

GENERAL TERMS OF SALE

THE TERMS OF SALE SET FORTH HEREIN APPLY TO YOU AND GOVERN THE SALE OF ALL OF THE KRAUSZ'S PRODUCTS TO YOU (THE "BUYER") AND THE SALE OF SUCH PRODUCTS BY YOU TO ANY THIRD PARTY. If Buyer has entered into a written agreement with KRAUSZ with respect to the matter hereof ("Agreement"), these Terms of Sale, which have been incorporated by reference into KRAUSZ's quotation, are subject to the terms and conditions of such Agreement. In the event of a conflict or inconsistency between the Terms of Sale and the Agreement, the Agreement shall prevail. In the absence of an Agreement, the Terms of Sale (including any KRAUSZ's quotation issued to Buyer) constitutes the entire agreement between the parties with regard to the subject matter hereof, and supersedes all previous written or oral representations, agreements and understandings between you and KRAUSZ.

1. DEFINITIONS

1.1. "Affiliate" of a party shall mean an entity: (i) which is directly or indirectly controlling such party; or (ii) which is under the direct or indirect ownership or control as such party; or (iii) which is directly or indirectly owned or controlled by such party. For these purposes, an entity shall be treated as being controlled by another if that other entity has more than twenty five percent (25%) of the votes in such entity or is able to control the composition of its board of directors or any other equivalent body.

1.2. "Branding Guidelines" means the KRAUSZ branding guidelines as may be provided and amended by KRAUSZ from time to time. The Branding Guidelines shall be deemed Confidential Information of KRAUSZ (as defined below in Section 9).

1.3. "KRAUSZ" means KRAUSZ USA INC.

1.4. "Intellectual Property Rights" means any and all intellectual and industrial property rights throughout the world, whether subsisting now or in the future, including rights of any kind in: (a) all inventions, and all patents, patent applications, together with all reissues, continuations, continuations-in-part, divisions, revisions, extensions and re-examinations of any of the above, (b) all copyrightable works, whether registered or unregistered, (c) all trade secrets, know-how, (d) all trademarks, whether registered or unregistered, and all trade names and applications therefore, and (e) other proprietary rights relating to the foregoing.

1.5. "Products" means the pipe joining, pipe coupling and repair devices or any other product developed and manufactured by Krausz Industries Ltd., the parent company of KRAUSZ, supplied to Distributor by KRAUSZ and sold under one of the Trademarks (as defined below), as may be altered by KRAUSZ from time to time in KRAUSZ's sole discretion without notice (including by adding, deleting, modifying, altering, improving and/or discontinuation of Products).

1.6. "Trademarks" means the trademarks used, from time to time, by KRAUSZ in the Territory (as defined below) in relation to the Products, as may be amended by KRAUSZ from time to time, at its sole discretion and without notice.

2. SALE BY BUYER

Subject to the terms and conditions of this document, Buyer shall be entitled, on a non-exclusive basis, to sell the Products in the territory as mutually agreed upon by the parties (the "Territory") only. Except as expressly set forth in these Terms of Sale, no other right or entitlement of any kind is granted to the Buyer. It is agreed that KRAUSZ is free to sell and/or distribute and/or market the Products in the Territory, either directly or indirectly, in an unlimited manner including to any customer, or via other distributors, agents and/or dealers for resale or for any other purpose and the Buyer hereby confirms such right and irrevocably and unconditionally waives any right and/or demand and/or claim of any kind whatsoever in connection with the foregoing.

3. TERM OF QUOTATION

3.1. Any quotation provided by KRAUSZ ("Quotation") is valid only for: (a) the limited period of time set forth on the Quotation or, (b) if no such period is set forth, it is valid for 30 days from the date of transmittal of the Quotation to Buyer. Any Buyer communication dated after the foregoing period purporting to accept the terms of Quotation will be considered as an offer by Buyer to purchase the Products which such offer is subject to acceptance by KRAUSZ in writing. KRAUSZ reserves the right to reject any such offer. Notwithstanding anything in the Quotation to the contrary, KRAUSZ also reserves the right to withdraw a Quotation at any time prior to receipt by KRAUSZ of Buyer's full and unrestricted acceptance of all of the terms.

