

GENERAL TERMS OF BUSINESS  
(Date November 2002)

§ 1

General Information– Area of Application

1. The terms of business are valid for all present and future business relations, unless in the respective case deviating terms were agreed upon.
2. Consumers ...Customers according to the terms of business are natural persons who enter into business relations without commercial or independent professional activities being ascribable to them. Business contractor according to the terms of business are natural persons or legal entities or legally responsible partnerships entering into business relations who act in the course of a commercial or independent professional activity. Customers according to the terms of business are both consumers and contractors.
3. Deviating, contradicting or supplementing General Terms of Business do not become parts of the contract, not even in case of knowledge, unless their validity is explicitly agreed upon in written form.
4. Our representatives are not authorised to deviate from these General Terms of Business, our offers and order confirmations by oral declarations.

§ 2

Conclusion of the Contract

1. Our offers are subject to alterations. Technical changes or alterations of shape, colour and/or weight are reserved within reasonable limits.
2. By ordering the goods, the customer bindingly declares that they want to purchase the ordered goods. We are entitled to accept the contract offer contained in the ordering within two weeks after order entry. The acceptance can be declared in written form, by fax, by E-Mail, or by delivering the goods to the customer.
3. If the customer orders the goods electronically, we will confirm the order entry immediately. The confirmation of the order entry is not binding acceptance of the order. The entry confirmation may be combined with the declaration of acceptance.
4. The contract is concluded under reservation of the correct and timely delivery from our suppliers. This is only applicable in cases that we are not responsible for the non-delivery, particularly in case of a congruent security transaction with our supplier. The customer will immediately be informed about the non-availability of the goods. The service in return will promptly be reimbursed.
5. If the customer orders the goods electronically, we save the contract text and send it back to the customer together with the present General Terms of Business per E-Mail.

§ 3

Documents

We reserve the property rights and copyrights for all samples, cost estimates, drawings, and other information and materials of a physical or virtual kind – also in electronic form. These materials must not be accessible to third parties. In return, we commit ourselves to make information and documents which the customers have marked as confidential to third parties only if the customers have agreed.

§ 4

Delivery dates, delivery delays

1. The delivery date results from the agreements of the contract parties. The observation of these dates through us presupposes that all commercial and technical questions have been agreed upon by the contract partners and that the customer has fulfilled all obligations, such as furnishing of the necessary official documents or licenses or paying a deposit. If this is not the case, the delivery date is extended accordingly. This is not applicable if we are responsible for the delay.
2. The observation of the delivery date is subject to the correct and timely delivery to us by our suppliers.
3. The delivery date has been observed if the delivery goods have left the works within the allotted period of if the deliverability has been confirmed. If the acceptance of the goods is necessary, the acceptance date is decisive – except in cases of justified acceptance refusal -, or alternatively the notification of the readiness to purchase.
4. If the delivery or the acceptance of the respective goods are delayed by reasons for which the customer is responsible, the customer is liable to pay the costs caused by the delay, beginning one month after the announcement of the delivery or acceptance readiness.
5. If the non-observance of the delivery date is caused by an act of God, industrial action, or other events beyond our range of influence, the delivery period is extended accordingly. We will inform the customer about the beginning and ending of such circumstances as soon as possible.
6. The customer can withdraw from the contract without setting a deadline if the complete performance is definitely not possible for us prior to the liability transfer. The customer may also withdraw from the contract if for one order the realisation of one part of the delivery becomes impossible with them having a justified interest in the rejection of the part-delivery. If that is not the case, the customer is obliged to pay the sum fixed in the contract for part-delivery. The same applies to inability on our side. Generally, § 10 applies.
7. If the impossibility or inability should occur during the acceptance delay or if the customer is solely or mainly responsible for these conditions, they are obliged to render the return service.
8. If the customer grants us an appropriate time for delivery in case of delays – under consideration of the legal exceptions – without this time being kept, the customer is entitled to withdraw from the contract within the bounds of the legal regulations.
9. In case of delivery on call without agreement of definite delivery dates at which the ordered goods must be delivered, we are entitled to demand the acceptance of the amount not yet claimed six months after the order confirmation date by setting an appropriate payment deadline which must not be below 14 day and to charge the price, or to refuse to deliver and demand compensation of 20% of the value of the goods plus the legal VAT due to the non-fulfillment of the contract. We are entitled to prove and claim a higher loss. The customer is entitled to prove that the loss is lower than 20%.
10. Further claims can only be made according to § 10.

§ 5

Delivery volume

Our contractual obligations are limited to the sale of the contractually agreed delivery goods. The installation of concrete parts, plastic tanks, pipelines, etc. is realised by civic engineering companies which are commissioned by the customer. At the building site, the electric leads must be laid, as well as a over-voltage protection of Category D. If we agreed to install plant parts purchased from us, these plants are only mounted to a fully installed plant. In order that there do not run up any additional costs for the customer, the assembly should be called only after this prerequisite has been fulfilled. If we have additionally been commissioned to set the plant into operation, this service comprises everything from switching on the plant to checking if all parts of the plant are operating. The starting of the plant must only be requested when all supply media are available. The costs for installation, starting, setting of the controls, and creating the circuitry documents are charged separately.

