Sanner GmbH

NOTE: The English version of these General Terms and Conditions is provided for informational purposes only (as per § 12 Subparagraph 4). In event of deviations, including but not limited to deviating interpretations, the German version of the General Terms and Conditions and its interpretation shall prevail.

§ 1 Scope of validity

(1) Deliveries and performances of the company Sanner GmbH (hereinafter "SANNER") vis-à-vis companies, legal persons under public law and publicly owned investment funds in the sense of § 310 Subparagraph 1 of the German Code of Civil Law (BGB) are rendered – unless otherwise arranged – only on the basis of these General Terms and Conditions and statute.

(2) We do not agree to the use of the customer's general terms and conditions.

(3) These General Terms and Conditions also apply to all future acts in the law pertaining to the sale and delivery of goods from SANNER to the customer.

§ 2 Offer and conclusion of contract

(1) SANNER can accept the customer's offer of purchase within two weeks of its receipt.

(2) Any and all offers from SANNER are non-binding unless referred to as binding offers.

§ 3 Prices, payment, taxes, reservation of rights

(1) All prices provided by SANNER are subject to VAT.

(2) The purchase price is due and payable strictly net without deduction within 14 days of the date on the invoice. No discount is offered.

(3) Upon payment of the purchase price falling due, SANNER can demand interest on arrears as provided for by law, plus a fixed rate for expenses of € 40.00. It also reserves the right to demand payment of higher damages caused by the delay.

(4) Unless otherwise agreed in writing, prices are ex-works plus freight, customs duties, import expenses and packaging.

(5) All payments to SANNER are to be made in euro to the account designated by SANNER. SANNER reserves the right not to accept cheques as a means of payment. Cheques will only be accepted free of charges and costs for SANNER. The customer shall bear all related costs.

(6) SANNER can demand payments on account or full advance payments if there is as yet no business relationship with the customer, if the delivery is to be made internationally or if the customer has its registered head office outside Germany.

§ 4 Counterclaims, assignment of rights

(1) The customer may only offset uncontested or legally binding claims and exercise a right of retention only on the basis of uncontested or legally binding claims.

(2) The customer does not have the right to assert its claims to third parties – irrespective of the provisions of § 354 a of the German Code of Commercial Law (HGB).

§ 5 Delivery

(1) SANNER's adherence to the delivery obligations is subject to the condition that the customer also fulfils its obligations in good time. SANNER reserves the right to assert the defence of unsatisfied contract.

(2) Partial deliveries are allowed, if reasonable for the customer.

(3) Deviations from the order volumes of up to plus/minus 10% are admissible, subject to the corresponding adjustment of the agreed purchase price.

(4) In as much as the customer is in default of acceptance or culpably breaches other duties of cooperation, SANNER shall have the right to demand compensation for the resulting damage and any required additional expenses. If in the event of a default of acceptance the customer fails to meet a demand for acceptance made in written form within a reasonable period of time, SANNER shall have the right to demand fulfilment of the contract and demand damages for non-fulfilment.

SANNER is not obliged to make a self-help sale, but can, irrespective of other rights, also sell the object of delivery freehand if it so desires. In the event of make-and-take orders without agreements on term, production batch sizes and acceptance deadlines, SANNER shall have the right to demand a binding determination in this respect no later than three months after confirmation of order. If the customer fails to meet this demand within three weeks, SANNER shall have the right to set a two-week extended deadline in written form, and to withdraw from the contract and demand damages upon its expiration. Its right to make further claims shall remain unaffected.

(5) If the delivery to the customer does not take place because the delivery is dependent on SANNER being delivered to by a pre-supplier, SANNER shall have the right to withdraw from the contract without claims for damages arising to the customer, if the delivery by the pre-supplier does not take place because of a reason for which SANNER is not responsible. In such case, SANNER shall inform the customer without delay that the ordered goods are not available and refund the customer without delay for any performances already rendered.

§ 6 Packaging, consignment, transfer of risk

(1) Unless otherwise agreed, SANNER chooses the packaging, form of shipping and transport route at its own discretion.

(2) Even in the case of freight-free delivery, the risk transfers to the customer as soon as the goods leave the factory. If the dispatch is delayed by a circumstance for which the customer is responsible, the risk transfers to the customer as soon as SANNER informs it of the readiness to dispatch.

(3) At the customer's written request, the delivery object can be insured at its expense against risks which it defines (e.g. warehousing, breakage, transport and/or fire damage).

§ 7 Retention of title

(1) SANNER retains the ownership of the delivery objects (reserved goods) until full payment of all of SANNER's current and future payment claims out of the ongoing business relationship, including all outstanding balances from current accounts (secured claims).

(2) During the phase of the retention of ownership, the customer shall not be allowed to pledge the reserved goods, enter into a chattel mortgage for the goods or dispose over the reserved goods in any other fashion.

The customer shall notify SANNER in written form immediately if and in as much as any third parties dispose over the reserved goods in any way. Intervention costs arising out of this shall be at the cost of the customer unless borne by third parties.

(3) The customer is only allowed to resell the reserved goods in normal business dealings on the condition that the customer has agreed with the buyer that it does not gain ownership until payment of the remuneration. Upon concluding the contract, the customer assigns to SANNER all claims arising to it in the event of the resale of the reserved goods to its buyers or third parties, irrespective of where the reserved goods are sold without or after processing, mixing or combining, to the amount of the invoiced amount (including VAT) with all ancillary rights and reservations of rank, which SANNER already accepts herewith. The customer retains the right to assert the claims. SANNER undertakes not to assert the claims itself, as long as the customer meets its payment obligations vis-à-vis.

