

GENERAL TERMS AND CONDITIONS



Applicability:

All supplies from SAWO A/S, Danish CVR Registration No 57008113 ("SAWO") are subject to these General Terms and Conditions, which apply to all deliveries of products ("Products") between the Parties. Accordingly, the General Terms and Conditions set aside all agreements and customs contrary to the provisions hereof, including any terms and conditions drafted and submitted by the Buyer, unless otherwise stipulated in SAWO's order confirmation. Any deviation from the General Terms and Conditions require an agreement and a written acceptance from SAWO's chief executive officer.

Offers / Order Confirmation:

All offers are subject to the acceptance of SAWO's Management Board, and all offers are subject to the availability of Products. If SAWO submits an offer, not stipulating any particular deadline for acceptance, such offer will be cancelled if an acceptance has not arrived at SAWO's place of business within six weeks from the date of the offer.

SAWO will not be bound by any of the statements issued by SAWO, howsoever designated, until SAWO has sent its order confirmation. SAWO is entitled to withdraw any statement issued by SAWO, until the order confirmation has come to the knowledge of the Buyer.

Authority:

No independent person/company, such as an agent, a representative or a mediator, is authorised to bind SAWO without a written agreement to that effect.

Prices:

All prices are generally quoted in Danish Kroner, excluding of Danish VAT, however, subject to substantiated changes in foreign exchange rates, tariff rates, taxes, charges, duties, etc. in respect of the agreed delivery.

All prices for Products of SAWO's own brand are quoted on the basis of the labour costs as at the date of the offer and the prices for raw material, semi finished products and operating costs. Prices for Products of any foreign brand are based on the current prices of SAWO's sub-suppliers. As for such foreign-brand Products, these are further based on the current foreign exchange rate as at the date of the offer and on the tariff rates, freight rates and insurance rates, etc. as at the same date.

In the event of any changes in the above variables, including the provisions stated in the Limitation of Liability clause, SAWO reserves the right to make a corresponding adjustment of the sales price for any price increases incurred prior to delivery of the Products or to cancel the orders accepted by SAWO without liability on the part of SAWO, provided the above variables or reservations either cannot or only at disproportionate sacrifices can be remedied by SAWO.

All prices are exclusive of work required due to defects in the materials delivered by the Buyer, including defects in the vehicle on which the Product is to be installed, or due to noncompliance of such materials with the specifications listed by SAWO. Similarly, all prices are exclusive of any overtime incurred as a consequence of a stricter timing of work than usual due to the Buyer's affairs. Finally, all prices are exclusive of any costs incurring in connection with storing of the finished Products etc.

Payment:

All invoices are payable net cash on receipt of the Products without deduction of any cash discounts, unless otherwise agreed. Unless otherwise explicitly agreed, payment must be made by a bank transfer at the Buyer's expense to the account designated by SAWO.

In the event of any deferment in the delivery due to the Buyer's affairs, the Buyer is still obligated – unless otherwise notified in writing by SAWO – to make all payments to SAWO, as if delivery had been performed by the agreed date.

As from the due date, SAWO is entitled to add a monthly interest of 1.75% to the claim. Further, SAWO is entitled to charge a reminder fee of DKK 250.00 for each reminder.

Any accrued interest due has first priority for payment by the Buyer.

The Buyer has no right to set off against any of SAWO's counterclaims, if this has not been acknowledged in writing by SAWO, and further, the Buyer is not entitled to withhold any part of the purchase price due to counter-claims of any kind, whatsoever.

At any time after the formation of contract, SAWO is entitled to demand satisfactory security for due payment of the purchase price, freight costs and any other costs.

If the Buyer fails to observe the date of payment specified in the invoice, SAWO reserves the right to withhold further supplies, until payment has been made. In such case, SAWO is also entitled to alter the terms of payment without further notice.

In case of default in payment, SAWO is entitled to claim full coverage of its collection charges to legal counsel, meaning not only the maximum tariffs provided by the Danish Interest Act.

Ownership Reservation:

Subject to any restrictions provided by mandatory rules of law, SAWO reserves ownership to the Products until payment of the total purchase price plus interest and costs accrued to SAWO or anyone to whom SAWO may have assigned its rights.

