

## General terms and conditions of sale and supply

### § 1 General

Unless otherwise agreed or confirmed by us in writing, our orders, contracts and offers are subject solely to the following general terms and conditions of sale and supply. These terms and conditions apply to all our commercial transactions. General terms and conditions contradicting the general terms and conditions of sale and supply for GUS Gewässer-Umwelt-Schutz GmbH are hereby excluded. Non-acknowledgement by us of general terms and conditions of the buyer shall not be deemed to be consent thereto. Once agreed for the first time, our terms and conditions of sale and supply in their most recent version shall form part of all future contracts without the need for formal reference thereto, even where different agreements are made. These terms and conditions also apply to transactions outside of Germany.

### § 2 Quotations, prices

Our quotations and verbal agreements shall become binding only on written confirmation. Declarations made by our employees or sales representatives require our written confirmation. Unless otherwise agreed in writing, our prices as valid on the day of confirmation of order shall apply.

### § 3 Despatch and transfer of risk

Delivery shall be made at our discretion by a normally suitable means of transport free domicile but at the risk of the purchaser, unless we provide transport via our own vehicles and personnel and any damage caused is not caused by any third party. The risk is transferred to the buyer when the goods are transferred to the forwarding agent or carrier, but at the latest when the goods leave the factory or warehouse. This also applies in particular to sales where CIF, CFR, FAC, FAS or FOB has been agreed.

### § 4 Delivery dates

Delivery dates are subject to change without notice, unless an express agreement for a fixed date has been made in writing. Our delivery dates are subject to the availability of supplies and raw materials and to delivery options and intermediate sales. The delivery period shall commence on the date of acceptance of the order by us, but not before all details of execution have been fully clarified.

If dispatch is impossible through no fault of our own, the delivery date shall be deemed met by us upon timely notification of readiness for dispatch. The day of delivery shall be the day of dispatch or, in the case of agreed collection, the day of notification of readiness for dispatch. If for a product that is typically stocked we exceed a non-binding delivery date or a non-binding delivery time by more than ten days, the buyer has the right to set us a reasonable extension for delivery in writing. If the order concerns goods which are not typically kept in stock, the

buyer has in the aforementioned circumstances the right to set an additional period of time only if the delivery date is exceeded by more than twenty days. With this reminder we shall be deemed to be in default.

Force majeure, labour disputes at our premises or at those of our suppliers and comparable unforeseeable obstacles over whose occurrence or removal we have no influence shall extend the agreed delivery dates by the duration of the obstacle, but no longer than two weeks. If in this case delayed delivery is not acceptable to the buyer, the buyer shall be entitled to withdraw from the contract after the expiry of a grace period of fourteen days to be set by the buyer in writing with warning of refusal. Claims for damages due to non-fulfilment or delayed delivery are excluded, provided that there is no intent or gross negligence on our part or on the part of our agents.

#### §5 Partial delivery

Gewässer-Umwelt-Schutz GmbH is entitled to perform partial delivery, which the buyer is obliged to accept. If we are in delay with the delivery of the outstanding items and if a grace period of two weeks to be set by the buyer in writing expires without result, the buyer can withdraw from the entire contract only if the missing items cannot be procured elsewhere and the delivered items are not by themselves acceptable to the buyer.

#### § 6 Terms of payment, default

Invoices for goods are due in full after the date of performance and in accordance with agreed terms of payment. The performance date shall correspond to our delivery date. Bills of exchange and cheques are accepted, if at all, only on condition of performance and subject to the possibility of discounting. All expenses incurred shall be borne by the buyer. Acceptance of a bill of exchange after maturity or prolongation shall not constitute deferment of payment. We reserve the right to return bills of exchange or cheques at any time. If the buyer defaults on a payment, we are entitled to claim on arrears interest of 4% above the applicable rate of the Deutsche Bundesbank without the need to provide special proof. We reserve the right to claim higher damages for delay. If the buyer does not fulfil its payment obligations or if it causes a bill of exchange or cheque to be contested, or if other circumstances become known that make the fulfilment of the buyer's obligations to us appear at risk, all our claims based on deliveries made shall become due immediately, irrespective of any previously made payment agreements. Outstanding deliveries on our part to the buyer may then be made dependent on the provision of suitable securities, until which our obligation to supply shall be suspended. The buyer shall be entitled to make advance payment instead of a suitable security deposit. If the required security is not provided within one week, we may withdraw from the contract. If partial payments have been agreed, and if the buyer is in arrears with two consecutive instalment payments, the remaining amount shall be due immediately. Payments to third parties, in particular to commercial agents or travelling salespersons, shall not be recognised unless such persons are expressly authorised to collect payments.

