

KRONINGS APS GENERAL TERMS OF SALE AND DELIVERY

1. Application

1.1 These General Terms of Sale and Delivery ("General Terms") apply to all offers, order confirmations, sales and deliveries of products, spare parts and/or services (collectively "Products") from Kronings ApS, a company registered in Denmark under the Danish Business Registration no. CVR-40193189 ("KRONINGS") to any customer ("Purchaser"), unless otherwise agreed in writing.

1.2 Should the Purchaser in his offer, in his order or in any other way stipulate provisions which conflict with these General Terms, the General Terms shall take precedence, even in case KRONINGS fails to object to such conflicting provisions.

2. Quotations and conclusion of contracts

2.1 Information in KRONINGS' catalogues, brochures, circulars, advertisements, photographic material, price lists, etc., specifying quality, dimensions, weight, performance etc. are for reference only and are not binding.

2.2 KRONINGS shall not be deemed to have accepted Purchaser's purchase order, unless Purchaser has received a written order confirmation from KRONINGS containing an acceptance of Purchaser's purchase order or KRONINGS has received written, timely, coherent and unconditional acceptance from Purchaser of KRONINGS' quotation.

2.3 KRONINGS shall not be bound by its offer, if Purchaser's acceptance deviates from such offer.

3. Intellectual Property Rights

3.1 Materials created, designed and/or manufactured by KRONINGS, i.e. quotations, drawings, technical documents and any patent, Products, utility model, design right, copyright (including any right in computer software), database right or topography right (whether or not any of these are registered and including applications for registrations of any such thing) and any trade secret, know-how or any right or form of protection of a similar nature or having equivalent or similar effect to any of those which may subsist anywhere in the world, including any trademark, service mark, trade or business name ("Intellectual Property Rights"), remain the property of KRONINGS, irrespective whether the Intellectual Property Right is invoiced separately to Purchaser, unless otherwise agreed in writing.

3.2 KRONINGS shall not be deemed to have assigned, transferred or otherwise granted any rights to any Intellectual Property Rights to the Purchaser or any third party.

3.3 KRONINGS' Intellectual Property Rights shall be treated by the Purchaser with confidentiality and shall not be distributed, copied and/or entrusted to any third party without KRONINGS' prior written approval.

3.4 In case of Purchaser's breach of section 3.3, Purchaser shall pay an agreed penalty of DKK 100,000 per breach to KRONINGS. If the breach is the bringing about and maintenance of a certain state of affairs, each commenced calendar month in which the state of affairs is maintained is regarded as one breach. If KRONINGS' loss due to Purchaser's breach of section 3.3 exceeds the agreed penalty specified in this subsection, KRONINGS is entitled to claim compensation for its full loss. KRONINGS is moreover entitled to obtain an injunction, without provision of security, against Purchaser's unlawful activities.

4. Prices, price change and expenses

4.1 All prices quoted by KRONINGS are in DKK exclusive of VAT, other taxes, customs or duties, packaging, freight, insurance etc., unless otherwise stated by KRONINGS.

4.2 KRONINGS reserves the right to amend prices quoted without notice to reflect changes in the production costs, prices of materials and changes in public fees, freight, VAT, duties, taxes and exchange rates. Thus, all Products are sold subject to the price stated in KRONINGS's order confirmation or subject to the price valid on the date of delivery.

4.3 All expenses related to Purchaser's alteration of confirmed purchase orders and Purchaser's insufficient order information are borne by Purchaser. KRONINGS must confirm alterations of orders requested by Purchaser in writing for alterations to be binding upon KRONINGS.

5. Reservation of Title

5.1 The following has been specifically agreed regarding sales of Products to the Purchaser domiciled in other countries than Germany:

5.1.1 KRONINGS retains title to the Products until all outstanding amounts have been paid, in particular any specific unpaid balances which are owed to KRONINGS as part of the business relationship with Purchaser. KRONINGS is entitled to insure the Products against theft, damage, fire, water damage and other damage for Purchaser's account unless Purchaser has verifiably taken out such insurance.

5.1.2 If Purchaser breaches the contract, in particular in the event of payment default, KRONINGS is entitled, after the service of written notice, to repossess the Products. This does not constitute cancellation of the contract. Purchaser is obliged to inform KRONINGS without delay of any matters relating to the retention of title, in particular measures regarding restraint on property or actual interference with the retention of title.

5.2 The following has been specifically agreed regarding sales to the Purchaser domiciled in Germany:

5.2.1 KRONINGS retains title to the Products until complete payment of all secured claims including any balances from a current account relationship with the Purchaser. The Products as well as all goods replacing the Products which are subject to the retention of title pursuant to this clause, are referred to in the following as „Products subject to retention of title“.