3.2. In the event the Buyer's purchase order, acceptance or other written communication states terms additional to or different from those set out in the Quotation, the Quotation shall prevail, and the terms and conditions of the Buyer's purchase order shall be of no force or effect.

4. PURCHASE ORDERS; SUPPLY.

4.1. Buyer shall submit written binding purchase orders to KRAUSZ. An order shall only be binding on KRAUSZ upon its acceptance, provided however, that (i) KRAUSZ reserves the right to approve or reject any such order, at its sole discretion; (ii) KRAUSZ reserves the right to deliver accepted order by installments; and (iii) any delivery times notified to the Buyer by KRAUSZ are estimates only. Where KRAUSZ gives a date of intended delivery, this will be subject to the Products ordered being available and KRAUSZ being able to make the delivery on that date. If an order is accepted by KRAUSZ, KRAUSZ shall provide Buyer with an invoice covering the order for payment by Buyer within 10 days from the invoice date, unless otherwise expressly agreed in writing by the Parties (the "Invoice"). KRAUSZ shall only manufacture the Products included in an accepted purchase order and be obligated to comply with its delivery following the receipt by it of the full order payment reflected in the Invoice. It is further agreed that any delay in delivery exceeding the corresponding delivery times notified to the Buyer by KRAUSZ, shall not constitute a breach of KRAUSZ's undertakings and shall not entitle the Buyer to any remedy, monetary or otherwise.

4.2. Unless a specific other Incoterm and destination is expressly agreed in writing by the Parties, KRAUSZ will deliver the Products being ordered to Buyer Ex-Works (Incoterms 2010) at KRAUSZ's designated facilities. Title to the Products shall pass to Buyer once the Products have been fully paid for. The Buyer shall bear all costs and risk of loss of or damage to the Products from the point of delivery by KRAUSZ to Buyer.

5. PRICES AND PAYMENT

5.1. Supply Prices. In consideration for Products purchased by the Buyer, it shall pay KRAUSZ the prices set forth in the Invoice issued by KRAUSZ following the acceptance of a purchase order. Unless otherwise expressly agreed in writing by the Parties, KRAUSZ shall have the right to update the Prices at any time at its sole discretion, upon sixty (60) days prior written notice served to Buyer. Unless otherwise explicitly agreed otherwise in writing by the Parties, all prices are Ex Works (Incoterms 2010).

5.2. Payment Terms. Buyer shall pay to KRAUSZ the purchase price for Products supplied to the Buyer in such currency agreed by the parties, by electronic funds transferred to KRAUSZ's designated bank account as notified to Buyer by KRAUSZ in writing. Until KRAUSZ confirms otherwise, Buyer will pay KRAUSZ for each purchase order purchased by Buyer within ten (10) days from the date of the Invoice on a cash before manufacturing basis.

5.3. Taxes. The Prices are exclusive of all taxes, customs, levies, tariffs, duties or other charges, domestic or foreign imposed by any federal, state, or local tax authority including but not limited to import and export duties, customs fees, sales taxes and value added taxes, and any such taxes, where applicable, shall be paid by Buyer (except for taxes imposed on KRAUSZ's net income). Such taxes, if paid by KRAUSZ as applicable, shall be fully reimbursed by the Buyer.

6. BUYER'S DUTIES AND RESTRICTIONS

6.1. Marketing. Buyer shall not be entitled to conduct any marketing activities and/or otherwise use KRAUSZ's name or that of any of its Trademarks with respect to the Products or otherwise unless such activities are approved in advance and in writing by KRAUSZ at its sole discretion.

6.2. Materials provided by Krausz. KRAUSZ shall provide Buyer

from time to time during the Term, with certain documentation relating to the installation of its Products, including without limitation, any instructions, users' guides and manuals, in English, whether in printed or electronic form ("**Manuals**"). KRAUSZ shall only be responsible for the Manuals provided by it in English.

