

General Terms & Conditions (Purchasing) of Sensus GmbH Ludwigshafen and Sensus GmbH Hanover (Amended: August 2015)

1. Entry into contract and content

1.1. These General Terms & Conditions (hereinafter called "the Terms") apply to the business relationships between the following companies on the one part, namely: Sensus GmbH Ludwigshafen or Sensus GmbH Hanover (hereinafter individually called "SENSUS") and the respective contractors on the other part (hereinafter called "the Contractor"). These Terms are deemed to be acknowledged by Contractor upon acceptance of an order from SENSUS, or at the latest upon first delivery to SENSUS.

1.2. Contractor's deviating terms of supply as well as any alterations, amendments or verbal collateral agreements, even if not expressly contradicted by SENSUS, will apply only if confirmed in writing by SENSUS.

1.3. The particular quality assurance requirements of SENSUS are integral to each order placed by SENSUS and are binding on Contractor.

2. Inquiries, offers, orders

2.1. Offers submitted by Contractor are free of charge and binding on Contractor. Offers must be estimated by Contractor on an Ex Works (EXW), Incoterms 2010 basis.

2.2. Orders placed by SENSUS are binding only if issued in text form (§ 126b of the German Civil Code). Orders placed verbally or by telephone will become binding when confirmed in a form which complies with Sentence 1.

3. Confirmation of order

3.1. Every order must be confirmed immediately, stating the binding delivery time, price and Contractor's order number and order date. No deviation from the order placed by SENSUS is permissible without prior written consent.

3.2. Where a standing business relationship exists, if Contractor wishes to decline an order, this must be done

within 5 working days of the date of the written order; otherwise the order will be deemed to have been accepted. Working days in this context include all calendar days other than Saturdays, Sundays or statutory public holidays at the seat of the SENSUS company placing the order.

4. Prices, invoices, payment, prohibition of assignment

4.1. The agreed prices are fixed prices including any applicable freight, packing or insurance costs, customs duties and taxes as well as other charges, unless otherwise agreed in writing. All costs that do not solely represent the value of the goods must be listed separately.

4.2. Invoices must be submitted separately to SENSUS in duplicate for every order or every part-delivery. They must never be packed with a delivery. In addition to a full description of goods and quantities, invoices must also include the number, reference and date of the order from SENSUS. Statutory turnover tax (VAT) must in each case be shown separately.

4.3. Unless otherwise agreed, SENSUS shall optionally make payment either within 14 calendar days following receipt of goods and submission of all required test certificates less 3% discount, or after 30 calendar days net.

4.4. Any assignment of claims against SENSUS is excluded.

5. Delivery time, delay or default

5.1. It is obligatory that the agreed delivery time must be complied with. Premature deliveries may in case of need be returned at Contractor's expense.

5.2. The delivery time will be deemed to have been complied with provided that the supply is available to SENSUS either at the latter's premises or at a specially agreed place of delivery. Should delivery not be made at the agreed time, whether in whole or in part, SENSUS may demand compensation for any loss or damage incurred due to the delay. After setting a period of grace of 2 weeks, SENSUS shall also be entitled at its discretion either to withdraw from the contract and/or demand compensation in

lieu of performance. This shall likewise apply in case of agreed part-deliveries of outstanding parts if Contractor fails make a part-delivery at the agreed time. If a fixed time of delivery has been agreed, it will not be necessary to set a period of grace as specified above. The right to withdraw from the contract shall apply irrespective of whether Contractor is responsible for non-compliance with the time of delivery.

5.3. If it is foreseeable that there may be difficulties in making delivery on time, Contractor must immediately inform the Purchasing Department of SENSUS, stating a new time of delivery. In the event that SENSUS consents to this new time of delivery, which consent must be given in writing, this shall not affect compensation claims on the part of SENSUS due to delayed delivery.

6. Delivery, part-delivery, dispatch, transfer of risk

6.1. Deliveries must be accompanied by a delivery note in single copy showing the number and date of the SENSUS order as well as a complete description of goods and quantities.

6.2. Part-deliveries are permissible only with the prior consent of SENSUS. In such case part-invoices must also be submitted – in each case with a summary of the part-delivery made and deliveries outstanding.

6.3. Deliveries by third parties will require the written approval of SENSUS.

6.4. Where Contractor undertakes delivery of the supply or service to be performed, the risk of accidental loss or accidental deterioration transfers to SENSUS upon handover at the place of fulfillment.

7. Reservation of title

SENSUS acknowledges reservation of title by Contractor in respect of unprocessed goods stored on the premises of SENSUS. However reservation of title by Contractor after processing or combination or mixture with other goods is not recognized. The assignment to Contractor of claims accruing to SENSUS as a result of the resale of goods supplied is also excluded.

