

GENERAL TERMS AND CONDITIONS OF BUSINESS

Preamble

The following general terms and conditions of business are the sole and exclusive business terms which shall apply to all offers, orders, contracts, agreements, deliveries, services and other legal transactions between Flodraulic GmbH and its business partner, hereinafter referred to as Customer, in as far as the latter is an entrepreneur within the meaning of Sections § 14 (1) and § 310 (1) of the German Civil Code (BGB, *Bürgerliches Gesetzbuch*), regardless of whether orders were placed with Flodraulic GmbH via direct sales offline or via its online store.

This document is divided into three Sections, whereby Sections I and II regulate the general terms and conditions of sale and delivery of off-line sales (hereinafter the 'General Conditions of Sale') and online sales respectively (hereinafter the 'General Conditions of Online Sales'), while Section III provides for general provisions common to both Sections.

These General Terms and Conditions of Business apply in the version in effect at the time the transaction is concluded. The latest updated version is provided in writing and is available and downloadable at www.flodraulicgermany.com.

Definitions

Capitalized terms used herein and not otherwise defined shall have the meanings set forth below:

"Flodraulic" is the German company named Flodraulic GmbH, with registered offices in Im Haslet 38 93086 Würth an der Donau – VAT Identification Number: DE813398188

E-Mail: flodraulicgmbh@flodrauliceurope.com; Phone: +49 (0) 941 298 381 - 0;

"Customer" is the legal person or entity acting in its entrepreneurial or professional capacity within the meaning of Sections § 14 (1) and § 310 (1) of the German Civil Code (BGB) purchasing Products and/or Services from Flodraulic.

"Parties" are Flodraulic and the Customer, where indicated jointly.

"Orders" are the purchase orders of Products and/or Services placed by the Customer to Flodraulic either directly, or via the online shop in compliance with the instructions available on Flodraulic's website.

"Order Confirmation" is the written acceptance of the Order sent by Flodraulic to the Customer, thus completing the sales contract; acceptance of an online Order placed by the Customer via the online store is issued and sent by Flodraulic via an automated e-mail to the Customer's e-mail address as provided upon registration on the Website.

"Contract" is the transaction regarding the sale of Products and Services under these General Terms and Conditions of Business, the relevant Order and the relevant Order Confirmation which, collectively, comprise the entire agreement between the Parties. Unless otherwise agreed upon in writing between the Parties, the Contract does not include the system project, the installation of the supplied equipment, testing, training courses and manuals, assistance during start-up as well as all the services, duties and Products not mentioned in Flodraulic's Order Confirmation or the development and implementation of customised software, which is regulated separately within the Software Development Terms and Conditions available on Flodraulic's Website.

"Products" are the range of goods offered and marketed by Flodraulic either directly and/or via its online store.

"Services" are the accessory services offered by Flodraulic to the Customer in connection with the sale of the Products.

"Website" is the internet site www.flodraulicgermany.com owned and operated exclusively by Flodraulic which, inter alia, allows Customer to access the online store.

"Force Majeure" are the unforeseeable acts of God beyond Flodraulic's control including, but not limited to disturbances, such as strikes, riots, disorders, shortages of labour, lockouts, shortage of energy and/or raw materials, currency crises, fires, earthquakes, floods, wars, embargos, military actions, pandemics, epidemics, enactments passed by the authorities of interruptions of operations or transit, breakdowns or malfunctioning of essential equipment and systems or other particular technical failures beyond Flodraulic's reasonable control,

including delays or defaults of sub-contractors, releasing Flodraulic from its obligations to perform under the Contract without Customer being entitled to claims or damages connected thereto.

Section I- General Conditions of Offline Sale / Traditional Sales

1. Scope

1.1 Section I of these General Terms and Conditions of Business exclusively applies to all off-line sales of Products or Services made by Flodraulic to Customers.

1.2 Any amendment to these General Conditions of Sale shall not be applicable and valid between the Parties unless priorly approved in writing by Flodraulic.

1.3. Flodraulic is entitled to amend and change any provisions of these General Conditions of Sale at any time and without prior notice.

1.4 In the event of any conflict between the General Conditions of Sale and any other terms agreed upon in writing between Flodraulic and the Customer, the conflicting terms of the latter shall govern and prevail.

1.5 The Customer acknowledges and accepts that any conflicting or divergent terms of purchase or other restrictions or provisions of the Customer deviating from these General Conditions of Sale, even if they are referenced in any document, proposal, quotation or whichever communication exchanged between the Parties and/or otherwise known to Flodraulic, shall not be valid and will not be accepted by Flodraulic even if it does not expressly object to such terms and conditions.

2. Conclusion of the Contract

2.1 No purchase Order for Products issued by the Customer shall be binding upon Flodraulic unless accepted and confirmed in writing.

2.2 A purchase Contract is deemed to have been entered into and shall become valid and binding between the Parties only after Flodraulic has issued a written Order Confirmation to the Customer.

