

GENERAL TERMS AND CONDITIONS OF SALE / DELIVERY**1. General Provisions**

- 1.1 These General Terms and Conditions of Sale/Delivery (GTCSD) apply to all business relations between PIPETEC GmbH (hereinafter: PIPETEC) and the Customer if the latter is an entrepreneur (Sec. 14 German Civil Code – BGB), a legal entity under public law or a special fund under public law – in particular, these GTCSD apply to contracts for the sale and/or delivery of movable goods, irrespective of whether PIPETEC manufactures them directly or purchases them from suppliers.
- 1.2 These GTCSD apply exclusively; divergent, conflicting or supplementary general terms and conditions of the Customer only become part of the contract insofar as PIPETEC expressly consents to their validity. Said need for consent also applies if the Customer makes reference to their terms and conditions when placing the order and PIPETEC does not expressly object to them.
- 1.3 Unless otherwise agreed, these GTCSD apply in the version valid at the time the Customer places an order, and, in any case, in the version communicated to them last in text form as a general agreement that also applies to similar future contracts, without PIPETEC having to refer to them again in each individual case.
- 1.4 Individual agreements such as information provided in order confirmations take precedence over these GTCSD. In case of doubt, commercial clauses are to be interpreted in accordance with the Incoterms issued by the International Chamber of Commerce in Paris (ICC) in the version valid at the time the contract was concluded.
- 1.5 References to the validity of statutory provisions are only of clarifying significance. The statutory provisions apply even without such clarification, unless they have been directly amended or excluded in these GTCSD.

2. Contract Conclusion

- 2.1 Offers made by PIPETEC are subject to change and are non-binding. This also applies if PIPETEC supplies the Customer with catalogues, technical documentation, other product descriptions or documents – also in electronic form – to which PIPETEC own the intellectual property rights and copyrights.
- 2.2 When the Customer places an order for goods it is considered to be a binding contractual offer. Unless something otherwise is stated in the order, PIPETEC is entitled to accept this contractual offer within three working days of PIPETEC receiving it.
- 2.3 Acceptance can be declared either by confirming the order in writing, providing notification of its shipping or delivering the goods to the Customer.

3. Prices / transport costs / terms of payment

- 3.1 Unless otherwise agreed in individual cases, the prices current at the time of concluding the contract apply, plus the statutory sales tax.
- 3.2 If, at the Customer's request, PIPETEC ships goods to a place other than the place of performance (known as sale by dispatch), the Customer bears the transport costs ex warehouse and the cost of any transport insurance requested unless otherwise agreed in the individual case.
- 3.3 Any customs duties or other public charges incurred are to be borne by the Customer.
- 3.4 Unless otherwise agreed in individual cases, the invoice amount is due and payable to PIPETEC without deduction within 30 days of receiving the invoice. A cash discount deduction will only be acknowledged if this has been agreed and the Customer's payment is credited to PIPETEC within the payment period.
- 3.5 If the payment deadline expires without result, the Customer enters into default. During the period of delay, interest will be charged on the invoice amount at the statutory default interest rate applicable at the time. PIPETEC reserves the right to claim further damages for delay; in relation to merchants, the claim to the commercial interest on the due date (Sec. 353 German Civil Code – HGB) remains unaffected.
- 3.6 The Customer is only entitled to set-off or retention rights insofar as his claim is legally established or undisputed. In the event of defects in the delivery, the Customer's counterclaims – in particular the right to retain a proportionate part of the purchase price in relation to the defect – remain unaffected.

4. Delivery / transfer of risk

- 4.1 The goods can be shipped to another destination (sale by dispatch) at the request and expense of the Customer. Unless otherwise agreed, PIPETEC is entitled to determine the type of shipment (including, but not limited to, the shipping route, transport company and packaging) itself.
- 4.2 If goods marked as "not in stock" are not delivered on time by PIPETEC's supplier, the relevant delivery period will be extended until delivery by said supplier plus a period

of three working days, but by a maximum period of three weeks in total, in each case provided that PIPETEC is not responsible for the delay in delivery by the supplier and PIPETEC has reordered the goods before the purchase contract is concluded in such a timely manner that under normal circumstances a timely delivery could have been expected. If the goods cannot be delivered and it is no fault of PIPETEC or cannot be delivered on time despite being reordered on time, PIPETEC is entitled to withdraw from the contract; in this case, PIPETEC will immediately notify the Customer of the non-availability of the goods and, in the event of withdrawal, immediately reimburse the Customer for any payments made to PIPETEC.

- 4.3 The risk of accidental loss and deterioration of the goods in the case of a sale by dispatch, as well as the risk of delay is transferred on delivery of the goods to the forwarding agent, carrier or person or establishment otherwise responsible for making the shipment.

