

# General Terms and Conditions of Purchase

as of 02.01.2022

**Pruss Armaturen AG  
Waldemar Pruss Armaturen GmbH  
Hannemann & Pruss GmbH**

## § 1 General

1. These Terms and Conditions of Purchase apply exclusively. Conflicting, supplementary, or deviating terms and conditions shall only become part of the contract if PRUSS expressly acknowledges this in writing. This also applies to terms and conditions mentioned in offers, order confirmations and other confirmations of the contractor. The acceptance of deliveries and services, as well as their payment, does not in any case constitute an acceptance of conditions of the contractor. These Terms and Conditions of Purchase shall also apply exclusively if the contract is executed by both parties without reservation in the knowledge of conflicting, supplementary or deviating terms and conditions of the Contractor.
2. These Terms and Conditions of Purchase shall also apply to all future transactions between the Contractor and PRUSS insofar as it is a mutual commercial transaction, even if no express reference is made to these Terms and Conditions of Purchase in individual cases.
3. The complete execution of the ordered deliveries and services by third parties requires the written consent of PRUSS.

## § 2 Offer, Placing of Order

1. The contractor must expressly inform PRUSS in the offer of deviations from the inquiry documents. The preparation of the offer is free of charge for PRUSS.
2. Unless expressly stated otherwise, offer prices to PRUSS include delivery "free domicile", packaging, insurance, value added tax and all customs duties and taxes.
3. If the contractor does not accept the order within 14 days of receipt of the order, PRUSS is entitled to revoke it without the contractor incurring any claims for damages.
4. Order and acceptance as well as their changes and additions must be made in writing. Verbal ancillary agreements upon conclusion of the contract are only effective if they have been confirmed in writing by PRUSS. This also applies to changes after conclusion of the contract.

## § 3 Service Content, Execution, Changes

1. The service content results from the respective individual order. Documents, reports, ideas, drafts, models, samples, and all other results arising from the provision of services are part of the order service. If necessary, the performance results are described in more detail by means of specifications, service description, schedule and other systems. Installations designated in the order shall form an integral part of the same.

### Specific requirements related to **REACH Regulation (EC) 1907/2006:**

The REACH Regulation obliges suppliers of articles to inform about substances in these articles that have been identified as of very high concern (SVHC).

Article 33(1) REACH stipulates that supplier of articles must inform the purchasers of these articles about SVHCs contained in a concentration of more than 0.1 % by mass (w/w). The supplier must provide sufficient information at his disposal for the safe use of the article but must at least indicate the name of the substance concerned.

All substances identified as SVHC are included in the so-called candidate list (see website of the European Chemicals Agency (ECHA): [www.echa.europa.eu/candidate-list-table](http://www.echa.europa.eu/candidate-list-table)) to which new substances are usually added twice a year. Suppliers must immediately inform customers of an article containing a newly identified SVHC above 0.1% (w/w) as soon as the substance has been included in the candidate list.

**We ask you to provide us with the information in accordance with Article 33(1) REACH for each of the above products without delay or to confirm in writing the absence of SVHC in these articles.**

2. The contractor provides its services with the utmost care, considering the latest state of science and technology, the safety regulations of the authorities and professional associations, as well as its own existing knowledge and experience or those gained during the contract work. The contractor guarantees compliance with the statutory provisions, the agreed technical specifications and other specifications.
3. Partial services are not permitted, unless otherwise expressly agreed. PRUSS is therefore entitled to cancel the remaining quantity.
4. The Contractor shall prepare drawings, data and other documentation in accordance with the requirements, regulations and guidelines of PRUSS and its customers. In the event of ambiguities, the contractor is obliged to obtain all necessary information before the start of work. Computer systems and programs used in documentation are defined by PRUSS. The contractor is obliged to obtain appropriate information before the start of the order work.
5. At the request of PRUSS, the Contractor shall provide information on the composition of the delivery item insofar as this is necessary for the fulfilment of official requirements at home and abroad.
6. PRUSS is entitled, as long as the contractor has not yet fully fulfilled its obligations, to demand changes to the order with regard to design, execution, quantity and delivery time within the scope of reasonableness. The effects (e.B. additional or reduced costs, delivery dates, etc.) must be regulated by mutual agreement.
7. The contractor is obliged to immediately notify in writing any objections he has about the manner of execution of the service/delivery desired by PRUSS and to propose changes that he deems necessary to meet the agreed specifications or legal requirements.
8. Delivery items are to be packed, marked, and shipped in accordance with commercial practice. Packaging and shipping regulations must be complied with. Unauthorised packaging material will be disposed of or returned at the expense of the Contractor. Shipping documents, such as delivery notes and packing slips, must be attached to the deliveries.

