

General Terms and Conditions



I. General

These General Terms and Conditions apply to all present and future contracts supplies and other services, unless they are explicitly amended or excluded by us in

Conditions of the buyer or customer do not oblige us to anything, even if, after receipt, they are not specifically declined by us.

II. Offer and contract conclusion

- Our offers are submitted without obligation. All documents belonging to the offer,
- our orders are submitted without objection. An occurrent sectoring to the other, such as illustrations, drawings, details about types, weight, measurement and models and the like, are approximations only, unless expressly described as binding. An order is deemed valid and accepted only when confirmed by us in written form. Content and amount of deliveries and services are exclusively laid down in our written offer or, if we issue a confirmation of order, in our written confirmation of order. (2) (3) Amendments and collateral agreements are subject to written confirmation from us.

(1)

- Our prices are understood ex-works or ex-warehouse plus freight, packaging, (1)
- insurance and other shipping costs as well as Value Added Tax.

 If our production costs salaries or other manufacturing costs, including any expenses associated with the purchase, increase between the submission of our order confirmation and the delivery of the goods, we are entitled to increase the purchase (2)
- price correspondingly.

 Orders with a value of less than 125, 00 are generally calculated on the basis of net prices without discount. Minimum amount 50 € per order. (3)
- (4) An additional service fee of 30, 00 € will be charged for a subsequently requested works certificates and so on.
- Information on dimensions, prices and the like referred to in catalogues, brochures, circulars, advertisements, illustrations and price lists are only authoritative if expressly (5) referred to in the order confirmation.

 IV. Delivery time, right of withdrawal and right of retention

- The delivery period begins when the written confirmation of the order is sent, however it does not start until the documents, concessions, releases of documents (1) are obtained and all technical and commercial question are clarified.
 - Delivery periods refer to the date of dispatch of the merchandise from the supplier's works. They are regarded as fulfilled with the notice of the readiness for dispatch or if the goods have left the supplying works. We are not liable for delays or failures of
- delivery that are attributable to our suppliers.

 If we are unable to maintain a delivery time that was expressly agreed, the purchaser must set us a reasonable deadline. The deadline for deliveries shall commence on (2) the day on which the customer informs us in writing of an appropriate later fulfillment date. Claims for damages are excluded. It does not apply in the case of intent or gross negligence on our part.
 Cases of force majeure shall entitle us to postpone the delivery for the duration of the
- (3) hindrance and a reasonable initial period. Should such circumstances make the performance of the contract unreasonable for one of the contractual parties, then such party shall have the right to rescind from the contract. Equal to force majeure, the same is for all disturbances that result in major hindrance
- (4) effecting delivery or which make it impossible, such as for instance lock-outs, strikes or operational interruptions (e.g. fire, machinery breakdown, shortage in raw materials or energy), as well as hindrances on traffic roads, no matter whether these events occurred at our premises, in the supplying mill or from a sub-supplier.

 If the customer does not fulfill his payment obligations, we are entitled to retain the
- (5) goods without entitling the customer to assert any claims. This shall apply until the other party has not fulfilled all its obligations towards us.
- Should an order be cancelled by the buyer, a compensation of 15% of the order value will apply. Special components and facilities generally cannot be cancelled, if the components are currently in the production stage. (6)

V. Dispatch and transfer of risk

- The shipment of the ordered goods is at the expense of the buyer in the agreed manner (ex-works, free German border, FOB, CIF, etc.). We shall be liable only for intent and gross negligence. We do not accept any responsibility for the choice of the cheapest way of transportation. The customer shall bear the packaging costs, as well (1) as all expenses for transport insurance, which were completed at his request. Packaging is charged against cost price and will not be taken back.
- The risk shall at all events be transferred to the purchaser when the goods leave our factory or our warehouse. (2)
- In any case, the buyer shall, not be exempt from the obligation to pay the invoice in case of loss or damage of goods during transportation. The proof of delivery will be (3) provided by us.
- If the shipment should be done by express delivery, express parcel, overnight express, or the like, the additional costs shall be borne by the customer. (4)
- (1) We guarantee the products delivered by us only within the framework of the product we guarantee in product delivered by ds only within the nanework of the product features as given by the manufacturer. Generally, the warranty extends to 6 months from date of delivery in such a way that as resulting from inadequate material, incorrect construction or defective performance, unusable or the complained product is to be sent prepaid to our factory in Salzgitter.
 - Only if the transport to our factory is not possible, the warranty repairs will be carried out on-site, the travel expenses to and from the location (50%) shall be borne by the

customer. Generally excluded from the warranty are: Wear- and rotating parts (particularly mechanical seals of pumps, piston meter etc.), nozzles and more.

More details on the following page.

If a repair within a reasonable time is not possible, the defective product will be replaced in a short term against a reconditioned unit at extra charge (where this is available). In case of valid warranty claims, a credit note will be provided for the charged spare parts. The old part is transferred to the ownership of the company

In case of unjustified warranty claims, generally, the calculated spare part shall be

paid, as the removed part is a customer's property. Consequential costs such as the on-site repair costs, recalibration, tank extraction, are generally not covered.

- If defects are identified, we must be informed about it immediately in writing with detectable defects at the latest within 8 days following the receipt of goods, and with non-detectable defects as soon as they are detected.

 Damaged deliveries are to be verified immediately in presence of the post man.
- Inappropriate or improper assembly will invalidate any warranty claims. The purchaser is not entitled to repair any defects himself, by third parties without our (3)
- consent at our expense or to derive claims to reduce the price.

 We are not liable for damages caused by improper or incorrect use or unsuitable (4) operating materials and similar.

