

General Terms and Conditions of Sale and Delivery

of FilterCare GmbH and FilterCare Anlagenbau GmbH as from 01.07.2017



§ 1

Scope of Application

- (1) Our general terms and conditions shall apply exclusively. Unless explicitly approved by us in writing, we are not bound by conflicting, deviating, or unilateral conditions of business of the customer. Our terms and conditions apply even if we make delivery unconditionally with knowledge of contrary or deviating conditions of the customer.
- (2) Orders and agreements are only legally binding if they are given or confirmed by us in written form. The acceptance of orders shall be confirmed immediately in written form.
- (3) Our terms and conditions of sale and delivery are only applicable to businesses as defined in section 310 of the German Civil Code.
- (4) Our terms of sale shall also be applicable for all future transactions with the customer.

§ 2

Offer - Offer Documents

- (1) Our offer is non-binding and subject to confirmation unless stated otherwise in the order confirmation.
- (2) We reserve all property rights and copyrights of images, drawings, calculations and other documents. This shall also apply to written documents labelled "confidential".
Before forwarding them to third parties the buyer has to obtain our explicit written approval.
- (3) Weights and dimensions are only approximate unless expressly designated as binding.

§ 3

Prices and Terms of Payment

- (1) Unless otherwise provided in the order confirmation, our prices shall apply "ex works" exclusive of packaging which will be invoiced separately.
- (2) We reserve the right to adjust our prices in an appropriate manner if increases or decreases in costs take effect after the contract has been signed. This applies in particular to wage settlements and changes in material prices. Proof of these adjustments will be submitted to the buyer upon request.
- (3) Our prices do not include the statutory VAT. It will be separately shown on the invoice at the statutory rate on the invoice date.
- (4) The deduction of any cash discounts shall require a special agreement in writing.
- (5) Unless otherwise provided in the order confirmation, the purchase price will be due net (without deductions) within 14 days from the date of invoice. The statutory regulations concerning the consequences of default in payment shall apply. We reserve the enforcement of further damage caused by default. Against business persons our claim for the commercial maturity interest (section 353 HGB) remains unaffected.
- (6) The buyer will only be entitled to the right to offset if his counterclaim has been stated legally valid, are undisputed or have been accepted by us. Furthermore the buyer is authorized to practice the right of retention in so far as his counterclaim is based on the same contractual agreement.

§ 4

Delivery time

- (1) The start of the period of delivery determined by us presupposes that all technical issues have been resolved.
- (2) Our obligation to deliver also presupposes the timely and proper fulfilment of all obligations of the customer. We reserve the objection of a non-fulfilled contract. This applies in particular if the buyer has to submit documents, authorizations, approvals or if advance payment has been agreed.
- (3) If the customer is in default of acceptance or culpably breaches other obligations to cooperate,

we will be entitled to claim for damages incurred to us including potential additional expenditures. Any further claims or rights shall remain reserved.

- (4) Provided the preconditions in section 3 are met, the risk of accidental loss or deterioration of the goods will pass to the buyer at the moment he is in default of acceptance or payment.
- (5) We assume liability in accordance with statutory provisions, insofar as the underlying contract is a transaction for delivery by a fixed date within the meaning of section 286 (2) Nr. 4 of the German Civil Code or section 376 of the HGB. We also assume liability by virtue of statutory provisions if the buyer is entitled to claim cessation of his interest in continuing the performance of the contract as a result of a delay in delivery for which we are responsible.
- (6) Moreover we will assume liability in accordance with statutory provisions as far as the delay in delivery is founded on an intentional or grossly negligent contractual violation on our part, or on negligence on the part of one of our representatives or vicarious agents. If the delay in delivery is founded on an intentional or grossly negligent contractual violation on our part our liability for damages shall be limited to a sum for foreseeable, typically occurring damage.
- (7) We will also assume liability in accordance with statutory provisions if the delay in delivery we are responsible for is founded on a culpable breach of fundamental contractual duties. In this case also, our liability for damages shall be limited to a sum for foreseeable, typically occurring damage.
- (8) Additional legal claims and rights of the buyer shall be reserved.

§ 5

Transfer of Risk - Packaging Costs

- (1) Unless otherwise stated in the order confirmation, delivery 'ex works' is agreed.
- (2) The return of the packaging and this absorption of the respective costs are excluded as long as the parties shall agree otherwise by mutual agreement.
- (3) At the request of the customer, the goods to be delivered can be covered by a transport insurance; all costs arising therefrom have to be borne by the buyer.
- (4) In the case of sale to destination, the risk of potential loss or accidental deterioration of the goods and the risk of delay shall pass over upon the delivery of the goods to the freight forwarder, haulage company or any other person or institution appointed to carry out the delivery. If an acceptance has been agreed, the risks shall pass over when the procedure is carried out. In other respects also the statutory provisions of the law on contracts for work and services shall apply accordingly to an agreed acceptance procedure. If the customer does not accept the goods, it is equivalent to the handover or acceptance. The handover and/or acceptance is the same, if the buyer is in default of acceptance.

§ 6

Warranty

- (1) Warranty claims by the customer require proper compliance with the inspection and claim obligation rules in section 377 HGB.
- (2) Insofar as the purchased goods are defective, we are entitled to rectify at our own choice either by eliminating or rectifying the defect, or by delivering other, non-defective goods. Whether we chose to remedy the defect or carry out a replacement delivery, we will be obliged to assume all necessary expenses for the purpose of those performances, in particular transportation, travel, labour and material costs, insofar as these have not been increased because the purchased goods have been taken to a location other than the place of performance.