5. Delay in acceptance

If the Customer delays acceptance, or if they fail to cooperate or the delivery is delayed for other reasons for which the Customer is responsible, PIPETEC is entitled to demand compensation for the resulting damage including additional expenses (e.g. storage costs). For this, PIPETEC calculates a lump sum compensation in the amount of EUR 1.00 per pallet space per calendar day, starting with the delivery deadline or – if there is no delivery deadline – with the notification that the goods are ready for dispatch. Proof of higher damages and any further claims and/or demands (e.g. termination, reimbursement of additional expenses, appropriate compensation) remains unaffected; the lump-sum compensation will be counted towards further claims for money however. The Customer is also entitled to prove that PIPETEC incurred no or only significantly less damage than the aforementioned lump sum.

6. Retention of title

- 6.1 PIPETEC also reserve the right to ownership of the goods sold until full payment of all its present and future claims arising from the purchase contract and an ongoing business relationship (secured claims).
- 6.2 The goods subject to retention of title are not allowed to be pledged to third parties or transferred as collateral before full payment of the secured claims. The Customer is obliged to notify PIPETEC immediately in writing if an application for opening insolvency proceedings is filed or the goods that belong to PIPETEC are seized by third parties (e.g. garnishment).
- 6.3 In the event of breach of contract by the Customer, and, in particular, non-payment of the purchase price due, PIPETEC is entitled to withdraw from the Contract according to the statutory provisions and/or to demand the return of the goods on the basis of retention of title. The request for the return of the goods does not include a declaration of withdrawal at the same time; rather, that PIPETEC is merely entitled to demand the return and reserve the right of withdrawal. If the Customer fails to pay the purchase price owed, PIPETEC may only assert these rights if they have unsuccessfully set the Customer a reasonable deadline for payment, or, if such a deadline is dispensable, according to the statutory provisions.
- 6.4 In the ordinary course of business, the Customer is authorised until further notice to resell and/or process the goods subject to retention of title in accordance with (c) below. In this case, the following provisions also apply.
- a) Reservation of title extends to the full value of the products resulting from the processing, mixing or combination of the goods, whereby PIPETEC is considered to be the manufacturer. If third-party goods are processed, mixed or combined with third-party goods, PIPETEC acquires co-ownership in proportion to the invoice value of the processed, mixed or combined goods. Otherwise, the same also applies to the resulting product as to the goods delivered under retention of title.
- b) The Customer hereby assigns to PIPETEC the claims against third parties resulting from the resale of the goods or the product as security in total or in the amount of our possible co-ownership share in accordance with the preceding item a). PIPETEC accepts the assignment. The obligations of the Customer stated in Sec. 6.2 also apply with regard to the assigned claims.
- c) Besides PIPETEC, the Customer remains authorised to collect the claim. PIPETEC undertakes not to collect the claim as long as the Customer fulfils their payment obligations to PIPETEC, there is no deficiency in their capacity to perform and PIPETEC does not assert their right to reserve title by exercising a right according to Sec. 6.3. If this is the case, PIPETEC can demand that the Customer inform PIPETEC of the assigned claims and debtors, provide PIPETEC with all information necessary for collection, hand over the related documents and notify the debtors (third parties) of the assignment. In this case, PIPETEC is also entitled to revoke the authorisation granted to the Customer to resell and process the goods subject to retention of title.

d) If the realisable value of securities exceeds PIPETEC's claims by more than 10 percent, PIPETEC shall at their discretion release the securities at the request of the Customer.

7. Customer claims for defects / warranty

7.1 Unless otherwise stated below, the statutory provisions apply to the rights of the Customer in the event of material and legal defects (including incorrect and short deliveries and incorrect assembly/installation or erroneous instructions). In any case, the statutory provisions concerning the sale of consumer goods (Sec. 474 et seq. German Civil Code – BGB) and the rights of the Customer arising from any separately issued warranties, in particular on the part of the manufacturer, remain unaffected.

7.2 In principle, PIPETEC is not liable for defects that the Customer is aware of at the time of concluding the contract or is not aware of due to gross negligence (Sec. 442 German Civil Code – BGB). Claims by the Customer for defects presuppose that they have complied with their statutory inspection and notification obligations (Sec. 377, 381 German Civil Code – BGB). An inspection always needs to be carried out immediately prior to processing in the event that the construction material or other goods is intended for installation or other further processing.

The Customer is to notify PIPETEC immediately in writing if a defect is identified on delivery, during inspection or at any later time. In any case, obvious defects have to be reported in writing no later than ten working days after delivery and defects that are not visible during the inspection have to be reported no later than ten working days after their discovery.

If the Customer fails to properly inspect the delivery and/or report a defect, any liability for the defect that is not notified, or not notified in a timely or proper manner, is excluded under the statutory provisions. In the case of goods intended for fitting, attachment or installation, this also applies if the defect only became apparent after the respective processing as a result of the breach of one of these obligations; in this case, the Customer in particular has no right to claim compensation for the corresponding costs (known as removal/installation costs).

7.3 If the item delivered is defective, PIPETEC can first choose whether they wish to provide supplementary performance by rectifying the defect (rectification) or by delivering a item that is free of defects (replacement). If the type of subsequent performance chosen by PIPETEC is unreasonable for the Customer in an individual case, the Customer can refuse it. PIPETEC'S right to refuse supplementary performance under the statutory requirements remains unaffected.

