General Terms and Conditions of Sale, Delivery and Services

Schroeder Valves GmbH & Co. KG

1. Scope and Order of Precedence

1.1 These General Terms and Conditions of Sale, Delivery and Services (the "Terms") of Schroeder Valves GmbH & Co. KG, Gummersbach, Germany ("Schroeder Valves") apply to all quotations, contracts, deliveries and services of Schroeder Valves to entrepreneurs within the meaning of section 14 of the German Civil Code (BGB), legal entities under public law and special funds under public law. These Terms do not apply to consumers within the meaning of section 13 BGB.

1.2 These Terms shall also apply to future transactions with the purchaser or customer (collectively the "Buyer") insofar as they concern legal transactions of a related nature and reference to these Terms has been made within the business relationship.

1.3 Any conflicting, additional or deviating terms and conditions of the Buyer shall not form part of the contract, even if Schroeder Valves does not expressly object to them or performs without reservation in knowledge of such terms. Deviating terms shall apply only to the extent that Schroeder Valves has expressly agreed to their applicability in text form.

1.4 Individually negotiated agreements and deviations expressly confirmed in text form shall take precedence over these Terms. The order confirmation issued by Schroeder Valves, including any technical specifications, drawings, data sheets and other documents expressly incorporated by reference therein, defines the specific scope of supply and services.

1.5 Legally relevant declarations and notices by the Buyer after conclusion of the contract, including the setting of deadlines, notices of defects, declarations of rescission or requests for price reduction, shall be made at least in text form unless a stricter form is required by law.

2. Quotations, Formation of Contract and Contractual Basis

2.1 Quotations issued by Schroeder Valves are subject to change and non-binding unless expressly designated as binding. A contract shall be concluded upon the order confirmation of Schroeder Valves in text form or upon performance of the delivery or service.

2.2 Information contained in catalogues, brochures, websites, data sheets, illustrations, drawings, dimensions, weights and other product information is generally descriptive or indicative only. Such information shall constitute an agreed product characteristic only where it is expressly designated as binding or clearly incorporated by reference in the order confirmation or in a specification expressly confirmed by Schroeder Valves as binding.

2.3 Products are technically selected and engineered on the basis of the operating, process and plant data provided by the Buyer. The Buyer is responsible for the accuracy, completeness and current validity of such information.

2.4 If the technical or operational basis provided by the Buyer changes or proves to be incomplete or incorrect, Schroeder Valves shall be entitled to make appropriate adjustments to the technical design,

delivery schedule and remuneration. Any resulting additional costs and schedule changes shall be borne by the Buyer to the extent that Schroeder Valves is not responsible for their cause.

2.5 Technical advice, calculations and application recommendations provided by Schroeder Valves are based on the assumption that the information supplied by the Buyer is accurate and complete. No guarantee as to suitability of the product for a particular process, plant or commercial result shall be deemed given unless expressly identified and confirmed as a guarantee in text form.

2.6 Schroeder Valves may make design, material or execution changes where appropriate due to technical development, amended standards, availability of raw materials or manufacturing optimisation, provided that the agreed function, safety and essential product characteristics are not adversely affected and the change is reasonable for the Buyer.

3. Changes, Additional Services and Cancellation

3.1 Changes to the scope of supply or services after conclusion of the contract require coordination with Schroeder Valves. Schroeder Valves may reflect any resulting increase or decrease in costs and any impact on dates, testing, documentation or other contractual conditions in a variation order or revised order confirmation.

3.2 The Buyer is not entitled unilaterally to cancel a validly concluded contract or individual line items. Any cancellation requires the express consent of Schroeder Valves.

3.3 If Schroeder Valves agrees to a cancellation, the Buyer shall reimburse the costs incurred up to that date, commitments already entered into with sub-suppliers, costs for engineering, material, manufacture, testing and documentation, together with a reasonable contribution towards overheads and lost profit. The Buyer may demonstrate that no loss, or a substantially lower loss, has occurred.

3.4 Products specifically engineered, manufactured or procured for the Buyer, and special materials already processed, may be returned only on the basis of a separate agreement. Statutory rights in respect of defects remain unaffected.

