

General Terms and Conditions of Nikodan Conveyor Systems A/S

1. Validity

The General Terms and Conditions apply to all offers, sales and deliveries unless any other written agreements have been made.

2. Offers

All offers are submitted subject to prior sale; refer to Section 3. If the Seller submits an offer without a specific acceptance deadline, the offer is rendered invalid if the Seller does not receive acceptance within a period of four weeks after the date of the quotation.

3. Prior sales

Until the Purchaser accepts the offer, the Seller is entitled to conclude a contract with a third party for the offered goods; as a result the offer to the Purchaser is rendered invalid. After receipt of acceptance, the Seller is obliged to inform the Purchaser in writing without any unjustified delay that the offer is no longer valid.

4. Price

All offers are made in Danish kroner without value added tax. Prior to delivery the Purchaser is obliged to accept any changes in price for the agreed supplies caused by the exchange rate, customs duties, taxes, fees, freight costs etc.

In the event of works supplies, the invoiced prices shall be based on the weight or quantity calculated at the works.

4.1 Material prices are based on the current market price and are regulated in the event of fluctuations exceeding +/- 3 %.

5. Payment

5.1. Payment must be effected at the latest on the last day of the payment period stated on the invoice. If not otherwise specified, payment must be made in cash upon delivery.

5.2. If delivery is delayed due to circumstances related to the Purchaser (acceptance default), the Purchaser is still obliged to effect payment to the Seller - unless the Seller has informed the Purchaser to the contrary - as if the goods had been supplied on the specified date.

5.3. If payment is effected after the due date, the Seller is authorised to charge two percent interest for the outstanding payment for each commenced month from the due date onwards.

5.4. The Purchaser is not entitled to offset any counterclaims towards the Seller that have not been accepted in writing by the Seller. The Purchaser is also not entitled to retain a part of the due payment on the basis of counterclaims of any kind.

6. Retention of title

6.1. The Seller retains the proprietary rights to the sold goods until payment of the full due sum including any resulting costs to the Seller or the third party to whom the rights have been transferred has been effected; also refer to Section 15.

6.2. If the goods are to be sold with the intention of subsequently integrating these into other objects or combining these with other objects, the sold goods are not covered by proprietary rights if the goods have already been integrated or combined.

6.3. If the sold goods are modified or processed, the proprietary rights remain intact, so that the modified or processed goods are subject to these rights to the value of these goods when they were sold.

7. Delivery

7.1. Ex works Nr. Snede, if nothing to the contrary has been agreed.

7.2. The goods shall be delivered from the address of the Seller, irrespective of whether the Seller has the sold goods delivered to the Purchaser by his own personnel or by a third party in accordance with a special agreement with the Purchaser.

7.3. The delivery time shall be specified at the discretion of the Seller depending on the circumstances that prevailed when the offer was submitted or the contract concluded. If nothing to the contrary has been expressly

agreed, a delay in delivery by the Seller of 14 days due to any circumstances related to the Seller is regarded as compliant with the agreed delivery conditions and the Purchaser is not entitled to make any claims toward the Seller solely for this reason.

7.4. If a delay in delivery is due to circumstances affecting the Seller as described in Section 12.4., delivery shall be delayed by the period during which the hindrance prevails, whereby both partners are entitled to revoke the contract without any liability if the hindrance prevails for longer than three months. These Terms and Conditions apply irrespective of whether the reason for the delay occurs before or after the agreed delivery period has elapsed.

7.5. In this case the Seller must inform the Purchaser of the change in the delivery date without any unjustified delay.

8. Packaging

8.1. The costs of packaging shall be borne by the Purchaser unless it is expressly agreed that they are included in the agreed price.

8.2. Packaging shall only be returnable if this is specifically agreed.

9. Product information

Drawings, specifications etc. supplied by the Seller before or after conclusion of contract remain the property of the Seller and may not be re-used or used for any other purpose without a written agreement.

10. Product modifications

The Seller reserves the right to make modifications to the agreed specifications without prior notice if these do not have any negative consequences for the Purchaser.