2.3 Any amendment or modification to the purchase Contract entered by mutual agreement of the Parties shall require the issuing of a new Order Confirmation by Flodraulic.

2.4 Should the terms and conditions referenced in the Customer's Order differ from those referenced in Flodraulic's Order Confirmation, then the latter are regarded as a new offer and the Contract is deemed accepted by the Customer under the terms and conditions referenced therein unless the Customer objects thereto within 5 (five) calendar days from the receipt of said Order Confirmation.

2.5 Any offers or quotations made by Flodraulic in whichever form and which have become known to the Customer are deemed valid exclusively for the time-period and for the entire supply referenced to therein.

3. Documents associated with the Products

3.1 Details regarding Products (*e.g.* their use and/or applications, technical data, drawings, figures contained in advertising materials, brochures or on the Website) and the documentation associated therewith, in whichever form they are provided with, shall not be binding *vis-à-vis* Flodraulic and are without obligation unless there has been some assurance in writing provided to this effect within the Order Confirmation. Any deviations in the goods from the offers and samples are permissible in accordance with the respective DIN standards applicable or other relevant technical standards.

3.2 The Customer expressly accepts and undertakes not to use, for any purpose other than what is provided for under the purchase Contract, the information and specific documentation regarding Products which is exclusively marketed by Flodraulic and that the Customer may not deliver to third parties nor reproduce without Flodraulic's prior written consent.

3.3 Flodraulic may modify the Products at any time, as it may deem necessary or appropriate, thus informing the Customer thereof. Any possible deviations customary in the industry and changes that are implemented due to regulatory requirements, or which represent technical improvements are permitted as long as they do not affect the usability of the relevant good for the contractually intended purpose.

4. Prices and Payment terms

4.1 Purchase prices are those indicated within the Order Confirmation issued by Flodraulic.

4.2 Unless agreed otherwise in writing, Product prices are quoted Ex works (EXW Incoterms 2020) at Flodraulic's premises or distribution warehouse. Customer bears the costs of packaging and shipping.

4.3 Unless provided otherwise in writing between the Parties, payments shall be made within the dates and terms specified in Flodraulic's Order Confirmation.

4.4 In the event of default in payment, the Customer shall be deemed to pay interest on all late payments pursuant to Section § 288 of the German Civil Code (BGB), without prejudice to Flodraulic's right to the remedy to claim for damages and to terminate the Contract in compliance with the following Article 7.

4.5 Any claims whatsoever arising between the Parties shall not release the Customer from the obligation to comply with the terms and conditions of payment indicated in the Order and set out in the Order Confirmation.

4.6 Flodraulic shall be entitled to adapt its Product prices by notifying the Customer thereof one month prior to the delivery of the same in case of increases related to costs deemed beyond Flodraulic's control including, but not limited to, exchange rate fluctuations, currency regulations, customs duties, increases related to manufacturing costs, changes concerning the cost of production material, or raw material prices, labour costs or whichever other cost increase related to the supply delivery chain.

5. Delivery periods

5.1 Any dates or schedules which may be specified for the delivery of the Products are only estimates. Unless otherwise agreed upon in writing between the Parties, the delivery dates shall be calculated from the date of the Order Confirmation. In the event the Customer is to pay an advance payment, delivery dates shall be calculated and shall run as of the date in which such advance payment was made.

5.2 Delivery terms are automatically extended, without Customer being entitled to any claim for damages ensued thereof, should any of the following circumstances occur:

a) where the Customer is in default providing technical data or materials deemed necessary for the supply, or if it requires deviations or changes in the ordered Products when the Order is already being processed, or in case of delay or failure to reply to the request of approval of designs or executive layouts.

b) where the delivery of goods and services is hindered or becomes overly expensive or burdensome due to events and circumstances of Force Majeure, in which case Flodraulic will be entitled to suspend performance of its obligations for the duration thereof or, in as far as the duration of such hindrance is unforeseeable, withdraw from the Contract by giving notice thereof in writing to the Customer.

5.3 Failure by the Customer to pay even one single invoice shall entitle Flodraulic to suspend delivery terms and delay pending deliveries until outstanding payments have been performed by the Customer after setting a deadline, without prejudice to Flodraulic's right to claim full compensation for all and any damages resulting from Customer's late payment. In the event of continued non-performance and expiry of said payment deadline Flodraulic is entitled to terminate the Contract without reminder in accordance with Section § 286 (2) No. 2 of the German Civil Code (BGB), without prejudice to claim full compensation for all and any damages resulting from the Customer's default.

5.4 Where the Customer is in default regarding the acceptance of the Products, the risk and liability shall pass to the Customer upon Flodraulic's notification that the Products are ready for dispatch or pickup. This applies irrespective of whether or not dispatch takes place at the place of performance and of which party is to bear the transportation costs. In such events delivery shall be deemed to have taken place and Flodraulic shall be entitled to invoice such delivery and payment terms shall apply pursuant to the above Article 4.

