

Terms and Conditions

Products and Services

1. Definitions

- 1.1. "SANI" means SANI Membranes A/S, Ryttermarken 8, DK3520 Farum, Denmark.
- 1.2. "Buyer" means the company that accepts SANI's quotation.
- 1.3. "Products" means the type and quantity of filters (excl. any feed systems, Vibro® drives or other mechanical and/or electric equipment) covered by the Agreement.
- 1.4. "Services" means any Service SANI provide to Buyer including but not limited to feasibility testing, installation, training, maintenance, repair, replacement, commissioning, validation or other Services carried out either on-site, from SANI's office or elsewhere.
- 1.5. "Agreement" means SANI's quotation, Buyer's acceptance of such quotation and these Terms and Conditions for Products and Services.
- 1.6. "Terms" means these Terms and Conditions for Products and Services.
- 1.7. "Product Specification" means SANI's standard product specifications and/or mutually agreed User Requirement Specification.

2. General Requirements

- 2.1. The Terms prevail over any of Buyer's purchase order terms or other terms and conditions of purchase provided by Buyer. Confirmation of a Buyer's purchase order and/or fulfillment of Buyer's order does not constitute acceptance of Buyer's terms and conditions and does not serve to modify this Agreement.
- 2.2. Any reservations to these Terms must be made by Buyer to SANI without undue delay in writing and will only become an integral part of this Agreement, when Buyer's reservations have been accepted in writing by SANI.
- 2.3. When the scope of the Agreement is subject to export control SANI shall have no obligations under this Agreement unless and until the date SANI has obtained export license for all Products to be delivered, if necessary.
- 2.4. Unless otherwise stated quotations submitted by SANI shall remain valid for no more than thirty (30) days from the date of issue. Submitted quotations are subject to pre-sale and availability and SANI reserves the right to rescind any submitted quotation.
- 2.5. The Buyer may not delegate any duties nor assign any rights or claims hereunder without SANI's prior written consent, and any such attempted delegation or assignment shall be void. This Agreement is entered solely by and between, and may be enforced only by, SANI and Buyer and, except to the extent expressly provided for herein, is not intended to confer on any other person any rights, remedies, obligations or liabilities under or by reason of the Agreement.

- 2.6. SANI shall, at its own cost, comply with all applicable laws, regulations and other authority requirements and decisions of the country of Denmark along with the European General Data Protection Regulation (GDPR). SANI will request, process and use personal data from Buyer to manage Buyer's requests, claims, orders for the continuing relationship management to Buyer.
- 2.7. Sales of Products that are subject to control and/or are categorized as having dual-use potential will be reported by SANI to Centre for Biosecurity and Biopreparedness (Center for Biosikring og Bioberedskab) in accordance with applicable laws, following the legislation on biological substances, delivery systems and related materials. The information is subject to confidentiality from the authorities, and any reporting will be carried out by SANI without notification to Buyer and/or any separate agreement between SANI and Buyer. Centre for Biosecurity and Biopreparedness and/or its foreign partners may contact Buyer in relation to any purchased Products, that are subject to control and/or are categorized as having dual-use potential, to ensure compliance with applicable laws.
- 2.8. For Buyers in pharmaceutical, cosmetic, and/or food industries, it is expressly understood and agreed that Buyer shall be sole responsible for complying with laws, regulations and practices applicable to its industry.
- 2.9. Any provision of this Agreement found to be invalid or unenforceable shall not affect the validity of the Agreement as a whole.

3. Prices and Payment Terms

- 3.1. Unless otherwise stated payment shall be made against invoice within 30 days from the date of invoice.
- 3.2. The price for the Products and all other obligations of SANI under the Agreement is set forth in the Agreement and shall be understood to be net amounts to be received by SANI after deduction of any and all taxes and/or duties (including without limitation income taxes, value added tax and turnover taxes) required to be withheld or paid in any country outside Denmark. All Danish taxes and duties related to payments received by SANI under this Agreement shall be paid by SANI.
- 3.3. In case of delayed payment, interest shall be charged by SANI at 5% (five per cent) per month on all sums overdue; a part of the month being treated as a full month for the purpose of calculating interest.

4. Delivery

- 4.1. Unless otherwise stated, quotations are based on EXW delivery (Incoterms 2020). Each delivery will be accompanied by a delivery note, which states the purchase order number, the date of order, the type and quantity of Products.
- 4.2. Products will be packed and delivered in SANI's standard packaging.
- 4.3. Unless otherwise agreed, SANI may, at its sole discretion, without liability or penalty, make partial shipments of Products to the Buyer.
- 4.4. The Buyer shall inspect the Products upon receipt. Buyer must notify SANI of any discrepancies between the Products received and the confirmed purchase order within five (5) business days following receipt. If Buyer does not notify SANI in writing of any discrepancies within the five-day period the delivery of Products will be deemed accepted by Buyer, subject to the Warranty set forth in clause 6.1.