6.3. Restrictions and Buyer's undertakings. Buyer shall (i) import and purchase the Products solely from KRAUSZ and distribute and sell the Products only in the Territory, during the Term (as defined below), either directly or indirectly, all pursuant to and in accordance with these Terms of Sales; (ii) not promote, market, distribute and/or sell the Products outside the Territory, either directly or indirectly; (iii) not sell the Products under any name other than the Trademarks; (iv) not make any representations, nor provide any warranties, vis-à-vis KRAUSZ and/or the Products and/or any other business or products of KRAUSZ that exceed or are inconsistent with the materials provided by KRAUSZ to Buyer by KRAUSZ regarding the Products; (v) not make any representations that are likely to: (A) be detrimental to KRAUSZ's name, Trademarks, products, goodwill, or reputation; or (B) mislead or deceive a third party with regard to KRAUSZ's name, Trademarks, products, goodwill, or reputation; (vi) fully comply with the provisions of Section 7 hereunder regarding the use of the Trademarks vis-à-vis the sale of the Products by the Buyer; (vii) generally comply with all reasonable requests of KRAUSZ in relation to the Products; (viii) comply with any applicable laws and regulations with respect to the distribution of the Products in the Territory; (ix) instruct its employees, contractors and customers to follow KRAUSZ's installation instructions, technical manuals and health and safety guidance which will be provided and/or published by KRAUSZ from time to time; and (x) shall not market the Products in combination with any additional Products or adjustments or in any manner which is not approved by KRAUSZ in advance.

6.4. Information. Buyer shall provide KRAUSZ, in a timely manner, with information and/or reports regarding the sale of the Products by the Buyer in the Territory. Buyer shall advise KRAUSZ on any legal requirement applicable to and/or related to the distribution, marketing, sale and/or import of the Products in the Territory. Buyer shall also advise to KRAUSZ on market trends and other relevant data.

6.5. Representation. Buyer shall at all time represent that the Trademarks are the property of KRAUSZ and that Buyer is acting on its own behalf and not as an agent of KRAUSZ and has no authority to act for or obligate KRAUSZ.

6.6. Consents and Approvals. Buyer shall obtain, at its expense, and maintain the validity of any and all consents, permits, licenses and approvals required in connection with the Buyer's activities hereunder, including with respect to import, store, promote, distribute and sell the Products in the Territory.

7. TRADEMARKS AND TRADE NAMES

7.1. Trademark License. Subject to the terms of these Terms of Sale, KRAUSZ grants to Buyer a non-exclusive, non-transferable, non-sublicensable, royalty free license solely in the Territory, during the Term, to use the Trademarks in connection with the sale of the Products. KRAUSZ's Trademarks shall be used solely in connection with identifying the Products and related documentation, and only to the extent reasonably necessary for the sale of the Products.

7.2. Ownership. The Buyer acknowledges KRAUSZ's ownership of the Trademarks and the Derivative Trademarks (as defined below) together with the goodwill associated with such Trademarks and Derivative Trademarks, agrees that it will do nothing inconsistent with such ownership and that all use of the Trademarks and Derivative Trademarks by Buyer shall inure to the benefit of and be on behalf of KRAUSZ. Nothing in these terms of sale shall give the Buyer any right, title or interest in the Trademarks and Derivative Trademarks, other than the right to use it in accordance with these Terms of Sale, and the Buyer agrees that it will not challenge the title of KRAUSZ to the Trademarks or the Derivative Trademarks or challenge the validity of these Terms of Sale. To the extent that any trademarks, service marks, logos, trade names, domain names consisting or incorporating any of the Trademarks or used in connection with the Products, including its catalog numbers whether used by KRAUSZ and/or by the Buyer (the "**Derivative Trademarks**") may not be deemed KRAUSZ's proprietary, or are not in its name, the Buyer hereby assigns and transfers, and will assign and transfer to KRAUSZ, the entire rights, title and interest, together with the good will of the business associated with such Derivative Trademarks, free and clear of all lien, pledge, mortgage, charge,

claim, title and encumbrance and for no charge or consideration.