8. Acceptance

In cases of force majeure SENSUS shall for the duration and to the extent of the effect thereof be exempted from the obligation to carry out acceptance. Force majeure shall include all events that are unforeseen or outside the control of SENSUS, as a result of which SENSUS may be rendered wholly or partly unable to fulfill its obligations, and the effects of which upon the fulfillment of the contract cannot be prevented despite appropriate and reasonable efforts on the part of SENSUS. This shall in particular include war (declared or undeclared) or war-like circumstances, insurrection, revolution, rebellion, military or civil coup, uprising, tumult, riot, blockade, embargo, government decree, sabotage, strikes, go-slow, lock-out, epidemics, fire, flood, surge, typhoon, hurricane or other catastrophic weather event, earthquake, landslide, lightning strike, serious transportation accidents, lack of raw materials or energy, disruptions of operations or traffic that are beyond the control of SENSUS, as well as impediment by sovereign act.

9. Warranty, guarantee, liability

9.1. Contractor warrants that the goods supplied are in accordance with contract and of the correct quantity and quality. Contractor in particular guarantees that the goods exhibit the assured characteristics as specified in the contract; also that they conform with recognized technical standards and contain no defects that might nullify or reduce their value or fitness for their usual or contractual purpose.

9.2. Contractor warrants the goods supplied against any and all defects asserted by SENSUS within two years following handover of the supplies. The supplies will be checked and examined by SENSUS in the normal course of business. Unit numbers, weights and dimensions determined by SENSUS when inspecting incoming goods shall prevail. Identifiable evident defects must be reported by SENSUS following these checks and/or inspections, no later than 2 weeks following receipt. Concealed defects must be reported by SENSUS within 2 weeks of discovery.

9.3. Without prejudice to any other statutory rights, in case of defective deliveries, even if the checks

are limited to random samples, SENSUS shall be entitled at its discretion to demand either a free-of-charge replacement supply or elimination of the defect. Alternatively, upon expiry of a reasonable time limit determined by SENSUS within which replacements must be supplied or defects eliminated, SENSUS may withdraw from the contract, reduce the purchase price and/or demand compensation in lieu of supply.

9.4. In case of rectification or replacement, the warranty period specified in Section 9.2 shall recommence from the date of handover of the rectified or replacement goods to SENSUS.

9.5. In urgent cases without prejudice to any other claims SENSUS shall be entitled either to itself carry out rectification or procure replacements in such manner as shall appear expedient at the cost and at the risk of Contractor or to assign such tasks to third parties. This shall likewise apply if rectification or replacement are not undertaken within the time limit set by SENSUS.

9.6. Contractor must compensate SENSUS for costs incurred by the latter as a result of defective supplies (e.g. testing and processing costs). This shall in particular apply if as a result of defective supplies it becomes necessary for SENSUS to carry out overall checks in excess of the usual inspection of incoming goods. The costs of justified returns as well as replacements and rectifications must be borne solely by Contractor. In the case of returned goods SENSUS will debit Contractor accordingly forthwith. When goods are resupplied in defect-free condition, these must be re-invoiced at the agreed price.

9.7. Contractor gives an assurance that the goods and services supplied in accordance with these Terms & Conditions contain no substances that fall within the area of application of the prohibitions contained in EU Directive 2011/65/EU. Contractor gives a further assurance that the substances contained in goods and services supplied by Contractor and the use(s) thereof are either already registered or are not subject to mandatory registration as per Regulation (EC) No. 1907/2006 (REACH), and that where such is required, a safety datasheet as per Annex II to the REACH Regulation has been prepared and will be made available to SENSUS at any time upon request. Where goods and services are supplied that contain hazardous substances as classified under international regulations, Contractor shall inform SENSUS at the latest at the time of confirmation of order.

10. Tools, provision of materials

10.1. Where it is agreed that SENSUS will bear the costs of manufacturing tools or jigs, these tools and other devices are manufactured for and on behalf of SENSUS as owner. This likewise applies to tools and jigs, the costs of which are agreed to be included in the price of the goods ordered.

10.2. Until such time as the order is completed these tools and jigs will remain with Contractor on a loan basis and must be maintained by the latter ready for use and surrendered on demand.

10.3. Contractor shall be liable to ensure that the tools and jigs are not copied without prior written consent and not made available to third parties in any form. Contractor shall likewise bear the risk of loss or damage.

10.4. Materials provided by SENSUS shall remain the property of SENSUS. They may only be used for orders placed by SENSUS. In the event of value impairments or losses Contractor must in each case make compensation. Such materials are at all times processed or transformed by the Supplier on behalf of SENSUS.

11. Design copyright, industrial property rights

11.1. Drawings or other documents of whatever kind, also models, samples or other items made available to Contractor by SENSUS must be treated as confidential and remain the property of SENSUS. In particular, these must not be used or duplicated for other purposes, nor made available to third parties. Contractor shall be liable for ensuring that these documents and items are stored properly and securely. Upon demand by SENSUS, they must be returned forthwith to SENSUS.

(Amended: August 2015)