

Terms and Conditions of Sales and Delivery of the Tvilum A/S group for sales in countries other than Germany.

Clause 1 Scope of application

The present terms and conditions shall apply unless otherwise expressly agreed and accepted in writing by the Supplier.

Clause 2 Delivery

If nothing else is agreed between Customer and Supplier delivery will be Ex Works the Supplier's factory (Incoterms 2000).

If a term of delivery other than Ex Works Supplier's factory has been agreed, then the goods must be checked immediately upon receipt and any complaints concerning transport damages and/or short deliveries must immediately be communicated to the Supplier as well noted on the consignment note, otherwise the Customer acknowledges and accepts that any right to advance a claim with regard to transport damages and/or short deliveries towards the Supplier will be lost.

Approximate delivery times shall be agreed in connection with receipt of the order. Fixed delivery times need to be agreed in writing to be valid.

In the event a fixed delivery time agreed in writing is exceeded, a delay in delivery shall not be deemed to exist until the Customer has granted the Supplier a suitable extension and such new deadline has been exceeded.

Clause 3 Transport insurance

Transport insurance shall be taken out by the Customer. Furthermore, the Customer undertakes to keep the goods insured at all times until payment has been made to Supplier in full. Such insurance shall name the Supplier as an insured. On request the Customer shall produce the policy of insurance to the Supplier.

Clause 4 Delay by the Supplier

In the event of the Supplier realising that the agreed delivery time cannot be complied with, or that a delay on the Supplier's part is likely, the Supplier shall forthwith inform the Customer thereof, while at the same time – in so far as is possible – informing the Customer of the time when delivery can be expected to be effected.

In the event of a delay in delivery, the

agreement shall be terminable by the Customer only on account of a delay in delivery attributable to the Supplier which exceeds one month. The Customer shall be entitled to no other remedies or damages on account of any delay in delivery.

Clause 5 Delay by the Customer

For as long as a delay exists in the Customer's performance of his obligations to the Supplier, including obligations pertaining to previous deliveries, the Supplier's delivery obligation(s) shall be suspended. This shall also apply in the event of such circumstances arising during an existing delay in the performance of the Supplier's obligations.

In the event of the Customer realising that he will not be able to receive the goods at the agreed date, or if a delay on the Customer's part must be deemed to be likely, the Customer shall forthwith inform the Supplier thereof in writing, at the same time stating the reason for such delay and, if possible, a time when delivery must be expected to be possible.

The Customer shall, however, be obliged to effect payment as if delivery of the goods in question had taken place.

The Supplier shall arrange for the goods to be stored for the Customer's account and risk. If requested to do so by the Customer, the Supplier shall take out insurance of the goods for the Customer's account.

The Supplier shall be entitled, but not obliged, to urge the Customer in writing to receive the goods within a deadline of 15 days. In the event of the Customer not receiving the goods within the stipulated deadline, the Supplier shall be entitled to rescind the agreement in writing in so far as the goods are concerned which are ready for delivery and which have not been received on account of the Customer's delay.

In such event, the Supplier shall be entitled to compensation for any losses sustained by him on account of the Customer's non-performance.

Clause 6 Payment

The purchase sum shall fall due for payment in cash upon delivery of the goods in pursuance of Clause 2. In the event of payment not being effected by the Customer on time, the Supplier shall be entitled to charge interest on overdue payment as from the due date at a rate of 1.5 per cent per month or part thereof.

Prices are exclusive of VAT.

In the event of non-performance, the Customer shall be obliged to pay all costs incidental to the collection of the debt, including the fees of the Supplier's solicitors, debt collection agency etc.

Clause 7 Retention of title

The Supplier shall retain title in the goods sold until such time as payment of the agreed price, including any interest, has been effected. Until such time, the Customer shall:

- a) hold the goods on a fiduciary basis;
- b) store the goods (at no cost to the Supplier) separately from all other goods of the Customer or any third party in such a way that they remain readily identifiable as the Supplier's property;
- c) not destroy, deface or obscure any identifying mark or packaging on or relating to the goods; and
- d) maintain the Goods in satisfactory condition and keep them insured in accordance with Clause 3 above.

Clause 8 Non-conformities

The Supplier's liability for non-conformities shall be limited to the Supplier, at his own discretion, effecting a replacement delivery, rescinding the order, a relative discount or remedying the non-conformity. The return of goods in respect of which a complaint has been made shall be subject to the Supplier's consent. The Customer shall continue to carry the risk for any goods returned.

Clause 9 Complaints

The Customer's right to invoke non-conformities shall be limited to a period of two years from delivery in accordance with Clause 2. In the event of non-conformities the Customer shall forthwith inform the Supplier thereof as the Customer shall otherwise forfeit the right to make claims based on non-conformities.

Clause 10 Limitation of liability

Except in cases where it would be a violation of statutory law for the Company to exclude or attempt to exclude its liability, the Supplier's liability shall, notwithstanding the legal grounds therefor, be limited to the invoice total of the volume of goods directly relating to the damage or injury caused.

In no event, including in the event of product liability, shall the Supplier be liable for any operating losses, loss of profit or other indirect losses sustained, including financial losses.

Clause 11 Product liability

The Supplier shall be liable for damage to property caused by the product only if it can be proved that such damage is attributable to errors or omissions on the part of the Supplier or the Supplier's employees.

To the extent that the Supplier may incur product liability in relation to any third party, the Customer shall be obliged to indemnify the Supplier to such an extent as the Supplier's liability is limited under item 1 of the present provision.

In the event of any third party setting up a claim for damages against the Customer on account of the damage or injury caused by the product, the Customer shall forthwith inform the Supplier.

Clause 12 Force majeure

The Supplier accepts no liability in respect of circumstances beyond the Supplier's control, including but not limited to: Labour conflicts, including labour conflicts among the Supplier's own workforce, fire, war, mobilisation or unforeseen military call-ups of similar scope, requisition, sequestration, foreign currency restrictions, uprisings and unrest, general scarcity of goods, non-conformities or delays in deliveries by sub-suppliers or a shortage of transport unless the last-mentioned shortage could have been foreseen by the Supplier.

Notwithstanding the contents of the present General Terms and Conditions of Sale and Delivery, either party shall be entitled to rescind the agreement by notifying the other party in writing in the event of the fulfilment of the agreement being hampered for more than six months by any of the events mentioned in the present provision.

Clause 13 Governing law and venue

Any dispute between the Customer and the Supplier shall be settled in accordance with Danish law. However, the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 shall not apply. Any legal proceedings shall, at the Supplier's discretion, be brought before the Supplier's or the Customer's venue.