7.3. Quality Standards and Maintenance. All Products sold by the Buyer under any of the Trademarks, and all related uses of the Trademarks by Buyer in accordance with the terms herein shall conform to KRAUSZ's Branding Guidelines and other standards set by and be under the control of KRAUSZ as may be provided by KRAUSZ from time to time, and the Buyer shall cooperate with KRAUSZ in facilitating KRAUSZ's control of such nature and quality, to permit reasonable inspection of Buyer's operation, and to supply KRAUSZ with specimens of all uses of Trademarks upon request. The Buyer agrees to use the Trademarks only in the form and manner and with appropriate legends as prescribed from time to time by KRAUSZ in its Branding Guidelines provided by it, and not to use any other trademark or service mark in combination with any of the Trademarks without prior written approval of KRAUSZ. The Buyer will at all times use its best efforts to protect and promote the interests, reputation and goodwill of KRAUSZ.

7.4. No Registration. Buyer shall not, directly or indirectly, in any country or governing body, including but not limited to the Territory, apply to register in its own name, or otherwise attempt to acquire any legal interests in or right in or to, any of KRAUSZ's Trademarks or any Derivative Trademarks.

7.5. Infringement Notification. Buyer shall immediately notify KRAUSZ of apparent infringement of the Trademarks within the Territory by third parties. The defense proceedings may be commenced upon KRAUSZ's sole discretion and the Buyer shall fully co-operate in the defensive proceedings in relation to the Trademarks against third parties including by executing any and all instruments and documents, rendering such reasonable assistance, and by doing all reasonable acts that KRAUSZ or KRAUSZ's counsel considers necessary or advisable to protect and maintain KRAUSZ's interests in the Trademark at KRAUSZ's expense. KRAUSZ shall have exclusive control, at its own expense, of any litigation, Trademark Office proceedings or any other proceeding that arises from such infringement.

7.6. Discontinue of Use. If KRAUSZ determines at its sole discretion that it is advisable to modify or discontinue use of the Trademarks and/or Derivative Trademarks, and/or use of one or more additional or substitute trade or service marks, Buyer shall comply with KRAUSZ's directions to modify or otherwise discontinue use of such Trademarks and/or Derivative Trademarks within such reasonable time and pursuant to directions that KRAUSZ specifies to the Buyer.

7.7. IP Ownership. KRAUSZ owns and shall retain all Intellectual Property Rights, in and to the Products, including any new Products, modifications, improvements or derivative work thereto made available to the Buyer and/or by the Buyer and no title to or ownership of such shall be transferred to Buyer. The Buyer shall not, in any way, contest, dispute or impair the validity of or title to any of the Intellectual Property Rights owned by KRAUSZ. The Buyer shall not nor permit others to copy, modify, alter, reverse engineer and/or make derivative works of with respect to any of KRAUSZ's products, all of which are expressly and strictly prohibited.

8. TERM AND TERMINATION

8.1. Term. These terms of sale will continue to apply as long as KRAUSZ shall provide Products to the Buyer (the "**Term**").

8.2. Termination. KRAUSZ shall be entitled to cease the supply of Products to the Buyer at any time without any prior written notice. KRAUSZ shall not be liable in any way for any claim, damage, expense or cost suffered by Buyer as a result of any such termination. The Buyer hereby irrevocably and unconditionally waives any right and/or demand and/or claim of any kind whatsoever in connection with the foregoing.

8.3. Effects of Termination. In the event of the cessation of the supply of Products by KRAUSZ to Buyer, all rights granted to Buyer under these Terms of Sale shall forthwith terminate, expire and immediately revert to KRAUSZ, and Buyer shall immediately (i) cease the sale of the Products, and/or any other use of any kind thereof; (ii) return all property of KRAUSZ to it, at the cost of the Buyer; (iii) cease and desist from any use or reference to the Trademarks and any Derivative Trademarks; (iv) return any and all Confidential Information to KRAUSZ; and (v) perform any other reasonable requirement of KRAUSZ. Any terms included in this document that by their nature or otherwise reasonably should survive any termination or expiration of the Term shall be deemed to survive including, without limitation, Sections 5, 7.2, 7.4, 8, 9, 10.1 - 10.5, and 11, all to the maximum extent

permitted under applicable law.

