

General Conditions for Sale and Delivery

Preamble

1. These General Conditions shall apply for all agreements or deliveries from LKF Vejmarkering A/S (in the following referred to as LKF) unless otherwise agreed in writing. Deviations shall not apply unless agreed in writing.

Packaging

2. Prices quoted by LKF in offers and agreements shall, unless otherwise specified, be deemed to include our standard packaging.

Quantity and Weight

3. Reservations regarding deviations from the agreed weight or quantity shall not be valid unless expressly agreed between the parties.

Product Information

4. Data contained in our product information and price lists are binding only to the extent that they are by reference expressly included in the contract.

Delivery

5. Where a trade term has been agreed, it shall be interpreted in accordance with the INCOTERMS in force at the formation of the contract.

If no trade term is specifically agreed our delivery shall be considered to be Ex Works.

Time for delivery. Delay

6. If delay in delivery from LKF is caused by a circumstance which under Clause 18 shall be considered a case of relief or by an act or omission on the part of the Buyer, the time for delivery shall be extended by a period which is reasonable having regard to the circumstances in the case. The time for delivery shall be extended even if the reason for delay occurs after the originally agreed time for delivery.

7. If LKF fails to deliver the goods on time, the Buyer may by written notice to LKF fix a final reasonable time for delivery and inform LKF of his intention to terminate the contract unless delivery takes place within such final time. If delivery has not taken place within such final time, the Buyer shall be entitled to terminate the contract by written notice to LKF. If the delay is such as to significantly deprive the Buyer of the benefit of the contract, or if it is clear from the circumstances that such a delay will occur the Buyer may - forthwith terminate the contract by written notice to LKF.

8. If the Buyer terminates the contract in accordance with Clause 7 he shall be entitled to compensation from LKF for the increased cost that he incurs in procuring corresponding goods from another source. Any other claim from the Buyer in respect of LKF's failure to deliver in time is hereby expressly excluded.

If the Buyer does not terminate the contract, he shall not, unless otherwise specifically agreed,

he entitled to any compensation for LKF's failure to deliver in time.

Payment

9. Unless otherwise agreed, payment to LKF shall be made 30 days after delivery and sending of the invoice.

If the Buyer fails to take delivery on the agreed date, payment shall nevertheless be made as if delivery had taken place according to the contract.

10. If the Buyer fails to pay by the agreed date, LKF shall be entitled to interest from the day on which payment became due at the rate of 1,5 % interest per month payable under the law concerning late payments in Denmark.

11. If the Buyer has not paid the amount due within three months LKF shall be entitled to terminate the contract by written notice to the Buyer and, in addition to interest, claim compensation for the loss he has suffered. The compensation shall not exceed the agreed price.

Retention of Title

12. The goods shall remain the property of LKF until paid for in full to the extent that such retention of title is valid under the applicable law.

Liability for Defects

13. During a period of one year after delivery LKF undertakes to deliver new goods in replacement of any goods which are defective as a result of faulty design, materials or workmanship.

14. The Buyer shall without undue delay notify LKF in writing of any defects in the goods. If the Buyer fails to do so he shall forfeit his right to delivery of replacement goods under Clause 13.

15. If LKF after having received the Buyer's notice under Clause 14 fails to deliver replacement goods within reasonable time, the Buyer may by written notice terminate the contract in respect of the defective goods.

If the Buyer terminates the contract he shall be entitled to compensation from LKF for the increased cost that he incurs in procuring corresponding goods from another source.

16. Save as stipulated in Clauses 13 and 15 LKF shall have no liability for defects or for failure to deliver replacement goods. This applies to any loss the defect may cause, including but not limited to loss of production, loss of profit and any other consequential economic loss. This limitation of LKF's liability shall, however, not apply if he has been guilty of gross negligence.

Liability for Damage to Property Caused by the Goods

17. The Buyer shall indemnify and hold LKF harmless to the extent that LKF incurs liability towards any third party in respect of any damage for which LKF according to the second and

third paragraphs of this Clause is not liable towards the Buyer. LKF shall not be liable for loss or damage caused by the goods:

- a. to any (movable or immovable) property where the damage occurs while the goods are in the Buyer's possession, or
- b. to products manufactured by the Buyer or to products of which the Buyer's products form a part
- c. or for loss or damage to any property, where the damage is caused by these products because of the goods.

LKF shall under no circumstances be liable for loss of production, loss of profit or any other consequential economic loss. The above limitations in LKF's liability shall not apply where LKF has been guilty of gross negligence. If a claim for loss or damage as described in this Clause is raised by a third party against either party to the contract the latter shall forthwith notify the other party thereof.

LKF and the Buyer shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal which examines claims against either of them, where the claim is based on damage alleged to have been caused by the goods. The liability as between LKF and the Buyer shall however always be settled by arbitration in accordance with Clause 20.

Grounds for Relief (force majeure)

18. The following circumstances shall be considered as grounds for relief if they impede the performance of the contract or makes performance unreasonably onerous: industrial disputes and any other circumstance beyond the control of the parties such as fire, war, mobilisation or military call up of a comparable scope, requisition, seizure, currency restrictions, insurrection and civil commotion, shortage of transport, general shortage of materials, restrictions in the use of power and defects or delays in deliveries by sub-contractors caused by any such circumstance as referred to in this Clause.

19. The party intending to claim relief shall notify the other party in writing without delay on the occurrence and on the cessation of such circumstance. If a ground for relief does not cease within three months either party may terminate the contract by written notice to the other party.

Disputes, Applicable Law

20. Disputes arising out of or in connection with the contract shall not be brought before the court, but shall be finally settled by arbitration in accordance with the law on arbitration applicable in LKF's country.

21. All disputes arising out of the contract shall be judged according to the law of LKF's country.