11. Defects and claims

11.1. Guarantee period: 12 months from the date of delivery, assuming continuation of up to eight hours of normal daily operation.

11.2. Upon delivery the Purchaser must inspect the goods immediately in a manner that is deemed to be customary commercial practice.

11.3. If the Purchaser wishes to make a claim for defects, he must inform the Seller in writing, stating the reason for the claim, immediately after the defect was discovered or should have been discovered. If the Purchaser has determined the defect and has not made a claim in the described manner, it is not possible to make a claim at a later point in time.

11.4. The Seller shall decide whether the defects are to be remedied or whether new goods shall be supplied.

11.5. If the defects are not remedied or new goods supplied as stipulated in Section 11.4 within an appropriate period, in compliance with standard Danish commercial practices and these Terms and Conditions the Purchaser is entitled to revoke the contract, reduce the price of the purchased goods or submit a claim for damages.

11.6. If the Purchaser has not submitted a claim towards the Seller within a period of six months after the delivery date, it is no longer possible to submit any claims. For parts that have been replaced or repaired in compliance with Section 11.4, the Seller is liable to the same extent as for the other goods for a period of six months; however the liability of the Seller cannot be extended for any part of the sold goods for more than one year from the original date of delivery.

11.7. Modifications to or manipulation of the sold goods without the express consent of the Seller relieve the Seller from any liability.

12. Limitation of liability

12.1. Any claims for replacement towards the Seller shall not exceed the invoiced sum of the purchased goods.

12.2. Only the Purchaser with whom the Seller concluded the contract is entitled to make a claim for replacement towards the Seller.

12.3. The Seller does not bear any liability for operational downtimes, loss of profit or any other indirect losses connected with the con-

tract, including indirect losses arising from delays or defects of the sold goods.

12.4. The following circumstances result in exemption from liability of the Seller if they prevent fulfilment of contract or make fulfilment inappropriately difficult: Labour disputes or any form of event beyond the control of the Partners to the contract such as fire, war, mobilisation or a corresponding scope of unexpected military enlistment, requisition, confiscation, currency restrictions, riots and unrest, lack of means of transport, general shortage of goods, fuel restrictions as well as defects or delays to goods of sub-suppliers that are due to the described circumstances. Should the described circumstances occur before the offer was made or the contract was concluded, exemption from liability is only applicable if its influence on fulfilment of contract could not have been anticipated at this point in time.

12.5. It is the responsibility of the Seller to inform the Purchaser in writing without any unjustified delay should circumstances as described in Section 12.4 arise.

13. Returns

13.1. Sold goods may only be returned if an agreement to this effect has been made in writing. Returns: Faulty delivered goods shall be fully refunded when they are returned. Other goods that are returned carriage paid as agreed shall be refunded with a deduction of 10 percent to cover the costs of return.

13.2. In cases in which the Purchaser is entitled to revoke the contract or if the sold goods are returned for replacement or remedying defects, the sold goods must be returned to the Seller in the original packaging as well as at the risk and expense of the Purchaser. Should freight costs be incurred that are borne by the Seller, he is entitled to demand repayment from the Purchaser and offset these with any outstanding claims of the Purchaser towards the Seller. After repair or in the event of replacement the Purchaser is obliged to collect the repaired or replaced goods from the Seller at his own risk and expense.

14. Product liability

The currently valid statutory regulations in Denmark for product liability shall apply at all times. The Seller does not bear any liability for operational interruptions, loss of profit or other indirect losses. A product liability insurance has been taken out with a recognised insurance company.

15. Transfer of rights and obligations

The Seller is entitled to transfer all rights and obligations from the contract to a third party.

16. Disputes

Any disputes between the Parties to the contract shall be governed by Danish law and settled before a court.

17. Should no agreements to the contrary have been made, NLM 94 shall apply (Danish general conditions for the supply and installation of machines and other equipment).

18. Subject to changes in currency exchange rates, price regulations by suppliers, increases in fees, sold-out goods, delays of suppliers and other external circumstances.