In the event of transformation or processing of the Products, the ownership reservation will be maintained thus comprising the item transformed or processed to an extent corresponding to the value represented by the Products at the time of sale

Delivery:

Delivery takes place at SAWO's premises as stated in the order confirmation. Delivery is subject to EXW Incoterms 2015, irrespective of whether SAWO brings the Products to the Buyer's premises with the assistance of either its own employees or a third party, as specifically agreed with the Buyer. When the Products have been finished and are ready for delivery, the Buyer therefore carries the risk and all costs of delivery, including transport costs. The Buyer shall in due time give notice of the method of dispatch preferred. Otherwise, SAWO is entitled to decide the means and route of transport at the Buyer's expense.

All delivery times are stipulated at the best discretion of SAWO, however, without obligation, and the Buyer is not entitled to cancel the order in case of delay, except if accepted by SAWO.

SAWO assumes no liability for losses incurred as a consequence of delay in delivery. Unless otherwise explicitly agreed, a deferment of the delivery time by 14 days due SAWO's affairs will in every respect be considered delivery on time, to the effect that the Buyer is not entitled for any such reason to exercise any right or remedy against SAWO.

If SAWO's affairs as described in the Limitation of Liability clause causes a delay in delivery, the delivery time will be deferred by a period corresponding to the duration of the hindrance concerned. This provision applies, regard-less of whether the cause of any such delay occurs before or after the expiry of the delivery date agreed.

If the performance of a delivery depends on information to be obtained from the Buyer, the delivery time will be calculated from the date when such information has been received by SAWO.

If the Buyer fails to accept delivery at the time of delivery and/or fails to fulfil its duty of collection, SAWO is entitled to rescind the agreement and claim damages. Further, SAWO is entitled to sell or store the Products on the Buyer's account. In case of storing, the Buyer bears the risk for the Products.

Dispatch and Insurance:

All dispatches are for the Buyers account and risk. The Buyer undertakes to take out liability insurance and to ensure that the Products are insured against fire for an amount at least equivalent to the offer price, counted from the date of arrival of the Products at the place of delivery and the date of payment of the purchase price.

Packing:

Packing is on the Buyer's account, unless explicitly stated that it is included in the price. Packing is not subject to any right of return, except if so specifically agreed upon.

Drawings:

All drawings, drafts and sketches of the Product entrusted to the Buyer in connection with the offer, delivery or otherwise remain SAWO's property, irrespective of whether such material has been produced by SAWO or others. Any such material must not be used by the Buyer without SAWO's prior written consent for any other purpose than installation, operation, and maintenance of the Products and must not be copied or assigned to third parties. In the absence of any agreement on delivery of the Products, the material must be returned to SAWO.

Product Changes:

SAWO reserves the right to make changes in agreed specifications without notice, provided this is not detrimental to the Buyer.

The technical specifications and other dimensions stated in the catalogue material are merely intended for information only, and SAWO assumes no responsibility for any errors in such material. All information and data stated therein, including price lists, are only binding if so explicitly agreed between the parties.

Supplier's Liability:

In accordance with the duties and obligations incumbent on SAWO's suppliers in relation to SAWO, SAWO shall likewise in every respect support the Products delivered by SAWO, even after the delivery date. As for new Products, SAWO therefore undertakes within a period of 12 months, however, for spare parts only 6 months, from the delivery date to compensate any parts which may have become useless due to defective workmanship or inferior materials. If SAWO has performed the installation or assembly, the period of liability will be counted from the date of delivery of the Products.

The duration of the above periods requires that the Products are being used by one shifts, and that such use is done in accordance with standard usage. Unless otherwise stated, SAWO will not provide any guarantee for second-hand material. SAWO's liability covers neither oil, nor filters or other wearing parts, nor damage caused by natural wear and tear or by insufficient or incorrect operation, by accident and/or poor maintenance. Further, SAWO is not liable to pay compensation for any operating loss, loss of profits, loss of earnings, or any other indirect loss.

Where appropriate, SAWO's obligation is considered fulfilled, when SAWO has delivered and assembled or in-structed others to assemble the required parts to be replaced, free of charge. Such assembly must be carried out at SAWO's workshops or at a workshop designated by SAWO. Transportation to and from the workshop will be for the owner's account and risk. Driving by service van or truck, oil and invoices for repairs carried out elsewhere will not be compensated.

