

## GENERAL TERMS AND CONDITIONS OF SALE AND COMMISSIONING FOR SA KSB BELGIUM

### Article 1: General – application, acceptance, enforceability and modification of General Terms and Conditions

1.1 Application: Sales, deliveries and service provisions (or more generally any commercial dealings) by SA KSB Belgium, with its registered office located at Zoning Industriel Sud, Rue de l'Industrie 3, 1301 Wavre/Bierges (Belgium), registered in the Banque Carrefour des Entreprises [Belgian Companies Database] under number 0401.899.506 ("KSB"), to the benefit of its clientèle (the "Client") are performed solely under the KSB General Terms and Conditions of Sale ("General Terms and Conditions" or the "contract"). The General Terms and Conditions also apply to all commercial dealings (present or future) between KSB and the Client, even if, within the context of future contracts, KSB does not make express reference to the General Terms and Conditions.

1.2 Acceptance by the Client: By placing an order with KSB, the Client (i) expressly waives application of its own terms and conditions of purchase or sale, (ii) acknowledges having read and understood the KSB General Terms and Conditions and (iii) accepts them unconditionally and in full. Reference by the Client to its own general terms and conditions does not imply that the Client's terms and conditions are accepted by KSB and this applies even where KSB does not oppose the application of the Client's terms and conditions.

1.3 Modification: The General Terms and Conditions can be modified by KSB at any time without prior notice. However, contracts in progress remain subject to the General Terms and Conditions that were applicable at the time the sale was agreed.

1.4 Access to the General Terms and Conditions: the KSB General Terms and Conditions are supplied on first request by the Client, in the KSB price lists, upon confirmation of the order by KSB, on the back of KSB invoices or on the website [www.ksb.com](http://www.ksb.com) (the "Website").

### Article 2: Offers/Orders and Conclusion of the Contract

2.1 Offer/Order: The products and services (the "Product(s)"; the "Service(s)") presented on the Website or in the brochures (advertising, technical, etc.), do not in any way constitute an offer per se. Simply ordering a Product and/or Service does not necessarily establish the formation of a contract. For example, it may be that the Products indicated on the Website as ready for delivery or available are no longer in stock at the time the order is processed. KSB offers to the Client are not binding on KSB. Save for written agreement to the contrary, KSB offers are valid for 30 days from the offer date.

2.2 Conclusion of the contract: KSB shall only be validly bound to the Client upon dispatch of the confirmation of acceptance by KSB. If KSB decides not to confirm the Client's order, the latter shall be informed without undue delay. Oral agreements with KSB representatives or employees are only binding on KSB when they have been confirmed in writing by KSB. Following acceptance of the order, the offer is binding for the Client and changes can only be made by express written agreement on the part of KSB.

### Article 3: Information on the Products / KSB advice / Use of Products / Sample sales

3.1 Information on the Products: The technical data, information, technical brochures and descriptions relating to the Products, advertising materials, Services as well as data exchanged within the context of contracts to be concluded, do not constitute data and descriptions to which the Products to be delivered (or the Service) must contractually comply, except in the case of express written agreement by KSB to the contrary. The Products are described and presented in as much detail as possible. KSB cannot, however, guarantee that some Product characteristics will not be modified after a certain amount of time, notably, in order to improve the quality. Despite the utmost care, errors in the presentation of Products can arise, for which KSB cannot be held liable under any circumstances. Similarly, Product photos (in any format) are only for illustration and do not carry any contractual obligation of any kind on the part of KSB. Under no circumstances, can KSB be held liable on the basis of the content or presentation of Product photos; for this reason, the Product offer and the availability thereof should be considered purely indicative and not contractually binding (see article 2.1).

3.2 KSB advice: Advice on the use of the Product ordered is provided on the basis of "best efforts". Any information and any declaration provided by KSB concerning the use of Products does not impact the exclusive responsibility of the Client to verify the accuracy of the advice prior to use and to perform its own verifications concerning the intended use of the Product by the Client.