5.2.2 The Purchaser may process and sell the Products subject to retention of title in the course of normal business as long as the Purchaser is not in delay. Pledges or the creation of security interests in regard to the Products subject to the retention of title are not admissible.

5.2.3 Processing or modifying the Products subject to retention of title shall always be accomplished on behalf of KRONINGS as producer within the meaning of § 950 BGB (German Civil Code). An obligation on the side of KRONINGS, however, shall not be created thereby. In the event that the Products subject to retention of title are processed, modified, connected to or mixed with other goods, which do not belong to KRONINGS, it is hereby agreed that KRONINGS shall acquire co-ownership of the new goods based on the relation of the value of the Products subject to retention of title (invoice value including VAT) to the goods processed, modified, connected or mixed at the time of the processing, modification, connection or mixture.

5.2.4 The Purchaser shall deposit and keep properly insured the Products subject to retention of title on behalf of KRONINGS and without consideration.

5.2.5 For security purposes, the Purchaser hereby transfers all his claims (including all balances from the current account, ownership and co-ownership) which result from the sale, processing, modification, connection or mixture of the Products or from any other legal basis (insurance or tort law) with regard to the Products subject to retention of title to KRONINGS. KRONINGS accepts the transfer. KRONINGS authorizes the Purchaser to collect the transferred claims in his own name on behalf of KRONINGS. This direct debit authorization, however, may be revoked if the Purchaser does not properly fulfil his payment obligations.

5.2.6 In the event of pledges, seizure or other disposals or interventions concerning the Products subject to retention of title by third parties, the Purchaser is obliged to inform the third party of the property of KRONINGS and to notify KRONINGS thereof without delay. All costs and damages caused thereby shall be borne by the Purchaser.

5.2.7 Upon demand of the Purchaser, KRONINGS is obliged to release his granted securities to the extent as their realizable value is exceeding the open claims to be secured by more than 20%.

5.2.8 If the Purchaser does not comply with his duties provided by these General Terms, KRONINGS may withdraw from the contract and may claim the Products subject to retention of title to be returned. In particular, a delay in payment shall be regarded as non-compliance by the Purchaser.

5.2.9 The provisions in this section 5.2 are governed by the laws of the Federal Republic of Germany excluding its choice of law provisions and excluding the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) (CISG).

6. Delivery

6.1 Delivery of Products shall be made in accordance with the delivery clause Ex Works, cf. Incoterms 2010, at KRONINGS' business address, unless otherwise stated in writing by KRONINGS. Part delivery of Products is permitted. In case Purchaser does not take delivery of the Products at the agreed time for delivery, KRONINGS may invoice Purchaser a handling fee of no less than DKK 3,000 exclusive of VAT.

7. Payment

7.1 Payment must be made within 20 days from KRONINGS' issuance of invoice, unless otherwise agreed in writing. The purchaser has to pay the full amount as prepayment if KRONINGS cannot achieve necessary trade credit insurance coverage of the purchaser.

7.2 If Purchaser exceeds the time for payment, KRONINGS may charge default interest on the account receivable with 2 % per commenced month.

7.3 The Purchaser is not entitled to detain or set-off any amount against any outstanding amount due to KRONINGS.

8. Time for delivery

8.1 KRONINGS continuously endeavours to make delivery at the agreed time. If KRONINGS has not made delivery at the agreed time of delivery, the Purchaser shall fix a final reasonable period of time within which delivery shall be made, which period of time shall not be less than three weeks. Delivery made within the fixed final delivery time shall not constitute a delay, for which KRONINGS is liable to pay liquidated damages or compensation.

9. Delay

9.1 In the event that KRONINGS does not make delivery within the final reasonable time fixed by the Purchaser, and the delay is not attributable to force majeure, or circumstances for which the Purchaser is responsible, the Purchaser may terminate the contract by written notice to KRONINGS with respect to the delayed part of the Products. Termination of a contract on successive delivery is only binding in regard to that part of the Products, which have not yet been delivered.

9.2 Subject to the limitations stated in clause 14 below, and to the fullest extent permitted by applicable law, KRONINGS' liability to pay damages as a result of delay shall for each delivery be limited to an amount which is equal to the purchase price of the Products affected by the delay.

10. Notification of claims

10.1 Upon receipt of the Products Purchaser shall perform an inspection to the standard normally expected for commercial use. If the Products are delayed or defective in relation to quality or quantity, the Purchaser shall notify KRONINGS in writing immediately or in case of the defect not being apparent within 5 working days after the Purchaser has discovered or ought to have discovered the defect. Notification is made by filling in a Customer Request Sheet in full and forwarding it to service@kronings.com. Otherwise, the Purchaser shall forfeit his right to set up a claim against KRONINGS because of defects.

