

Standard Terms and Conditions of Purchase

1. Orders

All orders placed by us shall be governed solely by our Standard Terms and Conditions of Purchase and – subject to any provisions contained therein providing for the contrary – the stipulations of German statutory law. We shall be bound by any contrary terms or conditions on the part of the supplier only if we expressly confirm this in writing.

Failure to expressly accept such contrary terms or conditions shall never be construed as consent. Upon accepting and/or executing our orders, the supplier shall acknowledge our terms and conditions notwithstanding the fact that it stipulates the validity of its own terms and conditions.

Our terms and conditions shall also apply to future orders notwithstanding any failure to expressly state this. We shall only be bound by orders placed in writing.

This shall also apply to any subsequent changes to orders. Accordingly, we shall be bound by any agreements made over the telephone or orally only if we confirm them in writing.

In connection with orders for machinery, vehicles, apparatus etc., you warrant and guarantee that all accident-protection rules in force as of the date of delivery shall be observed in full.

2. Declaration of acceptance

Declaration of acceptance may only be given within one week of receipt of the order, stating the precise order number and the binding date of delivery; otherwise, the supplier shall be deemed to be in default of acceptance of the order.

3. Prices

All prices shall be firm and, in the absence of any agreement to the contrary, quoted carriage paid to our plant including packaging. If delivery ex works is agreed upon, the cheapest transport route shall be selected.

4. Delivery date

The delivery dates agreed upon in individual contracts shall be deemed to be fixed and binding. In the event of any default of delivery, the supplier's liability shall be governed by the applicable statutory provisions.

5. Part deliveries

Part deliveries shall be excluded and, pending receipt of full delivery, deemed to constitute non-performance of the contract. In the event that we accept part deliveries, any additional expense arising as a result shall be for the supplier's account.

6. Dispatch

- (1) Delivery address: Brauner Berg 15, D-24159 Kiel.
- (2) Our order data must be repeated in all letters, notices of dispatch, invoices as well as in all consignment notes and the copies of the dispatch notes attached to express or regular consignments. All costs which we incur as a result of failure to observe the aforementioned stipulations or any errors in addressing the consignment shall be for the supplier's account.
- (3) The goods shall always be dispatched at the supplier's risk. The risk of accidental loss or any deterioration in the goods including in cases in which the goods are dispatched at our request shall not pass to us until we or our agents accept the goods at their intended destination.
- (4) In the absence of any agreement to the contrary, the cost of dispatch up until acceptance of the goods by us at their intended destination shall be borne by the supplier.

7. Liability for faults

- (1) The supplier undertakes to submit the goods to quality assurance and quality checks. We shall submit the goods to only a minimum check for any evident faults, particularly damage arising during transportation. We shall notify the supplier of any such risks within two weeks of receipt of the delivery. Otherwise, the duty to examine the goods and to report any faults as stipulated in Section 377 of the German Commercial Code shall be excluded.
- (2) The supplier shall be responsible for ensuring that the delivered goods exhibit the agreed qualities and do not contain any faults impairing their suitability for their intended use or operation.
- (3) The supplier shall warrant and guarantee that the goods which it delivers and/or the services which it provides remain free of any faults for a period of three years commencing with the date on which risk passes to us. If any faults arise during this period of three years, the relevant statutory provisions shall apply.
- (4) For a period of 10 years commencing with the delivery of the goods, the supplier shall at our request supply the corresponding replacement parts at the then current prices.

8. Product liability – exemption – liability insurance

- (1) If the supplier is liable for any product damage, it undertakes to hold us harmless against third-party claims for compensation on first request to the extent that the cause of such damage is to be found within its realm of influence and it itself is liable in relations with third parties.
- (2) In this connection, the supplier shall also reimburse any costs pursuant to Sections 683 and 670 of the German Civil Code as well as Sections 830, 840 and 426 of the German Civil Code arising from or in connection with a factory recall implemented by us. As far as possible and reasonable, we shall notify the supplier of the nature and extent of the factory recall required and provide it with an opportunity to furnish its own comments. This shall not operate to prejudice any other legal remedies available to us.
- (3) The supplier undertakes to effect and maintain product liability insurance providing for a sum insured of €5 million per instance of injury/damage; this shall not prejudice any claims accruing to us for compensation over and above this amount.

9. Breach of patent

The supplier warrants and represents that delivery and utilisation of the goods offered does not breach any third-party patents or property rights.

10. Material provided by us

Any material which we provide shall in all cases remain our property and shall be stored, designated and managed separately. It may be used only for the purpose of executing our orders. The supplier shall be liable for any impairment in its value or loss.

11. Execution of orders at customer's plant

Persons entering our premises in performance of the delivery contract shall be bound by our rules of conduct.

12. Invoice and payment

- (1) Invoices may not be enclosed with the goods; instead, they shall be sent to us separately. Invoices for monthly deliveries must reach us by no later than the 3rd day of the following month.
- (2) Payment shall be remitted within 14 days of receipt of the goods and the invoice subject to a 3% discount on the invoice amount including VAT or 60 days net.
- (3) The supplier may only exercise netting rights if its counter-claims have been upheld in a court of law, are not disputed or have been acknowledged by us. Moreover, it may only exercise a right of retention to the extent that its counter-claim is derived from the same legal relationship and has been upheld in a court of law, is not disputed or has been acknowledged by us.

13. Confidentiality

We reserve ownership, property and copyrights in all documents accompanying our order such as drawings, models, devices, samples etc. They may not be reproduced or made available to any third parties except with our prior written approval unless this is necessary for the execution of the order. This shall also apply to any items produced using such documents. After the order has been completed, the documents and any copies made in order to execute the order shall be returned to us. If it is necessary for the documents to be made available to third parties so that the order can be executed, the supplier shall impose on such third parties the same obligations as those by which it has agreed to be bound. The parties undertake to treat all business or technical details of which they become aware during the business relationship as confidential during and also after the execution of the order unless such details are already in or enter the public domain without the supplier's influence. The supplier undertakes to impose the same duty on its own suppliers.

14. Place of fulfilment, legal venue and applicable law

The legal relations between the seller and us shall be governed by German law, it being agreed that the UN Convention on Contracts for the International Sale of Goods of April 11, 1980 shall be excluded. Legal venue: Kiel, Germany

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J.P. Sauer & Sohn Maschinenbau GmbH

Brauner Berg 15, 24159 Kiel, Germany

PHONE 0431 3940-0

MAIL info@sauercompressors.de

FAX 0431 3940-24

WEB www.sauercompressors.com