(3) If the subsequent performance fails, the customer shall be entitled to demand rescission or a price reduction according to his choice.

- (4) We will assume liability in accordance with statutory provisions insofar as the customer makes claims for damages based on intent or gross negligence by our representatives or vicarious agents. As far as we are not charged of having violated the contract intentionally, the liability for compensation shall be restricted to the foreseeable, typically occurring damage.
- (5) Further we will assume liability in accordance with statutory provisions if we have culpably violated an essential contractual obligation. In this case the liability for damages shall also be limited to foreseeable, typically occurring damage.
- (6) Insofar as the customer is entitled to compensation for damage instead of the performance because of a culpable violation of duty, the compensation claim shall also be limited to foreseeable, typically occurring damage.
- (7) Liability on account of culpable injury to life, limb or health shall remain unaffected; this shall also apply to mandatory liability in accordance with product liability law.
- (8) Unless otherwise agreed above, all further liabilities are excluded.
- (9) The period of limitation for any claim arising from defects shall be 24 months beginning with the transfer of risk.

§ 7

Total Liability

- (1) Any liability going beyond the liability for damages stated in section 6 shall be excluded regardless of the legal nature of the claim made. This applies in particular to damage claims resulting from negligence in contracting, other breaches of duty, or offence claims to compensation for damages to property according to section 823 of the German Civil Code.
- (2) The limitation in (1) also applies in case the customer asserts a claim on replacement of useless expenses instead of the claim on compensation for the damage.
- (3) As far as the liability for compensation against us is excluded or restricted, this shall apply as well in regard to the personal damage liability of our staff, our employees, our representatives, and our vicarious agents.

§ 8

Securing of reservation of ownership

- (1) The goods remain our property until all payments specified in the delivery contract have been received. In case the customer acts in violation of the contract, in particular in case of default of payment, we are entitled to take back the goods and withdraw from the contract. After the return of the goods, we shall be entitled to dispose of them. We will offset the redemption proceeds after deduction of reasonable handling costs against the customer's liabilities.
- (2) The customer is obligated to handle the purchased items with care. He is in particular obligated to take out, at his own cost, adequate reinstatement-value insurance cover against the risk of fire, water and theft. As far as maintenance and inspection are required, the customer must have this work duly carried out at his own expense.
- (3) In the event of attachments or other interventions by third parties, the customer has to immediately notify us thereof in writing so that we are able to claim our rights against the third party particularly by way of a third party proceedings (Drittwiderrspruchsklage, § 771 ZPO). Should the third party not be unable to reimburse the common judicial and extrajudicial costs of an action according to section 771 ZPO, the buyer will be liable for the loss we incurred. (4) The customer is entitled to re-sell the goods in an

orderly business transaction. However, he will immediately assign to us all claims to the value of the finale invoice total (including value added tax) arising from this resale against his client or a third party. This applies irrespective of whether the goods have been resold with or without further processing. The customer remains entitled to recover this claim after its assignment. Our right to collect the receivables ourselves remains unaffected thereby. However, we agree not to collect these receivables as long as the customer fulfils his payment obligations towards us from the collected proceeds, does not default in payment, and provided in particular that no composition or insolvency proceedings have been instigated, and that the customer has not ceased payments. Should this be the case, we may request that the customer informs us of the assigned claims and their debtors, provides all information necessary for the collection of the claims, surrenders the relevant documents, and notifies his debtors (third party) of the assignment.

(5) The processing or transformation of the purchased goods by the customer will always be carried out on our behalf. If the purchased goods are processed with other items which are not our property, we will acquire co-ownership rights in the new product according to the ratio of value (purchase price plus value added tax) of the material provided at the time of processing. The same rules shall apply for items created by processing as for goods delivered under reservation of the right of ownership.

(6) If the purchased goods are mixed inseparably with other items which are not our property, we will acquire co-ownership rights in the new product according to the ratio of value (purchase price plus value added tax) of the goods provided to the other used items at the time of mixing. If the mixing is done in such a way that the customer's item is to be regarded as the main item, it shall be hereby agreed that the customer will assign co-ownership to us proportionally. The customer shall then hold for us the sole or joint ownership thus arising.

(7) In order to secure our claims against the customer, the customer shall assign to us any receivables which arise against a third party due to combination of the item purchased with real estate property.

(8) At the request of the customer, we will agree to release the securities to which we are entitled, in so far as the realizable value of the securities exceeds the obligations to be secured by more than 10%. We are entitled to determine the securities to be released.

§ 9

Place of fulfillment and jurisdiction

- (1) Insofar as the customer is a business person, the place of jurisdiction shall be our registered office. However we will also be entitled to take action at the court of the customer's domicile.
- (2) The law of the Federal Republic of Germany shall apply; the UN purchase law is excluded.
- (3) Provided that nothing else is stated in the order confirmation, our place of business is the place of performance.
- (4) All legally binding statements of the parties, which are issued during the term of the contract, shall be in writing. This also applies for the amendment of the written form requirement according to this paragraph.
- (5) In case of any provision of this terms of contract or any other contractual agreements shall be or become invalid, the validity of this clause of the contractual agreements shall not in any way be affected or impaired there by. The parties will replace the invalid provision by a provision which comes closest to the economic interests of the parties. This also applies for the completion of any gaps.