5.5 In the event the Contract between the Parties is terminated, for whichever reason, the Customer undertakes to collect the ordered Products held in stock by Flodraulic and/or the goods which upon termination of the Contract are still undergoing their manufacturing process within 90 days. Upon expiry of said 90-day term Flodraulic shall be entitled to deliver the goods to the Customer and to receive payment thereof.



6. Delivery Terms, Packaging, Transfer of Risk

6.1 Unless otherwise agreed upon in writing between the Parties all deliveries shall be EXW (Incoterms 2020) Flodraulic's premises or distribution warehouse. In the event that by way of specific agreement between the Parties, shipment is arranged in whole or in part by Flodraulic, delivery is deemed to have taken place at Flodraulic's premises or distribution warehouse; should the Customer fail to provide for specific instructions, Flodraulic shall not be held liable either for the selected mode of transport, nor for the shipment rates applied by carriers or forwarding agents.

6.2 Risk of loss or damage or deterioration of the Products is transferred to the Customer upon delivery of the Products at Flodraulic's premises or distribution warehouse (EXW Incoterms 2000), *i.e.* at the latest when the delivered Products are handed over to the forwarding agent, the carrier or the person or company otherwise designated to carry out the shipment.

6.3 The Customer shall be obliged to collect or accept the Products immediately after being notified that they are ready for dispatch. Date of delivery is the time of handover of the Products to the forwarder, the carrier or other person or company otherwise designated to carry out the shipment.

6.4 If the loading or transport of the Products, or in case of an agreed pick up, pick up of the goods is delayed for reasons for which the Customer is responsible, Flodraulic shall have the right to store the Products at its own discretion at the expense and risk of the Customer, to take all measures considered necessary to preserve the Products and to invoice the Products as delivered. Flodraulic shall nonetheless not be liable for any delays, loss or damage in transit as the passage of risk occurs.

6.5 In the event that, upon explicit agreement of the Parties, as the case may be, transportation costs are to be borne by Flodraulic, then Flodraulic reserves the right to select the mode of transport; should the Customer wish for a different arrangement, any additional costs incurred into by Flodraulic to this effect shall be entirely borne by the Customer.

6.6 Only upon explicit request by and at the Customer's own costs Flodraulic shall ensure shipment in the name and interest of the Customer itself.

6.7 Products shall be provided with suitable packaging according to Flodraulic's standards. Any special packaging or shipping requests of the Customer shall be agreed upon by the Parties and shipping costs and expenses associated thereto shall be separately invoiced to the Customer.

7. Termination of Contract

7.1 Flodraulic is entitled to immediately terminate the Contract, pursuant with Section 286 (2) No. 2 of the German Civil Code (BGB) by notice in writing to the Customer upon the occurrence of any of the following events:

- 1) failure by the Customer to pay or delay outstanding payments as per the above Article 5.3.
- 2) failure by the Customer to accept Products in compliance with the terms provided under Article 5.4 above.
- 3) failure by the Customer to comply to the provisions under Articles 3.2 and 19.
- 4) the Customer undergoes a liquidation procedure or an insolvency procedure or is declared bankrupt.
- 5) Customer reduces its payment guarantees or does not secure his ability to fulfil payment, in which case termination occurs also pursuant to Section § 321 of the German Civil Code (BGB).

7.2 Following termination of the Contract pursuant to the above Section 7.1, Flodraulic is entitled to claim the immediate outright payment of all and any of its credits towards the Customer.

Section II- General Conditions of Online Sales / ecommerce Sales

8. Scope

8.1 The following General Conditions of Online Sales shall exclusively apply to all sales contracts entered into by Flodraulic with Customers who are not consumers within the meaning of Section § 13 of the German Civil Code (BGB, Bürgerliches Gesetzbuch) via the Website www.flodraulicgermany.com *i.e.* B2B distance contracts on the sales of Products displayed therein.

8.2 The online sale of the Products is governed by these General Conditions of Online Sales which are deemed to be acknowledged and accepted by the Customer by clicking the relevant button as well as by the sales terms

selected by the Customer on the Website for that individual transaction (e.g. purchase price, payment, shipping, product type, etc.), which are to be included in Flodraulic's Order Confirmation.

8.3 Except where otherwise agreed, the General Conditions of Online Sales in force at the time the Customer places its Order, shall constitute the legal framework for the purchase made by the Customer.

8.4 The Customer acknowledges that the General Conditions of Online Sales are available on Flodraulic's Website and that Flodraulic may provide the Customer with a link to their updated version.

9. Registration as a Customer

9.1 The Customer may place online orders exclusively by creating a user account in Flodraulic's online store. The data required for the creation of a user account (user name and password) must be submitted to Flodraulic completely and truthfully, and Flodraulic is entitled to examine such data and verify it so to determine its exactness; subsequent changes to personal data are entered by the Customer under its own responsibility.

