

Johs. Tandrup A/S

General terms and conditions

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1.

1.1.

Scope

The present General Terms and Conditions of Sale apply to any product ("the Products") sold by **Johs. Tandrup A/S** to a purchaser ("the Purchaser") to the extent that no deviations therefrom have been explicitly agreed to by the parties.

1.2. The above shall apply irrespective of any contradictory or deviating provisions in the Purchaser's order or order confirmation, including the Purchaser's general terms of purchase, if any, applying to the Purchaser's placement and confirmation of orders, and including any other documents prepared by the Purchaser.

2.

2.1.

Product specifications and prices

Product specifications as stated in brochures, price lists, and etcetera are indicative only, and shall be binding to **Johs. Tandrup A/S** only where expressly stated in the parties' agreement.

2.2. All prices listed shall be exclusive of VAT and any other direct and indirect taxes chargeable on the Products both in Denmark and abroad and may in case of changes in such taxes, exchange rates, or similar changes in expenditure, be adjusted by **Johs. Tandrup A/S**, until the date of payment.

3.

3.1.

Quotes

Where no specific term of acceptance of an offer is indicated, the term of acceptance shall be 30 days from the date of the offer.

3.2. Irrespective of the form in which they are issued, all offers and quotations made and given by **Johs. Tandrup A/S** is without obligation. No rights may be derived by the Principal from offers or quotations made or given by **Johs. Tandrup A/S**. Departures from quotations will not be binding to **Johs. Tandrup A/S**, unless confirmed in writing by **Johs. Tandrup A/S**.

Tandrup A/S.

3.3. Following the conclusion of an agreement made in person, this will not be binding to **Johs. Tandrup A/S** as, unless followed immediately by **Johs. Tandrup A/S**' written confirmation.

4.

4.1.

Changes to or cancellation of orders

Any major changes made by the Purchaser to an order after the conclusion of the agreement shall entitle **Johs. Tandrup A/S** to modify the price and/or the agreed delivery date or to refuse to execute the order. In case of the latter, the Purchaser shall be required to pay for the work already performed, including sub-contractor costs, and, where appropriate, to pay compensation on the basis of an hourly rate for time spent on preparation for that part of the order not performed.

4.2. Cancellation of an order by the Purchaser shall require the Purchaser to pay in full for the work already performed with respect to that order, including sub-contractor costs, and, where appropriate, to pay compensation on the basis of an hourly rate for time spent on preparation for the part of the order not performed.

5.

5.1.

Technical documents and other documentation

All technical documents concerning the Products or the production thereof or any other documentation, including offers that are handed over to the Purchaser prior to or upon the conclusion of the parties' agreement shall be the property of **Johs. Tandrup A/S**.

5.2. The documentation referred to in 5.1 must not without **Johs. Tandrup A/S**' permission be used for purposes other than the one agreed, and must not be copied, reproduced, handed over to, or in any other way be brought to the knowledge of any third party.

6.

6.1.

Test-runs

Johs. Tandrup A/S

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With respect to orders for large quantities of the Products, a test-run shall prior to delivery be carried out at **Johs. Tandrup A/S**' premises in accordance with **Johs. Tandrup A/S**' general technical requirements.

6.2. The Purchaser or the Purchaser's representative shall be entitled to be present at the test-run; however, where no separate request to this effect has been made by the Purchaser, the Purchaser shall not be called to be present at the Test-run.

6.3. Unless otherwise agreed in writing, **Johs. Tandrup A/S** shall cover all expenses in connection with the test-run; however, all costs incurred by the Purchaser in relation to the test-run, including the Purchaser's or the Purchaser's representative's travel and accommodation costs, shall be borne by the Purchaser. Should the Purchaser demand a test-run that is more extensive than **Johs. Tandrup A/S**' standard test-run, the Purchaser shall cover all additional costs in relation thereto.

7.

7.1.

