

General Terms and Conditions of Sale of Sauermann GmbH for Foreign Business

Valid as of: 05.02.2021

Section 1 Scope

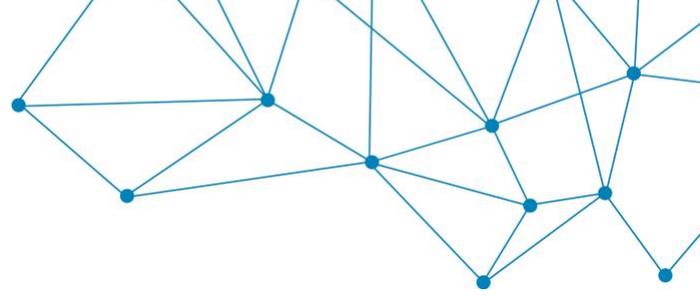
- 1.1 These Terms and Conditions of Sale for Foreign Business apply to all business transactions with foreign companies, legal entities under foreign public law or foreign special funds under public law.
- 1.2 We shall only recognize terms and conditions of the buyer which conflict with, or depart from, our Terms and Conditions of Sale for Foreign Business if we have expressly consented to their validity in writing.
- 1.3 These Terms and Conditions of Sale for Foreign Business also apply to all future business transactions with the buyer, insofar as these are transactions of a related nature.

Section 2 Offer, Conclusion of Contract, Content of Contract

- 2.1 The buyer's offer must be made in writing. Cost estimates shall only be provided at the buyer's request or if the buyer has specific queries.
- 2.2 A contract shall only come into being through our written order confirmation and shall be governed exclusively by the content of the order confirmation and these terms of delivery. Individual agreements with the customer take precedence over these General Terms and Conditions of Sale and Delivery. Regarding the content of such agreements, a written contract or our written confirmation shall be authoritative.

Section 3 Description of goods, Offer documents and Reservation of Right of Modification

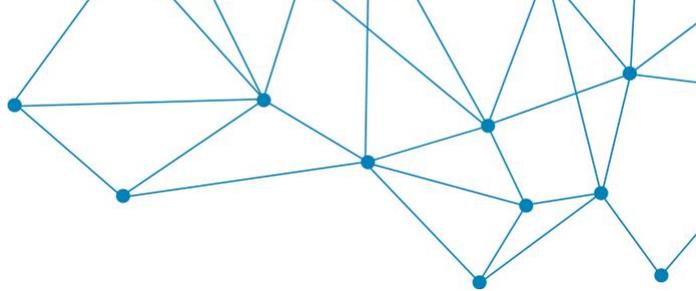
- 3.1 Information on our website, in catalogues, price lists, brochures and other information material provided by us to the buyer, as well as information describing the product are in no way to be understood as a guarantee of a special quality of the goods; such guarantees must be expressly agreed in writing. Any liability for errors or incompleteness in photos or illustrations as well as in texts, information and product characteristics is excluded.



- 3.2 We reserve all property rights, copyrights, rights to the use of names and industrial property rights, if any, to the documents and other items provided to the buyer, in particular to cost estimates, drawings, models, samples and software. Regarding third parties, the aforementioned documents must be kept confidential, even after termination of the contract. The obligation of confidentiality shall only expire if and to the extent that the know-how contained in the documents provided passes into the public domain. The software sold, or which is incorporated in the goods, shall remain our property and the buyer shall only receive a right to use it in accordance with the license provisions of the software manufacturers.
- 3.3 We reserve the right to assert all claims in the event of unauthorized disclosure to third parties of documents and other items provided to the buyer.
- 3.4 We reserve the right to make changes to the design and materials insofar as the agreed function and visual appearance of the goods are not modified as a result, and the changes are reasonable for the buyer. Further changes require the buyer's consent.