9.2 The username and password chosen by the Customer must be kept secret under all circumstances and must not be disclosed to third parties. Should the password nevertheless be made accessible to third parties and economic damage result from this, notwithstanding the Customer's full liability it shall inform Flodraulic immediately thereof.

9.3 The Customer may always retrieve its credentials by clicking on the *retrieve password* button.

9.4 The Customer acknowledges and accepts as his own all Orders placed on Flodraulic's online store through its individual users account and password and hence all related invoices addressed to it by Flodraulic.

9.5 The range of products and services displayed by Flodraulic on the Website are non-binding towards the Customer and only represent an invitation to order products on the online store. Flodraulic declines any liability whatsoever for the information, documents, images and materials possibly entered by any third party on the Website, even if such content is made available to the Customer as part of an advertising service offered by Flodraulic.

10. Conclusion of the online sales Contract

10.1 Customer must log in by entering its username and password and follow the instructions provided for on the Website and within these General Conditions of Online Sales.

10.2 The Customer is required to view the following information and terms available on the Website:

- 1) product description on the individual product sheets.
- 2) product price including tax detail, shipping costs and any other charge.
- 3) terms of payment.
- 4) product availability.
- 5) any other information available on the Website associated therewith.

10.3 Products are displayed and represented by Flodraulic with the utmost accuracy. The Customer nonetheless acknowledges and accepts that there may be minor differences between the photographs, images and descriptions of the Products represented on the Website and the delivered Products.

In particular, the Customer acknowledges and accepts that photographs and/or videos relating to the Products published on the Website are merely indicative.

The range of Products and services offered by Flodraulic may be subject to change without prior notice. Likewise, Flodraulic may perform technical and outer improvements that are not substantial and do not deteriorate the quality of the Product.

The Customer has the right to access the Website exclusively for viewing the Product array and perform the related purchase, and no other use of the Website or of its contents is permitted and it acknowledges Flodraulic's intellectual property rights on the same pursuant to Article 19 below.

10.4 Prior to submitting the Order the Customer may perform corrections to any mis-entry or change the amounts of items chosen or it may abandon the Website without concluding any transaction.

Orders may be placed either in the German or the English language, and they are completed by clicking on the 'Order Confirmation' button. By clicking such button, the Customer places a legally binding confirmation to purchase the items that Flodraulic has offered to sell via its online store, thus concluding the sales Contract.



10.5 Upon receipt of the Order, the Customer will receive an automated e-mail from Flodraulic acknowledging the receipt of its Order including: the order number, the date and time the order was placed, the type, quantity and price of the Products purchased, taxes, any shipping costs and any other possible charges, the terms and address of the place of delivery, invoicing data and the link to these general conditions of online sale and to the privacy notice policy, pursuant to art. 13 GDPR published on the Website.

10.6 The Customer shall verify correctness of the information and data relating to the Contract and notify Flodraulic of any changes thereto within one hour.

10.7 Flodraulic is entitled to suspend the Customer's Order in the event of prior payment delays or other non-performances by the Customer related to previous Orders; Flodraulic undertakes to inform the Customer thereof, advising that the suspension will continue until the Customer's debt position has been finally settled.

10.8 The Order will be stored in Flodraulic's database under the "My Orders" section where the Customer may access its prior chain of Orders.

10.9 The Customer acknowledges and accepts that availability of the Products shown on the Website refers to the actual availability at the time the Customer performs access to the Website. Flodraulic reserves the right not to process the Order in the event of lack of Products, in which case it undertakes to immediately inform Customer thereof, and of the foreseeable time range within which the Product may eventually be delivered. After the receipt of such notice, the Customer is entitled to cancel its Order within 3 (three) days by means of a written notice with the obligation for the Customer to return, at its own expense, any Products already received and following which Flodraulic shall reimburse any payment or advance payment received by the Customer, without the Customer being entitled to any claims, indemnity or damages connected to such cancellation.

11. Delivery Terms and Delivery Periods

11.1 By way of selecting the preferred option available on the Website, Products to Customers in Germany are either delivered directly by Flodraulic to the address provided by the Customer, in which case shipping costs are quoted on the Customer's shopping cart, or EXW (Incoterms 2020) at Flodraulic's premises or distribution warehouse upon the delivery date communicated to the Customer by Flodraulic.

11.2 Deliveries to Customers in Europe and outside Europe shall be EXW (Incoterms 2020) Flodraulic's premises or distribution warehouse.

11.3 The risk of loss, destruction or damage to the Products shall in any case pass from Flodraulic to the Customer upon handing over and/or loading of the Products at Flodraulic's premises or distribution warehouse or, when Customer fails to arrange for transportation in due time, upon notification of their readiness for loading and/or shipment to the Customer and/or to the authorized person (including carrier) carrying out transport.