Delivery

Unless otherwise agreed in writing between the parties, delivery of the Products shall be effected "Ex Works **Johs. Tandrup A/S**" in accordance with the Incoterms in force at the time of contracting (at present Incoterms 2010).

7.2. If the parties agree to another mode of delivery than mentioned in Section 7.1. above. **Johs. Tandrup A/S** shall be entitled to add transportation costs to the agreed purchase price.

7.3. If the total purchase sum from the Purchaser does not exceed the amount of 1.500 EUR (excluding VAT) **Johs. Tandrup A/S** shall be entitled to add a service charge of up to 40 EUR (excluding VAT).

7.4. If value of order is above 4.000 EUR, delivery is free.

7.5. In any purchase, **Johs. Tandrup A/S** is entitled to ask, upon request to the Purchaser, for a credit evaluation from the Purchaser

8.

8.1.

Time of delivery - Default in delivery

Delivery shall be considered punctual where effected either on or within 30 days after the agreed date of delivery.

8.2. In cases of default in delivery due to force majeure, cf. Section 16, or default in delivery on the part of **Johs. Tandrup A/S** subcontractors irrespective of the reason therefore, or default in delivery attributable to circumstances for which the Purchaser is responsible, the time of delivery shall be extended within reasonable limits. The time of delivery may be extended even where the event of default occurs after the expiry of the time of delivery initially agreed upon.

8.3. Where **Johs. Tandrup A/S** fails to effect punctual delivery, the Purchaser may request in writing that delivery be effectuated and stipulate a last, reasonable time-limit of no less than 30 days. Should **Johs. Tandrup A/S** still fail to make delivery within the stipulated time-frame, and this is not due to force majeure; default in delivery on the part of **Johs. Tandrup A/S**' sub-contractors irrespective of the reason therefore, or is attributable to circumstances for which the Purchaser is responsible, the Purchaser shall be entitled to cancel the order by written notification to **Johs. Tandrup A/S** with respect to such part of the Products as cannot be put to the intended use.

8.4. The Purchaser shall in no event be entitled to claim compensation for any default in delivery on the part of **Johs. Tandrup A/S**, irrespective of whether such default is attributable to **Johs. Tandrup A/S**.

8.5. If sufficient information to complete the order is not supplied within 14 days of instruction, **Johs. Tandrup A/S** reserves the right to invoice the value of materials manufactured offsite. If the customer fails to give delivery instructions within 5 days of being notified that the goods are ready for collection or delivery, then the whole of the invoice will become payable.

Such goods will be marked the property of the customer, subject to completion of payment terms and we shall also be entitled to charge storage from that date.

9.

9.1.

Loss or damage in transit

Johs. Tandrup A/S will only accept a claim from the Purchaser with respect to loss or damage in transit if goods not are:

- a) Properly stored
- b) Properly handled
- c) Followed with documentation for traceability
- d) Followed with proper pictures of the damaged goods

10.

10.1.

Loss or non-delivery: The Purchaser notifies **Johs. Tandrup A/S** in writing within 3 days of receipt of the relevant invoice.

Damage in transit: The Purchaser notifies **Johs. Tandrup A/S** in writing within 3 days of delivery and provides photographic evidence at the time of the claim.

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Goods transported by an independent carrier: The customer must comply with the freight carrier's conditions of carriage for notifying claims for loss or damage in transit.

Inspection of Goods: **Johs. Tandrup A/S** is given all reasonable opportunity to inspect the damaged goods, photographic evidence is to be provided in the first instance to allow **Johs. Tandrup A/S** to recoup losses against insurances or the carrier where appropriate.

Right to return

Products held in stock may only be returned subject to prior agreement with **Johs. Tandrup A/S**, and only where such particulars as the number of the delivery note and the invoice as well as the invoice date are provided, and where the returned Products are in working condition, operational, and still in the original unbroken packaging and are no more than one year old. Customized products cannot be returned under any circumstance. Return of Products shall be at the Purchaser's account and risk. Upon return, the Purchaser shall be credited the purchase sum paid, exclusive of transportation and other costs, VAT etc. paid by the Purchaser.