5. Warranty

- 5.1. SANI warrants that the Product will conform to the Product Specification and that the Product will be mechanically integral for a period of three (3) months from first date of operation however no longer than twenty-four (24) months from manufacturing date. The warranty covers the full order amount of the Product(s) and credited amount can only be redeemed for replacement Products.
- 5.2. SANI warrants that the Product has a shelf-life of eighteen (18) months from the date of manufacturing under the prerequisite that the Product has been stored according to SANI's recommendations.
- 5.3. SANI specifically disclaims all guarantees and warranties not expressly set forth in the Agreement including but not limited to any implied warranties of quality or any fitness for purpose.
- 5.4. If Buyer uncovers a defect or discrepancy, Buyer shall without undue delay notify SANI by e-mail and documenting the defect or discrepancy. Buyer shall document that the Products have been used according to SANI's installation, operation, maintenance and storage guidelines. Buyer shall assist SANI in determining the cause of the defect and shall make the following but not limited to available to SANI: Relevant flowsheets and P&I diagrams, operating data available in spreadsheet format, photo and/or video documentation, and Buyer's own procedures related to operation, maintenance, cleaning and storage.
- 5.5. Buyer may only return Products to SANI for warranty related issues with the express prior written authorization of SANI. The Buyer must be able to document that returned Products are free from Genetically Modified Organisms (GMO) and any other hazardous materials.

- 5.6. If it is determined that a defect is caused solely due to reasons attributable to SANI, SANI shall, at its own discretion, either replace or repair the defective Product or compensate Buyer an amount limited to the order value of the defective Product.
- 5.7. Buyer shall be solely responsible for (i) infringement of any third-party intellectual properties rights resulting from modification or use of the Products by Buyer other than in accordance with this Agreement, (ii) compliance with all applicable laws and regulatory requirements, (iii) determining that the Product is suitable for Buyer's purposes, and (iv) conducting all necessary testing required for applicable Buyer processes. Buyer agrees that the Products shall be used solely for its intended purposes and in accordance with applicable law. Products are not intended for use in vivo with humans or animals.
- 5.8. To maintain the integrity, safety, quality and performance of the Product, and for the warranty to remain valid, any and all disassembly, dismantling, opening, or replacement of the Product or components of the Product must be performed exclusively by authorized SANI employees or representatives of SANI. Any such unauthorized actions shall constitute a breach of this Agreement and will immediately void all warranties related to the Product(s), without prejudice to SANI's other rights and remedies under this Agreement or applicable law. It is explicitly mentioned that SANI shall bear no responsibility whatsoever for any resulting defects, malfunctions or any other physical or financial damage arising directly or indirectly from unauthorized actions and from the use of the Product thereafter.

6. Limitation of Liability

- 6.1. In case of any defect in the Product, SANI shall undertake the liabilities in accordance with clause 5.6.
- 6.2. Except for the liabilities specified in clause 5.6, neither party shall be liable for loss of production, delay in bringing Buyer's plant into operation, loss of profit or any other indirect or consequential damage or loss. This limitation of liability shall however not apply in case of gross negligence or willful misconduct on the part of the party causing the damage or loss.
- 6.3. SANI's remedies specified in the Agreement, shall constitute SANI's exclusive remedy in full and final settlement of SANI's liabilities relating to the Product.
- 6.4. SANI shall not be liable for the failure of the Product caused by the Product not being installed, conditioned, cleaned, commissioned, operated, decommissioned or stored as per industry practice and SANI's membrane filtration units manuals or its being affected physically or chemically by but not limited to any of the following: Mal-operation of Buyer's feed- and/or CIP system, solids carried over from other parts of Buyer's plant, normal wear and tear, solvents and/or cleaning agents not chemically compatible with the installed membranes and/or components in the Products, faulty construction or faulty design of parts of Buyer's plant/feed system, Buyer altering the Products or Buyer using the Products for any purpose other than the intended purpose as such is indicated in SANI's documentation accompanying the Product.

6.5. Notwithstanding anything specified hereunder to the contrary, SANI's maximum liability under the Agreement is limited to 100% (one hundred per cent) of the total order value.

6.6. The Buyer shall defend, indemnify and hold SANI harmless against any and all claims, including without limitation, any taxes payable on such claims, for any loss, damage or injury caused to any person, including third parties, and to any property of any person, including third parties, and for the death, illness of and, injury to any person, including third parties, caused by or relating to the Agreement.

7. Insurance

SANI shall, at its respective cost, maintain a product liability insurance and a public liability insurance to cover any liabilities that may arise under or in connection with the Agreement.

8. Force majeure

SANI shall not be liable for any loss or damage caused by delay in the performance or non-performance of any of its obligations hereunder where the same is occasioned by any cause whatsoever that is beyond SANI's control, including but not limited to war (whether war be declared or not), hostilities, revolution, civil disturbance, epidemic, pandemic, requisitioning governmental or parliamentary restriction, prohibition or enactments of any kind, import or export regulation, strikes or lockout (whether involving its own employees or others), difficulties in obtaining workmen or materials, breakdown of machinery, unavailability of power at manufacturing plant, fire, wind, flood, earthquake, accident or because of any Act of God. Should any such event occur, SANI may cancel or suspend this Agreement without incurring any liability for any loss or damage thereby occasioned.