11.4 Flodraulic will use its best efforts to deliver the Products within the estimated delivery period indicated on the Website, which is deemed merely indicative and not binding. Customer is entitled to withdraw from the Contract should the items not be delivered within 14 (fourteen) days from the delivery date confirmation in which case Customer shall be entitled to the refund of the purchase price. Claims for damages due to shipment delays are always excluded.

11.5 Items shall be delivered only upon payment of the purchase price by the Customer pursuant to Article 12 below, failing which Flodraulic is entitled to suspend delivery until payment is collected in full.

11.6 Flodraulic shall be released from its obligation to perform deliveries and it shall therefore not be held responsible for failure to deliver or for delayed deliveries in the event of an act of God or Force Majeure for the duration thereof. In as far as the duration of such hindrance is unforeseeable, Flodraulic is entitled to withdraw from the Contract without Customer being entitled to any claims or damages ensuing thereof.

12. Payments

12.1 The price quoted by Flodraulic and indicated in the relevant Order and Order Confirmation is to be paid by Customer including statutory value added tax (VAT) either by credit card, bank transfer, immediate bank transfer and PayPal payment service provider. Payment transactions occur via validated secure procedures. The security of payment by credit card is guaranteed by VBV (Verified by VISA) and SCM (Security Code Mastercard)

certification. Additional charges related to payment methods chosen by the Customer are entirely borne by the latter.

12.2 Customer shall remit payment immediately upon completing the Order. When credit card payments are optioned, the Customer authorizes Flodraulic to charge the purchase price to the Customer. Prior to all payments, Flodraulic reserves the right to perform an identity and credit check on the Customer. In case of payment by bank transfer, after clicking the relevant option the Customer will receive an e-mail indicating Flodraulic's bank account for the payment transfer. Payments are only valid when the payment amount has been credited to Flodraulic. Any extra charges applied to the Customer due to the chosen payment option are to be borne directly by the latter.

12.3 Deliveries shall be made after Customer's payment of the purchase price. Failure on part of the Customer to remit payment pursuant to the above paragraph 12.2 entitles Flodraulic to immediately withdraw from the Contract and cancel it in writing with no prior notice.

12.4 Flodraulic creates invoices electronically and likewise sends them electronically to Customer via e-invoicing. No variation of the fiscal documents may be made after the issuance thereof.

13. Prices

13.1 All prices are quoted in Euro, and are understood as net prices, non-inclusive of statutory value added tax (VAT) and other additional taxes, duties and charges (*e.g.* packaging, freight, postage, transport insurance, unloading).

13.2 The Customer acknowledges and understands that prices may be updated by Flodraulic at its own discretion at any time. Prices indicated on the Website at the time Customer performs purchase as confirmed during the transaction are no longer subject to change.

13.3 In the event of an IT, manual, technical or any other error of different nature that may amount in a substantial change, beyond Flodraulic's control, in the price or quantity of the Products, Flodraulic shall give written notice to Customer as soon as the error in question is discovered. In such events, both Parties are entitled to withdraw from the Contract within 14 (fourteen) days from such notice, in which case the Customer undertakes to return Products at its costs and Flodraulic refunds Customer of the purchase price and/or additional further amounts paid for. Claims for damages and/or compensation are excluded.

Section III - Common Provisions to Sections I and II

14. Warranty for defects, Notification of defects, returns

14.1 Flodraulic is only liable towards the Customer for the proper execution of the Order Confirmation and warrants that the Products materially conform to the relevant drawings, specifications and technical descriptions indicated therein, and their compliance to applicable safety standards and regulations currently in force upon market placement in Germany. Flodraulic does not assume any responsibility for the compliance with other national regulations. Where the Products are to be used in other countries, it is the responsibility of the Customer to ensure that the goods are in conformity with the relevant statutory regulations and standards and make the required adjustments if necessary.

Flodraulic makes no representation or warranties whatsoever with respect to the Products including, without limitation, any warranty of merchantability, warranty of fitness for a particular purpose, warranty of title or warranty against infringement of intellectual property rights of a third party.

14.2 The Website illustrates and represents Product details and characteristics and classifies them either as third-party Products purchased from third parties and marketed by Flodraulic to which the manufacturer's warranty shall apply and those which are expressly not covered by the warranty. All that is represented within the Website does not constitute a declaration of guarantee with respect to quality but mere descriptions and characterizations of the goods and services.

14.3 Pursuant to Section § 377 of the German Commercial Code (HGB, *Handelsgesetzbuch*), Customer shall inspect the Products immediately upon receipt for intactness and completeness and verify that they are free from any external or otherwise visible defects or lack of conformities with respect to the Order and the Order

Confirmation. Claims for defects shall only exist if defects are notified in writing no later than 5 (five) days after the delivery of the Products (so-called apparent defects); concealed defects must be notified in writing within 8 (eight) days after detection, and in all cases before expiry of the agreed period of limitation. In the event of failure by the Customer to notify claims within said term Products shall be deemed to have been accepted to all legal effects and purposes with consequent forfeiture of its right to claim any lack of or non-conformity of the Products. Customer bears the burden of proof for all prerequisites for a claim, in particular for the defect itself, for the time the defect is discovered and for timely notification thereof. Flodraulic does not assume any warranty if the Customer has processed, worked or otherwise modified the Products covered by the Contract.

