

General Conditions of Sale and Delivery for products supplied by Frese A/S

(in the following referred to as Frese).

The following General Conditions of Sale and Delivery shall apply to all products supplied by Frese, unless otherwise specified in writing between the parties.

Frese assumes no responsibility for errors, if any, in catalogues, brochures, and other printed matter. Frese reserves the right to modify its products without prior notice, including already ordered, if this can occur without changing already stated specifications. All registered trademarks in this material are the property of Frese. All rights reserved.

1. Offers

Offers are not binding on Frese unless accepted by the Buyer within the period of validity stipulated in the offer. If no period of validity is stipulated in the offer, the offer is not binding on Frese until the Buyer's order is accepted by Frese by order confirmation. If Frese's order confirmation does not comply with the purchases additions, amendments, or reservations and this is not acceptable to the Buyer, the Buyer is obliged to notify Frese hereof within a week from receiving the order confirmation. Otherwise Frese's order confirmation shall apply.

2. Delivery - Passing of Risk

If no trade term is specifically agreed on, delivery shall be Ex Works on the address specified by Frese. Where a trade term has been agreed on, it shall be interpreted in accordance with the INCOTERMS in force at the time of entering into the agreement. The risk for the products shall pass to the Buyer upon delivery.

3. Packing

In the absence of another agreement the prices stated in quotation and contract shall include Frese's standard packing.

4. Quantity, Weight

Reservation regarding variations of the ordered weight or quantity shall be subject to the previous distinct agreement between the parties.

5. Product information

The information given in product specifications such as catalogues, circulars, advertisements and illustrated matter constitutes an approximate guide. These data shall not be binding on Frese safe to the extent that they are by reference expressly included in the contract between the parties.

Any drawings, rating instructions, application information and documents the Buyer may receive from Frese either before or after entering into the contract whether the information consists of written documents or in electronic form shall remain the property of Frese. Such information and documents are not without Frese's consent to be used for any other purpose than the application and maintenance of the supplied products and must not be copied, reproduced or handed over to any unauthorised third party or in any other way be brought to the knowledge of any unauthorised third party.

The Buyer has the sole responsibility to ensure that the Buyer's computer equipment has the necessary programmes installed to prevent virus. Frese is not liable if electronic instructions may cause danger to the Buyer's computer programmes.

6. Installation and Application Information

The Buyer is under an obligation to follow all instructions and directions, Frese gives concerning the correct application, installation and dimensioning of the products. Furthermore, the Buyer is obliged to pass on any such information to its customers in the same way as it was received.

7. Prices

Frese's prices shall appear from Frese's price list currently in

force at the time of entering into the contract. Frese reserves its rights to change the prices in case of material changes in the exchange rate of the currency agreed on, or changing prices on raw material or prices from sub-suppliers. Prices quoted as "NET PRICES" are sold Ex Works and exclusive of all taxes, value added tax, duty and levies.

8. Terms of Payment

Frese's terms of payment are 30 days net after the date of the invoice unless otherwise agreed in writing.

In case the Buyer does not affect payment in due time and in accordance with the agreement, Frese shall be entitled to claim penalty interest as from the date of maturity at Frese's usual interest rate, which is at present 1.5% per month. The Buyer is not entitled to withhold payment or deduct any counterclaim against Frese as security for any claims that the Buyer may have on Frese.

If the Buyer fails to pay the due amount in due time, Frese shall be entitled by written notice to terminate the agreement and claim penalty interest at Frese's usual interest rate as well as liquidated damages from the Buyer for any loss Frese may have suffered.

A handling fee of Euro 15,- will be charged if the order is for less than Euro 100,-.

9. Delivery Time - Delay

The time for delivery is stated by Frese in the offer or the order confirmation to the best of Frese's judgement. If, instead, the parties have agreed on a period of time within which delivery shall take place, such period shall start to run at the time of entering into the contract.

If Frese realizes that Frese will not be able to deliver the products at the agreed delivery time, Frese shall forthwith notify the Buyer thereof stating the reason for the delay and the time when delivery can be expected.

Frese is only responsible for delayed delivery if it has been specifically agreed and if the Buyer has fulfilled its contractual obligations. In no event shall Frese be liable for any special, indirect, consequential, punitive or exemplary damages or losses arising out of any delay irrespective of the cause, including but not limited to loss of profit, loss of production, loss of income, loss of goodwill and loss of data

10. Exemption from Liability in Case of Force Majeure Events

Frese is not responsible for delayed delivery if the delay is caused by any of the circumstances stated in clause 17 in these general conditions of sale and delivery (force majeure). Frese shall immediately notify the Buyer if Frese intends to invoke force majeure as a reason for delayed delivery, and Frese has to inform the Buyer about the reason for the delayed delivery and when delivery can be expected.