4. Prices, Ancillary Costs and Payment

4.1 The prices stated in the order confirmation shall apply. Unless otherwise agreed, prices are net ex works or in accordance with the agreed Incoterm, plus statutory VAT and plus packaging, freight, transport insurance, customs duties, import charges, inspection and acceptance fees, bank charges and other public-law charges, except to the extent such costs are for the account of Schroeder Valves under the agreed Incoterm.

4.2 Unless otherwise stated in the order confirmation, invoices are due for payment without deduction within 30 calendar days from the invoice date. Payment shall be deemed timely only upon unconditional receipt of the full invoiced amount in the account designated by Schroeder Valves.

4.3 Upon expiry of the agreed payment period, the Buyer shall be in default without further reminder where the statutory requirements are met. In the event of default, at least the statutory default interest and statutory lump-sum compensation shall apply; Schroeder Valves reserves the right to claim further damage caused by the delay.

4.4 The Buyer may set off only claims which are undisputed, finally adjudicated or ready for adjudication. The Buyer may exercise a right of retention only to the extent that its counterclaim arises from the same contractual relationship. Mandatory statutory rights remain unaffected.

4.5 If, after conclusion of the contract, Schroeder Valves becomes aware of circumstances giving rise to reasonable doubts as to the Buyer's creditworthiness or solvency, including payment default, cessation of payments, an application for insolvency proceedings or a material deterioration in financial circumstances, Schroeder Valves may withhold outstanding performance until counter-performance is rendered or adequate security is provided. Further statutory rights remain unaffected.

5. Delivery and Performance Times

5.1 Delivery and performance periods shall commence only once all commercial and technical matters have been clarified, the Buyer has provided all necessary documents, approvals, permits, specifications and data, and any agreed advance payments or securities have been received.

5.2 Delivery dates shall be binding only if expressly confirmed as binding by Schroeder Valves. In the event of subsequent changes requested by the Buyer, delivery and performance periods shall be extended as reasonably required.

5.3 Schroeder Valves shall not be responsible for delays or impediments to performance caused by events beyond its reasonable control which, at the time of contract conclusion, could not reasonably have been foreseen or avoided with due care. Such events include, in particular, natural events, fire, flooding, epidemics/pandemics, war, terrorism, civil unrest, governmental measures, embargoes, sanctions, export or import restrictions, failure to obtain required licences without fault on the part of Schroeder Valves, industrial action, material disruption to energy supply or transport, cyber-attacks on operational infrastructure and material supply-chain disruption for which Schroeder Valves is not responsible.

5.4 The same shall apply in the event of incorrect or late delivery to Schroeder Valves by its suppliers, provided Schroeder Valves entered into a corresponding procurement transaction in due time and is not responsible for the failure of supply.

5.5 In the circumstances referred to in clauses 5.3 and 5.4, the affected periods shall be extended by the duration of the impediment plus a reasonable restart period. If the impediment continues for more than 120 calendar days and it is no longer reasonable for either party to remain bound, either party may, after reasonable prior notice, terminate or rescind the affected unperformed part of the contract. Claims for damages shall exist only in accordance with clause 12.

5.6 Partial deliveries and partial performance are permitted to the extent that they are usable by and reasonable for the Buyer within the contractual purpose.

6. Inspections, Acceptance and Documentation

6.1 Inspections, acceptance tests, witness/hold points, material certificates, certificates or special documentation requirements shall be owed only if expressly agreed in the contract. Additional or amended requirements raised by the Buyer after conclusion of the contract shall be separately chargeable and may result in schedule changes.

6.2 Where a factory acceptance test or inspection in the presence of the Buyer or a third party nominated by the Buyer has been agreed, Schroeder Valves shall give reasonable advance notice of the intended date. If the Buyer does not attend despite proper notice, Schroeder Valves may carry out and document the agreed test in the Buyer's absence unless expressly agreed otherwise.

6.3 To the extent that formal acceptance of work is required by law or contract, the statutory acceptance provisions shall apply unless otherwise agreed in the contract.

7. Shipment, Transfer of Risk and Storage

7.1 Unless otherwise agreed in the order confirmation, delivery shall be EXW Schroeder Valves, Gummersbach, Germany, Incoterms® 2020. Transfer of risk shall be governed by the agreed Incoterm.

