

General sales and delivery conditions
GEH Wasserchemie GmbH & Co KG
- hereinafter referred to as: GEH -
for deliveries, services and installations
(version date: 01/2015)

Paragraph 1

Applicability of the general sales and delivery conditions

1. The sales and delivery conditions at hand are applicable to all current and future business transactions between GEH and customers whose place of business is located within the Federal Republic of Germany. They equally apply if GEH does not remind the customer of the sales and delivery conditions in connection with repeat transactions. Under no circumstances shall the customer's general terms and conditions become contents of the contract. This applies even if they are known or if GEH does not explicitly object to them once more, unless their applicability is explicitly approved in writing.
2. These general sales and delivery conditions are not applicable if the customer is a consumer within the meaning of section 13 BGB [Bürgerliches Gesetzbuch - German Civil Code].
3. In case of doubt, the Incoterms rules in the currently valid version shall be relevant for the interpretation of business clauses.
4. All offers, deliveries and services of GEH are based exclusively on these general terms and conditions. If GEH is taking on additional or further responsibilities, the validity of these general sales and delivery conditions shall not be affected hereof.

Paragraph 2

Offer and formation of the contract

1. Offers are always subject to change without notice. The right to make technical changes as well as changes to the shape, colour and/or weight within reason is reserved. GEH reserves the right to make modifications and improvements with regard to the design, use of material and finish to the extent this does not adversely affect the contractually stipulated or common use of the object of the contract. If the customer expects the merchandise to be delivered to be suitable not only for common use, or if the customer expects the merchandise to be suitable for a specific use or to have certain characteristics, or if the customer plans to use the merchandise for an uncommon purpose, in connection with greater stress or under special dangers for body, life, health or for the environment, he is obligated to inform GEH in writing about the corresponding expectations or circumstances prior to the conclusion of the contract.
2. GEH reserves its proprietary right and copyright to cost estimates, drawings and other documents. Without the explicit prior written consent from GEH, they may neither be disclosed to third parties nor used for marketing purposes. GEH has the right to ask the customer to return them at any time. This only applies to the extent the transfer is not explicitly the subject matter of the contract in the case of ownership.
3. The contract enters into effect as soon as GEH confirms the order. The order confirmation from GEH is relevant for the entire content of the contract. GEH generally confirms the order electronically; in addition, GEH can confirm the order in written or electronic form or in writing. Subject to objections submitted by the customer on short notice and in writing, this also applies if the order confirmation deviates from declarations made by the customer. For lack of an order confirmation, the contract also enters into effect as soon as the order is executed. In addition, public statements, promotions or advertising shall not be deemed a contractual representation of the characteristics of the merchandise. The customer does not receive any warranties within the strict legal sense.
4. If an order of the customer is to be qualified as an offer pursuant to section 145 BGB, GEH is entitled to accept it within two weeks after it was received at GEH. If the order deviates from the proposals or the offer of GEH, the customer shall draft the order in writing and clearly indicate the deviations.
5. The written form or written confirmation from GEH is required for any additions, amendments or collateral agreements of the contract to enter into legal force. Employees, commercial agents or other sales agents of GEH are not permitted to conclude any collateral agreements or to issue any assurances or guarantees that exceed the contents of the written agreements. Moreover, they have no permission to waive the compulsory order confirmation.
6. If the order is placed electronically, GEH will generally acknowledge receipt of the order. This acknowledgement of receipt only documents the receipt of the order and does not represent a binding acceptance. However, the declaration of acceptance can be combined with the acknowledgement of receipt.

Paragraph 3
Prices and payment

1. Unless otherwise provided in the order confirmation, prices are quoted in Euros, ex works, excluding packaging, loading, transport and possibly customs duties. Prices exclude the statutory applicable sales tax. Please refer to the rules of paragraph 4 with regard to the additional fees for performances.

