



## Terms of sales and delivery

### 1. Definition of terms

- 1.1. These general terms of delivery apply to all deliveries from Prolon Control Systems ApS, hereafter called Seller.
- 1.2. Other terms are only binding if they are agreed upon in writing.
- 1.3. The interpretation of the delivery terms such as "Ex works", "DDU" etc. shall be in accordance with present Incoterms, at the present time Incoterms 2000.

### 2. Extent of the delivery

- 2.1. The order confirmation is decisive of the extent and execution of the delivery. Materials and services, which are not included in the order confirmation, will be charged separately.
- 2.2. Deliveries by instalments are allowed.

### 3. Prices

- 3.1. The prices are calculated according to the present valid price list unless otherwise agreed upon in writing by the parties.
- 3.2. Seller reserves his right to adjust the price as a consequence of increases in payroll costs or in material prices at the time between the offer and the contractual delivery.
- 3.3. All prices are Ex Works (cf. Incoterms 2000). Other conditions are only binding if they are agreed upon in writing.

### 4. Delivery time

- 4.1. The delivery time has been stated according to the known conditions at the order or offer time about delivery from Seller's suppliers.

### 5. Late delivery

- 5.1. Seller shall not be liable for loss caused by late delivery. If force majeure or other conditions beyond Seller's control cause delays, delivery will be postponed as long as the delay lasts. If the obstacle for the delivery cannot be solved or can only be solved with disproportionate costs, Seller may, at its option cancel the order.

### 6. Shipment

- 6.1. The packaging is not returnable.
- 6.2. All deliveries follow on Buyer's own account and risk. The risk passes to Buyer at the time of shipment at the latest and more specified also when part deliveries follow, or if Seller has taken over other services such as transport costs or installation. The Buyer is reliable for insurance against all losses.

### 7. Terms of payment

- 7.1. Unless no other terms have been agreed upon, all invoices are to be paid within 30 days net from date of invoice without discount. By payment within 5 days 1½% can be deducted from the invoice amount.
- 7.2. Buyer shall pay interest on any invoice not paid when due from the due date at the rate of 1 ½% per month.
- 7.3. The Buyer shall always pay costs and additional charges as a result of judicial collection of amounts due. Dates of payment are also to be kept even though transport, delivery, installation or commissioning has been delayed or will be impossible by reasons for which the Seller is not responsible.

### 8. Cancellation of orders

- 8.1. Buyer may not cancel current orders except upon the written consent of Seller and upon terms that will fully indemnify Seller against loss.

### 9. Product responsibility

- 9.1. The product responsibility for commercial material damage is limited to one year from the time of delivery and may amount to DKK 500,000 as a maximum. Seller is not liable for Buyer's or third parties operating loss, loss of profit or indirect losses in connection with damage, which is caused by the damaged object. Buyer to indemnify Seller for losses caused by damage on third party, which may arise out of the fact that the sales object, is a part of Buyer's product. The Buyer shall then let himself sue at the same court, which is handling third party's claim for damages against Seller.

### 10. Remedy of defects

- 10.1. Seller's remedy of defects at the delivered objects include free replacement of components, which are defect because of material or production defects as well as subsequent delivery of missing parts, however, limited to a period of 12 months from date of delivery. This is on the condition that Buyer has followed the instruction concerning operation and maintenance from Seller or Seller's supplier. Furthermore Seller or Seller's repairman shall make repairs.  
If replacement parts or missing parts cannot be procured, Seller compensates the value of non-defective components at the time of delivery. Buyer is not claiming defects entitled to cancel the purchase, claim compensation or price reduction.

### 11. Retention of title

- 11.1. The products remain Seller's property until Buyer has paid the full purchase price.

### 12. Rights towards third party

- 12.1. If the Buyer at the time for risk transition period is being aware of the fact that third party has lasting trade protection rights, which prevent him from the ordinary use of certain products from supplier, then the supplier has to either provide the buyer with the right to use or change the product in question to a applicable product, which fulfil the same functions. If this is not possible within a fair time limit, then the supplier and the Buyer may cancel the contract. The Buyer is obliged to inform the supplier immediately, if such complaints about protection violations are made to him.

### 13. Protection rights

- 13.1. Seller has the property right as well as right of ownership to drawings, illustrations, drafts, models and further appendixes. All mentioned appendixes shall not be accessible to third party without specific permission from Seller and must be returned immediately in case the offer does not result in an order.
- 13.2. Buyer is obliged to respect existing patent, design, model and brand rights concerning the products, which Seller have produced or sold.
- 13.3. Buyer is obliged to inform Seller about the rights mentioned in 13.2. if they are not respected by third party.
- 13.4. Buyer is obliged to under no circumstance to build or to copy the products produced or sold by Seller.
- 13.5. In case of Buyer's violation of Seller's protection rights Buyer shall be liable to pay compensation for all damages arisen.

### 14. Secrecy

- 14.1. Buyer is obliged to treat all business relations with Seller confidentially including the content of present agreements.

### 15. Place of payment and legal venue

- 15.1. All payments must be paid to the place of payment as designated by the Seller.
- 15.2. Legal dispute must be settled according to Danish law and by Danish court.