partially invalid, it will not affect the validity of the remaining clauses and/or parts of such clauses. Any invalid provision shall be deemed to be replaced by a valid provision that comes closest to the economic purpose of the invalid provision.