2. Unless otherwise provided in the order confirmation, the purchase price is due for payment upon receipt of the invoice. The consequences of a potential delay in payment by the customer are governed by the statutory provisions. The customer will be in arrears at the end of day 7 after the receipt of the invoice at the latest. While being in arrears, the customer is required to pay interest in the amount of nine percentage points above the respective base interest rate for the money owing. Statutory entitlements to higher interest on arrears shall remain unaffected.
3. In the event of several outstanding debt claims, GEH reserves the right to use any payment, instalment or deposit from the customer first to repay the debt that offers the lowest degree of security; among several debt claims with the same degree of security to repay the oldest debt and among debt claims with the same due date for the proportionate repayment.
4. The customer only has the right to set-off, if his counterclaims were legally established, not contested by GEH or accepted. The customer can only exercise the right to retention if his counterclaim is based on the same contractual relationship.
5. GEH reserves the right to adjust prices accordingly if costs decrease or increase (in particular due to trade agreements or price changes of the materials) after the conclusion of the contract. If the customer does not accept the merchandise on the date stated in the order confirmation, the prices at the time of the actual delivery shall apply. At the customer's request, GEH is required to furnish the appropriate proof.
6. Additional deliveries and performances agreed after the order confirmation will be invoiced separately. Partial deliveries or partial performances are payable within the deadlines stipulated in the payment terms and – for lack of these – in the order confirmation or invoice.
7. In the event of noncompliance with the payment terms or – for lack of these – the payment terms outlined in the order confirmation, or in connection with circumstances GEH is gaining knowledge of after the conclusion of the contract and which are suitable to lower the customer's credit standing, all debt claims of GEH will be due immediately. In this case, GEH has the right to render any outstanding performances only after pre-payment or provision of a security, and to withdraw from the contract after the end of a reasonable period or to request compensation for non-payment and to take back the merchandise delivered subject to the reservation of title at the customer's expenses, regardless of the rights mentioned above. If the payment of instalments has been agreed and the customer is in arrears in spite of the setting of a reasonable respite, GEH has the right to withdraw from the contract.
8. Unless explicitly agreed otherwise, GEH is not obligated to assemble and set up merchandise, to provide advice to the customer or to train or instruct the customer. Section 434, subs. 2 BGB is waived. To the extent GEH is nevertheless rendering such performances on the basis of a separate agreement, the provisions of section 10 of the general terms and conditions at hand shall apply. These kinds of performances can be invoiced separately.

Paragraph 4

Transfer of risk, packaging and shipment

1. Unless otherwise provided in the order confirmation, delivery "ex works" (EXW/ Os-nabrück plant according to Incoterms rules) shall be deemed agreed. This also applies to partial deliveries and partial performances rendered by GEH, to the extent GEH is entitled to render partial performances and partial deliveries.
2. Unless agreed otherwise, the customer will be billed separately for costs associated with packaging, shipment, payment transactions, customs duties, etc.

Paragraph 5
Delivery times

1. The delivery time is stipulated in the written order confirmation from GEH. The written confirmation from GEH is required for binding delivery dates or deadlines to enter into effect. The customer's compliance with his contractual responsibilities and duties is necessary for the adherence with the delivery time. If this is not the case, the delivery time will be reasonably extended, unless GEH is responsible for the delay.
2. If the delivery is delayed at the customer's request, GEH has the right, after setting and futile expiration of a reasonable deadline, to dispose of the merchandise otherwise and to supply the customer within a reasonably extended deadline.
3. If the customer is in default of acceptance, or if he culpably violates other obligations to co-operate, GEH has the right to request compensation for the resulting damage, including possible additional expenditures. The right to assert any further claims shall remain reserved. The customer has the right to demonstrate that GEH has not suffered any or a lesser degree of damage.
4. If the conditions outlined in section 3 are present, the risk of accidental loss or accidental deterioration of the object of purchase will be transferred to the customer no later than at the moment at which he has gone into default of acceptance and debt default.
5. The adherence with the delivery time is subject to the proper and timely supply from our suppliers to the extent GEH has not intentionally or gross negligently caused the timely supply from its suppliers. This only applies in the case where GEH is not responsible for the non-delivery, in particular if it concluded a matching hedging transaction with its supplier. GEH shall promptly inform the customer

about the unavailability of the performance. Any already rendered counter-performances shall be refunded immediately.