14.4 Provided that the Customer has presented a justified and orderly notice of the defects pursuant to paragraph 14.3 above, in the event the warranty entitles the Customer to return the Product to Flodraulic, within 8 days from the notice of defects the Product must be returned intact, with integral packaging and complete in all its parts (including accompanying documentation and product information originally provided inside the packaging, and any accessory equipment). Flodraulic shall refund all and any amounts paid by the Customer in relation to the returned Product. In such events the Customer will not be entitled to any additional claim for damages.

14.5 Claims for defects and contractual claims of the Customer on account of or in connection with the poor quality of materials or defects of the Products shall expire by limitation one year from the date of delivery of the Products to the extent that they do not entail claims in respect to defects deriving from normal wear and tear and the ordinary or conventional use of the Products or resulting from the Customer's inexperience or negligence or to product parts that due to the composition of their material or the nature of their use, are subject to quick deterioration. The limitation period aforesaid shall not apply in relation to claims based on wilful default, gross recklessness, or to personal injury claims and to claims under product liability laws nor shall the limitation period apply where longer limitation periods are prescribed by law.

14.6 Claims by the Customer regarding the existence of defects shall be submitted to Flodraulic in strict compliance with the instructions available at the following web page: www.flodraulicgermany.com. Failure to comply therewith will amount to the forfeiture of the Customer's right to claim.

14.7 Provided that the Customer has presented a justified and orderly notice of the defects, Flodraulic shall meet its obligations under the warranty within a reasonable time-limit. Flodraulic may decide, at its own discretion, whether to deliver a replacement or rectifying the Products that it acknowledges to be defective, without any cost being charged to the Customer, with the exception of shipping costs, which shall be borne by the Customer.

14.8 In the event Flodraulic deems the warranty claim to be ineffective or at any rate that the warranty does not apply, it may provide the Customer with a repair-cost estimate which the Customer is free to decide whether to accept, thus entrusting Flodraulic with the removal of the defects and repair activities, or to have the unrepaired Product returned at its own cost or to have it scrapped at its own expense.

14.9 The rectifying of defects or the supply of replacement goods under the warranty shall not cause the warranty period to extend nor the period of limitation to run again.

14.10 The warranty obligation for defects shall expire if the Customer has used or handled the Products incorrectly or irrespective of Flodraulic's instructions, if the Products were disassembled and/or modified and/or replaced and/or repaired and/or altered without Flodraulic's authorization or defects are due to normal wear and tear, negligence and/or mishandling on the part of the Customer and/or his appointees and/or third parties, or if the Products have been returned without their original identification label or have been poorly stored and managed, tampered with or knocked, or their electrical components have been subject to voltage fluctuations or have been connected improperly.

14.11 Warranty claims shall never entitle the Customer to seek for the cancellation of or for the reduction in quantity of the ordered Products nor to claim for any indemnity or compensation.

14.12 The Customer agrees and undertakes not to use the Products for any purpose other than that of their intended use, and not to modify their construction or operation.

14.13 Any violation whatsoever of the above provisions shall amount to the warranty obligation for defects to expire.

14.14 The warranty is non-transferable and applies only to the invoice holder.

15. Limitation of Liability

15.1 To the extent that this does not conflict with compulsory legal provisions and without prejudice to liability for wilful misconduct or gross negligence of Flodraulic, any and all express or implied warranties not provided for within these General Conditions of Sale are expressly excluded.

15.2 Flodraulic may be held liable towards the Customer exclusively for the proper functioning and operation of the supplied Products with respect to the characteristics and performance levels expressly presented within the Order Confirmation and in the Website. Flodraulic's liability for damages will be limited to foreseeable damages typical to the Contract at the time it was made. Within the limits set out under the above paragraph 15.1, in no event shall Flodraulic be liable towards the Customer for any consequential, indirect, incidental damages, lost profits or revenues or business chances, nor at any event shall Flodraulic's aggregate liability, for whichever cause or title, arising out of or related to the violation of the Contract subject to these General Terms and Conditions of Business exceed the total purchase price paid by the Customer for the Product which gave rise to the liability.

15.3 In no event shall Flodraulic be held liable for any defective operation of machines or systems manufactured or assembled by the Customer or by third parties using the Products supplied by Flodraulic, even when such individual Products have been attached to or incorporated to such machines or systems according to the layouts or drawings provided by Flodraulic.

15.4 In no event whatsoever may Flodraulic be held liable for any possible suspensions or interruptions of the Website's operativity, nor for any possible inaccuracies due to a specific configuration of the Customer's Computer or any malfunctions of the same.

