

KSB Hungary Kft. Standard Contractual Clauses (SCCS) of Sale and Supply

1. Introduction

These terms and conditions apply to the offers, order confirmations and delivery contracts of KSB Hungary Kft. (1117 Budapest, Budafoki út 60.), hereinafter called KSB. Any deviation therefrom is only valid unless KSB and the Customer agree otherwise in writing. The customer's (buyer's) own general terms (of buying, purchasing, etc.) are only valid if KSB expressly accepts them in writing.

2. Conclusion of contracts. Amendment. Cancellation.

The Contract shall be concluded by the Order Confirmation sent in an unchanged content at the Customer's written order or by the Customer's providing an Order Acceptance Statement for the Order Confirmation sent by KSB and by signing a contractual agreement expressing the joint will of the Parties.

After the conclusion of the contract, the modification of the commercial or technical parameters initiated by the Customer or the cancellation of the order will result in additional costs. The fee for the modification is determined individually. The cancellation fee is at least 30% of the order value of the cancelled item (s).

KSB shall not be obliged to take back the goods in case of cancellation after the shipment, only in case of individual treatment with regard to special circumstances and subject to ad hoc agreement.

The Contract may include mediated service.

3. Price. Offer validity

The prices quoted in KSB's offers and contracts are net prices and do not include VAT.

The price quoted in the offer and the further terms of delivery shall be binding on KSB by the date specified in the validity.

4. Packaging

The pump, assembly (hereinafter referred to as the goods) covered by the contract shall be delivered according to the specification stipulated in the contract or the order confirmation. Installation management and the provision of installation services are not part of the performance unless there is a specific agreement to this effect. KSB supplies the goods with standard packaging to the customer. KSB shall meet another special packaging requirement of the customer in case of extra charge. KSB shall not take back packaging materials, their costs of handling are borne by the Customer.

5. Transportation. Completion

The deadline for delivery is considered the deadline specified as explicitly binding in the contract or the order confirmation – in the case of an agreement on the time, its calculation begins on the date of clarifying the commercial and technical conditions or in case of advance payment, on the day when the advance is credited on the KSB bank account. KSB is entitled to frontloading and partial shipments.

In case of delivery delays, KSB and the Customer agree on a reasonable additional time period. In the event that the additional time period expires without results, the Customer shall be entitled to withdraw from the delayed part in writing. KSB shall not be liable for the direct and indirect damages and consequences arising from late delivery unless it was guilty of clear negligence.

KSB has the right to unilaterally amend the place of performance and the terms of payment, withhold performance or unilaterally withdraw from the contract if the Customer becomes subject to liquidation, bankruptcy or winding-up proceedings, if it becomes known that such proceedings have been initiated against it, if KSB has reasonable grounds to believe that the Customer will not be able to settle its outstanding obligations, and if the Customer has failed to fulfil any of its payment or any obligations to KSB at the due date determined as a prerequisite of the commencement of delivery.

The place of performance is specified in the order confirmation or the contract. The risk of damage shall pass to the Customer by performance. Unless otherwise agreed, the place of performance shall be the premises of KSB by the loading to the means of transport provided by the customer or at the cost of the customer. Within 15 days of the date of the advice of readiness, the goods not shipped by the Customer shall be taken into custodial care by KSB at the cost and risk of the Customer (daily demurrage: 0.2% of the net value). After 60 days, KSB is entitled to unilaterally withdraw from the contract and claim the compensation of its damages and expenses.

In the case of delivery to the Customer's premises or to any other domestic address specified by it, unloading is the responsibility of the Customer. The Customer must provide information of the loading possibilities in writing, prior to the commencement of transportation. In the absence of this, the costs of the failed delivery shall be borne by the Customer. If the

Customer is unable to accept the goods in due time, KSB shall be entitled to charge storage costs under the conditions specified in the previous paragraph.

6. Managing quantitative and qualitative differences. Warranty

The goods delivered are defective if they differ in any of their properties from those specified in the contract specification. During the delivery and acceptance of the goods, KSB shall hand over the articles to the Customer or the Customer's agent against a written acknowledgement of receipt (Delivery note), itemised according to quantity (number and weight). After the delivery and acceptance KSB shall not accept any complaint related to the quantity or packaging of the goods, unless at the time of performance they were reasonably impossible to establish.

KSB accepts claims for quantitative, qualitative deviations, defective performance and warranty exclusively in writing (minutes, notification) and within the warranty period specified in this clause. Upon performance, the Customer shall notify KSB within 1 week from the detection of any defects or quantitative differences not reasonably recognizable at the time of performance and shall ensure that KSB examines or has the claimed goods examined. KSB shall not be obliged to remedy the defect, grant a rebate or pay compensation for a complaint beyond the warranty period, in case of a belatedly notified objection or in the absence of the opportunity to examine the goods or have them examined.

KSB, taking into account the relative statutory regulations, guarantees the correct operation of the goods delivered by it, for assembly for a period of 12 months from the date of delivery, for pump for a period of 12 months from the date of installation, however, maximum for a period of 18 months following transport from the manufacturer, provided that they are stored in compliance with the relevant requirements, installed in a competent manner, handled and used according to their intended purpose and professionally regularly serviced. The warranty shall terminate if the Customer changes or modifies the goods in the absence of a KSB's licence. The case of sliding and wear parts as well as natural wear and tear (normal tear) is not covered by the warranty.