3.3 Use of Products: The Client alone is responsible for the correct use of the Product in accordance with the instructions for use (instructions), technical specifications and applicable safety standards. Under no circumstances, is KSB responsible for any damage resulting from use or installation that does not comply with instructions. The Client is required to procure, at its own expense, the necessary advice and to carry out, at its own expense, the control procedures to check the use value of the Products given the intended use. When KSB performs services for the Client, KSB has a best-efforts obligation within the context of performing its services.

3.4 Samples: In the case of sales on the basis of samples or models, these only describe the conformity of the Products in relation to professional standards and it is agreed that these are only supplied as an example, without the Products to be delivered having to meet the same qualitative requirements.

### Article 4: Price and Price Adaptation

4.1 Price: The price agreed when the contract is concluded is applicable, and more specifically, the price detailed on the order or in the order confirmation. The Price is expressed in Euros. When no Price has been expressly agreed, the Price as featured in the KSB price list at the time of concluding the contract shall apply. The Price (net value of the order) is increased by the VAT rate applicable on the day of delivery, packaging costs, transportation costs and transportation insurance. In the case of deliveries abroad, the Price may be increased to account for other specific taxes for that country. The resulting amount constitutes the final invoice amount (VAT included). Every order of less than EUR 250 will be increased by EUR 25 to cover administration costs. The commissioning of Products is not included in the KSB Price. Commissioning will be invoiced on an hourly basis, as applicable at the time of commissioning.

4.2 Price Adaptation: KSB reserves the right to change its prices unilaterally and proportionally after the contract has been concluded in the event of changes to costs related to increases in salaries, prices by its suppliers or exchange rate fluctuations. Price adaptations within the framework of current and future contracts shall be applicable up to a maximum amount of 80 percent of the final price and reference the parameters representing the real costs within the scope of article 57 of the Belgian Law of 30 March 1976. These Price adaptations shall be communicated in writing before the new prices come into force. If the Client does not contest the change within fourteen (14) days following notification of the new Prices, the new Prices shall be considered accepted by the Client. This does not apply in the case of a Fixed price that has been expressly agreed.

### Article 5: Payment: terms, late payment, compensation and security

5.1 Payment terms: Provided that no other payment terms have been agreed, KSB invoices must be paid within thirty (30) days from the date the invoice was issued, at the KSB registered office. In no circumstances can the Client, even where the Client considers the product delivered by KSB to be faulty, suspend payment without the prior written agreement of KSB. Bills of exchange or any other titles creating an obligation to pay do not constitute payment within the meaning of this article.

5.2 Late payment: On the invoice due date, the Client is liable, automatically and without need for any formal notification, for late payment interest at the rate of 10% per year, as well as fixed fee charge of 10% of the invoice amount with a minimum of €150.

Payments made by the Client shall be settled as follows: (i) firstly the fixed fee charge and other fees, then (ii) the interest and finally (iii) the price. In the case of late payment, KSB also reserves the right to take back any delivery or carry out all deliveries against upfront payment. Upon failure to pay by the invoice due date, all other Client invoices become immediately due for payment.

5.3 Claim on the invoice: Claims concerning invoicing can only be taken into consideration insofar as they are formulated in writing within 7 working days following the invoice issue date by KSB.

5.4 Compensation: KSB always has the right to offset the Client's debts with KSB's own debts or with debts of companies linked to KSB. The Client cannot only apply the compensation when its claims have their basis in an enforceable order or are recognised expressly by KSB. Moreover, the Client is only entitled to reimbursement or compensation when its claim is based on the same contractual relationship.

5.5 Granting a security: If the Client does not pay the invoices due to KSB, (or) exceeds the given payment term, (or) the financial situation of the Client deteriorates after conclusion of the contract, (or) KSB obtains worrying information concerning the Client based on which concerns are raised on the solvency or borrowing capacity of the Client, KSB is authorised to claim in a single action everything that is owing by the Client, and/or require a security (guarantee) in this regard, as well as make all future deliveries against advance payment. Moreover, KSB is authorised to suspend all other deliveries to the Client and/or terminate the contract without the Client being able to claim for any notice period or any compensation. This applies, without this list being exhaustive, when the Client does not pay outstanding debts, a Client cheque is not honoured, the Client finds itself insolvent, bankruptcy processing are pursued, are requested, introduced or ruled with regard to the Client.

