

General Terms and Conditions of Business

1 General Scope of Application

These Terms and Conditions of Sale apply exclusively to entrepreneurs, legal entities under public law or special funds under public law within the meaning of Section 310 para. 1 of the German Civil Code (*BGB*). All offers, order confirmations and services (including deliveries) carried out by Perlwitz Armaturen GmbH are based on these Terms and Conditions.

We hereby reject and exclude any counter-confirmations. Special agreements / arrangements shall only be deemed valid upon written confirmation by Perlwitz Armaturen GmbH. We reserve our proprietary rights and copyrights to illustrations, drawings and any other documents. Our prices are always ex stock. The packaging and shipping may be invoiced separately. The price quotations do not include statutory value-added tax; the value-added tax is invoiced separately and shown separately. Customs duties, inspection fees, currency adjustment payments and other fees based on public law regulations shall be borne by the Customer.

2 Prices and payment

Unless otherwise agreed in writing, our prices are ex works, excluding packaging, and plus the statutory rate of value-added tax. Packaging costs will be invoiced separately.

A "cash discount" shall only be deducted if expressly stated by us in the invoice. Default shall be deemed to have occurred on the expiry of 30 days after invoicing, even without a payment reminder. The Customer shall only be entitled to offset if their counterclaims are legally established, undisputed or recognised by us. We shall be entitled to refuse to accept bills of exchange and cheques. Bills of exchange and cheques shall only be accepted on account of performance.

3 Terms of delivery

In accordance with the statutory provisions, we shall be liable for default in delivery if the said default is due to a deliberate or grossly negligent breach of contract for which we are responsible or to a culpable breach of an essential contractual obligation on our part. Liability for default in delivery due to strike, lockout or force majeure is excluded. If the default in delivery is not based on an intentional breach of contract for which we are culpably responsible, our liability for damages shall be limited to the foreseeable, typically occurring damage.

4 Transfer of risk upon shipment

Upon handover to the freight forwarder or carrier, the risk of material damage shall pass to the Customer. Unless expressly agreed otherwise with the Customer, we will only take out transport insurance to cover the delivery to the extent that we consider this necessary in accordance with due commercial care. The Customer shall take care of getting any additional insurance cover and bear the costs themselves.

5 Warranty and notice of defects

The Customer's warranty rights presuppose that the Customer has duly complied with their examination and notification obligations, in accordance with Section 377 of the German Commercial Code (*HGB*).

Claims for defects shall become time-barred 12 months after we have delivered the goods to our Customer. The statutory limitation period shall apply to claims for damages in cases of wilful intent and gross negligence, as well as to claims for injury to life, limb and health which are based on a deliberate or grossly negligent breach of duty by the user. Our consent must be obtained prior to any return of the goods.

If, despite all due care, the delivered goods exhibit a defect that was already present at the time of the transfer of risk, we shall, subject to timely notification of defects, either repair the goods at our discretion or deliver replacement goods. We shall always be given the opportunity to remedy the situation within a reasonable period. Claims for recourse shall remain unaffected by the above provision without restriction.

Should the supplementary performance fail, the Customer may – without prejudice to any claims for damages – withdraw from the contract or reduce the agreed price.

Claims for defects shall be precluded in the following cases: only insignificant deviation from the agreed condition, only insignificant impairment of usability, natural wear and tear, and any damage occurring after the transfer of risk due to faulty or negligent handling, excessive strain, unsuitable operating materials, defective installation work or due to special outside influences that are not provided for in the contract. If repair work or changes are carried out improperly by the Customer or third parties, any claims for defects for these and for the resulting consequences shall likewise be precluded.

Any claims of the Customer for the expenses necessary for the purpose of supplementary performance, particularly transport, road, labour and material costs, shall be excluded if the expenses increase due to the fact that the goods we have delivered have subsequently been moved to a location other than the customer's branch office, unless the said relocation is in keeping with their intended use.

The Customer's recourse claims against us shall only be considered valid provided that the Customer has not entered into any agreements with their own customer which go beyond the legally mandatory claims for defects. Point 6 shall furthermore apply regarding the extent of the Customer's right of recourse against the supplier.

6 Return of goods/packaging

Return of goods shall only be possible for valves and fittings in standard design and shall only take place based on a written agreement. We shall be entitled to deduct the costs of taking back the said goods and, if no individual proof is possible, to calculate the said costs at 40% of the order value. Small spare parts, accessories and valves/fittings whose production has been discontinued shall not be taken back. Transport and other packaging, except for pallets and lattice boxes, shall not be taken back.

7 Retention of title

We shall reserve ownership of the purchased item until receipt of all payments from all delivery contracts. The Customer shall be entitled to resell the purchased item in the ordinary course of business or, under loss of ownership, to use it for installation. We may revoke this authorisation if we consider the payment of the goods to be at risk. In the event of default of payment, we shall be entitled to take back the purchased item. The act of taking back the said item shall not constitute withdrawal from the contract. The Customer shall be obligated to sufficiently insure the purchased item against fire, water and theft damage at replacement value, at their own expense. In the event of seizures or other interventions by third parties, the Customer shall immediately notify us in writing to enable us to assert our rights. Should the third party be unable to reimburse us for the judicial and extrajudicial costs of a legal action pursuant to Section 771 of the Code of Civil Procedure (*ZPO*), the Customer shall be liable for the loss we incur.

8 Place of jurisdiction and other matters

This contract and all legal relations between the parties are subject to the law of the Federal Republic of Germany, to the exclusion of the United Nations' Convention on Contracts for the International Sale of Goods (CISG). Unless otherwise stated in the order confirmation, the place of performance and the exclusive place of jurisdiction for all and any disputes arising from this contract shall be our place of business. However, we reserve the right to also sue the Customer before the court of their place of business or residence. All agreements made between the parties for the purpose of executing this contract are set out in writing in this contract.

Schenefeld, 02.01.2020 (subject to change without notice)