In case of defects in the Products delivered, SAWO has a right to repair and/or perform a replacement delivery without thereby being liable in damages. If the Buyer makes any changes in or sells the Products prior to the expiry of the period of liability, SAWO's obligation will be extinguished.

Complaints:

Complaints about delay must be made within 14 days, at the latest, upon receipt of the Products or the invoice.

The Buyer shall examine the Products immediately upon receipt thereof and before commissioning or processing the Products, for the purpose of ensuring that these are conforming to contract.

Complaints about defects must be made in writing and presented to SAWO immediately on the establishment of any such defects and within one week, at the latest, upon the establishment thereof under the observance of a general duty of care. Any notices of complaint must explicitly state the nature of the defect.

If the Buyer fails to invoke a defect to SAWO within two weeks after the delivery date, the Buyer forfeits its right to invoke the defect at any later stage.

Limitation of Liability:

SAWO is not liable for any operating loss, loss of profits, loss of earnings or any other indirect loss caused as a consequence of delay or defects in the Products delivered. A liability in damages against SAWO cannot exceed the invoice amount for the item or performance sold and is subject to a maximum of DKK 300,000.

SAWO's obligation to deliver will be suspended in the following situations without any right to advance a claim against SAWO or to rescind the agreement on delivery:

In the event of a strike, a lockout or any other kind of work stoppage at SAWO's factory or at any other factory supplying the parts required for this order, or in the event of SAWO's sub-suppliers of the parts required for the order concerned being administered in bankruptcy or reconstruction or being otherwise affected by any other event etc., as described in this provision, or in the event of force majeure, including war, terrorism, blockade, quarantine, fire, ice, obstruction of traffic, accidents, general average, accidents at sea or any other unforeseen event or act hindering or obstructing the performance of the order or the transportation thereof to the place of delivery to a material degree.

Terrorism means, among other things, but is not limited to, an act implying the use of violence or the threat of using violence, committed for political, religious, ideological or ethical purposes or reasons or with the intention of influencing a government and/or spreading terror in the public or in areas thereof. This applies, whether or not such act is committed by one or several persons, and whether or not such person(s) act(s) on its/their own or in cooperation with one or several organisations and/or authorities. It is a condition for characterizing any such act as terrorism that it is suited to influencing a government and/or spreading terror in the public or in areas thereof.

If the impossibility or difficulty of ensuring delivery is permanent or of long or indefinite duration, SAWO's obligation to deliver will be extinguished.

Return:

The Products sold may only be returned upon prior written agreement. Return of specifically ordered items will not be accepted.

In any such situations where the Buyer is entitled to rescind the agreement or where the Products are returned to SAWO for the purpose of replacement or repair of defects, the Products must be sent to SAWO in its original packing and for the Buyer's account and risk. If freight and transport costs, etc. are charged to SAWO's account, SAWO is entitled to claim reimbursement thereof from the Buyer and set off such costs against any claim that the Buyer may have against SAWO. Upon final repair or in case of replacement, the Buyer is obligated for its own ac-count and risk to collect the Product repaired or replaced at SAWO's place of business.

Product Liability:

Product liability is governed by the rules in force from time to time under the Danish product liability law. If not otherwise provided by mandatory rules of law, SAWO cannot be held liable beyond the general rules of damages. SAWO is neither liable for damage caused by the Products to (i) real property or goods whilst the Products are in the Buyer's possession or care; or (ii) products manufactured by the Buyer or products incorporating such products, nor for damage to real property or goods caused by the products manufactured by the Buyer due to the Products sold by SAWO.

SAWO cannot be held liable for any loss of profit or any other indirect loss, if this is not implied in the mandatory rules of law. SAWO's liability for injury caused by a defective product is limited to a maximum amount of DKK 5,000,000 for each injury.

If SAWO is held liable beyond the above, the Buyer shall hold SAWO equally harmless. The Buyer is obligated to let itself be sued before the same court of law hearing the issue on SAWO's product liability.

Assignment and Rights and Obligations:

SAWO is entitled to assign to any third party all rights and obligations under the agreement.

Disputes:

Any disputes arising out of or in connection with supplies from SAWO must be settled pursuant to Danish rules of law without regard to any principles of private international law specifying any other choice of law.

All disputes arising out of or in connection with supplies from SAWO must be brought before the ordinary courts of law at SAWO's place of business, i.e. the District Court of Aalborg, Denmark or the Western High Court, respectively.