10.2. No right of return shall exist with respect to Products not held in stock or Products produced by **Johs. Tandrup A/S** according to a specific request from the Purchaser.

10.3. All products must be returned to **Johs. Tandrup A/S**' stock facility (address available upon request). If goods are not returned to this address, **Johs. Tandrup A/S** reserves the right to refuse the shipments and send it back at the Purchaser's expense.

11.

11.1.

Payment

Unless otherwise agreed, the agreed purchase price shall be payable cash on delivery. All payments shall be made to **Johs. Tandrup A/S**'s address.

11.2. In the event that the Purchaser fails to effect punctual payment, **Johs. Tandrup A/S** shall be entitled to interest on overdue payment at the rate of 1% for each commenced month. In addition hereto **Johs. Tandrup A/S** shall be entitled to withhold any other orders placed, but not yet effected, and/or parts of such orders not yet effected, or prevent the actual handing over of Products until the Purchaser has settled all outstanding amounts, including interest, and expenses.

Regardless of whether other terms of payment have been agreed upon, **Johs. Tandrup A/S** shall furthermore be entitled to make future deliveries contingent upon payment in cash or, with regard to Products produced by **Johs. Tandrup A/S** according to a specific request from the Purchaser, to demand payment in advance.

11.3. In case the Purchaser has not settled his account within the agreed payment term, **Johs. Tandrup A/S** shall be entitled - but not obliged - to terminate the agreement with immediate effect by giving the Purchaser written notification thereof. Such notification may be served immediately upon the expiry of the said 30 days or at any later point in time, provided that the Purchaser's account is still unsettled at the time of notification.

11.4. The Purchaser will not be entitled to set off or suspend his payment obligations.

11.5. If the due date for any payment is exceeded, thereby placing the Purchaser automatically in default, the Purchaser will be liable for all extrajudicial expenses incurred in collecting the debt. The extrajudicial expenses will be calculated on the basis of the work done and the guidelines of the region/country in question, with a minimum of 500 EUR. The Purchaser will be liable for the extrajudicial expenses merely by virtue of being in default, without being served notice thereof.

11.6. Payments made by the Purchaser will be applied firstly against any interest and expenses due and secondly against the oldest due and payable invoices, irrespective of whether the Purchaser states that the payment relates to a later invoice.

11.7. In the event of default in payment on the part of the Purchaser, **Johs. Tandrup A/S** shall further enjoy any right conferred by the general rules of Danish law in force at the relevant point in time

12. All monies retention of title

12.1. Notwithstanding delivery and the passing of risk, property in and title to the goods shall remain with **Johs. Tandrup A/S** until **Johs. Tandrup A/S** has received payment of the full price of (a) all goods and/or services, the subject of the Agreement and (b) all other goods and/or services supplied by **Johs. Tandrup A/S** to the Purchaser under any agreement whatsoever. Payment of the full price shall include, without limitation, the amount of any interest, transportation or other sum payable pursuant to the contractual relationship existing between the parties and under the terms of this and all other agreements between **Johs. Tandrup A/S** and the Purchaser.

12.2. If the Purchaser defaults in payment of the goods, **Johs. Tandrup A/S** shall be entitled to repossess any goods that remain the property of **Johs. Tandrup A/S**, and the customer for that purpose shall give **Johs. Tandrup A/S** access to enter any premises to recover the goods.

13.

13.1.

Lien and pledge

Johs. Tandrup A/S

Vis-à-vis any person requiring delivery thereof, **Johs. Tandrup A/S** will have a lien on all monies, goods, and documents that are held by **Johs. Tandrup A/S** and/or have come into **Johs. Tandrup A/S**' possession in connection with the agreement entered into with the purchaser.

13.2. All goods, documents, and monies held by **Johs. Tandrup A/S** and/or have come into **Johs. Tandrup A/S**' possession, in whatever connection, will be pledged as security for amounts owed to **Johs. Tandrup A/S** by the Purchaser now and in the future.