7.2 If shipment, collection or handover is delayed at the Buyer's request or for reasons attributable to the Buyer, risk shall pass to the Buyer upon notification of readiness for shipment or collection. Schroeder Valves may store the goods at the Buyer's cost and risk. Reasonable storage charges may be invoiced after expiry of an appropriate period.

7.3 Transport insurance and other insurance shall be arranged only at the Buyer's express request and cost, except to the extent such insurance is for the account of Schroeder Valves under the agreed Incoterm.

8. Retention of Title

8.1 All goods supplied shall remain the property of Schroeder Valves until full settlement of all present and future claims of Schroeder Valves arising from the ongoing business relationship ("Reserved Goods").

8.2 The Buyer shall treat the Reserved Goods with due care and, where required, insure them adequately at its own cost against customary risks. Pledging or transfer by way of security is not permitted. In the event of attachment, seizure or other third-party access, the Buyer shall immediately inform Schroeder Valves and notify the third party of Schroeder Valves' ownership.

8.3 The Buyer may resell the Reserved Goods in the ordinary course of business. The Buyer hereby assigns to Schroeder Valves all claims arising from such resale up to the gross invoice value of the respective Reserved Goods; Schroeder Valves accepts the assignment. The Buyer shall remain authorised to collect such claims until revoked. Schroeder Valves shall revoke such authority only for good cause, in particular in the event of payment default or material deterioration in the Buyer's financial circumstances.

8.4 Any processing or transformation of the Reserved Goods by the Buyer shall be carried out for Schroeder Valves as manufacturer for the purposes of this security arrangement, without creating obligations for Schroeder Valves. If the Reserved Goods are processed, combined or mixed with items not belonging to Schroeder Valves, Schroeder Valves shall acquire co-ownership of the new item in the proportion which the invoice value of the Reserved Goods bears to the value of the other items processed, combined or mixed at the time of processing, combination or mixing. The resulting new item shall otherwise be subject to the same provisions as the Reserved Goods.

8.5 If the realisable value of the securities exceeds the secured claims on a sustained basis by more than 10%, Schroeder Valves shall, at the Buyer's request, release securities of its choice in the corresponding amount.

8.6 Where retention of title or individual security rights are ineffective at the destination of the goods or require additional steps, the Buyer shall, at the request of Schroeder Valves, cooperate in establishing a legally permissible security right having, as far as possible, an equivalent economic effect.

9. Inspection, Notice of Defects and Returns

9.1 Where the transaction constitutes a commercial transaction for both parties, the inspection and notification obligations under section 377 of the German Commercial Code (HGB) shall apply. The Buyer shall inspect the goods following delivery in the ordinary course of business and notify Schroeder Valves without undue delay of any apparent defects; latent defects shall be notified without undue delay after discovery.

9.2 Notices of defect should include a traceable description of the defect, identification of the product including order/serial number, information on the actual operating conditions and, where available, meaningful photographs, measurements and other information suitable for failure analysis.

9.3 The Buyer shall give Schroeder Valves a reasonable opportunity to inspect the product complained of. Removal, dismantling, repair, modification or other intervention by the Buyer or third parties requires the prior consent of Schroeder Valves unless immediate action is strictly necessary to avert disproportionate damage. In such an emergency, Schroeder Valves shall be informed without undue delay and the evidence shall, where possible, be preserved.

9.4 Returns require prior return authorisation from Schroeder Valves. This shall not apply where prior coordination is unreasonable in the individual case or where mandatory statutory rights provide otherwise.

10. Rights in Respect of Defects and Subsequent Performance

10.1 The agreed quality and characteristics shall be determined primarily by the order confirmation and the technical specifications expressly incorporated by reference therein. A particular service life, wear life, corrosion resistance or suitability for special operating conditions shall be owed only if expressly agreed.

10.2 There shall be no defect to the extent that an impairment of function or damage is caused by circumstances for which Schroeder Valves is not responsible, including normal or operational wear, cavitation, erosion, corrosion, deposits, contamination, unsuitable media or media deviating from the disclosed data, incorrect operating data, pressure or temperature fluctuations outside the agreed design basis, unsuitable piping or plant conditions, improper storage, installation, commissioning, operation or maintenance, non-compliance with operating or maintenance instructions, unsuitable auxiliaries or operating materials, third-party intervention or unauthorised modifications and repairs.