9. Confidentiality

No press releases, public announcements or public relations activities with regards to the Agreement or the transactions contemplated by it may be made by one party without the other party's prior written consent, such consent may not be unreasonably withheld or delayed. This clause shall survive any termination of the Agreement. As explicitly stated in clause 2.7, SANI is obliged to report sales of Products, that are subject to control and/or are categorized as having dual-use potential, to the authorities in accordance with applicable laws.

10. Termination

SANI may, without prejudice to its other rights, suspend delivery of Products, require pre-payment in advance or terminate the Agreement forthwith by written notice to Buyer if: (i) Buyer fails to pay to SANI on the due date any sum due under the Agreement or other agreements with the Buyer; or (ii) Buyer makes any arrangement or composition with its creditors or if a bankruptcy petition is presented or a receiving order is made against it or an order is made or a resolution is passed for the winding up of the Buyer or an order is made for the appointment of an administrator to manage the Buyer's affairs, business or property or if the Buyer takes or suffers any similar or analogous action in consequence of debt; or (iii) Buyer commits breach of any other obligation in connection with the Agreement or with other agreements with SANI.

11. Law and Arbitration

- 11.1. The Agreement shall be governed and construed by Danish law without recourse to the conflict of law principles of such jurisdiction.
- 11.2. In case of any dispute arising out of or in connection with the Agreement, Buyer and SANI shall endeavor to the best of their abilities and in good faith to resolve any dispute amicably.
- 11.3. Any unresolved dispute, which cannot be solved amicably, arising out of or in connection with this Agreement, including any disputes regarding its existence, validity or termination, shall be finally settled by arbitration administered by the Danish Institute of Arbitration in accordance with the Rules of Arbitration adopted by the Board of the Danish Institute of Arbitration. The Arbitration Tribunal shall consist of one or more arbitrators and shall be appointed in accordance with the said rules. The place of arbitration shall be Copenhagen, Denmark. The language of the arbitration shall be English. The award rendered by arbitration shall be final and binding on both parties and enforceable by any court having jurisdiction.
- 11.4. During any arbitration pursuant to clause 11.3, the SANI and Buyer shall continue to fulfil their respective obligations as stated under these Terms, unless the subject matter of the dispute is of such a nature that this is by no means possible until the dispute has been finally settled.

12. Intellectual Property

- 12.1. All intellectual property rights in and related to the Products and Services (including any improvements made thereto before, after, or during the term of this Agreement) are, and shall at all times belong to SANI.
- 12.2. SANI grants Buyer a non-exclusive, royalty-free, and non-transferable license to use SANI's proprietary technology and know-how, solely for the Buyer's own purposes. This license does not grant Buyer, or any third party, the right to copy, modify, reverse engineer, decompile, disassemble, or otherwise create derivative works of the technology or know-how, or to reproduce or distribute the design of any products embodying such technology or know-how and any of the foregoing actions shall be deemed a material breach of these Terms. All rights not expressly granted are reserved by SANI.

13. Additional Terms and Conditions for Services

- 13.1. SANI will provide Buyer with a quotation detailing an estimation of the required time and costs required for the execution and completion of required Services prior to such Services being performed.
- 13.2. The Buyer must request any on-site Services and notify SANI in writing about the requested starting date for all on-site Services two (2) months in advance: SANI will endeavor to accommodate Buyer's request, but the starting date for on-site services shall only be considered accepted upon SANI's written confirmation. Prior to the arrival of SANI's staff, Buyer must have fulfilled all relevant preparation as advised by SANI of the Services and notified SANI thereof in writing.
- 13.3. Except for any repair, maintenance and/or replacement work carried out by SANI's staff, SANI only provides technical advisory service in connection with all other Services. Whilst any advice or support will be given in good faith, SANI does not warrant or guarantee the correctness, adequacy or suitability of the support and it shall be the sole responsibility of the Buyer to assess the support and to decide whether or not to act in accordance with the support. In case of a claim arises in relation to any Services performed by SANI, SANI's sole obligation and Buyer's sole remedy shall be, at SANI's sole discretion, to re-perform the Services or credit the amount paid or portion thereof to Buyer for the applicable Services.
- 13.4. For all on-site services, the Buyer is responsible for ensuring that the workplace where the Product is located or serviced is safe and Buyer shall provide necessary lifting equipment to avoid any additional manual handling. SANI shall at its sole discretion always be entitled to withdraw staff rendering Services or defer dispatch of such staff in case SANI considers it unsafe to travel to or from or perform the Services at the Buyer's premises.
- 13.5. Any additional man-days spent on-site necessary for SANI to fulfill its obligations under this Agreement will be invoiced after completion of on-site Services. Travel and accommodation costs will be invoiced separately at cost together with a 15% (fifteen per cent) fee. SANI will only provide a summary of incurred travel expenses as documentation.
- 13.6. SANI shall be entitled to claim compensation for incurred travel and accommodation costs as per clause 13.5 in the event of Buyer rescheduling or cancelling mutually agreed and planned on-site Services.
- 13.7. SANI personnel are allowed to travel in accordance with SANI's internal travel guidelines and in accordance with the actual Service schedule.