

General Terms and Conditions of Purchase

Section 1 Scope of Application

- 1) These terms and conditions of business govern solely and exclusively any and all present and future legal relationships between us as the customer and the contractor. Application of contractor's deviating terms and conditions of business is subject to our express written consent. Any deviating terms and conditions that have been confirmed govern solely the concrete specific case and do not have any effect on future legal relationships.
- 2) The contractor covenants to comply with any and all national and international laws, regulations and provisions as most recently revised that apply to the order.
- 3) Any and all legal relationships between us and the contractor are governed solely and exclusively by the laws of Denmark, excluding application of the UN Convention on the International Sale of Goods (CISG).

Section 2 Conclusion of Contract

- 1) Orders do not become binding until we have submitted them in writing. Oral agreements are not binding on the parties unless we have confirmed them in writing; this provision applies equally to any and every modification or change of previously placed orders. Notification by email or fax satisfies the requirement of written form.
- 2) Our orders shall be deemed accepted by the contractor if and when the contractor does not object to them within 5 workdays from the order date. Any budget figures and requirement projections that have been provided do not constitute the placement of an order and serve solely as an aid for the contractor's production planning. Solely the call-up quantities we have released for production are binding.
- 3) Modifications of or changes to the orders in the contractor's order confirmations are subject to our prior consent.
- 4) The contractor is not entitled to forward orders to third parties or to change procedures within the framework of production processes without our prior consent. The above provision applies equally to the modification of or change to agreed specifications, analysis methods or changes in sub-suppliers.

Section 3 Provision of Materials

- 1) If and when we provide materials (reserved goods) in the course of the order process, we reserve the title of ownership to any such materials. If the reserved goods are processed, combined or mixed with other products, we acquire co-ownership to the new product in the same ratio as the original product at the time of the processing.

- 2) The contractor will store any reserved goods at its facility and is liable to us for any damage or loss.
- 3) The processing of reserved goods is permissible solely if and when it takes place within the framework of the contractual relationship between us and the contractor. The handover to third parties for processing or the engagement of the support of third parties for processing is prohibited. The production of products for third parties involving the use of our reserved goods is also prohibited.

Section 4 Prices, Terms and Conditions of Payment

- 1) The agreed prices are fixed prices and are shown including postage, shipping and freight and excluding legally applicable turnover tax. Changes related to subsequent cost increases are excluded unless otherwise expressly agreed in writing.
- 2) Unless otherwise agreed, invoices will be paid solely and exclusively by bank transfer to the bank account designated by the contractor within 30 days, subject to a cash discount of 3%, or within 60 days without deduction. The payment period commences upon receipt of the goods, but at the earliest upon receipt of an orderly invoice. An orderly invoice must contain as a minimum the following information in addition to legally required data: shipping address, customer's order and product identity number, delivery quantity and designation of the items.
- 3) The assignment to third parties of receivables due from us is prohibited. We are entitled to a right of retention if and when the contractor does not perform the delivery as agreed and this defect is based on the same contractual relationship. The above provision is without prejudice to any other retention rights based on legal statutes.
- 4) Payment does not constitute acknowledgement of either conformity of the performance with the contract or of the orderliness of the calculation.

Section 5 Delivery

- 1) The delivery dates or delivery periods specified by the customer in the order or otherwise agreed within the scope of the order are binding. Determination of compliance with delivery dates or delivery periods is governed by the receipt of the goods by the customer or by a recipient designated by the customer.
- 2) Delivery must be in compliance with the quantities specified in the orders. Partial deliveries should be the exception and must be agreed in each and every specific case.
- 3) Deliveries are based on the international terms of trade (INCOTERMS) as most recently revised and shall, unless otherwise agreed, be made "DDP" (= delivered duty paid). If deliveries are made duty unpaid, the contractor shall point out to the freight agent that the customer is an SVS/RVS prohibition customer.
- 4) The customer is not obligated to accept delivery before the agreed delivery date.

- 5) The contractor covenants to label the package in such a way that unambiguous association of the products to the delivery documents is assured. The contractor will furthermore assure the unambiguous identification of the products by the designation on packaging and in delivery documents. The order and product identity number, the delivery quantity and the item designation must be shown as the minimum information on goods packaging and in delivery note (to the extent available).
- 6) If and when the contractor has assumed the mounting or installation, it is responsible for any and all secondary costs that are required such as travel expenses, provision of the required tools and activation, unless otherwise agreed in writing.