6. Delivery dates or deadlines will be delayed or extended reasonably, if GEH is unable to render the performance timely due to acts of God, labour disputes or due to other circumstances for which GEH is not responsible. The inability to source raw materials and means of transport shall be deemed equal to the cases outlined above. The same applies if any sub-suppliers are experiencing corresponding circumstances. GEH is not liable for resulting damages on any legal grounds. If the impediment lasts more than 3 months, the customer has the right to withdraw from the contract with regard to the part that has yet to be fulfilled, after setting a reasonable respite. In this case, he is not entitled to any claims for compensation.

7. The customer is only entitled to rights and claims if GEH is not responsible for the delay.

8. If a delay in delivery caused by GEH results in damage to the customer, the statutory provisions shall apply. If GEH is thus obligated to pay compensation, it shall amount to 0.5% for every full week of delay, but to no more than a total of 5% of the value of the part of the total delivery, which cannot be used in time or according to the contract due to the delay. The right to assert any further claims for compensation is excluded. The limitations above shall not apply to the extent GEH has acted intentionally or gross negligently or in the presence of a sale at a fixed point in time within the meaning of paragraph 286, subs. 2, no. 4 BGB or paragraph 376 HGB [Handelsgesetzbuch – Commercial Code] or to the extent the delay in delivery caused by GEH is due to the culpable violation of a material contractual obligation or to the extent physical injuries/damages to the health are involved. Except in the case of an intentional contract violation by GEH, the liability for damages of GEH is limited to the anticipated, typical damage in these cases, which shall not apply to physical injuries/damages to the health either.

9. GEH always has the right to make partial deliveries and render partial performances unless the partial fulfilment of the contract is of no interest to the customer. Partial deliveries can be invoiced separately. Objections of partial deliveries shall not relieve the customer of the obligation to accept the remaining delivery of the merchandise in accordance with the contract.

Paragraph 6 Liability for defects/indemnity

1. The customer's warranty rights require that he has duly observed his duties to examine and object as set forth in paragraph 377 HGB. Notifications of defects must be issued in writing, stating the nature and scope of the deviation from the agreed or customary characteristics or suitability for use.

2. A defect in quality of the merchandise is present if the merchandise deviates significantly from the design, quantity, characteristics, suitability for use agreed to in the written order confirmation or, if not otherwise agreed, from the characteristics and suitability for use common in Osnabrück, taking into account the regulation set forth in paragraph 2, subs. 1, 3 and 4. A defect in title of the merchandise is present if the merchandise is not free of third-party rights or claims enforceable in the Federal Republic of Germany at the time the risk is transferred. Further statutory exclusions or limitations of the responsibility of GEH shall remain unaffected. Unless explicitly agreed otherwise in the written order confirmation, GEH shall in particular not be liable for the merchandise to be free of third-party rights/claims outside of the Federal Republic of Germany.

3. For justified complaints, the customer is entitled to request supplementary performance in accordance with the statutory provisions. GEH shall render the supplementary performance at its choice, by remedying the defect or by delivering new merchandise that is free of defects.

4. If the supplementary performance definitively fails, the customer has the right to request at his choice the reduction of the payment (price reduction) or the cancellation of the contract (rescission), in accordance with the statutory provisions.

5. GEH shall be liable in accordance with the statutory provisions, if the customer is asserting claims for compensation based on intent or gross negligence. However, except in the case of an intentional contract violation by GEH, GEH's liability for damages is limited to the anticipated, typical damage, i.e., the replacement of collateral damages as well as lost profits or lost output is excluded.

6. GEH shall be liable in accordance with the statutory provisions, if a material contractual obligation is violated. However, in this case, the liability for damages shall be limited to the anticipated, typical damage. The replacement of collateral damages as well as lost profits or lost output is excluded.

7. Liability due to culpable injury to body, life or health shall remain unaffected by the limitations above. This equally applies to the statutory liability pursuant to the Product Liability Act.

8. The statute of limitations for warranty claims is 12 months starting from the transfer of the risk. Claims for compensation due to intent or in connection with injuries to the body/health shall remain unaffected. Supplementary performances shall not result in an extension of the deadline set forth in clause 1 and shall not constitute an acknowledgement that triggers a new start of the statute of limitations.

9. Liability for normal wear as well as damages caused by unsuitable or inappropriate

use is excluded. All liability for defects shall be void, if instruction manuals, operating, safety or maintenance instructions, in particular the technical specifications of GEH are not followed, modifications are made to products, parts are exchanged or consumables are used, which do not correspond to the original specifications, unless the customer disproves a substantiated assertion that the defect has only emerged as a result of these circumstances.