## § 7 Set-off, right of retention

Offsetting against our claims is permissible only for claims of the buyer that we have expressly acknowledged as justified or that have been legally established. The right of retention based on other claims of the buyer against us not originating from the same contractual relationship is hereby excluded.

## § 8 Retention of title

Delivered goods shall remain our property until complete fulfilment of claims against the buyer to which GUS Gewässer-Umwelt- Schutz GmbH is entitled. The buyer is entitled to sell and dispose of the goods in the ordinary course of business under the usual conditions. To secure our claims, however, the buyer hereby assigns to us all claims against its customers arising from the resale in the amount of the invoice amount including statutory VAT, irrespective of whether the goods were resold without or after processing. If our goods are processed or combined with other goods, we shall be entitled, without any obligation on our part, to co-ownership of the new item in the same proportion as the invoice amount of our goods to the total of the invoice values of the other goods used. The value of the reserved goods within the meaning of this condition is our invoice value. If the buyer becomes the sole owner of the new item, it is hereby agreed that co-ownership in the aforementioned ratio is granted. At the request of the buyer we are prepared and obliged to release securities of our choice if and insofar as the value of the securities exceeds the value of our claims from the current business relationship by 20%. The buyer shall remain entitled to collect claims against its customers as long as it meets its payment obligations to us duly and punctually. Our authority to collect the claim ourselves shall remain unaffected. We undertake, however, not to collect the claims as long as the buyer meets its payment obligations from the proceeds received, is not in default of payment and, in particular, there is no application for the opening of bankruptcy or composition proceedings against its assets. If this is the case, the buyer is obliged to render account for the sale of the reserved goods, to name the third-party debtor(s) and to provide us with all information necessary for collection. It must notify any third-party debtor(s) of the assignment without being asked and request such debtor(s) to make payment solely to us. If the buyer acts in breach of contract, and in particular in the event of default in payment, we shall be entitled to secure the reserved goods at the buyer's expense and to keep them or have them kept in safe custody until all the buyer's liabilities have been settled in full. This shall not constitute withdrawal from the contract, unless expressly declared. We shall be liable for damages within the scope of this safekeeping only if the damages are due to intentional or grossly negligent fault on our part or on the part of our agents. Seizure of the reserved goods by us shall constitute withdrawal from contract. After securing the object of sale, we are entitled to sell the secured goods in the best possible way and on the open market and to offset the purchase price unless the buyer settles in full all outstanding payments within two weeks of further written request. The buyer is obliged to treat the reserved goods with care and to insure them against water, fire, burglary, theft and other common risks. All claims against the insurer(s) or against third parties

causing damage are assigned to us subject to performance. The buyer must inform us immediately of any enforcement measures by third parties against the reserved property or of claims against third party customers in respect of assets assigned to us as security, providing us with all the information and documents necessary for us to intervene. The buyer shall bear the costs of the intervention. Furthermore, the buyer must notify us of any damage to or loss of the reserved goods and of any change in its company or head office. Gewässer- Umwelt-Schutz GmbH shall accept the above assignments.