9. The contractor is obliged to supply spare parts for the period of normal technical use, but at least 10 years after the last delivery on reasonable terms.
10. If, after expiry of the period referred to in Section 9, the Contractor discontinues the delivery of the spare parts or, during this period, the Delivery of the delivery item, the Customer shall be given the opportunity to place a final order.

#### **§ 4 Performance periods, delay and exclusion of the performance period**

1. Agreed dates and deadlines are binding. Advance deliveries are only permitted with the written consent of the customer. Decisive for compliance with the delivery date or the delivery period is the handover of the contractual total service to PRUSS. If "free domicile" or "free place of use" has not been agreed, the contractor must provide the service in compliance with the usual time for transport or transmission.
2. The delivery period begins with the order date.
3. If the contractor does not comply with the delivery date, PRUSS shall be at its own discretion without setting a grace period.

entitled to demand subsequent delivery or compensation in lieu of performance due to service not provided or not as owed or to withdraw from the order. In the event of a delay in delivery, a contractual penalty of 1% of the order value per commenced week of delay shall be agreed. The maximum contractual penalty is limited to 10% of the order value. The assertion of further claims remains unaffected by this. The penalty for delay shall be set off against any damage caused by delay that has occurred and is asserted. The right to demand payment of the agreed contractual penalty shall not be forfeited by the fact that the contractual penalty is not expressly reserved upon acceptance of the delayed delivery.

4. Circumstances of force majeure shall only relieve the Contractor if he notifies PRUSS in writing immediately after becoming aware of them, stating the exact circumstances and the expected duration of the deadline being exceeded, and there is no reasonable possibility of replacement procurement by the Contractor.
5. The contractor must inform PRUSS immediately in writing if it becomes apparent that contractually agreed intermediate or end dates cannot be met. The legal rights of PRUSS are not affected by this notification.

#### **§ 5 Remuneration**

1. The contractor shall receive the remuneration agreed in the order for the agreed performance results and shall invoice in detail for this. Invoicing takes place via the total remuneration after acceptance of the complete order service.
2. If a payment plan has been agreed, payments shall be made after receipt of a corresponding partial invoice in accordance with the dates and partial amounts agreed in the payment plan. Before acceptance of the total service by PRUSS or the end customer, all payments are made as a-conto payments without recognition of the previous service as a performance service. Invoicing for the final installment according to the payment plan takes place in any case only after acceptance of the total service. PRUSS is entitled to retain the final installment, but a maximum of 20% of the order value until all defects have been remedied, without the Contractor being entitled to assert claims for damages. Insignificant defects remain unaffected by this.
3. Invoices must be sent as .pdf via E-mail to [invoice@pruss.de](mailto:invoice@pruss.de), stating the order number, order marking and number of each individual item. Otherwise, they do not set in motion a payment deadline.
4. Payment is generally made by bank transfer or cheque within 14 days with a 3% discount or 30 days with a 2% discount or within 60 days net. Discount deduction is also permissible in the event of set-off or retention due to defects. Payment deadlines are set in motion with the later of the following options. a) Delivery or acceptance of the service b) Receipt of the invoice or c) the delivery date specified in the order.
5. VAT must be stated separately on the invoice.
6. The contractor is not entitled to assign his claims to third parties or to have them collected by third parties. Exceptions to this require the express written consent of PRUSS.
7. Payments made by PRUSS shall be deemed to have been made as soon as they are instructed to pay.
8. The occurrence of a delay in payment without a reminder is excluded.
9. In the case of delivery without installation or assembly, the risk shall pass upon its receipt at the receiving point specified by the customer. In the case of deliveries with installation or assembly and in the case of services, the risk shall pass with the acceptance to be carried out at the installation site.

#### **§ 6 Provisions**

1. Supplies remain the property of PRUSS and are to be stored, designated and managed separately by the contractor free of charge. Their use is only permitted for the relevant individual order. In the event of depreciation or loss, the Contractor shall pay compensation and cover insurance for this purpose at its own expense. This also applies to the calculated provision of order-related material.
2. In the processing, mixing and transformation of the material, PRUSS becomes its owner already with the creation of the new or mixed or transformed object. The contractor shall store the new or mixed or transformed item for PRUSS with the care of a prudent businessman.
3. Ownership of auxiliary models, tools, models, moulds, etc. (hereinafter tools) required for the provision of the contractual service shall pass to PRUSS upon creation. Tools are therefore to be regarded as supplies of PRUSS. PRUSS has the right, at its own discretion, to demand the delivery of the tools or to have the tools scrapped by the contractor, free of charge for PRUSS. The scrapping of tools requires the written consent of PRUSS.
4. The Contractor shall mark confidential documents as the property of PRUSS and store them separately. At the request of PRUSS, the Contractor shall hand over all confidential documents and items to PRUSS. Rights of retention are excluded.