9. CONFIDENTIALITY

Buyer agrees to maintain the confidentiality of any information disclosed to it by KRAUSZ in connection with this Terms of Sale ("**Confidential Information**"), and not to make public any such Confidential Information without the prior written consent of KRAUSZ and not make any use whatsoever of the Confidential Information other than for the purpose of this Terms of Sale. This undertaking shall not apply to Confidential Information that is in the public domain at the time of disclosure or thereafter enters the public domain through no fault of Buyer; or that Buyer can show, by contemporaneous written evidence, was already known to it at the time of disclosure. In addition, Buyer shall be entitled to disclose Confidential Information pursuant to a valid judicial or administrative order, provided that Buyer shall provide prompt notice to KRAUSZ of the receipt of such an order to allow KRAUSZ to seek relief against such order. Buyer shall ensure and be responsible for the compliance of its personnel and that of any others on its behalf with the provisions of the confidentiality undertaking, all without derogating from the Buyer's responsibility and liability hereunder.

10. WARRANTY, LIABILITY, INSURANCE

10.1. KRAUSZ warrants that the Products purchased by the Buyer shall be free from defects in design, materials and workmanship for a period of twenty-four (24) months from shipping date from KRAUSZ (the "**Warranty Period**"). This warranty shall only apply provided that (i) all storage, installation, processing or any other action related to the Products were done according to KRAUSZ's written Manuals supplied with the Products (the "**Manual Guide**"); (ii) prior to its installation the Products were stored in accordance with the Manual Guide, (iii) the Products were utilized solely for their intended purpose and were maintained and used strictly in accordance with the Manual Guide; (iv) the Products are installed in a ground where such ground's conditions and composition cannot damage the Products; and (v) the defective Products have been returned to Krausz within the Warranty Period (or the Buyer has provided Krausz within such period with sufficient evidence, as required by Krausz, of the defective Products). Without derogating from the above, this limited warranty: (a) shall be null and void unless the Product has been paid for in full to Krausz; (b) does not cover the quality of the installation and expressly excludes any liability for any damage or defects caused to the Products by the installer or by means of any other work performed on the Products, including by the use of unauthorized materials or by not complying with the instructions for installation, use, maintenance or any other works performed on the Products, as outlined in the Manual Guide; (c) does not cover Products installed with known or visible manufacturing defects at time of installation; (d) covers only proven manufacturing defects and does not apply to product subjected to damage due to improper storage, misuse or physical or chemical abuse or exposure, direct or sustained heat or cold or sudden change in temperature or thermal shock, exposure to chemicals, mishandling, abnormal use, force, pressure or loading by any person or object or if the Products have been subjected to neglect or abuse, willful damage, negligence, abnormal working conditions or misuse or alteration or repair of the Products without Krausz's written approval.

10.2. In the event that a Product is defective at the time of delivery and is covered by the warranty set forth above, Buyer's sole remedy and KRAUSZ's entire liability, shall be the replacement of the defective Products or the supply of equivalent Products or to the repair of such Products, at Krausz's sole discretion. Krausz will not be liable for labour costs for fitting and/or removal and/or re-install any Products and/or transportation costs and/or loss of profit and/or any other related expenses, by the Buyer or any other party in respect of any warranty claim.

10.3. Any replacement or repaired product will be shipped freight prepaid, but Buyer will bear any importation costs and duties and further shipping charges, provided however, that for a defective Product which is covered by the warranty as set forth above, each Party shall bear its own shipping costs (i.e. for its one way shipping).

