

## Terms and conditions of sale

Kronings®

Rev. 5 / 01.12.08

### 1. Scope of the contract

These Conditions shall apply to all contracts for the sale of Goods by the Seller to the Buyer to the exclusion of all other terms and conditions including any terms or conditions which the Buyer may purport to apply under any purchase order, confirmation of order, or similar document. Any oral agreements with representatives etc require Seller's written confirmation.

### 2. Delivery times

Delivery times are not binding unless specifically agreed. In case of larger orders Seller reserves the right of partial deliveries. Each partial delivery is understood as the execution of a separate order in compliance with Seller's terms of delivery and payment. Seller can only exceptionally accept call-off orders without a limited purchase obligation, and only upon agreement. Seller is only liable for delays if they occurred deliberately or due to gross negligence. All orders confirmed by Seller are binding for the Buyer.

### 3. Product deficiency

The Buyer shall within 5 days of delivery notify the Seller of any apparent defects or deficiencies. Other defects shall be notified within 1 month upon delivery. If defects are not notified in time and in writing, it will not be possible to make any demands. Assured qualities must clearly be stated as such. If claims are made in time and in writing, Seller can choose to either replace the goods or deliver without cost spare parts or refund the purchase price and in such case Seller would need the claimed goods to be returned. If the replacement goods are for some reason not submitted, the Buyer can reduce the refund or demand a cancellation of the contract. With this, all further guarantee demands would be explicitly eliminated.

### 4. Returns

Returns are only accepted subject to prior agreement. Special orders, open boxes and nonmarketable goods shall be excluded from repossession unless otherwise agreed in writing. Returns, which are not on Seller's account, shall be paid by the sender. Agreed returns will be credited with the invoiced amount less 10%.

### 5. Ownership reservation

The goods supplied shall remain Seller's property until the invoice is duly paid, including all incidental costs. The Buyer is entitled to resell the goods in a proper business procedure as long as no bankruptcy or judicial settlement has been declared against the Buyer. The Buyer already now relinquishes all demands with all extra rights in the above-mentioned cases resulting from the onward sale to third parties. If the Buyer gets in arrears with payments or does not comply with Buyer's obligations from the ownership reservation, Seller can demand the goods from the Buyer, and giving a reasonable notice and deduction of additional charges, Seller can use the goods for resale. In a partial payment business of a Buyer who is not registered as tradesman in the trade directory this kind of repossession is considered as cancellation. In such cases the rules of the Credit Sale Act apply.

### 6. Retention, additional charges and liability

The Buyer has no right of retention. The Buyer can only set off against uncontradicted or enforceable claims. A liability, of whatever legal foundation, on Seller's side presumes intent or gross negligence. This especially applies to liability for loss through delay or indemnification from default.

### 7. Law and payment

If Seller is affected by an event of Force Majeure, such as but not limited to war, governmental action, strikes, lockouts, shortage or inability to obtain suitable material, supply or production delays or other causes or circumstances beyond Seller's reasonable control, Seller shall be released without any liability from the performance of Seller's obligations under this Agreement. The above-mentioned right of retention is also in force in case of subsequently known payment difficulties of the Buyer or negative information about the Buyer.

### 8. Sale and payment

If an end-quantity is not purchased by an agreed date or if payment obligations are not met, Seller has the right to set a deadline of 8 days and demand termination of the contract or compensation for damages if this deadline is not met. Overdue is invoiced with 2% interest per month.

A deadline is not necessary if the Buyer has clearly stated that he will not accept the receipt or the payment of the goods. If Seller demands compensation for damages, the compensation would be 15% of the purchase price unless the damage is higher or the Buyer can prove a lower damage.

### 9. Pricing

The Price for the Goods shall be the Seller's quoted price valid on the date of order unless nothing else is agreed in writing. All prices are net prices plus VAT, if any.

### 10. Terms of payment

Payments shall be made net by the Buyer within 30 days from the date of invoice nothing else is agreed. The Buyer must be approved by Euler Hermes for insurance against credit loss of the Seller. If the Buyer cannot be approved by Euler Hermes payment terms are pre-payment. The Buyer cannot cancel any order due to lack of credit approval by Euler Hermes, but are through binding order bound to prepay and buy the ordered quantity of goods. If the deadline is exceeded, Seller has the right to invoice default interest of 4% above the applicable MLR (Minimum Loan Rate).

### 11. Place of performance and venue

The place of performance of both parties is EXW (ex works) the Seller arrange transport at Buyers cost. The venue for deliveries to tradesmen is Copenhagen. If any provision of these Terms and Conditions of Sale become invalid or unenforceable, the remainder of these Terms and Conditions shall not be affected, and each remaining provision herein shall be valid and enforceable to the fullest extent.

### 12. Product liabilities

Kronings offers a maximum DKK 15,000,000 product liability insurance. Kronings cannot be held liable or responsible to any damage or any indirect losses; hereunder also but not limited to operating profit, time spent, loss of profit and other losses, occurring when selling or operating its products, or in connection with the operation of its products, or the products as a whole. All products must be operated by a person older than 18 years.