10. GEH shall not be liable for defects of parts or components provided by the customer or by third parties at the customer's request or for defects of the final product, which are due to the defectiveness of such provided parts.

Paragraph 7 Property rights

1. GEH shall be liable opposite the customer that the merchandise is free of third-party property rights in the Federal Republic of Germany.

2. However, this is subject to the requirement that the customer promptly notifies GEH about any claims arising from property rights third parties may assert opposite the customer, and that he proceeds in agreement with GEH when handling these claims and pursuing his rights. If any of these requirements are not met, GEH shall be relieved of its duties. In the event of property rights infringement, which GEH is liable for according to the conditions, and the customer is effectively unable to use the merchandise in its entirety or partially as a result, GEH shall do the following at its expenses and at its choice:

- a) make the right to use the merchandise available to the customer, or
- b) design the merchandise such that it is free of property rights, or
- c) replace the merchandise with a different object that does not infringe any property rights, or
- d) take back the merchandise and reimburse the customer for the price he paid.

3. If the customer modifies the merchandise or mixes the merchandise with other materials, and third-party property rights are infringed upon as a result, GEH's liability shall be void.

4. The customer is not entitled to further or other claims because of the infringement of third-party property rights. In particular, GEH shall not replace any consequential damages, such as lost output or downtimes as well as lost profits. The liability limitations shall not apply if liability is compulsory for contractually anticipated damages in cases involving intent or gross negligence or the violation of material contractual responsibilities or the absence of promised properties.

Paragraph 8 Joint liability

1. Further liability for compensation beyond the one provided in paragraphs 5, 6 and 7 is excluded, irrespective of the legal grounds.

2. To the extent the liability of GEH opposite the customer is excluded according to these conditions, this shall equally apply to the personal liability of the representatives, assistants or employees of GEH.

3. The customer is reminded of paragraph 254 BGB. Accordingly, he agrees to undertake suitable procedures to prevent possible damages whenever possible. The duty set forth in paragraph 254 BGB is equally considered an obligation of the customer (within the meaning of paragraph 280 BGB) opposite GEH.

**Paragraph 9
Reservation of title**

1. All delivered merchandise shall remain the property of GEH until all debts, including any balances owing in current accounts, resulting from the business relationship with the customer, which GEH is entitled to, have been paid in full.
2. The customer agrees to handle the reserved merchandise carefully; in particular, he is obligated to insure it adequately at face value against damage from fire and water and theft at his own expenses.
3. In the event of garnishments or other third-party interventions, the customer shall promptly notify GEH in writing so that a complaint can be filed in accordance with paragraph 771 ZPO [Zivilprozessordnung - Code of civil procedure]. To the extent the third party is unable to reimburse GEH for the judicial and extrajudicial costs of a complaint pursuant to paragraph 771 ZPO, the customer shall be liable for the shortfall opposite GEH.
4. Unless agreed otherwise, the customer has the right to resell the merchandise in the customary way of doing business. However, he is already assigning any claims and liabilities in the amount of the final invoice amount (including applicable sales tax) to GEH now, which are incurred to him opposite his buyers or third parties as a result of the resale, irrespective of the fact whether the delivery item has been resold without or after the manipulation. The customer shall retain the authority to collect this claim even after the assignment. GEH's authority to collect the claim itself shall remain unaffected hereof. However, GEH agrees not to collect the claim as long as the customer meets his payment obligations arising from the collected proceeds, is not in arrears and in particular no application has been filed for the institution of bankruptcy proceedings or in the presence of the suspension of payments. However, if this is the case, GEH can request that the customer discloses the assigned claims and their debtors, provides all the information required for the collection, hands over the associated documents and notifies the debtors (third parties) of the assignment. GEH accepts the assignment.
5. The mixing of the merchandise by the customer with other materials is always carried out on behalf of GEH. If the object of the sale is mixed with other materials that do not belong to GEH, GEH shall acquire co-ownership of the new object at the ratio of the value of the object of the sale (final invoice amount, including applicable sales tax) to the other manipulated objects at the time of the manipulation. In addition, the same shall apply to the object created by the manipulation as to the reserved object of the sale.
6. If the merchandise is inextricably mixed with other objects that do not belong to GEH, GEH shall acquire co-ownership of the new object at the ratio of the value of the object of the sale (final invoice amount, including applicable sales tax) to the other mixed objects at the time they are mixed. If the mixing is carried out in such a way that the customer's object shall be deemed the main object, it shall be deemed to have been agreed that the customer is transferring proportionate co-ownership to GEH. The customer shall preserve the sole or joint ownership created in this fashion on behalf of GEH.
7. The customer likewise assigns to GEH the claims from him to secure his claims, which arise opposite a third party by combining the object of the sale related with a real property. GEH accepts the assignment.
8. GEH agrees to release the securities it is entitled to at the customer's request insofar as the realisable value of the securities exceeds the claims to be secured by more than 20%; the selection of the securities to be released is at the discretion of GEH.
9. If an effective agreement of the security rights in rem mentioned above is impossible, the security right in rem, which most closely reflects the security rights outlined above and which is permissible and feasible in accordance with the respective legal system, shall be deemed agreed for any open claims arising from the business relationship between the customer and GEH for deliveries outside of the Federal Republic of Germany, which GEH is carrying out on behalf of the customer.