Section 6 Determination of Defects and Obligation to Submit Complaints

- 1) Our acceptance of deliveries and the incoming goods inspection are subject to reservation and are limited to the visual identification of the goods, inspection of delivery and test documents, determination of obvious defects and a check of quantity on a random basis.
- 2) The contractor will be notified immediately of defective deliveries as soon as they have been determined under the circumstances of the orderly course of business. To this extent, the contractor waives the defence of a late objection to defects.
- 3) If and when defective products have been delivered, the contractor will be given the opportunity for subsequent improvement or subsequent delivery within a reasonable time period. If the contractor is unable to do so or if it does not perform these actions after receiving the request and the setting of the time period or if the situation is urgent, involving especially the warding off of imminent danger or the avoidance of greater damage or loss, the customer is entitled to remedy the defect at the contractor's expense or to procure substitute goods elsewhere. The above provision is without prejudice to more extensive rights of the customer.
- 4) If the customer incurs costs or other expenses, in particular, but not limited to, transport, infrastructure, work, material costs or costs for incoming goods inspection in excess of the usual scope, the contractor shall bear said costs. The above provision is without prejudice to more extensive rights of the customer.

Section 7 Delivery Default

- 1) The contractor is in default of delivery, even if we have not issued a reminder, as soon as the agreed delivery period has expired without delivery.
- 2) The contractor is obligated to notify the customer immediately in writing whenever circumstances arise or become discernible that could result in default of delivery, including the reasons for the default and its presumed duration. The contractor may plead the defence that the causes of the default of delivery are beyond its control solely if and when it has fulfilled this notification obligation.

Section 8 Quality Requirements

- 1) The contractor shall comply with generally acknowledged rules of technology, applicable safety regulations and the agreed technical data during the performance of the delivery.
- 2) Furthermore, the contractor shall implement a quality assurance system appropriate for the current requirements. Certification in accordance with DIN EN ISO 9001 or higher shall be maintained as a minimum. Certification in accordance with VDA or ISO/TS 16949 shall be sought.

Section 9 Confidentiality

- 1) The parties covenant to treat as business secrets any and all commercial, technical and organisational details that become known to them through the mutual business relationship.
- 2) Any and all drawings, models, prototypes, templates, patterns, tools etc. provided by the customer to the contractor or that are prepared by the contractor or third parties on behalf of the customer may not be surrendered or otherwise made accessible to unauthorised third parties. The reproduction of any such objects is permissible solely within the framework of operational requirements and copyright provisions.
- 3) Subcontractors shall be obligated mutatis mutandis.
- 4) Further details and specifics concerning confidentiality will be regulated in a separate non-disclosure agreement between the contractor and the customer.

Section 10 Liability, Indemnification, Insurance Cover

- 1) The contractor covenants to maintain a product liability insurance policy, including a policy to cover recall costs, with a reasonable sum insured and to present verification of this policy upon request. The amount of the sum insured is irrelevant for the scope of the contractor's liability.
- 2) If and when the customer initiates measures to ward off dangers, the contractor is liable to the customer if and when the contractor's performance causes or contributes to the danger.
- 3) Persons who carry out work on the customer's premises in performance of the contract shall comply with the regulations of the relevant plant rules.

Section 11 Intellectual Property Rights

- 1) The contractor will ensure that the proper use of the product does not infringe on any third-party intellectual property rights.

- 2) The contractor will also indemnify and hold harmless the customer from and against any and all third-party claims based on an infringement of such intellectual property rights. The indemnification obligation extends as well to any claims to costs asserted against the customer.
- 3) We reserve title of ownership and copyrights to any and all order documents (drawings, pictures, descriptions of specific products et.) that we make available.

Section 12 Compliance/Code of Conduct

- 1) The contractor covenants to comply with pertinent statutory regulations related to dealings with employees, environmental protection and occupational safety and to work toward reducing detrimental impact on human beings and the environment caused by its own activities. Furthermore, the contractor shall upon request present verification that it has implemented a code of conduct that puts the principles of the UN Global Compact into effect. These provisions are essentially related to protection of international human rights, the right to collective bargaining, the elimination of forced and compulsory labour, the abolition of child labour, the elimination of discrimination in respect of employment and occupation, responsibility for the environment and the prevention of corruption.
- 2) Furthermore, the contractor covenants to comply with the customer's code of conduct, which is itself oriented to the UN Global Compact (cf. www.unglobalcompact.org).
- 3) In the event that the contractor repeatedly and/or despite issue of a pertinent notification conducts itself in violation of legal statutes and does not present verification that the violations of the law have been remedied and appropriate precautions have been taken to prevent any legal violations in the future, the customer reserves the right to withdraw from any existing contracts or to terminate these contracts without notice.

Section 13 Place of Performance and Final Provisions

- 1) Venue for any and all disputes is Vejle. Place of performance for any and all obligations is Vejle.
- 2) Should one or more provisions as well as any further agreements that have been concluded, whether in whole or in part, prove to be invalid or unenforceable or to have omissions, the validity of the remaining provisions will not be affected. The parties will in such a case agree on a different regulation that comes closest to the commercial intent of the invalid provision or that corrects any omissions.

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