§ 6

Price and Mode of Payment

1. The prices are binding and due to the lack of specific agreements valid ex works, including the loading, but excluding packaging, transport, and unloading. To the prices, the legal VAT is added in the respective legal amount. However, if the customer is a consumer, the price details include the price inclusive of the legal turnover tax in the final price.
2. The payment for the delivered goods is done in 4 rates: 30% at placing the order, 30% at supplying the goods for delivery, 30% at delivering the goods to the customer, 10% at starting of the plant. If the customer does not set the plant into operation within 6 weeks, the payment is done at that date.
3. The customer is only entitled to set the payment off if their counter claims have been legally confirmed or acknowledged by us. The customer can only exert their retention right if their counter claim is based on the same contractual relation.

§ 7

Liability transfer

1. If the customer is an contractor, the danger of accidental loss and the accidental deterioration of the goods is transferred to the customer at the moment of delivery, in case of dispatch purchase at the moment of delivery of the goods to the forwarding company, the carrier or the persons or institutions otherwise designated for the delivery of the goods.
2. If the customer is a consumer, the danger of accidental loss or the accidental deterioration of the purchased goods is transferred to the customer only at the moment of handing over the goods, also in case of dispatch purchase.
3. For the transfer, it does not matter whether the customer is delaying the acceptance.

§ 8

Ownership reservation

1. For contracts with consumers we reserve the property rights of the goods until the purchasing price has been paid in full. For contracts with contractors, we reserve the property rights of the goods until all demands from the current business relations have been settled.
2. The customer is required to handle the goods with care. If maintenance or inspection works should be necessary, the customer must realise these at their own costs.
3. The customer is required to immediately inform us of any access of third parties on the goods, for instance in case of seizure, as well as in case of damage or destruction of the goods. A change in ownership of the goods or a change of residence must also immediately be advertised by the customer.
4. In case of behaviour of the customer which is contrary to the contract, particularly in cases of delay of payments or breach of a duty according to No. 3 of this regulation, we are entitled to resign from the contract and to require the return of the goods.
5. The contractor is entitled to sell the goods in a regular business transaction. They already vanquish all demands to the amount of the invoice total which will be caused by the further selling to against a third party. We accept the vanquishing. After the vanquishing, the customer is entitled to seize the demand. We reserve the right to seize the demands ourselves as soon as the contractor does not properly meet their payment obligations and gets into default of payment.

6. The processing of the goods through the contractor happens always in our name and our commission. If the processing happens with tools not belonging to us, we purchase the co-ownership in the new goods in relation to the value of the goods supplied by us to the other processed goods. The same applies if the goods are mixed with other articles not belonging to us.

§ 9

Maintenance

Our wastewater treatment plants are technical products which in any case need to be expertly maintained. Thus, we propose the additional conclusion of a maintenance contract. The following maintenance works are indispensable:

- 1<sup>st</sup> year of operation:
  - a) Installation and starting
  - b) 1<sup>st</sup> inspection one month after starting
  - c) 2<sup>nd</sup> inspection four months after starting
  - b) 3<sup>rd</sup> inspection eight months after starting
- 2<sup>nd</sup> and subsequent years of operation:
  - a) maintenance in the first month
  - b) maintenance in the seventh month

Regular sludge removal

As part of the maintenance efforts, the sludge level in the preliminary treatment tank must be regularly measured. The operation log-book will tell at which levels the sludge must be removed from the tanks.