#### **§ 7 Subcontracting**

1. The subcontracting of contracts to third parties is only permitted with the written consent of PRUSS.

## **§ 8 Confidentiality**

1. The contractor undertakes to treat all non-obvious, commercial or technical details that become known to him through the business relationship as business secrets and to secure them against unauthorized inspection, use or loss. Drawings, templates, samples, models or similar objects provided by PRUSS or manufactured at the expense of PRUSS remain the property of PRUSS and may not be made accessible or made available to third parties without the written consent of PRUSS. The reproduction of such objects is only permitted within the framework of operational requirements and copyright provisions. The documents and objects provided to the contractor must be returned to PRUSS without being asked to do so after completion of the work in compliance with the confidentiality regulation or must be safely destroyed in consultation with PRUSS. The contractor will not retain or store any duplicates, copies, etc., unless he is obliged to archive them due to legal regulations. Subject to further rights, PRUSS may request its surrender as soon as the Contractor violates its obligations.
2. Employees and subcontractors are to be obliged accordingly.
3. Unless otherwise agreed in the order, the confidentiality obligation shall continue to apply 5 years after delivery or service.
4. When submitting references or other publications, the contractor may only name the company or trademarks of the client if the latter has expressly agreed in writing.

## **§ 9 Liability for defects**

1. If the limitation period of the claims for material defects is not agreed separately, the Contractor warrants that his order performance will remain error-free for a period of 36 months from acceptance of the total service by PRUSS or the end customer, but in any case, not longer than 48 months from the handover of the entire service to PRUSS. The limitation period of the material defect notice applies regardless of the operational duration of use. Errors must be reported by PRUSS immediately as soon as they are detected according to the circumstances of a proper course of business. In this respect, the Contractor waives the objection of late notification of defects. The notice of defects interrupts the limitation period of the material defect claims about the defective delivery part until the defect has been completely remedied. Defects of title shall become statute-barred after the statutory limitation period.
2. The contractor shall also be liable within the scope of his defect if he is not himself the manufacturer of the delivery item or parts thereof.
3. PRUSS may, at its own discretion, assert the statutory claims for defects, demand replacement delivery or rectification. In the case of replacement delivery or rectification, the Contractor is obliged to remedy the defects immediately free of charge to the place of destination at his own expense or to provide the service anew. He must bear all costs incurred in connection with the repair or replacement, including necessary travel and travel expenses.
4. In urgent cases, e.g., in the event of imminent danger or in cases where a performance obligation on the part of PRUSS requires immediate rectification, PRUSS may carry out the rectification itself or by third parties, without setting a deadline, at the expense of the Contractor. The same shall apply if the Contractor has delivered after the occurrence of the delay.
5. In all other respects, there are statutory claims.

## **§ 10 Property rights**

1. The contractor guarantees that the objects or services delivered by him do not infringe domestic or foreign property rights. The Contractor undertakes to indemnify the Customer and/or its customers if claims are made against them out of court or by way of litigation due to infringement of property rights. In the event of a legal dispute, the Contractor shall provide legal assistance upon request. In addition, the Contractor shall compensate for all damage incurred by the Customer and/or its customer as a result of the fact that they have relied on the free usability of the delivered items or services. The damage of a customer of the customer is only to be compensated by the contractor if the customer makes claims against the customer in this respect.
2. The contractor is not liable if he has manufactured or provided the delivered items or services exclusively according to drawings and models of the customer and he did not know or did not have to know that the production of the objects or the provision of the service constitutes an infringement of the law in the aforementioned sense.
3. Upon request, the Contractor shall name all applications for industrial property rights that it uses in connection with the delivered goods or services. If the contractor discovers the infringement of property rights or applications for industrial property rights, he must notify the customer of this without being asked to do so without being asked to do so without being asked.

## **§ 11 Other agreements and severability clauses**

1. If the contractor stops the payments, or if insolvency proceedings are applied for against his assets or a judicial or extrajudicial composition procedure, PRUSS is entitled to withdraw from the contract. If no withdrawal takes place, PRUSS may retain an amount of at least 10% of the remuneration as security for the contractual claims until the expiry of the contractual limitation period of the claims for defects.
2. The place of performance for the services and deliveries is the registered office of the customer, unless otherwise stipulated in the contract.
3. The place of jurisdiction is the registered office of the client. However, the client is entitled to appeal to any legally competent court.
4. In addition to these terms and conditions, the law of the Federal Republic of Germany shall apply exclusively. The application of the unified UN Convention on Contracts for the International Sale of Goods is excluded.
5. Should individually provisions of these GTCP be or become void, the remaining provisions shall remain effective.