7.4 PIPETEC is entitled to make the subsequent performance owed dependent on the Customer paying the purchase price. However, the Customer is entitled to retain part of the purchase price which is reasonable in relation to the defect.

7.5 The Customer must give PIPETEC the time and opportunity necessary to deliver the supplementary performance due, and, in particular, must hand over the rejected goods to us for testing purposes. In the event of replacement, the Customer is to return the defective item at the request of PIPETEC subject to the provisions of law; however, the Customer does not have a right of return. Subsequent performance neither includes the dismantling, removal or disassembly of the defective item nor the installation, fitting or assembly of a defect-free item if PIPETEC was not originally obliged to render these services; claims for the reimbursement of the corresponding costs (known as „dismantling/assembly costs“) remain unaffected.

7.6 If a defect actually exists, the costs that arise for the purpose of the testing and supplementary performance, and, among other things transport, travel, labour and material costs, as well as eventual removal and installation costs, will be borne or reimbursed by PIPETEC in accordance with the provisions of law and these GTCS. Otherwise, PIPETEC can demand that the Customer reimburse the costs arising from the unjustified request to remedy the defect if the Customer knew or could have known that there was actually no defect.

7.7 In urgent cases, e.g. if operational safety is jeopardised or to prevent disproportionate damage, the Customer is entitled to remedy the defect themselves and to demand reimbursement of the costs objectively deemed necessary for this purpose. PIPETEC is to be notified of this form of self-remedy without delay, if possible in advance. The right to self-remedy does not exist if PIPETEC would be entitled to refuse a corresponding subsequent performance under the statutory provisions.

8. Misc. liability provisions

8.1 Unless otherwise stated in these GTCS, including the following provisions, PIPETEC is liable for the breach of contractual and non-contractual obligation in accordance with the statutory provisions.

8.2 PIPETEC is liable for damages for intent and gross negligence in the context of fault-based liability for whatever legal reason. In the case of ordinary negligence, subject to limitations in legal liability (for example, due care in own affairs, insignificant breach of duty), PIPETEC is only liable

- For damages resulting from loss of life, limb or health and

- For damages resulting from the material breach of an essential contractual obligation (an obligation whose fulfilment allows the proper performance of the contract to take place in the first place and whose compliance with which the contractual partner regularly relies and can rely upon; in this case, however, the liability is limited to compensation for foreseeable, typically occurring damage.

8.3 The liability limitations resulting from Sec. 8.2 also apply in relation to third parties as well as to breaches of duty by persons (also in their favour) for whose fault we are responsible according to the statutory provisions. They do not apply insofar as PIPETEC has fraudulently concealed a defect or on the part of PIPETEC a guarantee was assumed for the condition of the goods and for claims by the Customer under the German Product Liability Act (ProdHaftG).

9. Limitation

9.1 Notwithstanding Sec. 438 (1) (3) German Civil Code (BGB), the general limitation period for claims for material and legal defects is one year after delivery of the goods to the Customer. If the goods are a thing that has been used for a construction in accordance with its customary use and has caused the construction to be defective (construction material), the limitation period is 5 years from the delivery date of the goods to the Customer.

9.2 These limitation periods for the sale of goods law also apply to contractual and non-contractual claims for damages by the Customer, based on a defect in the goods, unless applying the regular statutory limitation period would lead to a shorter limitation period in individual cases. Claims for damages under the Section 8.2 of these GTCS and in accordance with the Product Liability Act (ProdHaftG) expire after the statutory limitation periods have expired however.

9.3 The relief from the limitation periods agreed in accordance with these GTCS does not apply insofar as PIPETEC is liable in accordance with the other liability provisions under Sec. 8.2 here or a third party's right in rem is involved on which basis the surrender of the delivery item can be demanded.

9.4 The rights of recourse for entrepreneurs set out in Sec. 478 German Civil Code (BGB) remain unaffected by the provisions of Sec. 1 to 3 inclusive of these GTCS.

10. Final Provisions

10.1 The law of the Federal Republic of Germany applies to these GTCS. The provisions of the United Nations Convention on Contracts for the International Sale of Goods (UN Sales Convention) do not apply.

10.2 If the Customer is a merchant, legal entity under public law or special fund under public law in terms of the German Civil Code, the exclusive place of jurisdiction for all disputes directly or indirectly arising from the contractual relationship is the registered office of PIPETEC. The same applies if the Customer is an entrepreneur and has no general jurisdiction in Germany or the EU, or their domicile or habitual place of residence remain unknown at the time of legal action. The power of PIPETEC to call the court in another legal jurisdiction remains unaffected by this.

PIPETEC GmbH

Represented by the managing director: Frank Mauersberger

Hinter Stöck 6 | 72406 Bisingen / Germany

Phone: +49 (0) 7476 / 667 99 32 | Fax: +49 (0) 7476 / 667 99 33

Email: info@pipetec.eu | VAT ID: DE 286342665

Commercial Register: Stuttgart District Court (HRB 742988)