10.2 As regards latent defects, which the Purchaser has not and ought not to have discovered upon inspection, the Purchaser may set up a claim against KRONINGS on account of such defects if Purchaser complains about it promptly upon discovery of the defect. If the Purchaser has not notified KRONINGS within 12 months after the Products were delivered to Purchaser that a defect exists, the Purchaser shall forfeit his right to set up a claim against KRONINGS because of the defect.

11. Defects

11.1 In the event of defects on account of which the Purchaser may set up a claim against KRONINGS, KRONINGS shall be entitled to remedy the defect or deliver Products in replacement, and the Purchaser can thus not terminate the contract, claim compensation or a proportional reduction of the purchase price, unless KRONINGS declares that it will not remedy the defect or deliver Products in replacement.

11.2 Subject to the limitations stated in clause 14 below, and to the fullest extent permitted by applicable law, KRONINGS' liability to pay damages or the Purchaser's right to get a proportional reduction of the purchase price as a result of defects shall for each delivery be limited to an amount that is equal to the purchase price paid for the defective Products.

12. Returning of Products

12.1 Subject to prior written agreement with KRONINGS, Purchaser may return Products to KRONINGS subject to the limitations stated in this clause 12.

12.2 Custom-made Products, special orders, open boxes and non-marketable goods may not be returned.

12.3 Packaging and shipment of Products that may be returned according to agreement with KRONINGS is paid for by Purchaser. Shipment of the Products to KRONINGS shall be at Purchaser's risk.

12.4 A copy of KRONINGS' sales invoice and packing list must be enclosed, when the Products are returned, and the delivery date must be informed to KRONINGS, otherwise KRONINGS is not obliged to handle the returned Products.

12.5 Products returned in unopened packing are credited with the invoice amount less 10%. Products returned in opened packing or without packing are not credited.

13. Force Majeure

13.1 KRONINGS is not liable for any non-fulfilment caused by force majeure, including but not limited to war, riots, intervention by governments or local authorities, strikes, lock-outs, export or import bans, bad weather conditions, fire, lack of raw material, man power, energy supplies or breakdown of machinery, cyber-attacks, etc., and irrespective whether such impediments affect KRONINGS or any sub-supplier. In case of force majeure, the time of delivery is postponed for a period corresponding to the duration of the impediment. Each party is however, entitled to terminate the contract regarding the relevant deliveries in writing, if the impediment has lasted or is expected to last more than 2 months.

14. Limitation of liability

14.1 KRONINGS' liability to pay damages shall in all circumstances be limited as described below.

14.2 To the fullest extent permitted by applicable law, KRONINGS shall not be liable for Purchaser's or other parties' operating loss, loss of time, loss of profit, loss of earnings, or any indirect loss or consequential or damages.

15. Liability for Damage to Property caused by the Products

15.1 Subject to the limitations stated in this clause 15, KRONINGS is liable for product liability damage pursuant to Danish law. Attention is drawn to the fact that all Products must be operated by a person at the age of 18 or older.

15.2 To the extent that KRONINGS is liable to pay compensation due to product liability, KRONINGS' liability shall in any event be limited to direct loss. In no event shall KRONINGS be liable for operational loss, loss of production, loss of earnings, loss of profits, loss of savings, loss of data, loss of goodwill or any indirect loss or consequential damage.

15.3 KRONINGS' product liability towards Purchaser shall in any event be limited to DKK 15 million (15,000,000) per calendar year.

15.4 To the extent that product liability is imposed on KRONINGS because of a third-party claim, the Purchaser shall indemnify KRONINGS to the same extent, as KRONINGS's liability is limited towards the Purchaser in accordance with the above.

15.5 Should a third-party file a claim for compensation pursuant to the above against either KRONINGS or the Purchaser, the party in question shall without delay inform the other party of same.

15.6 The above limitations in KRONINGS's liability shall not apply where KRONINGS has been guilty of gross negligence or wilful misconduct.

16. Partial invalidity

16.1 If one or more of the terms and conditions in these General Terms or any part of a term is deemed invalid, unenforceable, illegal or inoperable, the validity, enforceability, legality or operability of all other terms and conditions shall not be affected or diminished thereby.

17. Applicable law

17.1 Except for subsection 5.2 above, these General Terms and any subsequent contract shall be governed by Danish law, excluding its choice of law provisions and including the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) (CISG).

18. Disputes

18.1 Any dispute arising out of or in connection with these General Terms and any subsequent sales contract, including any disputes regarding the existence, validity or termination thereof, shall be settled by mediation administered by The Danish Institute of Arbitration in accordance with the rules on mediation adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced.

18.2 If the mediation proceedings are terminated without a settlement, the dispute shall be settled by arbitration administered by The Danish Institute of Arbitration in accordance with the rules of arbitration procedure adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced. The place of arbitration shall be Kolding, Denmark. The language to be used in the arbitral proceedings shall be English.