

GENERAL TERMS OF DELIVERY

01. APPLICATION AND VALIDITY

The following conditions of delivery shall apply to any quotation, order and delivery, unless otherwise expressly agreed upon in writing.

Any special or general requirements of the buyer stated in offers, orders, purchase conditions etc. shall not constitute an exemption from the following conditions, unless expressly accepted by us in writing.

02. QUOTATIONS/ORDERS

Our quotations shall be binding if accepted in writing within a period of up to 4 weeks after the date of the quotation.

If we have made no written quotation or the time limit stated above has expired, the agreement between buyer and us shall not be deemed entered into until we have forwarded an order confirmation to the buyer.

The buyer's objections, if any, to the contents of the order confirmation shall be put forward in writing and shall reach us no later than 10 working days after the date of the order confirmation.

Generally, we make reservations about times of delivery.

03. DRAWINGS, DESCRIPTIONS AND APPROVALS

Any and all drawings, proposals, descriptions and technical documents regarding our products and the manufacture hereof which before or after the agreement is made are passed on to the buyer shall remain our property; and the buyer shall have no right to copy such material, to submit it to competitive companies or in any other way inform third parties of such material. Finally, said material shall not be brought to execution without our written approval.

Any measures and other technical specifications stated by us in estimates, catalogues, prospectus, drawings or descriptions shall only be approximate, and we shall assume no liability for errors in this material. We reserve the right to alter such specifications and descriptions without notice.

When delivery shall be effected in accordance with drawings approved by the buyer, we shall be entitled to make such alterations in the construction, execution etc. which we shall deem necessary without prior notice to the buyer. The buyer shall not be entitled to object to such changes unless these changes lead to a major alteration in the final product and its functions.

Our products comply with valid provisions issued by the authorities and agencies of the European Union. The buyer shall bear the risk of the obtaining of any approvals, permissions etc. in addition to what is stated in the first sentence, necessary in connection with the use in/import to the buyer's country of the products covered by the agreement.

04. PRICES

The prices are exclusive of the current value added tax rates in force, other taxes and packing. Unless specified otherwise, the prices shall always be based on delivery EXW our factory in Hornslet, "INCOTERMS 2020".

We reserve the right to adjust the prices without prior notice. We reserve the right to adjust our prices should unforeseen increases occur in the prices of materials or duties during the period of manufacturing. Such circumstances shall be circumstances beyond our control.

05. TERMS OF DELIVERY

The delivery term shall be "EXW", "INCOTERMS 2020". We thus consider the final delivery executed when the finished product is placed at the buyer's disposal at our factory in Hornslet.

06. TIMES OF DELIVERY

The agreed time of delivery shall be stated in our quotation/order confirmation.

The agreed time of delivery shall not be binding on us if the buyer does not observe the agreed time of payment regarding payment, opening of letter of credit or providing of banker's guarantee.

Concerning deliveries for which the buyer, after the agreement is made, shall forward to us information, specifications, drawings etc., the agreed time of delivery shall only be binding on us if we have received the material in question within the agreed time limit.

In case of delay due to circumstances for which we are responsible, but not due to force majeure, the buyer shall be entitled by written notification to us to insist on delivery and to fix a final time limit of at least 15 days. If delivery does not take place within such final time limit as fixed by the buyer, the buyer shall be entitled to cancel the agreement and claim damages for any direct loss substantiated. If the agreement is cancelled, the damages payable shall be limited to 5 per cent of the agreed purchase price.

The buyer shall have no other redress due to delays. Thus, the buyer cannot, inter alia, claim any additional damages of any kind, including damages for loss of output or consequential loss.

07. TERMS OF PAYMENT

Unless otherwise expressly stated, the terms of payment shall be as follows:

- 1) 30 per cent net cash within 7 days after the final agreement has been made/after the receipt of our order confirmation
- 2) 30 per cent net cash at half time of delivery/start of erection
- 3) 30 per cent net cash when notification has been made that the delivery is ready for dispatch/approved FAT test
- 4) 10 per cent net cash 30 days after the date of dispatch

The buyer shall, unless otherwise agreed, for the payments mentioned under 2), 3) and 4) (70 per cent) provide a banker's guarantee or open a confirmed irrevocable letter of credit confirmed by a recognised bank approved by us, and which shall be payable here against presentation of documents for dispatch by ship, rail, road or air, or in case the dispatch cannot be effected for reasons beyond our control, payable when the bank receives notification to the effect that the goods are ready for dispatch, if necessary accompanied by a receipt from the forwarding agent that he has received the goods.

Delay in delivery shall not entitle the buyer to hold back any payment. Likewise, payment shall not be held back due to the buyer's counter-claims, if any.

In case of overdue payments, the buyer shall be obliged to pay interest at the rate stated in our quotation/order confirmation per month, commenced as from due date and until the amount has been credited to our account. If no rate of interest is stated, the rate of interest payable shall be 1.5 per cent per month commenced.

Payments from the buyer to us are made by bank transfer for the buyer's account. In all cases, the buyer bears the risk that payment reaches our bank account. Thus, if payment is made by the buyer but does not reach our bank account, this is considered a non-payment. The buyer remains liable for the payment and is obliged to ensure that payment is made correctly.