Section 4 Prices, Invoicing and Terms of payment

- 4.1 Unless otherwise agreed on an individual basis, our prices current at the time of conclusion of contract shall apply in accordance with the price list for the respective buyer ex warehouse, plus statutory value added tax at the applicable rate as well as packaging, transport, transport insurance as required, plus taxes and other duties associated with delivery.
- 4.2 Unless otherwise agreed on an individual basis, we shall be bound by the prices of the goods or services offered by us for a period of 90 days.
- 4.3 Unless a fixed price has been agreed, we reserve the right to make reasonable price changes due to changes in salary, material and distribution costs for deliveries.
- 4.4 The invoice will be sent by email to the email address specified in the order within 5 days after shipment of the goods or provision of the service. The invoice can also be sent by post at the express request of the buyer. The request must be made within 15 days of receipt of the aforementioned email.
- 4.5 Payment of the purchase price must be made exclusively by bank transfer. No discount for early settlement is to be deducted without special written agreement. The payment shall only be deemed to have been made when we are able to dispose of the amount without recourse (receipt of payment).
- 4.6 Unless otherwise agreed on an individual basis, for a first order, the purchase price shall become due on receipt of invoice. For further orders, the purchase price shall become due within 30 days of receipt of invoice.



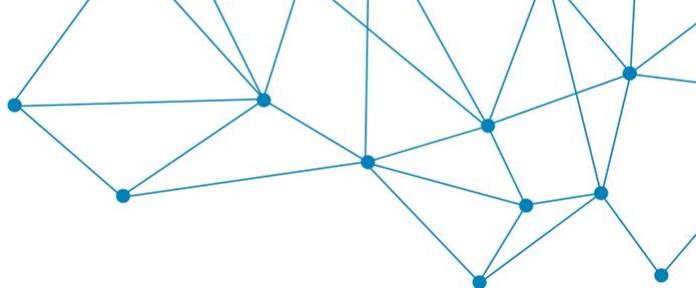
- 4.7 We are entitled to issue part invoices for part deliveries and/or services.
- 4.8 Interest on late payments will be charged at 9 % above the respective base rate p.a. plus a flat charge for costs of € 40.00. We reserve the right to claim higher compensation for late payments.

Section 5 Delivery and transfer of risk

- 5.1 Goods will be delivered ex warehouse (place of delivery) by parcel service or forwarding agency to the address indicated on the buyer's offer, at the buyer's risk and expense.
- 5.2 For justified reasons, we may make partial deliveries and/or services as long as this is acceptable to the buyer.
- 5.3 Place of performance is the place of delivery, both for the delivery and for any subsequent performance.
- 5.4 The risk of accidental loss and accidental deterioration of the goods shall transfer to the buyer upon handover at the latest. In the case of sale by delivery, the risk shall transfer when the goods are made available to the person responsible for shipment. This shall also apply in the event of partial deliveries and/or if we bear the cost of transport or shipment by special agreement. If shipment of the goods is delayed for circumstances outside our control, the risk shall transfer to the customer with notification of readiness for shipment.
- 5.5 Shipment insurance will be taken out only at the customer's request and expense.
- 5.6 If the buyer is in default of acceptance or if he wilfully infringes other obligations to co-operate, we shall be entitled to claim compensation for prejudice caused to us as a result, including any additional expenses. We reserve the right to make further claims. In the event of the aforementioned circumstances, the risk of accidental loss or accidental deterioration of the goods shall transfer to the buyer at the time the latter falls into default of acceptance or debtor's delay.

Section 6 Delivery period and Delayed delivery

- 6.1 Delivery and performance periods and dates shall only be binding if expressly confirmed by us in writing.
- 6.2 Agreed delivery and performance periods shall commence upon conclusion of contract, but not before provision of the documents, approvals and permits to be obtained by the buyer, and complete clarification of any product-related

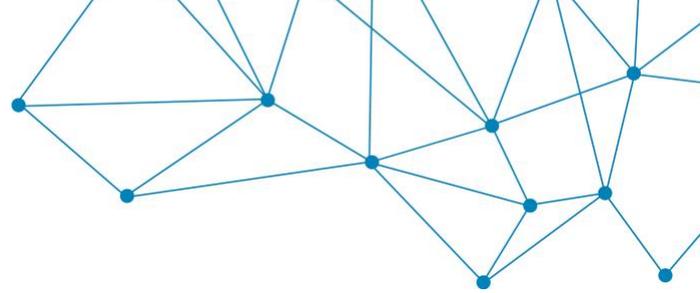


questions to be answered by the buyer and provision by the buyer of details of the requested services, in particular of the requested features of the object to be delivered.