13.3. **Johs. Tandrup A/S** will be entitled to at all times to exercise such lien and/or pledge with respect to amounts still owed to **Johs. Tandrup A/S** under previous or other agreements.

14.

14.1.

Defects

In case of a defect in the Products, **Johs. Tandrup A/S** shall be obliged without undue delay to make good any defect that results from faulty design, material or manufacture, either by repairing or replacing the defective Product(s).

14.2. **Johs. Tandrup A/S** shall only be liable for defects occurring within one year of the date of actual delivery.

14.3. For parts replaced or repaired according to Section 14.1, **Johs. Tandrup A/S** shall for a period of one year undertake the same obligations as apply to the original Products.

14.4. The Purchaser shall immediately upon delivery conduct a due examination of the Products. In the event that the Products are defective; the Purchaser shall without undue delay notify **Johs. Tandrup A/S** thereof in writing within 8 days and shall indicate the nature of the defect in question. Where the Purchaser has reason to believe that the defect may result in any damage, such notification must be given promptly. Should the Purchaser fail to notify **Johs. Tandrup A/S** in writing of the defects in question within the time-limits mentioned in this Section, the Purchaser shall no longer be entitled to claim compensation as a result of the defect.

14.5. The reparation, or replacement delivery of a defective part of the Product(s) or the Product(s) in its/their entirety shall be carried out at **Johs. Tandrup A/S**' address, unless where **Johs. Tandrup A/S** finds it expedient that reparation is effectuated at the Purchaser's address. In case of the latter, transportation from the Purchaser to **Johs. Tandrup A/S** shall be at the Purchaser's account and risk, whereas transportation from **Johs. Tandrup A/S** to the Purchaser shall be at **Johs. Tandrup A/S**' account and risk.

14.6. **Johs. Tandrup A/S** shall not be liable for defects caused by materials provided by the Purchaser or by installations prescribed or specified by the Purchaser, or caused by events occurring after the actual delivery, e.g. inadequate maintenance, faulty installation on the part of the Purchaser, alterations made without **Johs. Tandrup A/S**' written consent, reparations carried out by other than **Johs. Tandrup A/S**' authorized experts, ordinary wear and tear, etc. furthermore, **Johs. Tandrup A/S** shall not be liable for defects that the Purchaser or the Purchaser's representative ought to have discovered at the test-run, cf. Section 6 above.

14.7. Notwithstanding the provisions of Sections 14.1 - 14.6, **Johs. Tandrup A/S**' liability for defects shall not apply to any part of the Products one year from the date of the original delivery have lapsed.

14.8. **Johs. Tandrup A/S** shall only be liable for defects as provided for in Sections 14.1 - 14.7. This shall also apply to liability for any loss caused by the defect unless where this may be attributed to gross negligence on the part of **Johs. Tandrup A/S**. **Johs. Tandrup A/S** shall in no event be liable for operating losses, loss of profits or other related financial losses, even if such losses are attributable to **Johs. Tandrup A/S**.

14.9. If no deviation exists for which **Johs. Tandrup A/S** is responsible, **Johs. Tandrup A/S** is entitled to remuneration for the work and costs, the complaint have been unduly incurred **Johs. Tandrup A/S**.

14.10. At **Johs. Tandrup A/S**' discretion, defects in the goods sold will be remedied or replaced. If the defect is remedied, the Purchaser is not entitled to additional remedies. Should repair or replacement, in relation to the above, not occur within a reasonable time, the Purchaser shall - subject to Danish law and to these terms and conditions - be entitled to cancel the agreement, demand a reduction in the purchase price or claim damages.

14.11. Limitation of liability for delays and/or deviations from a claim for compensation or a claim for pro rata reduction to **Johs. Tandrup A/S** may not exceed the amount paid for the item sold.

14.12. **Johs. Tandrup A/S** is not liable for loss of profit, loss or other indirect losses arising from the Agreement, including indirect losses arising as a result of delays or defects in the goods sold.

