

TERMS OF SALE

1. General

These terms of sale are binding unless otherwise agreed and require no confirmation. Any amendments to these terms must be made in writing by Clorius Controls A/S (hereinafter called Clorius) and shall apply only to the transaction contemplated.

2. Delivery

Times of delivery are approximate and subject to strikes, breakdowns of machinery, accidents, lock-outs, interruptions of work or business, war, force majeure or other causes beyond Clorius' control. Clorius shall assume no liability for any delay or for expenses or penalties incurred by any delay.

3. Prices

- 3.1 Unless otherwise agreed in writing all prices are ex. works Copenhagen (according to latest edition of Incoterms).
- 3.2 In the event of fluctuations in costs of raw materials and labour during the period between confirmation and delivery of goods, Clorius reserves the right to adjust prices accordingly.
- 3.3 The smallest order amount not subject to an additional administrative charge is EURO 270. Back orders caused by Clorius' inability to supply are not subject to administrative charges.

4. Shipping

- 4.1 All risks in respect of the goods shall pass to the Buyer as soon as the products have left Clorius' premises, or as soon as Clorius has otherwise placed the products at the disposal of the Buyer according to agreement in writing.
- 4.2 If the Buyer has given no definite shipping instructions Clorius shall effect shipment according to its best judgement. However, Clorius is not obliged to select the cheapest method of transportation.

5. Insurance

If as per written agreement Clorius shall take out insurance for the Buyer's account, Clorius shall assume no liability whatsoever for the selection of insurance company or its adjustment of claims subsequent to delivery.

6. Complaints

- 6.1 In case of complaints in respect of goods in non-contractual conditions, short delivery or shipment, written notice shall be given to Clorius immediately upon receipt of the goods. Clorius shall assume no liability whatsoever for loss or damage arising or resulting from failure on the part of the Buyer to comply with this provision.
- 6.2 In the event of a justified warranty claim Clorius may at its discretion replace or repair the goods or issue a credit note for the amount paid or debited, provided the goods be returned to Clorius' warehouse, free of charge

7. Product Liability

- 7.1 Clorius shall only be liable for personal injury, if it can be established that the injury is attributable to faults or negligence committed by Clorius or by others for whom Clorius is responsible.
- 7.2 Clorius shall not be liable for damage to immovables or movables, which occurs when the goods are in the Buyer's possession. Otherwise Clorius shall only be liable for damage to immovables or movables as stipulated in 7.1 (personal injury)
- 7.3 Any compensation payable by Clorius shall in no circumstances exceed EURO 674000.
- 7.4 The Buyer agrees to indemnify and hold harmless Clorius against any claims, liabilities, costs or expenses incurred by Clorius in relation to personal injury or property damage suffered by the Buyer's customers or other third parties resulting or arising from defective goods, unless it is established that such injury or damage is solely attributable to defective design or manufacture of goods.
- 7.5 Clorius shall, however, at no time be liable for consequential or incidental loss, loss of income or revenue or any other indirect loss.

8. Warranty

- 8.1 Unless otherwise provided, the warranty period is 12 months covering any defects in material or craftsmanship found and notified to Clorius in writing without delay. This warranty shall, at Clorius' discretion, cover repairs, replacement, service replacement or crediting of the goods in question.
- 8.2 The warranty shall be void if the goods are in bad repair or maintenance or if attempts have been made to repair them or if they have been modified without Clorius' written consent.
- 8.3 The warranty shall also be void if the goods are used for purposes for which they were not designed or intended or if they are installed and used in contravention of the directions given by Clorius.
- 8.4 Clorius shall, however, at no time be liable for consequential or incidental loss, loss of income or revenue or any other indirect loss.

9. Terms of Payment

- 9.1 All goods are sold on the terms of payment stated in Clorius invoices. Any default in payment shall entitle Clorius to suspend shipment or to cancel unexecuted orders. If payment is overdue, interest will be charged.
- 9.2 The rate of interest will be stated in the order confirmation and in the invoice.
- 9.3 The Buyer shall not be entitled to withhold payment or to set off counterclaims against goods or services supplied.

10. Retention of Title

- 10.1 The legal property in the goods shall not pass to the Buyer until the purchase price including interest and expenses have been fully paid.
- 10.2 Until the purchase price has been fully paid the Buyer shall:
- a. not pledge the goods or documents of title thereto,
 - b. not allow any lien to be created on the good, and
 - c. secure that the goods are or remain fully insured.

11. Patents, Trademarks, etc.

Clorius shall warrant that the goods manufactured and supplied by Clorius do not infringe any third party's proprietary rights, patents, copyrights or trademarks in Denmark, but shall not provide any express or implied warranty that the goods do not infringe any such rights of a third party outside Denmark, in particular in the Buyer's country, and Clorius shall not be liable to defend any alleged infringement suit or to pay any costs, damages or royalties arising from such infringement.

12. Return of products

- 12.1 Return of products can only take place if agreed with Clorius and return will only be possible for saleable products returned in undamaged Clorius packing. Invoice number for the returned products must be stated. If the invoice number is not stated, Clorius reserves the rights to charge extra costs in addition to the costs stated in 12.4.
- 12.2 Return of the goods at consignors account and risk.
- 12.3 Products at a value less than EURO 55 are not taken back.
- 12.4 For returned products an administration charge of min. 20% - minimum EURO 35 - will be charged.

13. Venue

Any dispute which may arise between the Buyer and Clorius shall be governed by Danish Law and settled by the Maritime and Commercial Court in Copenhagen, which has been accepted as venue by both parties.

Clorius Controls A/S
Tempovej 27
DK-2750 Ballerup

Tel. (+45) 77 32 31 30
Fax (+45) 77 32 31 31