### Article 6: Delivery and storage of Products

6.1 Delivery: The Products are sold, received and approved in the KSB warehouses. The Products are shipped entirely at the Client's own risk, even if delivered, exceptionally and with prior written agreement by KSB to the Client's warehouses or another agreed location. The commissioning of the Products is not the responsibility of KSB, under expressly agreed in writing between KSB and the Client. KSB is authorised to perform partial deliveries and render partial services. KSB is solely obliged to deliver and perform the services agreed when the Client performs its obligations in a correct and timely manner. When the Client does not observe its contractual obligations, KSB is entitled to suspend performance of the contract on its own initiative.

6.2 Storage: When the Client fails to engage on the Products ordered, take receipt or collect the Products ordered or cause any delay in the shipment or delivery, KSB is entitled, without prejudice to its other rights, to claim compensation for the costs incurred, including storage costs on site, irrespective of the fact that KSB is authorised to store the Products at its premises or those of a third party at the expense of the Client.

### Article 7: Delivery time frames and Commissioning

7.1 Time frame: The delivery time frame and/or where applicable commissioning are indicated at the time of acceptance by KSB of the order form. The delivery time frame and/or where applicable commissioning are communicated at the time of acceptance by KSB of the order form. The delivery time frame and/or where applicable commissioning are only applicable and only start to run after KSB has been provided with all necessary information and documents for the execution of the delivery and/or where applicable commissioning task. Even if a delivery time frame and/or where applicable commissioning have been explicitly agreed, late delivery (and/or late commissioning) or practical impossibility to perform the delivery (and/or where applicable the commissioning task) shall not grant, neither a right to compensation payable by KSB, nor a right to refuse acceptance of the delivery by the Client, or a right to terminate the contract through fault of KSB. The delivery time frame and/or where applicable the commissioning task apply subject to correct collaboration on the part of the Client with regard to the delivery and/or commissioning task.

7.2 Force Majeure: In the event of force majeure and other unforeseen and extraordinary circumstances and circumstances outside the control of KSB, including disruption of activities due to fire, water damage and similar incidents, the interruption of installations and production machinery, exceeding delivery time frames (and/or commissioning) or the interruption of deliveries by KSB suppliers, as well as interruption to activities due to the lack of raw materials, energy and labour, strikes, blockages, problems with transport availability, congestion and government interventions, KSB is authorised to suspend the delivery (and/or commissioning) for the duration of this impediment for a reasonable period. When the delivery is delayed by more than one (1) month, KSB and the Client have the right, without KSB being liable for to pay compensation, to terminate the contract in writing up to the amount of the quantities concerned by the delivery interruption.

### Article 8: Risk transfer

Unless otherwise agreed in writing, delivery and therefore the transfer of risks takes place in the premises of the company/warehouse of KSB (CIP delivery; see article 6.1). The Client always bears the risks of transportation (and also bears the cost of corresponding insurance), irrespective of the person that performs the transportation and irrespective of under whose name the transportation takes place. KSB is not obligated to insure the Products. When the Client fails to accept the goods or make payment, it is agreed that the risk of loss of the Products resides with the Client. This same rule applies when the Client is in default in ensuring its collaboration in the context of services to be performed by KSB. When KSB performs loading or unloading tasks and/or transportation on the basis of a separate contractual agreement, then these activities are performed on the basis of the general terms and conditions of the shipment company or transporter applicable to the loading or unloading activities in question or the transportation in question. The right to compensation is excluded unless the damage is a result of gross negligence or misconduct on the part of KSB or one of its agents. Unloading by the Client itself, with or without the assistance of a crane, shall take place exclusively for the benefit of and at the risk of the Client.