§ 10

Warranty for deficiencies

I. Physical deficiencies

1. If the customer is contractor, we initially warrant for deficiencies of the goods to our choice by touch-up or substitute supply.
2. If the customer is consumer, they initially have the choice whether the fulfillment shall be realised by touch-up or substitute supply. We are entitled, however, to refuse the chosen kind of fulfillment if this would be possible only at excessive costs and the other kind of fulfillment would create no considerable disadvantages for the customer.
3. If the fulfillment fails, the customer can principally demand the decrease of the payment (reduction) or the cancellation of the contract (withdrawal). If the contrariness to the contract is only slight, particularly in case of only slight deficiencies, however, the customer is not entitled to resign from the contract.
4. Contractors have to inform us of obvious deficiencies in writing within a period of two weeks; otherwise, the enforcing of the warranty claims is ruled out. To keep the deadline, it is sufficient to send the information in time. The contractor bears the full onus of proof for all prerequisites of their claims, particularly the deficiency as such, for the point of time of finding the deficiency, and the punctuality of the notice of defects. Consumers have to inform us in writing of obvious deficiencies within a period of two months after the point of time when the condition of the goods that is contrary to the contract was discovered. Crucial for the keeping of the deadline is the receipt of the notification with us. If the consumer fails to submit this information, all warranty rights become void two months after their discovery of the deficiency. This does not apply in case of wilful deceit by the vendor. The onus of proof for the point of time of the discovery of the deficiency lies with the consumer. If the consumer was persuaded to purchase the goods by insufficient information by the producers, the consumer bears the onus of proof for their decision to purchase. With used goods, the consumer bears the onus of proof for the defectiveness of the goods.
5. If the customer chooses to resign from the contract because of a legal or physical deficiency after failed fulfillment, they are not entitled to any other compensation claim for this deficiency. If the customer chooses compensation after failed fulfillment, the goods remain with the customer if this is reasonable. The compensation is limited to the difference between the purchasing price and the value of the damaged goods. This does not apply if we caused the breach of contract fraudulently.
6. For contractors, the warranty period for physical and legal deficiencies is one year after delivery of the goods. For consumers, the period of limitation is two years after delivery of the goods. With used goods, all liability towards the contractors is ruled out; towards consumers the period of limitation is one year after delivery. This does not apply if the customers do not inform of deficiencies in time (No. 4 of this provision).
7. If the customer is contractor, only the product description of the producers is regarded as agreed for the condition of the goods. Public statements, commending or advertising of the producers do not qualify as contractual information about the condition of the goods.
8. If the customer receives a defective assembly instruction, we are only required to supply a proper assembly instruction, and this only in the case that the deficiency of the assembly instruction does impede the regular assembly.
9. The customer does not receive any guarantees in from us. Producers' guarantees are not affected by this.
10. In cases of omitting the maintenance according to § 9, any liability claims connected to the maintenance is cancelled. This does also apply if damages are caused by omitting the installation of the over-voltage protection.

II. Legal deficiencies

1. If the usage of the goods leads to the violation of commercial protection rights or copyrights at home, we will at our costs generally procure the right for further usage for the customer or modify the goods in a way that is reasonable for the customer in order to make the violation of the protection law are discontinued. If this is not possible under economically sound conditions or within a reasonable period, the customer is entitled to resign from the contract. Under the mentioned preconditions, we are also entitled to resign from the contract. Additionally, we will exempt the buyer from undisputed or legally binding demands of the respective owners of the protection rights.
2. Our abovementioned liabilities are final subject to §10 for cases of violations of protection rights or copy-rights. They only apply if:
  - the customer informs us immediately of the claimed breaches of protection rights or copy-rights,
  - the customer supports us to a reasonable extent in the defense against the enforced claims or enables us to run the modification measures,
  - all defense measures including out-of-court regulations are reserved to us,
  - the legal deficiency is not based on an order issued by the customer, and
  - the violation was not caused by the customer unauthorized changing the goods or using them in a manner not covered by the contract.

§ 11

Liability restrictions

1. If the goods cannot be used by the customer in a manner as stipulated due to our faults caused prior or after conclusion of the contract by omitted or defective realisation of suggestions or advice or through breaches of other contractual collateral obligations – particularly instruction of operation and maintenance of the delivered goods -, the regulations according to §9 and following §10, ...Abs. apply, excluding further demands of the customer.
2. We only warrant for damages which have occurred not as the delivered goods as such – for whatever ... legal reasons – only:
  - in case of intent,
  - in case of crass negligence of the owner /the organs or leading executives,
  - in case of culpable injury of life, body, or health,
  - in case of deficiency which we fraudulently concealed or the absence of which we had guaranteed,
  - in case of deficiencies of the goods as far as the liability reaches damages of persons or things of privately used articles according to the product liability law.In case of culpable violation of crucial contractual duties, we are also liable in cases of gross negligence of non-executive employees and of slight negligence, in the latter case limited to damages which are typical of such contracts and reasonably expectable. Further claims are ruled out. These claims for compensation and such for which in these conditions there is a reference to §10, come under the statute of limitation one year after delivery of the goods. This does not apply if we can be accused of wilful deceit or gross faults or if we are guilty of damages of body or health or loss of life.

§ 12

Data protection

We are entitled to process the data received pertaining to the business relations or in connection with these according to the data protection laws.

§ 13

Final regulations

1. The laws of the Netherlands apply. The regulations of the UN purchasing laws do not apply.
2. If the customer is a business man, legal person under public law, or public law, our place of business is the exclusive legal domicile for all arguments resulting from this contract. The same applies if the customer does not have any general legal domicile in the Netherlands or if their place of residence or usual dwelling ... at the time of the institution of proceedings are not known. This is also valid if our customers have their sites place of business abroad.
3. If single regulations of this contract with the customer including these General Terms of Business should be or become entirely or partly invalid, this will not touch the validity of the other regulations. The entirely or partly invalid regulation shall be replaced by a regulation the economic success of which comes as close to that of the invalid regulation as possible.