15. Liability for damage to property (product liability)

15.1. The Purchaser shall guard and indemnify **Johs. Tandrup A/S** from all claims, whether or not meritorious, allegedly arising out of or resulting from the sale of or distribution of the Products, including but not limited to costs of litigation, attorneys' fees, and settlement or judgment arising out of

- a) **Johs. Tandrup A/S**' own passive or active negligence but not its own gross negligence with respect to the manufacture and distribution of the Products,
- b) strict liability in tort with respect to the manufacture and distribution of the Products,
- c) breach of warranty with respect to the manufacture and distribution of the Products, and
- d) the enforcement of this indemnity agreement.

15.2. Furthermore, **Johs. Tandrup A/S** shall not be liable to the Purchaser for any damage caused by the Products with respect to:

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- a) damage to real or personal property occurring while the Products are in the Purchaser's possession; or
- b) damage to products made by the Purchaser, or to products in which these form part, or damage to real or personal property caused by said products as a consequence of the Products; or
- c) any operating losses, loss of profit or any other related financial loss allegedly arising out of or resulting from the sale of or distribution of the Products.

15.3. Said restrictions in **Johs. Tandrup A/S**' liability shall not apply in the event of gross negligence on **Johs. Tandrup A/S**' part; however, **Johs. Tandrup A/S**' liability shall in no event exceed 5.000 EUR for each case of damage, whereby is understood all damage attributable to one and the same defect or negligent act.

15.4. The Purchaser shall maintain an adequate level of insurance of no less than 10.000 EUR to cover all claims and liabilities arising out of the sale of the Products and shall ensure that **Johs. Tandrup A/S** be named as an additionally insured party under such policy. The Purchaser shall upon **Johs. Tandrup A/S**' request forthwith provide **Johs. Tandrup A/S** with sufficient documentation for its compliance with the present provision, including a copy of the policy.

15.5. If a claim is advanced by a third party against one of the two parties according to Sections 15.1 and 15.2, the relevant party shall forthwith notify the other party thereof. **Johs. Tandrup A/S** and the Purchaser shall be subject to mutual obligation to accept legal proceedings at any court or arbitration tribunal that try claims for compensation made against either of the parties on the grounds of damage or loss, allegedly caused by events as described in Sections 15.1 and 15.2. However, any dispute between the Purchaser and **Johs. Tandrup A/S** shall at all times be settled in accordance with Section 14.

16.

16.1.

Force majeure

Johs. Tandrup A/S shall not be liable for the following causes or events where such causes or events hinder the performance of the agreement or make the performance thereof unreasonably onerous to **Johs. Tandrup A/S**: Labour disputes and any other cause or event beyond **Johs. Tandrup A/S**' control, including, but not limited to, fire, natural disasters, war, mobilizations or calling up for military service to a similar extent, riots, commotions, requisitions, confiscation, exchange control restrictions, transport hindrances, power restrictions, embargoes on imports or exports and defaults in delivery on the part of sub-contractors caused by causes or events as mentioned above.

16.2. Irrespective of the provisions of the present General Terms and Conditions of Sale, either party may terminate the agreement by written notification to the other party should the fulfillment of the agreement be hindered for more than four months by a case of force majeure as described in Section 16.1.

17.

17.1.

Governing law and arbitration

The present General Terms and Conditions of Sale shall be governed by Danish law; however, the provisions of the United Nations' Convention on the International Sale of Goods (CISG) shall not apply to these Terms and Conditions.

17.2. Any dispute or claim arising out of or relating to the present Terms and Conditions, or the breach, termination or invalidity thereof, shall be settled by binding arbitration in accordance with the "Rules of Procedure of the Danish Institute of Arbitration." The Arbitration Tribunal shall be composed of three arbitrators. Each party appoints an arbitrator, while the chairman is appointed by the Institute. The language of the arbitral proceedings shall be Danish.