#### **Article 9: Reservation of ownership and resale of Products**

9.1 Reservation of ownership: All deliveries take place under the reservation of ownership. As an exception to article 1583 of the Belgian Civil Code, KSB remains the owner of the Products delivered and to be delivered to the Client resulting from all contracts until the Client: a) has fully paid the Price for all Products, increased by interest and charges payable, and b) has fulfilled all its obligations with regard to the services that KSB performs or will perform for the Client's benefit within the framework of the contracts in question and c) has fulfilled the Client's obligations when the Client fails to respect the aforementioned obligations. It is only following strict adherence to the above that the ownership of the Products is transferred to the Client ("transfer of ownership"). The Client is obliged to return to KSB at its own expense and risk, Products that have not been paid for, and to do so on KSB's first request. The Client is required to store and handle the Products under reservation of ownership with due care until the ownership of said Products is transferred to the Client. The Client must oppose any claim by third parties concerning these Products and must immediately inform KSB of such a claim. The Client does not have the right to pledge the Products, under KSB ownership, to a third party or encumber them in another way by a security (and this while the Price of the Products has not been paid in full). When the Client, in violation of the prohibition above, pledges the Products or uses them as security toward third parties, despite the Products falling within the scope of the clause on reservation of ownership or the Products owned by KSB have a lien, the Client must immediately inform KSB by in a registered letter.

9.2 Resale of the Products: The Client is not authorised to resale the Products delivered, nor to incorporate them into its installations or those of a third party prior to the transfer of ownership, save with prior written authorisation from KSB. In this case, the Client undertakes to insert into the contract with the third party-purchaser a reservation of ownership clause, by virtue of which the third party-purchaser does not become owner of the Products until full payment of the Price by the Client to KSB. In this case, the Client shall also assign to KSB all rights and claims to its benefit arising from the resale, duly authorised by KSB, to a third party-purchaser, and to fulfill all required formalities in this regard. A transfer as described above, does not release the Client in any way from its obligation to pay the Price to KSB. The Products delivered by KSB may only be exclusively resold in their original packaging without modification. In the event of resale, the responsibility of KSB is exclusively limited to article 12.

9.3 Creation of a pledge: When KSB so wishes, the Client is obliged to assist in the creation of a pledge, which enters into force at the time the reservation on ownership ends. This pledge guarantees all KSB requirements. All the claims of the Client against third parties, among which feature the claims against third parties which relate to the Products delivered and to be delivered by KSB, constitute the basis of the pledge. The Client must inform KSB regarding its pledges on KSB's first request. The Products which become the property of the Client are also part of the basis of the pledge. By means of this contract, the Client authorises KSB irrevocably to create this pledge and conduct the necessary formalities to this end. KSB exercises this option when it has valid reasons to presume that the Client will not perform its obligations, which is always the case when the Client does not pay an outstanding debt.

9.4 Recovery of client debts: As long as the Client respects its obligations to pay with regard to KSB, it has the right to recover the claims of its clients in the context of normal business management. As long as the Client does not respect its obligations to pay with regard to KSB, the Client does not have the right to agree with its clients an assignment or pledge for such claims or to assign them to a third party as a title deed or pledge. On KSB's request, the Client must specify the claims that form the basis of a KSB pledge and, when KSB so wishes, inform its obligors of the claims in question by asking them to make payment to KSB up to the amount of the KSB claim due by the Client. KSB also always has the right to inform the Client's obligors itself of the lien and claims to be recovered. KSB shall not however put these rights into action as long as the Client performs its obligations to pay normally and without delay and no application has been made to initiate insolvency proceedings against the Client. When, however, one of the aforementioned situations occurs, KSB is entitled to require that the Client communicates pledged claims and the corresponding obligors, that the Client provides the necessary information to recover the claims and forwards all corresponding documents.

#### **Article 10: Client obligations**

The Client is responsible for the correct use of Product in accordance with the instruction for use (instructions), technical specifications and applicable safety standards. Under no circumstances, is KSB responsible for any damage resulting from use or installation that does not comply with instructions from KSB or those of the manufacturer/supplier. The Client is required to procure, at its own expense, the necessary advice and to carry out, at its own expense, the control procedures to check the use value of the Products given the intended use.