- 6.3 Delivery and service deadlines shall be deemed met if, before their expiry, the circumstances triggering the transfer of risk (para. 5.3) occur. The same applies in respect of compliance with delivery and performance dates. In the event of delays in deliveries for which we are responsible, we shall only be liable to the extent specified in Section 9.
- 6.4 Delivery and performance periods and dates shall be extended or rescheduled – even during a delay – in the event of unforeseen, unavoidable events outside our control, for which we are not responsible, such as force majeure or industrial disputes, for the duration of the disruption. We shall notify the buyer of the beginning and end of the disruption without delay. If the disruption lasts longer than three months, or it is obvious that it will last longer than three months, both contracting parties may withdraw from the contract. Regarding items which we do not manufacture ourselves, correct and timely delivery to us is a material prerequisite. In other respects, the buyer is not entitled to withdraw from the contract in the event of a delay in delivery of less than three months.

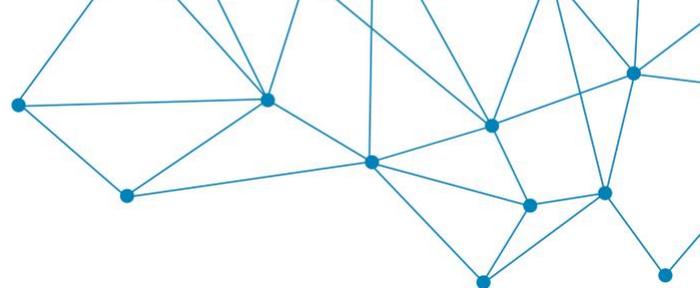
Section 7 Retention of title

- 7.1 We shall retain title to the goods until full payment of all claims arising out of the purchase contract and an ongoing business relationship. This also applies to all future transactions even if we do not always expressly refer to it. We are entitled to take back the goods if the buyer acts in breach of contract.
- 7.2 The buyer undertakes to handle the goods with care as long as ownership has not yet been transferred to him. As long as ownership has not yet been transferred, the buyer shall inform us in writing without delay if the goods are seized or otherwise exposed to intervention by third parties. To the extent that the third party is not in a position to repay us the court and out-of-court costs of legal action pursuant to section 771 of the German Code of Civil Procedure (ZPO), the buyer shall be liable for the loss incurred by us.
- 7.3 The goods subject to retention of title may neither be pledged to third parties nor assigned as security before full payment of the secured claim. The buyer shall inform us in writing without delay if an application is made to open insolvency proceedings.
- 7.4 The buyer undertakes to take all necessary measures to preserve retention of title pursuant to para. 7.1 or a functionally equivalent right of security recognized in the country of destination (buyer's registered office). Infringement of this obligation by the buyer constitutes a material breach of contract.



Section 8 Duty to inspect and Claims for defects

- 8.1 The buyer shall inspect the goods immediately upon delivery and notify us without delay (within 8 days) in writing by email with read receipt or by registered letter of any defects apparent upon delivery of the goods. The date of receipt by us of notification of defect shall be authoritative. The buyer shall notify any hidden defects to us in writing immediately upon discovery. Otherwise, the goods shall be deemed to have been accepted.
- 8.2 No defect shall be deemed to exist in the following cases in particular:
- in case of only insignificant deviation from the agreed quality,
 - in case of only insignificant impairment of usability,
 - in case of natural wear and tear,
 - in case of damage occurring after transfer of risk due to incorrect or negligent handling, excessive stress or due to particular external influences not assumed under the contract,
 - in case of damage due to lack of control, insufficient maintenance or a case of force majeure,
 - in case of deviations of individual parts in surface, structure and/or color, insofar as they are due to production technology and are reasonable, in particular in the event of a color tone deviation of less than 1.5 Delta E measured using the colorimeter X.rite RM200QC.
- 8.3 Whatever the case, we do not offer any guarantee that the goods sold will meet the buyer's expectations. The buyer, having familiarized himself with the technical characteristics of the goods, has decided to purchase the goods on his own responsibility and in accordance with his needs. The partial or total impossibility of using the goods, in particular due to incompatibilities between appliances, shall not give rise to any compensation, reimbursement or liability on our part. We shall therefore not be liable, either to the buyer or to third parties, for the consequences of using the goods, whether for direct or indirect damage, damage to life and health, consequential damage, loss of profits or damage due to deterioration of equipment or loss of data stored by the buyer.
- Nor shall we be liable if the delivered goods have been modified or repaired without our prior express consent, in the event of improper use or use which does not comply with the information set out in the instructions for use.
- 8.4 If, after notification of a defect by the buyer, no defect can be ascertained in the goods, the buyer shall reimburse us for the costs incurred in connection with the inspection of the goods.
- 8.5 If the goods exhibit a defect which already existed at the time of transfer of risk, we shall – subject to timely notification of the defect – provide subsequent performance within a reasonable period, by repair or replacement at our discretion. Claims for compensation by the buyer or reimbursement of unnecessary expenses