15.5 In no event shall Flodraulic be held liable for any damage caused by the Product to any property (be it movable or immovable goods) after the delivery to the Customer. In no event whatsoever shall Flodraulic be held liable for any damage caused to products manufactured by the Customer or to products manufactured with the Customer's products.

15.6 The Customer undertakes and agrees to hold Flodraulic harmless and indemnify it from and against any claims and/or lawsuits raised or filed against Flodraulic by the end customer and/or any third parties in association with alleged defects deriving or caused by the Product.

15.7 The Customer shall also indemnify and hold Flodraulic harmless from any claims arising from damages caused by the use or operation of the Products due to improper installation, repair, maintenance or operation of the Products by the Customer, from the Customer's failure to adequately train its personnel as to the proper operation of the Products or from its failure to comply with applicable laws or regulations to this end.

16. Retention of Title

16.1 Flodraulic shall retain title on the Products until they are paid in full by the Customer, *i.e.* including all secondary costs such as, by mere way of example, interests, charges, duties, expenses, etc. The ownership of the Products therefore remains solely with Flodraulic until all sums owed by the Customer are paid.

16.2 The Customer undertakes to store and safeguard the Products as soon as they are made available to it upon delivery and until all claims have been fulfilled including the outstanding balance claims due to Flodraulic in the framework of the business relationship. Flodraulic shall be entitled to inspect and examine the Products at all times also through its staff and/or personnel at Customer's premises.

16.3 The Customer is prohibited from selling, donating, exchanging, disposing of or otherwise assigning, or at any rate granting third party use, pledging, mortgaging or in any other way altering or creating liens or assignments of title as securities on the relevant Product subject to the reservation of title until purchase price is paid up in full.

16.4 The Customer shall be entitled to resell the goods subject to the reservation of title within the normal course of business, provided that it reserves title and transfers Flodraulic any claims arising out of the resale the Customer by way of security.

16.5 The Customer hereby assigns to Flodraulic any claims resulting from the resale of the reserved property together with all securities which the Customer acquires for the claims. Such claims shall serve as security to the

same extent as the reserved property itself. If the reserved property is resold by the Customer together with other goods not purchased from Flodraulic, any claims from such resale shall be assigned to Flodraulic in the ratio of the invoiced value of the reserved property to the invoiced value of the other goods sold. If the reserved property is combined with other items, the reservation of title shall continue to apply with respect to the newly created item. Flodraulic shall thereby acquire a co-ownership share in the ratio of the value (invoice value) of the reserved property to the value of the other combined items or to the value of the entire newly created item should such criteria find to be inapplicable.

16.6 The Client shall inform Flodraulic immediately in writing of any seizure or any other attachment by a third party on the purchased Products, as it shall immediately implement and execute all and any measures deemed necessary or required in order to remove such measures thus allowing for Flodraulic to enforce its ownership rights before the competent judicial authority. The Customer shall bear any costs necessary to suspend such seizure or attachment or return the reserved property.

17. Confidentiality

17.1 All non-public, confidential or proprietary information of Flodraulic, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Flodraulic to Customer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as “confidential,” in connection with the Contract is confidential, solely for the use of performing the Contract and may not be disclosed or copied unless authorized by Flodraulic in writing. Upon Flodraulic's request, Customer shall promptly return all documents and other materials received from Flodraulic. Flodraulic shall be entitled to injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) known to the Customer at the time of disclosure; or (c) rightfully obtained by the Customer on a non-confidential basis from a third party. In turn, Flodraulic undertakes not to disclose to any third party and to treat all data information and material received from the Customer with the utmost confidentiality and not to use such data for purposes other than those for which they were disclosed.

17.2 Such confidential information may only be disclosed by Flodraulic at the specific request of the judicial authority or of any other competent authority.

17.3 The disclosure of confidential information obtained by the Customer will be restricted by Flodraulic to such of its employees, agents and professional advisors or suppliers on a need-to-know basis and provided that they are bound to comply to a similar duty of confidentiality, being nonetheless Flodraulic liable for any violation on their part.

17.4 Flodraulic represents and warrants that it will adopt all and any appropriate protection measures to safeguard the confidentiality of the information and data disclosed by the Customer within its business organization.

18. Protection of personal data

18.1 Insofar as it is necessary for the carrying out of Flodraulic's obligations, The Customer's personal data shall be handled stored and processed by Flodraulic in full compliance with current legal provisions, especially the EU General Data Protection Regulation (GDPR) the *Bundesdatenschutzgesetz* (BDSG), and the *Telekommunikationsgesetz* (TKG).

18.2 The collection and processing of personal data shall occur in compliance with the General Data Protection Notice under Article 13 of the GDPR, which is available on our Website under the privacy information section.

18.3 Each Party undertakes to indemnify and hold the other Party harmless from all claims for damages arising from any unlawful processing of personal data resulting from failure to comply with the applicable laws and regulations, especially under the EU General Data Protection Regulation (GDPR) the *Bundesdatenschutzgesetz* (BDSG), and the *Telekommunikationsgesetz* (TKG).