SANNER, in particular not falling into payment arrears, if no application is made to open insolvency proceedings and there are no other defects in its ability to perform. If there are, however, SANNER can demand that the customer give SANNER information about the assigned claims and the debtors, providing all information required to assert the claims, surrendering all applicable documents and informing the debtors (third parties) of assignment of rights. In such case, SANNER shall have the right to assert the assigned claims itself and to disclose the assignment of rights to the debtor.

(4) The customer has the right to process, mix or combine the reserved goods with other objects in accordance with the following conditions.

The reservation of ownership then covers the full value of the products of the processing, mixing or combining of the reserved goods, whereby SANNER shall be deemed the manufacturer. If the ownership right of a third party remains in place after a processing, mixing or combining with that party's goods, SANNER acquires co-ownership in the proportion of the invoice values of the processed, mixed or combined goods. In all other aspects, the same also applies to the resulting product as applies to the goods delivered under retention of ownership.

(5) If the achievable value of the collateral exceeds the value of SANNER's claim against the customer by more than 10%, SANNER will release collateral the customer to this extent at the customer's request and of its choice.

§ 8 Claims for defects, limitation

(1) The customer must inspect the goods immediately upon their being delivered by SANNER, in as much as this is feasible within the normal course of business, and, if it finds a defect, to notify the vendor of this immediately and no later than two weeks upon learning of the defect. If the customer fails to make this notification, the goods shall be deemed to have been approved, unless the defect is one that could not be seen in the inspection. If such a defect is found subsequently, the notification must be made immediately and no later than two weeks after discovery of the defect, otherwise the goods will be considered as having been approved, even in view of the defect. The timely sending of the notification shall suffice to uphold the buyer's rights. If SANNER maliciously fails to disclose the defect, SANNER cannot invoke this provision.

(2) Customer claims for defects become time-barred one year after delivery of the object. The one-year period of limitation shall not apply to liability for damage caused culpably to injury to life, body or health, or to the liability for other damage in the event of grossly negligent or intentional breach of

obligation, or in as much as SANNER has maliciously failed to disclose the defect or given a guarantee for the quality of the object, or within the scope of a liability under the German Product Liability Act. § 9 item 4 of these General Terms and Conditions shall apply accordingly.

(3) If, despite all care taken, the delivered goods should exhibit defects, SANNER must always be given the opportunity to repair the goods within a reasonable time frame, or to deliver a replacement (subsequent performance) Claims for recourse remain unaffected by this provision.

(4) If the subsequent performance fails even upon a second attempt, the customer can withdraw from the contract – irrespective of possible claims for damages – in as much as the breach of obligation is not only insignificant, or reduce the remuneration.

(5) In the event of subsequent performance, SANNER does not have to bear the additional costs that arise from transporting the goods to another venue than the place of fulfilment, if such transport does not accord with the proper use of the goods.

(6) In all other cases, claims for defects aimed at damages shall be subject to the restrictions pursuant to § 9 (Limitations of liability) of these General Terms and Conditions.

§ 9 Limitations of liability

(1) SANNER shall be liable without restriction for culpably caused damage caused by injury to life, body or health. SANNER shall also be liable without restriction in the event of grossly negligent or intentional breach of duty, and in as much as SANNER maliciously failed to disclose the defect, and to the extent of the liability under the German Product Liability Act. In as much as SANNER has assumed a guarantee for the quality or duability of the object, SANNER shall also be liable without restriction, but only to the extend covered by the guarantee.

(2) The following shall apply for other damage: in the event of damage caused through slight negligence, SANNER shall only be liable if it breaches a material contractual obligation, and only to the extent of the typical contractual damage foreseeable upon conclusion of contract. Material contractual obligations are obligations resulting from the nature of the contract, and the breaching of which would endanger the fulfilment of the contractual purpose, and obligations, the fulfilment of which makes it possible to properly execute the contract and which the customer can normally trust to be upheld.

(3) With regard to the liability for defects, the period of limitations as provided for by § 8 item 2 of these General Terms and Conditions shall apply.

(4) Each breach of obligation of an authorised representative or vicarious agent of SANNER is to be treated in the same way as a breach of obligation by SANNER.

(5) The objection of contributory culpability (e.g. breach of customer obligations) remains unchanged.

§ 10 Provision of materials

(1) If the customer provides materials, these are to be delivered to the SANNER factory in flawless quality and in good time, at its cost and risk, with an appropriate surcharge for quantity of at least 5%.

(2) If the requirements pursuant to Subparagraph 1 are not met, the delivery period shall extend accordingly. The ordering party shall bear the additional costs arising from the delay, including the costs of interruptions to production, unless it bears no fault for the delay.

§ 11 Documents, tools, models, drawings, samples provided

(1) If SANNER is required to manufacture or deliver on the basis of tools, models, drawings, samples or the use of parts provided by the customer, the customer must ensure that no third-party industrial property rights are breached thereby. The customer shall release SANNER from third party claims in this respect. Other claims on the part of SANNER shall remain unaffected. SANNER will inform the ordering party immediately in as much as third parties assert the breaching of their rights vis-à-vis SANNER.

(2) Documents, drawings and samples provided to SANNER which have not led to the order, will be returned on request. Otherwise, SANNER shall have the right to destroy these documents three months after submission of the offer, as long as it has previously requested the ordering party to retrieve these documents in writing with sufficient advance notice.

§ 12 Miscellaneous

(1) The contract and all legal relationships between the two parties shall be subject to German law, precluding the applicability of UN sales law (CISG), and the conflict of laws rules of German law.

(2) The sole legal venue for all disputes in connection with this agreement shall be the registered company venue of SANNER. SANNER has the right, however, to file legal suit at the customer's company venue in divergence from this regulation.

(3) Changes and amendments to this agreement must be made in writing to be valid. This also applies to the alteration of this written-form requirement.

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