#### **Article 11: Product claims and warranties**

11.1 General: Upon receipt of the Products, the Client is required to conduct an audit of their conformity and confirm acceptance. In the event that there is a disparity with the delivery documents, or in the event of damage, missing items, or other deterioration to the Products, the Client is required to immediately as a priority pursue recourse with the transporter as well as take all appropriate measures to limit the damage. The Client is personally responsible for checking whether the Products delivered do not have defects as well as checking that they are suitable for the intended use. This also applies when they are integrated into other Products which have not been purchased from KSB. When any possible defects are only discovered at the time of integration, then the operations must, when this is necessary to prevent (further) damage, be stopped immediately and the packaging that have not yet been transformed, that are not yet open and which are still in their original state are to be put somewhere safe. The defective Products must be made available to KSB for examination, although KSB is also authorised to examine the disputed Products on site in the Client's premises. Should the Client fail to notify KSB of any defects within the aforementioned time frame, the Client is presumed to have waived any claim in relation to defects concerning the Product delivered. In the event of the return of the Products to KSB, the return shall take place at the Client's own expense and risk.

11.2 Claims for obvious defects: Obvious defects (discovered without detailed checks), incorrect deliveries and differences in the quantities must be immediately reported in writing to KSB by registered letter including a detailed statement of the reasons, and at the latest three (3) working days from receipt of the Products.

11.3 Claims for latent defects: Latent defects must be reported to KSB within a period of eight (8) days after the discovery thereof, and by registered letter with a detailed description of the suspect latent defect.

11.4 Warranty: (i) The product warranty: Unless expressly agreed otherwise, the warranty on the Products extends to twelve (12) months from the date of delivery. It covers latent manufacturing defects that shall be jointly observed and approved by KSB. Products recognised as defective by KSB shall be sent back to KSB. In this instance, KSB may either undertake repair works to the defective products or deliver non-defective Products (new delivery). When KSB is not able or in a position to perform a new delivery, and more particularly when a service to be carried out by KSB is delayed for a period of thirty (30) working days or when the repair/new delivery fails for other reasons, then the Client is authorised to terminate the contract in writing without charge. KSB is still authorised after the

first attempt to deliver/perform services without defects unless this proves not to be feasible given the circumstances of the situation. When the Client has incurred losses as a result of the defects in the Products delivered by KSB, the provisions of article 12 shall apply. KSB does not offer other warranties or more extensive guarantees on the Products delivered than those offered by its own suppliers or the Product manufacturer. KSB only guarantees that the Products comply with required laws and regulations or public policy. (ii) Unless expressly agreed otherwise in writing, the warranty on the commissioning extends to six (6) months from the date of commissioning at the Client's premises. The warranty on commissioning is an undertaking on the part of KSB to remedy commissioning defects by means of repairs. The warranty on these repair works extends to three (3) months from execution, but covers at a minimum the initial period of six (6) months indicated above. (iii) No warranty is offered on Products or commissioning works that have not been delivered or carried out by KSB. The warranties offered in the General Terms and Conditions are the only warranties that the Client may invoke. (iv) No warranty obligation falls to KSB in the event that the Client has carried out the works itself, or by a third party on the Products, in the case that the Client has handled the Product in a way that does not comply with the KSB instructions or the instruction manual, or even, in the case of commission, to the extent that the Client has performed this itself, or by using a third party, carrying out corrective works or repairs without the prior written authorisation of KSB.

#### **Article 12: Liability and indemnity**

12.1 Liability: KSB can only be held liable – irrespective of legal basis – for loss resulting from its own deliberate tortuous intent, gross negligence or the deliberate tortuous intent or gross negligence of its agents. As an exception to the foregoing, KSB cannot under any circumstances be held liable when the Products have not been used in accordance to their agreed or normal intended use. KSB cannot under any circumstances be held liable for any indirect damage, accidental damage or consequential loss, notably such as loss of profits, loss of turnover, lost earnings, commercial loss, loss of data, trading loss or any other form of indirect loss or loss resulting from the use of the equipment made available by KSB even if such loss was reasonably foreseeable. The limits to liability referred to above do not apply when they are contrary to required legal provisions or public policy. The foregoing also applies to commissioning.