## § 9 Acceptance

Goods that are subject to special quality regulations or that are to be delivered abroad may be collected by the buyer from the supplying factory or from our warehouse immediately after notification that they are ready for collection. Material acceptance costs shall be borne by us. Subsequent complaint is then excluded. If the buyer has taken delivery of the goods in the above-mentioned sense, delivery shall be deemed contractually compliant in every respect when the goods are dispatched. If in such cases, despite agreement, written request, specification of a reasonable deadline and specification of the consequences, the buyer does not accept the goods before delivery, then on delivery receipt shall be deemed effected and the service shall be deemed performed in accordance with contract. Delays in delivery resulting from delayed or omitted acceptance by the buyer in the aforementioned sense shall extend the stated or agreed delivery period. In addition, we have the right, in the absence of acceptance for a delivery abroad, to insist on acceptance in accordance with these terms and conditions and to withhold delivery until acceptance has taken place.

## § 10 Warranty

For all goods from the day of delivery, the firm of GUS Gewässer-Umwelt-Schutz GmbH hereby grants the buyer a warranty period of ten years as per Civil Code (BGB). The buyer must examine the goods immediately on receipt at their destination for defects, completeness and contractual compliance. Sections 377, 378 Commercial Code (HGB) shall apply. Obvious defects and those detected on full inspection must be reported by the buyer in writing within eight days of receipt. Defects that are not obvious and not detectable on full inspection must be reported in writing by the buyer within eight days of discovery. If the deadline is missed, a warranty for the defects affected will not be provided. From the fact that we deal with any complaint, examine the goods or correspond with the buyer or third parties in connection with any complaint the buyer shall not derive any rights. In the event of justified and timely complaints, we are entitled, at our discretion, to make a replacement delivery, repair the goods or refund the reduced value. The buyer shall grant us a reasonable period of at least fourteen days for the replacement delivery or repair. For any spare parts required payment shall initially be collected and, after return and inspection of the defective parts, refunded. For the rectification of defects with parts provided and delivered by us free of charge, even within the warranty period, the buyer shall be responsible.

Construction and circuit diagrams required for rectification of faults shall be provided by us free of charge. The expenditure incurred by the buyer in carrying out the rectification of defects shall be deemed covered by the discount granted. If the replacement delivery is unsuccessful or the delivery is useless for rectification of defects and the complaints are not rectified within a further grace period of fifteen days to be set in writing, the buyer may at its discretion demand a reduction of the purchase price or cancellation of contract. Further claims, in particular for damages due to non-performance or due to consequential damage caused by defect, are excluded, unless they are based on intent or gross negligence on our part or on the part of our agent(s). Liability in cases of grossly negligent breach of contractual secondary obligations by agents shall be limited to the foreseeable extent of damage. Since the components supplied by us are regularly used by the buyer to produce ready-to-operate systems for an end customer by providing contract services and using other components and materials, only the buyer shall be liable to the end customer for the complete system produced, in particular for those arising from the applicable laws.

#### § 11 Lump-sum compensation

If the buyer explicitly or implicitly refuses to fulfil the contract without justifiable reason, and in particular refuses to take receipt of the subject of the contract, we reserve the right, after a further written request under threat of refusal with a notice period of seven days, to demand lump-sum compensation for damages amounting to 25% of the order sum instead of fulfilment of the contract. We reserve the right to assert a claim for further damages.

#### § 12 Place of performance, place of jurisdiction, applicable law

The place of performance for all claims arising from contractual relations between us and the purchaser shall be Nordhorn. If the buyer is a registered trader, a legal entity under public law or a public special fund, and for legal actions regarding bills of exchange or cheque proceedings, the place of jurisdiction shall be Nordhorn. This also applies to contracts with foreign partners. The contractual relationship shall be governed exclusively by German law. The applicability of international laws, e.g. the UN Convention on Contracts for the International Sale of Goods, is excluded. If we have to take judicial or enforcement measures abroad, the buyer shall, insofar as our claims are justified, bear all judicial and extrajudicial costs, including the costs of legal assistance or such costs as arise from the commissioning of a debt collection company.

#### § 13

Should individual provisions of these terms and conditions of sale and supply be or become ineffective, the validity of the remaining provisions shall remain unaffected.