VII. Damage compensation

- Claims for damages of the buyer, and even if they derived from the law, for example from illegal acts, are excluded, unless the damage was not an intentional or grossly (1) negligence of the contract by us, one of our legal representative or vicarious agent. This also applies on damages due to breach of duty on contract negotiations.
- Should the customer not accept the ordered goods, within a reasonable period, despite written notice, we can demand 15% of the respective net goods value, as (2)compensation for damages, without providing further proof.

VIII. Reservation of title

- All delivered goods remain our property until fulfilment of all claims, for whatever legal reason, including future or conditional claims and from contracts signed (1) simultaneously or at a later date. This also applies where payments are made on specially designated claims.
- Until payment of the full purchase price, the pledging or transfer by way of security is (2) prohibited, and resale is possible only in the ordinary course of their business and only on conditions that the reseller receives payment from his customer or makes the provision that the ownership to the customer is transferred only if the customer has made the payment in full. Under these conditions, we give our consent to the transfer of our property to third.

IX. Payment

(3)

- (1) Our invoices shall be paid net within 14 days – also in case of partial deliveries - from the invoice date without any deduction. We can also make delivery dependent on immediate payment.
- The following payment conditions apply for orders exceeding a limit of EUR 5,000.00:

 30 % due on order placement or order confirmation within 14 days from the invoice (2) date without any deduction
 - 70 % within 14 days from the invoice date without any deduction

- (Except of special arrangements)
 The retention of payments or the set-off of any amounts counterclaimed by the customer, which are disputed by us, shall not be permitted, except where there are recognised claims by us or a buyer/purchaser -claims which have been declared final
- and absolute by a court.

 In the event of default in payment we are entitled, to charge interest of 3 % from the (4) due date above the respective discount rate of the German Central Bank, but at least $8\ \%$ per year are charged.

X. Costs of returned goods and goodwill regulations

- (2)
- The return of goods can only be made with our consent.

 Return deliveries must generally be free of freight charges.

 As processing and examination fee, we will charge for the return of stock goods of the value of the product – however at least 15%. Special productions, special designs and systems/assembly groups are, in principle,
- (4) excluded from cancellation or return or a cancellation fee of at least 30% will be charged. Special productions and special designs are all articles which are not included in our catalog.

XI. Severability Clause

Should individual conditions of this contract be or become invalid, this does not affect the validity of the rest of the document. The contracting parties agree to replace the invalid provision with a valid provision, which is as close as possible to the economic purpose pursued by the parties.

XII. Data protection, Place of Performance und Competent Court

- We point out that, for us, all necessary data for the performance of a business transaction will be saved and processed in accordance with the regulations of the (1)
- Federal Data Protection Act.

 Place of performance and competent court for all rights and obligations of both contracting parties is Salzgitter. The laws of the Federal Republic of Germany shall apply to this contractual relationship. (2)





Warranty assumption for Facilities und Assembly Groups under the guarantee

- > We provide a function and execution guarantee for the assembly groups and systems supplied by us, for the duration of one year (6 months for electronic components) from date of delivery and commissioning (If the commissioning takes place not later than 14 days after delivery), by committing ourselves that components which become unusable or defect during this period due to poor material or defective construction are to be repaired or replaced as soon as possible, whereas the rejected product is to be sent to our factory in Salzgitter carriage paid.
 - If a repair within a reasonable time is not possible, the defective product will be replaced in a short term against a reconditioned unit at extra charge (where this is available).
 - In case of valid warranty claims, a credit note will be provided for the charged spare parts.
 - The old part is transferred to the ownership of the company P&A.
 - In case of unjustified warranty claims, the invoiced spare part is to be paid. The removed part is a customer's property. Upon customer request, the old part can be taken in the P&A-stock, whereby P&A shall determine the height of the credit amount. Consequential costs such as the on-site repair costs, recalibration, tank extraction, are generally not covered.
 - Any other liability for direct or indirect damage is expressly rejected by us. Replaced parts will become our property.
- Our warranty shall expire, where delivered assembly groups and systems have not been put into operation, installed, handled and maintained improperly by buyer in accordance with our instructions. The guarantee is excluded as well if the orderer himself or third parties carried out repairs in our assembly groups or facilities without our written consent.

Also excluded from the guarantee are:

- Wearing and rotating parts (in particular Mechanical Seals of pumps, Flowmeter etc.), Nozzles, PinPad (when the safety level is activated), filtering elements, lamps, backups, damages due to freezing, excessive use, corrosion and the same. Further costs, such as TÜV and calibration fees, gas losses, external invoices etc. are basically not accepted.
- If the commissioning was carried out by PA and if the elimination of defects is carried out on-site upon customer request, a 50-percent of the travel expenses (inbound and outbound trip) as well as charges in accordance to our Assembly Terms 9/2016. However, the effective repair time is at the expense of PA.
- > If the commissioning was not carried out by PA and if the elimination of defects is carried out on-site upon customer request in accordance to our guarantee conditions, it means 100-percent of the travel expenses (inbound and outbound trip) are invoiced. However, the effective repair time is at the expense of PA.

Generally, P&A will continue its efforts to keep the repair costs as low as possible. For this reason, P&A will try to eliminate the malfunctions by a P&A-service engineer as part of another tour. The advantage of this is that the trip from Salzgitter to the plant location has not to be charged/paid in all cases (cost reduction).

The distance allowances are calculated on this basis

The following services are not charged:

- a) Assembly time on-site, plus expenses for meals and accommodations according to the terms and conditions assembly
- b) Material expenses
- c) Possible freight costs for forwarding of spare parts

Important Information:

P&A reserves the right to use overhauled components or to repair the dismounted parts. In principle, the dismounted part is transferred to the ownership of the company P&A. In principle, there will not be a new guarantee period after replacement of the defective part, but the initial guarantee period should be continued.