12.2 Indemnification: When KSB has delivered a defective Product (or has carried out a commissioning project), causing loss to the Client, the obligation on the part of KSB to pay an indemnity to the Client is limited to the amount of the price (value) of replacing the defective Product (or deficient commissioning project), and this is irrespective of the extent of the loss that the defective delivery has caused the Client. No other loss falls within the responsibility of KSB, as is the case for both losses incurred by the Client and third parties. The Client undertakes to hold KSB harmless against all third party recourse directly or indirectly based on the delivery of Products (commissioning) on the basis of the General Terms and Conditions. KSB cannot under any circumstances be held liable for loss that goes beyond that stipulated in this paragraph. KSB cannot under any circumstances be held liable for loss resulting from force majeure or caused by things outside the control of KSB. KSB also cannot be held liable when delivery is impossible or delayed (or commissioning) as a result of the Client not respecting any of its obligations. The KSB exclusions to liability provided for in the preceding paragraphs also apply to the liability of its staff, employees, agents, consultants, representatives, substitutes, suppliers and deliverers. Moreover, KSB cannot be held liable for losses relating to the use of the Website (outages, viruses, etc.).

#### **Article 13: Take back of Products**

KSB is under no circumstances obligated to take back Products delivered that do not present any defects. When KSB is willing to take back Products on an exceptional basis that do not present any defects, then a credit note will be issued under the express condition that KSB finds that the Products are perfectly reusable and are in their original packaging. With regard to verification and preparation costs for new delivery, reorganisation and new packaging, the real costs, which amount to a minimum of 20% of the amount invoiced with a minimum of €250.00 shall be charged. When KSB issues a credit note, the amount credited can only be cashed against future deliveries and no monetary refund is available.

#### **Article 14: Intellectual Property**

All inventions, know-how, plans, designs, models, materials, brochures (technical, advertising, etc.) in any format whatsoever, brands and other intellectual property belonging to KSB, communicated or not by KSB to the Client within the context of a sale, delivery or any other business relationship, as well as any corrections to the aforementioned shall remain the exclusive property of KSB. Any reproduction or use of the aforementioned without the prior written agreement of KSB is expressly prohibited and may lead to a claim for compensation on the part of KSB, as well as the application of any other penalty that KSB deems fit.

#### **Article 15: Confidentiality**

The Client undertakes to keep all information received from KSB strictly confidential, in other words to treat said information in the same way as it would its own confidential information, and at a minimum make use of a degree of reasonable protection with regard to said information. The Client undertakes (i) not to communicate or disclose the confidential information received from KSB, except to its directors, administrators, employees, sub-contractors, agents or consultants who need this Confidential Information in order to execute the Contract; (ii) to inform KSB of who the Confidential Information has been disclosed to; and (iii) not to use or authorise the use of KSB Confidential Information for any other purpose apart from that specified in the Contract.

#### **Article 16: Applicable Law – Competent Court**

The contractual relationship between KSB and the Client shall be exclusively governed by Belgian law apart from the United Nations Convention on Contracts for the International Sale of Goods (Vienna 11/04/1980). Any disputes between KSB and the Client shall be submitted to the exclusive jurisdiction of the courts of the district in which KSB's registered office is located.

#### **Article 17: Final provisions**

17.1 The invalidity or non-enforceability of one or several of the provisions contained in the General Terms and Conditions does not in any way affect the validity or enforceability of its other provisions, which remain fully applicable.

17.2 The Client authorises KSB to sub-contract all or part of the Services provided and/or sale of Products that are conferred to it. The Client shall refrain from dealing directly with the KSB subcontractor for the duration of the Contract and also for a period of one (1) year following the end of contractual relations between the Client and KSB.

17.3 The non-performance on the part of KSB of a right or prerogative to which it is entitled by virtue of the General Terms and Conditions or where KSB tolerates the non-performance or breach of one of the provisions of the General Terms and Conditions on the part of the Client, can never be considered a waiver of the rights to which it is entitled on the part of KSB by virtue of the General Terms and Conditions.