10.3 In the event of justified claims for defects, Schroeder Valves shall initially be entitled, at its option, to remedy the defect or provide a replacement. The Buyer shall give Schroeder Valves the reasonable time and opportunity required for this purpose. The right of Schroeder Valves to refuse a type of subsequent performance under the statutory conditions remains unaffected.

10.4 If subsequent performance fails, is unreasonable for the Buyer or is legitimately refused by Schroeder Valves, the Buyer shall be entitled to the further statutory remedies for defects subject to these Terms. Any claim for damages shall be governed exclusively by clause 12.

10.5 Schroeder Valves shall bear the necessary costs of subsequent performance to the extent required by law. Additional costs resulting from the Buyer moving the product after delivery to a location other than the contractually intended destination or place of use shall be borne by Schroeder

Valves only if such relocation corresponds to the intended use of the product or mandatory law provides otherwise.

10.6 Guarantees in the legal sense require an express declaration by Schroeder Valves identifying the declaration as a guarantee and specifying its content, scope and duration. Product descriptions, inspection certificates, approvals or technical data do not, by themselves, constitute a guarantee.

11. Limitation Period for Claims for Defects

11.1 Claims by the Buyer in respect of defects shall generally become time-barred twelve months after delivery or, where acceptance is required by law or contract, twelve months after acceptance.

11.2 The shortened period under clause 11.1 shall not apply to claims arising from fraudulently concealed defects, an expressly assumed guarantee, intentional or grossly negligent breach of duty, injury to life, body or health, mandatory product liability law or in cases where the law mandatorily provides for a longer limitation period, including the items referred to in section 438(1) no. 2 BGB. Statutory recourse claims within the supply chain remain unaffected to the extent that they cannot be validly excluded or limited.

11.3 Claims for damages not based on a defect shall be subject to the statutory limitation periods unless validly agreed otherwise in these Terms.

12. Liability

12.1 Schroeder Valves shall have unlimited liability for loss or damage caused intentionally or by gross negligence on the part of Schroeder Valves, its legal representatives or vicarious agents, and for loss or damage resulting from injury to life, body or health. Liability for fraudulent concealment of a defect, under an expressly assumed guarantee and under mandatory product liability law shall likewise remain unaffected.

12.2 In the event of ordinary negligence, Schroeder Valves shall be liable only for breach of a material contractual obligation, the performance of which is essential for the proper execution of the contract and on compliance with which the Buyer may regularly rely. In such case, liability shall be limited to the loss or damage typical for the contract and reasonably foreseeable at the time of contract conclusion.

12.3 Unless special circumstances were identifiable at the time of contract conclusion, the net order value of the delivery or service from which the breach giving rise to the claim results shall be used, for cases under clause 12.2, as the benchmark maximum for the loss or damage typically foreseeable. The Buyer may demonstrate that a higher loss or damage was typical and foreseeable.

12.4 In cases of ordinary negligence, indirect and consequential loss, including production loss, business interruption, loss of use, loss of profit or loss of savings, shall be recoverable only to the extent that such loss was, by its nature, a typical and foreseeable consequence of the breach at the time of contract conclusion.

12.5 To the extent liability of Schroeder Valves is excluded or limited, such exclusion or limitation shall also apply for the benefit of its legal representatives, employees, personnel and vicarious agents.

12.6 The foregoing provisions do not alter the statutory burden of proof to the Buyer's detriment.

13. Intellectual Property, Technical Documents and Know-how

13.1 Schroeder Valves retains all ownership, copyright, patent, design, database, trade secret and other proprietary and usage rights in quotations, calculations, software, models, samples, drawings, bills of materials, design documents, manufacturing information, test concepts, documentation and other technical know-how unless expressly agreed otherwise.

13.2 The Buyer receives a non-exclusive licence to use technical documentation supplied with the products solely to the extent necessary for installation, operation, monitoring, maintenance and servicing of the supplied products. Disclosure to third parties is permitted only where such third parties require the documentation for those purposes and are subject to appropriate confidentiality obligations.