19. Intellectual and Industrial Property Rights

19.1 The Customer represents, acknowledges and accepts that the content and the structure of the Website (by way of example but not limited to, domain names, texts, photographs, pictures, trademarks and other trade signs, illustrations, images, logos, etc.) are retained by Flodraulic.

The Website is managed by Flodraulic, and it is prohibited to copy, reproduce or dispose of it in any manner without its prior written consent.

19.2 The total or partial reproduction, for any reason and on any media, as well as the modification or use of the trademarks and/or of other trade signs, illustrations, images, pictures, and logos available on the Website is prohibited without Flodraulic's prior express consent.

19.3 All industrial and/or intellectual property rights (*e.g.*, patents, trademarks, drawings and models, trade secrets, know-how, copyrights, technical and commercial information regarding Products, as well as any software supplied by Flodraulic), relating to the Products and/or connected and/or related to the same, registered or unregistered, created and/or purchased by Flodraulic before the Contract was entered into and in the course of its performance, are the sole and exclusive property of Flodraulic.

The Customer undertakes to refrain from any conduct and behaviour that may violate or compromise such rights.

19.4 In the event of disputes and/or claims and/or actions raised by third parties alleging the infringement of industrial and/or intellectual property rights relating to the Product supplied under the Contract, Flodraulic shall, at its own discretion and bearing costs associated therewith (i) provide the Customer with the entitlement to continue using the Product (ii) replace the Product with another product or parts thereof that has similar functionality and does not infringe any third party's industrial and/or intellectual property rights (iii) modify the Product so that it does not infringe any third party's industrial and/or intellectual property rights (iv) withdraw the Product or parts thereof and refund the Customer of the purchase price, net of wear and tear costs. To the extent permitted by law, the above remedies shall be the only measures available to the Customer and, in any case, Flodraulic's liability shall not exceed the purchase price paid by the Customer for the claimed Product.

19.5 To the extent permitted by law, Flodraulic shall in no way be liable towards the Customer, and the remedies provided for above shall therefore not be applicable, in the event of infringements of third parties' industrial and/or intellectual property rights arising from (a) the modification of Products by the Customer and/or its assignees (b) the assembly of Products with other products (c) the use of Products in processes carried out by the Customer and/or its assignees or (d) Flodraulic's compliance with instructions, drawings, designs and specifications by the Customer. In such cases, the Customer undertakes to indemnify and hold Flodraulic harmless from any damage, expense or liability, for any reason whatsoever, borne by the Customer and/or from any claims by third parties related to the aforementioned cases.

20. Notices

20.1 Any notice in connection with the Contract shall be in writing, in the English or German language, and delivered by hand, e-mail, fax, registered post or courier using an internationally recognized courier company. Notices to Flodraulic shall be addressed as follows:

flodraulicgmbh@flodrauliceurope.com

Flodraulic GmbH
Im Haslet 38
93086 Würth an der Donau
Germany

21. Place of performance. Place of jurisdiction and Applicable law

21.1 Unless otherwise provided for, the place of performance and fulfilment for all obligations of both Parties to the Contract shall be the place of registered business of Flodraulic in Regensburg, Germany.

21.2 The place of jurisdiction for any legal suit, action or proceeding arising out of or in connection with the validity, enforcement, interpretation and termination of the Contract between Flodraulic and the Customer, shall

be exclusively instituted in the competent Court at Flodraulic's place of business, and each party irrevocably submits to the exclusive jurisdiction of such court in any such suit, action or proceeding. Flodraulic shall also be entitled to assert its claims and bring an action against the Customer at the Customer's general legal venue.

21.3 All matters arising out of or relating to the Contract and these General Conditions of Sale as well as all legal relationships between Flodraulic and the Customer shall be governed by and construed in accordance with the substantive law of the Federal Republic of Germany to the exclusion of the "United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980" (CISG).

22. Miscellaneous

22.1 Except as expressly provided in this Agreement, no failure or delay by either Party in exercising any right or remedy relating to the Contract and these General Conditions of Sale shall affect or operate as a waiver or variation of that right or remedy or preclude its exercise at any subsequent time. No single or partial exercise of any such right or remedy shall preclude any further exercise of it or the exercise of any other remedy.

22.2 The Customer may not assign the Contract, either in whole or in part, nor any of its rights nor delegate any of its obligations under the Contract

22.3 In the event that any term or individual provision of these General Conditions of Sale or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, inoperative, void or unenforceable, this will not affect the validity of these General Conditions of Sale as a whole. The invalid or inoperative provisions shall be replaced by the Parties with a valid and operative provision that is as close as possible to the intention of the invalid or inoperative original provision.

22.4 The language of the Contract is the German language. In the event of any conflict between the German version and the English version of the Contract and any other language version, the German version shall prevail.

22.5 Any amendment to the Contract shall be made in writing and shall be undersigned by both Parties.