**Paragraph 10
Special covenants relating to installation services**

1. The customer shall timely arrange the appropriate conditions enabling an efficient installation at his own expenses. This includes in particular the following: access roads, the installation and storage space must be flat at floor level and capable of carrying the weight of heavy loads and lifting gear. Preparation and conduct of the excavation, foundation, casting, construction and scaffolding work, including provision of any materials required for this purpose and the parts to be installed at the location where they will be used, if GEH is not required to render these performances in accordance with the contract. Any work rendered by predecessor companies must be advanced to the point where installers of GEH are able to start the installation timely and carry it out without interruption. Any present sub-structures must be properly aligned, foundations completely dry and set. In particular, the customer is required to obtain the official permits in a timely fashion.

2. The customer shall assist GEH with the conduct of the installation at his own expenses. This includes in particular: provision of energy, water, etc., including the necessary connections at the location where they are required, adequate illumination of the construction site, provision of suitable storage spaces, storage and common rooms, provision of sanitary facilities. If the customer is unable to render individual performances in spite of a request and setting of a deadline, they can be rendered by GEH – to the extent possible – and the customer can be invoiced for any costs incurred as a result. For installations according to instructions abroad, the customer shall obtain all import, work and otherwise required permits as his own expenses.
3. Any additional consumables required for the installation, which are not explicitly itemised and are required for the commissioning due to extraordinary, unanticipated local conditions or at the special request associated with requirements from the local regulatory authorities shall be invoiced separately based on presented receipts.
4. Installation interruptions due to missing connections, construction work, power outage, etc., for which GEH is not responsible, will be at the expense of the customer.
5. Possibly agreed flat rates for installation work does not include any work performed on Sundays and statutory holidays. In addition, flat rates for installation work only apply if all preparatory construction-related work is complete. Any additional work that is not part of the normal scope of delivery will be invoiced on a time and material basis. Wait times during the presence or additional travel of installers for commissioning the machines, for which the customer is responsible will be at his expenses.
6. Within the scope of paragraph 10 of the general terms and conditions at hand, paragraph 8, no. 3 of the general terms and conditions at hand shall equally apply.

**Paragraph 11
Final clauses**

1. Exclusively the laws of the Federal Republic of Germany shall apply. In so doing, the applicability of the UN sales convention shall also be explicitly excluded for the case that a use is intended in the customer's commercial terms and conditions.
2. The business location of GEH has been agreed as exclusive legal venue for any disputes arising from this contract. The same applies if the customer has his general legal venue in Germany or if the place of residence or normal residence is unknown at the time the action is commenced. However, GEH has the right to sue the customer at the place of his business location or his commercial branch office.
3. Osnabrück shall be the place of performance, payment and fulfilment for all obligations arising from this business relationship.
4. Should any of the provisions of this contract with the customer, including these general sales and delivery conditions be or become completely or partly ineffective, the validity of the remaining provisions shall not be affected hereof. The entire or partial regulation shall be replaced with a regulation whose economic success resembles the one of the ineffective regulation as closely as possible.