13.3 Without the prior consent of Schroeder Valves, the documents and know-how contained therein may not be used, reproduced or disclosed to third parties for the manufacture of the Buyer's or third-party products, replicas, competitive analysis or any purpose unrelated to the contract. To the extent permitted by law, this also applies to reverse engineering, systematic measurement or other measures primarily intended to obtain protected design or manufacturing information.

13.4 Where products are manufactured in accordance with drawings, specifications, samples or other instructions of the Buyer, the Buyer warrants that their contractual use does not infringe third-party rights. The Buyer shall indemnify Schroeder Valves against justified third-party claims to the extent that the infringement results from the Buyer's instructions and Schroeder Valves is not responsible for the infringement.

14. Confidentiality

14.1 Non-public commercial and technical information received by either party from the other in connection with the business relationship and marked as confidential or reasonably to be regarded as confidential in the circumstances shall be kept confidential and used solely for the purpose of the business relationship.

14.2 The obligation shall not apply to information which the receiving party can demonstrate was already lawfully known to it, is or becomes public without breach of contract, is obtained from an authorised third party without a confidentiality obligation, or must be disclosed pursuant to mandatory law or an official order. In the latter case, the other party shall, to the extent legally permissible, be informed in advance.

14.3 Any more extensive confidentiality agreement between the parties shall remain unaffected and shall prevail in the event of conflict.

15. Export Control, Sanctions and End Use

15.1 Performance of the contract is subject to there being no conflict with applicable German, European or other foreign trade, export control or sanctions legislation binding on Schroeder Valves.

15.2 The Buyer shall provide in due time all information and documents required for export control reviews, licences and customs clearance, including information concerning the end user, end use, country of destination and, where applicable, intermediate recipients.

15.3 The Buyer shall not directly or indirectly export, re-export, sell, transfer or use the supplied products in breach of applicable export control or sanctions legislation. Where required and legally permissible, it shall pass corresponding obligations to downstream recipients.

15.4 If a required licence cannot be obtained, or cannot be obtained in time, without fault on the part of Schroeder Valves, or if performance would violate applicable prohibitions or sanctions, Schroeder Valves may suspend the affected performance or terminate or rescind the affected part of the contract. Any claim for damages by the Buyer shall be governed by clause 12.

16. Compliance

16.1 In connection with the business relationship, the parties shall comply with the laws applicable to them, in particular those relating to anti-corruption, prevention of money laundering, export control, sanctions and protection of trade secrets.

16.2 Neither party shall be required to take any action which, on a reasonable and documented assessment, would expose it to a breach of laws or official orders binding upon it.

17. Governing Law, Jurisdiction and Contract Language

17.1 All legal relationships between Schroeder Valves and the Buyer shall be governed by the laws of the Federal Republic of Germany, excluding German conflict-of-laws rules to the extent that they would lead to the application of another law. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

17.2 Where the Buyer is a merchant, a legal entity under public law or a special fund under public law, or has no general place of jurisdiction in Germany and a jurisdiction agreement is legally permissible, the registered office of Schroeder Valves in Gummersbach, Germany, shall be the exclusive place of jurisdiction for all disputes arising out of or in connection with the business relationship. Schroeder Valves shall nevertheless be entitled to bring proceedings against the Buyer at the Buyer's general place of jurisdiction or at any other court having jurisdiction by law.

17.3 The German version of these Terms is the legally binding version. Any English or other translation is provided solely for convenience. In the event of discrepancies, contradictions or doubts of interpretation, the German version shall prevail.

18. Final Provisions

18.1 Any assignment or transfer by the Buyer of rights or obligations under the contract to a third party requires the prior consent of Schroeder Valves unless such consent is not required by law. Section 354a HGB remains unaffected.

18.2 If any provision of these Terms is or becomes wholly or partly invalid or unenforceable, the validity of the remaining provisions shall not be affected. The statutory provisions shall apply in place of the invalid or unenforceable provision.

18.3 To the extent legally permissible and unless otherwise agreed, the place of performance for deliveries and payments shall be the registered office of Schroeder Valves in Gummersbach, Germany.

Schroeder Valves GmbH & Co. KG
Gummersbach, Germany