We retain title to any delivery until the purchase price including interest, if any, has been paid in full. We shall be entitled to discontinue the operation of the installed plant until payment has been effected.

08. OBLIGATION OF EXAMINING, INSTALLATION AND TEST RUN

The buyer shall be obliged immediately and no later than 30 days after the receipt of a delivery, to perform the necessary examination in order to demonstrate defects, if any.

Unless otherwise expressly agreed, the buyer shall, at his own risk, carry out the erection and installation of the products delivered.

If we shall install the products, the buyer shall ensure:

- that any necessary preparatory work and preparation of premises are performed prior to our fitter's arrival,
- that the buyer, free of charge, places at our disposal the agreed labour necessary for the installation, insured by the buyer against any accident,
- that the plant is started up immediately upon completion of the erection.

Should delays occur due to the buyer's non-performance of said conditions or is additional fitting necessary, this additional work will be invoiced the buyer separately.

If it is agreed that we shall perform the installation of the delivered product on the buyer's premises, a test run shall be carried through immediately upon completion of installation. If nothing to the contrary regarding the technical requirements is agreed, the test run shall be carried through in accordance with general practice in the industry. The test run shall, unless otherwise agreed, take place within ordinary hours.

If defects in the product are established at the test run, we shall, without undue delay, remedy the defect and make sure that the product corresponds with the agreement. A new test run shall then be carried through. When it has been substantiated that the product corresponds with the agreement, our delivery record for defect free installation and starting up shall be signed.

The buyer shall, free of charge, provide the test material necessary for the test run. We shall bear other expenses in connection with the test run, provided that the test run is always carried through immediately upon installation.

The installation performed by us shall not alter the time at which the risk is transferred to the buyer, cf. TERMS OF DELIVERY.

09. WARRANTY

Provided that the agreed terms of payment have been observed, new products are warranted for 12 months as from the date of delivery - however, for no more than 2,000 hours of operation - for defects in material or manufacture. Second-hand or restored products are warranted for a limited period of 3 months. For deliveries including installation and test run the warranty period shall be calculated as from the time when the buyer starts using the delivered products, wholly or partly - however, no later than from the time when the delivery record for defect free installation and starting up is signed. Our warranty consists of the delivery of a new machine part in replacement of the defective part which becomes our property.

Our obligation to repair shall not include defects due to normal wear and tear, overload, the use of inappropriate lubrication, non-compliance with service instructions, insufficient maintenance, insufficient or inappropriate use and/or installation (including non-compliance with the installation and/or operating instructions given), accidents or other circumstances for which the buyer is liable or bears the risk. Such situations shall not be deemed defects in manufacture.

10. COMPLAINTS

The buyer shall inform us in writing of defects without undue delay after the defect has been discovered or ought to have been discovered. The notification shall include a specification of the defects.

The buyer shall be obliged to place such parts at our disposal as the buyer claims to be defective. Should an independent inquiry establish that there is no defect or that we are not responsible for the defect, the complaint is rejected.

The buyer shall then be obliged to pay for replacement parts forwarded or surrendered and/or remedy works performed, if any.

11. LIABILITY

Our liability shall always and in any situation be limited to replacement delivery or repair.

12. PRODUCT LIABILITY

We shall not be liable for damages to real or personal property occurring while one of our products are in the buyer's possession. We shall only be liable for damages to real and personal property if it is substantiated that the damage is due to mistakes or negligence performed by us or others for which we are responsible.

We shall not be liable for damages to products manufactured by the buyer or to products of which these are part.

We shall not be liable for loss of production, loss of profit or any other indirect loss. Our liability shall not exceed the amount of EUR 2.6 millions for personal injury and EUR 1.3 million for damages to property.

To the extent that we shall incur product liability towards third parties, the buyer shall be obliged to indemnify us to the same extent as our liability shall be limited in accordance with the above provision.

If third parties advance any claim for damages for product liability towards buyer, the buyer shall immediately inform us of this in writing.

13. FORCE MAJEURE

The following circumstances shall imply exemption from liability on our part when such circumstances occur after the agreement is made and obstruct or postpone the fulfilment of the agreement:

Unforeseen circumstances beyond our control. This includes, but is not limited to, acts of God, cold, floods, fire, earthquakes, explosions, accidents, epidemics and outbreaks of disease, strikes, lockouts or other industrial actions, bans, war, terror, insufficient delivery or service from subcontractors, lack of transport facilities, late or incorrect delivery due to carrier, export law or limitations of energy consumption.

Delivery time is extended with a period corresponding to time lost due to force majeure or the mentioned force majeure-like situations, similarly as we shall be entitled to cancel the order in whole or in part. If we assert force majeure, we shall immediately inform the other party thereof and state the reason and extent of the expected delay.

14. APPLICABLE LAW AND VENUE

Any dispute between the parties in relation to the agreement, including the understanding and extent of these General Terms of Delivery, shall be settled by Retten i Aarhus (the Court of Aarhus). Danish law shall be applicable.

We shall further be entitled to institute proceedings in the judicial district in which the buyer's place of business is domiciled.

The parties are mutually obliged to accept a lawsuit instituted in the court which deals with claims for damages advanced by third parties against one of the contracting parties regarding product liability.