The Customer shall reimburse KSB's costs incurred during repair, if the warranty does not cover repair. A 6-month warranty applies to service activities and parts deliveries carried out by KSB (except for sliding and wear parts). KSB shall not take responsibility for any indirect or consequential damages (loss of profit, loss of production, etc.) occurring during a period other than the warranty or warranty period, should they occur on any legal basis.

In the event of a defect of the goods and its notification in due time in accordance with the above, KSB may, at its own cost, at its own discretion, correct the defect or deliver new and flawless replacement goods or deliver the missing quantity in the case of a quantitative shortage. The Customer may only with the prior written consent of KSB at KSB's expense repair or have any defect repaired by a third party, arising under warranty. Failing to do so will result in the termination of the guarantee. KSB is entitled to grant a rebate instead of the previous one, after a payment has been made, which properly remedies the defect or the quantitative shortage. The Customer is obliged to return the defective goods to KSB upon termination of the defective performance by replacement.

7. Force Majeure

None of the Parties shall be liable for late performance or failure of its obligation if the delay or the failure is due to an obstacle beyond its reasonable control, e.g. war, terrorist activity, fire, explosion, flood or other extreme weather conditions, major machine failures, strike and related worker lay-offs, other labour disputes, trade disputes and the refusal of licences by authorities. Such a delay or failure shall not constitute a breach of contract, i.e. the affected Party shall be exempt from the relevant legal consequences. In such a case the performance deadline shall be extended by the duration of obstruction in accordance with the above. If such a delay or failure continues for a period exceeding 6 months, any of the Parties shall be entitled to withdraw from the part not yet fulfilled. In such a case none of the Parties shall be entitled to enforce additional claims, but the consideration for any goods paid but not yet delivered shall be repaid and any goods in transit not yet delivered shall be turned back.

8. Retention of title

KSB retains its ownership title to the delivered goods up to the full settlement of the gross amount of their consideration, until the Customer has paid all its debts due and outstanding to KSB. Until the transfer of ownership right KSB shall be entitled to withdraw the goods concerned from the Customer's possession or control, and to this end it shall be entitled to enter the Customer's area or building where the product is located. If the customer processes or incorporates the unpaid goods, KSB will own the property of the produced goods in proportion to the value of the unpaid goods until the total value of the goods is paid. If the customer sells the unpaid goods or the product created by their incorporation, under this provision, it shall assign its claim against a third party to KSB to the extent of the value of the unpaid goods.

9. Payment, default interest

Payment shall be deemed to have been made by making a credit to KSB's bank account. Payments for invoices of contracts concluded in Euros may only be made in Euro to the EUR bank account of KSB. Otherwise, the cost of conversion will be borne by the Customer. In the absence of agreed payment terms, payment is 100% prepayment against advance payment. KSB is entitled to charge default interest starting from the day following the due date of the invoice, the rate of which is the relevant current base rate of the Hungarian Central Bank + 8% per year or the higher one of the relevant current Hungarian statutory default interest. If the payment obligation is not to be settled in HUF on the basis of an explicit agreement, the default interest is the 3-month Euribor + 8% per year valid on the banking day following the final date of payment. For the Customer's overdue debt or past due payment KSB shall reserve the right to perform the order against advance payment. An objection to a defect or a quantitative shortage of the goods shall not entitle the Customer to withhold payments due under the payable obligations. The Customer can recover a debt by offsetting only in case of KSB's explicit consent, should it happen on any legal basis.

10. Governing Law

This contract and the operation of KSB Hungary Kft. are governed by the provisions of the Civil Code, taking into account the following:

KSB Hungary Kft. states that it does not provide services to natural persons or sell products/goods during its operation. KSB Hungary Kft. rejects all inquiries that come from a natural person, no contract is created between a natural person and KSB Hungary Kft. According to Act V of 2013 on the Civil Code, a consumer is a natural person acting outside the scope of his profession, independent occupation or business activity. Given that no contract is created between KSB Hungary Kft. and a natural person: no contract is created between KSB Hungary Kft. and a natural person consumer.

In view of the above, KSB Hungary Kft. records that the provisions of Act V of 2013 on the Civil Code relating to consumers, the individual contracts concluded by KSB Hungary Kft., and the operation of KSB Hungary Kft. Government Decree 45/2014.(II.26.) on the detailed rules of contracts between a consumer and a business, 373/2021 on the detailed rules of contracts between a consumer and a business for the sale and purchase of goods, as well as the provision of digital content and digital services. VI.30.) Government decrees or other laws/legislative provisions relating to natural person consumers do not have to be applied, these laws/legislative provisions do not govern the contractual relations and operation of KSB Hungary Kft.

11. Legal Disputes

Parties submit to the decision of the Arbitration Tribunal operating alongside the Hungarian Chamber of Industry and Trade (Budapest), with the provision that the Court of Arbitration shall proceed in accordance with its own Rules of Procedure.

12. General limitation of liability

Under no circumstances shall KSB be liable - including product liability - for any incidental, indirect or consequential damages, including but not limited to loss of profit, loss of production, production lost, loss in market share or damage to the Customer's client. In addition, the liability for damages and penalty of KSB for any legal claim shall not be higher by amount than the total contractually agreed value. This limitation does not apply to serious negligence or personal injury. KSB shall not be held liable for claims filed more than 1 year after the passing of the risk of damage of the goods.

Budapest, 26 March 2024