due to repairs carried out by the buyer prior to notification of defect and in the absence of consultation with us for the purpose of subsequent performance are excluded.

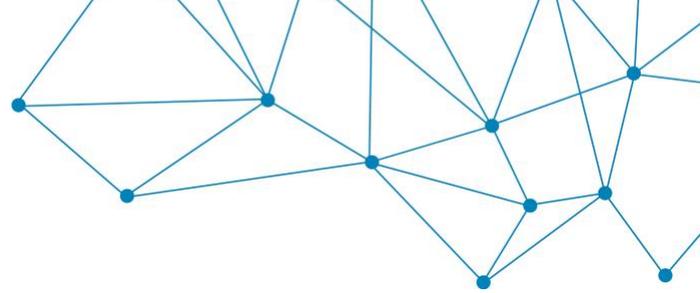
- 8.6 If subsequent performance fails, the buyer may – irrespective of any claims for compensation – withdraw from the contract or reduce the purchase price. We reserve the right, in the event of withdrawal or reduction, to offer the buyer a voucher for the amount of the purchase price in lieu of reimbursement of the purchase price.
- 8.7 If the goods are returned to us by the buyer in the event of withdrawal, we shall be entitled to charge the buyer a handling fee of 15% of the value of the goods.
- 8.8 The buyer's rights in respect of defects in the goods shall expire within twelve months after delivery of the goods to the buyer. In the event of defects in the product lines condensate and lifting pumps, manifold and HVAC-R meters for HVAC-R distribution, the buyer's rights shall expire within twenty-four months of delivery of the goods to the buyer. The limitation period is neither suspended nor extended by the replacement of parts or components.

Section 9 Liability

- 9.1 We shall be liable – on whatever legal grounds – in the event of intent and gross negligence as well as in the event of damage to life, limb or health, and in all other cases of mandatory statutory liability.
- 9.2 In the case of breach of material contractual obligations without intent or gross negligence, our liability shall be limited to compensation for foreseeable prejudice typical for the contract, except in the event of damage to life, limb or health, or any other case of mandatory statutory liability. A material contractual obligation is an obligation that is essential for achieving the purpose of the contract, the performance of which ensures the proper execution of the contract in the first place, and on the observance of which the business partner relies or is entitled to rely.
- 9.3 Liability is excluded in all other cases.

Section 10 Obligation of disposal

Pursuant to section 19, para. 1 of the German Electrical and Electronic Equipment Act (ElektroG) it is agreed that the buyer shall bear sole responsibility for the disposal of the goods delivered by us. Obsolete goods may not be returned to us.



Section 11 Final provisions

- 11.1 The business relationship between the buyer and us, in particular the contracts concluded between the purchaser and us in the context of this business relationship, are subject to the law of the Federal Republic of Germany to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
- 11.2 The sole place of jurisdiction for all disputes arising out of the business relationship – irrespective of the legal grounds – is our registered office.
- 11.3 Should individual provisions of these Terms and Conditions of Sale for Foreign Business be or become invalid, this shall not affect the validity of the other provisions. In that case, the contracting parties undertake to replace the invalid or unenforceable provision with one that is valid or enforceable and comes as close as possible to the original business intention. The same applies to the filling of gaps in the contract. Should a part-clause be or become invalid, this shall not affect the validity of the remainder of the clause provided that it may be separated from the part-clause in terms of content yet comprehensible in its own right and results in a lasting meaningful provision within the overall structure of the contract.
- 11.4 The contracting parties mutually undertake to take all reasonable measures required to achieve the purpose of the contract, and to refrain from doing anything that impairs the achievement and maintenance of the contract.