Frese as well as the Buyer are entitled to terminate the contract by written notice to the other party without being liable if performance of the contract by any of the said reasons is delayed more than three months after the originally agreed delivery time

11. Retention of Ownership until Payment is Made

The products shall remain the property of Frese until payment has been made in full.

12. Liability for Defects

Frese's liability for defects is one year from the date of delivery. Within this period Frese undertakes to remedy defects in the

products by repair or replacement at the choice of Frese. The repair or replacement at the option of Frese shall constitute the Buyers exclusive remedy in case of defects. The Buyer shall substantiate that the supplied product is defective.

Frese is not liable for defects caused by storage, installation, use and maintenance which is not in accordance with the instructions, rating instructions, application directions and information, etc. given by Frese.

The Buyer is immediately upon delivery obliged to examine whether the product is in accordance with the contract. If this is not the case, the Buyer shall immediately notify Frese in writing. If the Buyer fails to do so, he shall not at a later date be entitled to complain about defects that were or would have been ascertained by such an examination. In no event shall Frese be liable for any special, indirect, consequential, punitive or exemplary damages or losses arising out of any defects, breach of warranty or faulty products irrespective of the cause, including but not limited to loss of profit, loss of production, loss of income, loss of goodwill, loss of data.

Frese disclaims any other warranties with regard to the sold products.

13. Disclaim of Liability

In no event shall Frese be liable for any special, indirect, consequential, punitive or exemplary damages or losses arising out of any breach of contract, breach of warranty, faulty products, delay in delivery, product liability, failure to warn or recall, or otherwise irrespective of the cause, including but not limited to loss of profit, loss of production, loss of income, loss of goodwill, loss of data.

14. Notification

In any case of Frese's failing to comply with the contract, the Buyer is obliged to notify Frese in writing immediately without any delay after delivery time has expired or the defect has become apparent or should have become apparent and in no case later than a week hereafter. The notification shall be substantiated.

If the Buyer fails to notify Frese in compliance with the above, the Buyer forfeits his right to make any claim in respect of the defects or the delayed delivery

15. Return of Products

Any return of products is to occur not later than six months after the invoice date, and in each case upon the previous agreement with Frese. Only merchantable products in intact, original packing may be returned with reference to invoice no. or delivery note no.

The return of products shall occur at the Buyer's own risk. Frese reserves the right to charge a handling fee of minimum 30%.

16. ProductLiability (liability for damage to goods caused by the product)

The Buyer shall indemnify Frese in case Frese is made liable to any third party for any such damage or any such loss caused by the sold products, for which Frese is not liable to the Buyer.

In no event shall Frese be liable for any special, indirect, consequential, punitive or exemplary damages or losses arising out of any product liability, failure to warn or recall irrespective of the cause, including but not limited to loss of profit, loss of production, loss of income, loss of goodwill, loss of data. If any third party makes a claim for damages from either party under this clause, then this party shall immediately inform the other party hereof.

Frese and the Buyer shall be mutually liable to be sued in any law-court or court of arbitration that may be trying a claim for damages against any of the parties due to any defect or loss allegedly caused by the supplied products. Still, the mutual relations between the Buyer and Frese must at all times be settled by the Maritime and Commercial Court in Copenhagen in accordance with clause 18.

17. Exemption from Liability (force majeure)

The following circumstances shall result in exemption from liability in case they prevent the performance of the contract or make the performance unreasonably onerous:

Labour dispute or any other circumstance beyond the control of the parties, e.g. fire, war, mobilization, or substantial military call-ups, requisitions, confiscations, exchange restrictions, riots and unrest, lack of transportation equipment, general shortage of goods, fuel restrictions, and defective or delayed supplies from sub-suppliers due to any of the circumstances mentioned in this clause.

The said circumstances shall only result in exemption if their influence on the performance of the contract was unforeseeable on the commencement date of the contract.

Either party who may want to exempt from liability for any circumstance mentioned in clause 17 must immediately inform the other party in writing, about the occurrence and conclusion of any such circumstance.

In case the exemption from liability does not expire within three months, either party shall have the right to give the other party written notice to cancel the contract.

18. Disputes - Applicable Law - Venue

Disputes regarding the contract or any circumstances connected herewith shall be governed by Danish law and the venue for legal action for the parties shall be the Maritime and Commercial Court in Copenhagen.

Any legal dispute that may arise under this contract shall be settled in accordance with the laws of Denmark.

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