10.4. To the fullest extent permitted by law, THE FOREGOING IS IN LIEU OF ANY AND ALL OTHER WARRANTIES, GUARANTEES, PROMISES, OR REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING SPECIFICALLY, BUT WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. For the avoidance of doubt, the foregoing warranty is provided solely to the

Buyer, and KRAUSZ provides no such warranty to any other third parties, including without limitation, any customers of Buyer. KRAUSZ makes no representation, warranty or undertaking about the compliance of the Products with any statutory requirements relating to the marketing of Products. Buyer acknowledges that it is responsible for compliance of the Products with such legislation. To the fullest extent permitted by law, KRAUSZ WILL NOT BE LIABLE TOWARDS THE BUYER UNDER ANY LEGAL THEORY (INCLUDING, WITHOUT LIMITATION, TORT OR CONTRACT) FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOST DATA OR LOST PROFITS, EVEN IF KRAUSZ HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10.5. Without derogating from any of the above and to the fullest extent permitted by law, KRAUSZ'S LIABILITY UNDER OR FOR BREACH OF THIS AGREEMENT, SHALL BE LIMITED TO THE AGGREGATE AMOUNT ACTUALLY RECEIVED BY KRAUSZ FROM THE BUYER, DURING THE PERIOD OF THE 6 MONTHS PRECEDING THE EVENT GIVING RISE TO THE LIABILITY.

10.6. Insurance. Buyer shall be obligated to acquire with a reputable insurance company, at its own cost, throughout the term of these terms of sale, customary insurance policies insuring the Buyer's legal liability within the Territory, including but not limited in respect of manufacturing, sale, installation, packaging and storage of the Products and any liability towards third parties.

11. MISCELLANEOUS

11.1. Governing Law and Jurisdiction. These Terms of Sale and their performance and matters concerned with the performance thereof shall be construed, interpreted, applied and governed in all respects in accordance with the laws of the State of Florida, US, without reference to conflict of laws principles. The competent courts of the State of Florida, US shall have exclusive jurisdictions over any dispute arising out in connection with these terms of sale and the performance thereof.

11.2. Force Majeure. KRAUSZ shall not be liable for failure or delay in performing its obligations hereunder arising from any cause beyond its control including, but not limited to, acts of God, acts of civil or military authority, fires, strikes, lockouts or labor disputes, epidemics, governmental restrictions, war, riots or other civil disturbances, earthquakes, storms, typhoons and floods. In the event of any such failure or delay, KRAUSZ shall notify the Buyer in writing within thirty (30) of the occurrence of the Force Majeure event and the time for the performance of the parties' obligations shall be extended for a period no less than that lost by reason of the delay.

11.3. Assignment and Transfer. The Buyer shall not be entitled to assign or transfer all or any of its rights, benefits and obligations under these terms of sale without the prior written consent of KRAUSZ. KRAUSZ may assign these terms of sale and its respective rights and obligations hereunder.

11.4. Entire Agreement. These terms of sale and Exhibits hereto are intended as the complete, final and exclusive statement of the terms of the agreement between the parties regarding the subject matter hereof and supersede any and all other prior or contemporaneous agreements or understandings, whether written or oral, between them relating to the subject matter hereof. These terms of sale may be modified by KRAUSZ upon thirty (30) days prior written notice to the Buyer.

11.5. Waivers. A waiver of any default hereunder or of any of the terms and conditions of these terms of sale shall not be deemed to be a continuing waiver or a waiver of any other default or of any other term or condition, but shall apply solely to the instance to which such waiver is directed. The exercise of any right or remedy provided to KRAUSZ in these terms of sale shall be without prejudice to the right of KRAUSZ to exercise any other right or remedy provided by law or equity, except as expressly limited by these terms of sale.

11.6. Severability. If any term or provision of these terms of sale will be found to be invalid, illegal or unenforceable, such term provision shall be deemed modified to the extent necessary to make the same valid and operative, or if it cannot be so modified, then eliminated, and the validity, legality, or enforceability of the remaining terms and provisions will not in any way be affected or impaired thereby.