

TERMS OF DELIVERY

The terms of delivery below shall apply unless departed from by written agreement between the parties.

Offer

1. Offers are valid only upon prompt reply, and in the case of orders for quantities greater or smaller than those offered they are subject to alterations in price and delivery time.

Packing

2. Cardboard and paper packing is charged at cheapest possible rates and is nonreturnable. Wooden crates and frames are returnable only by specific agreement.

Quantity, weight

3. Unless otherwise agreed the seller reserves the right to deliver quantities greater or smaller than those ordered within reasonable limits.

Product information

4. All information concerning weight, dimensions, capacity and price as well as technical and other data stated in catalogues, prospectuses, circulars, advertisements, illustrated material, price lists and similar product information is approximate. Such information is binding only insofar as the agreement makes express reference to the same.

Delivery clause

5. Unless otherwise agreed, the delivery shall be deemed sold "ex works" (EXW). Where the purchaser has not stipulated a specific mode of dispatch, this shall be chosen at the discretion of the seller.

6. Agreed delivery clauses shall be construed in accordance with the Incoterms (international rules governing the interpretation of trade terms drawn up by the International Chamber of Commerce) valid at any time.

Delivery time

7. If delay is caused as a consequence of any circumstance mentioned in item 18 or the purchaser's affairs, the delivery time shall be extended to an extent judged reasonable under the circumstances. This provision shall apply regardless of whether the cause of the delay arises before or after the expiration of the agreed delivery period.

8. If the seller fails to deliver within the delivery period or within a delivery period duly extended as provided for in item 7, the purchaser shall be entitled, by notifying the seller in writing, to demand delivery and to determine a final and reasonable period for such, stating that the purchaser intends to cancel the agreement unless delivery takes place within that time limit.

If delivery has not taken place within the time limit set, the purchaser shall be entitled to cancel the agreement by notifying the seller in writing.

9. If the purchaser cancels the agreement pursuant to item 8, section 2, the purchaser shall only be entitled to claim compensation from the seller for the additional costs incurred by the purchaser in acquiring a corresponding delivery from some other source, however, maximum 10% of the value of the delayed delivery. Beyond this, the purchaser shall not be entitled to any compensation in connection with a delay on the seller's part. Assuming the purchaser does not cancel the agreement, he shall not – unless otherwise agreed – be entitled to any compensation in connection with a delay on the seller's part.

Payment

10. Unless otherwise agreed, payment shall be made 30 days after date of invoice.

11. In the event of the due date being exceeded, interest will be charged at a rate of 1.5% per month.

12. If the purchaser fails to accept delivery on the agreed date, he shall nonetheless be obliged to make payment as if delivery had taken place pursuant to the agreement.

Liability for defects

13. Complaints concerning defects shall be made in writing and immediately after the defect has been ascertained. Complaints cannot be preferred any later than 6 months after delivery.

14. The seller undertakes, providing a claim is made in good time pursuant to item 13, to replace deliveries which are defective owing to errors in design, materials or manufacture.

15. If the seller does not replace defective deliveries within a reasonable period from the purchaser's complaint pursuant to item 13, the purchaser shall be entitled by notifying the seller in writing to cancel the agreement in respect of the defective portion of the delivery.

If the purchaser cancels the agreement, he shall be entitled to claim compensation from the seller for additional costs incurred by him in acquiring a corresponding delivery from other sources, however, maximum 10% of the value of the defective delivery.

16. The seller bears no liability for defects or reduced proceeds from defective delivery beyond that stipulated in items 14 and 15. The seller is thus not liable to pay compensation for any trading losses, loss of profit or other financial consequential losses, including indirect losses. This restriction in the seller's liability does not apply where he is guilty of gross negligence.

Liability for damage caused by the delivery (product liability)

17. The seller is liable for personal injury only where proved that such injury is due to error or neglect committed by the seller or others accountable to him. The seller is not liable for damage to real or personal property, including damage to products manufactured by the purchaser or products of which these form part, or for damage to real or personal property caused by these products as a result of the delivery.

The seller is not liable for any trading losses, loss of profit or other financial consequential losses, including indirect losses.

Insofar as the seller may be charged with product liability vis-à-vis any third party, the purchaser is obliged to indemnify the seller to any extent beyond which the latter bears liability according to the restrictions of the preceding sections. If a third party prefers a claim for product liability against one of the parties pursuant to this item, that party shall immediately notify the other thereof.

Seller and purchaser are under a mutual obligation to allow instigation of legal proceedings against them at the court or arbitration tribunal considering the claim for compensation raised against one of them on the basis of any damage allegedly caused by the delivery. This reciprocal relationship between purchaser and seller shall, however, at all times be settled by arbitration in pursuance of item 20. Unless otherwise expressly agreed upon, the seller is not liable for deliveries used in operation of aircrafts or for off-shore installations.

The above restrictions on the seller's liability do not apply if he has been guilty of gross negligence.

Exemption from liability (force majeure)

18. The following circumstances shall entail exemption from liability where such arise after the formation of the agreement and prevent the performance of the agreement or render such performance unreasonably burdensome:

Industrial dispute and any other circumstance beyond the control of the parties, such as fire, war, mobilization or unforeseen military conscriptions on an appropriate scale, requisitioning, confiscation, currency restrictions, civil unrest and disturbances, transportation shortage, general dearth of goods, restrictions on fuels and propellants as well as defects in or delay to deliveries from sub-suppliers attributable to any of the circumstances named in this item.

19. It is incumbent upon the party wishing to claim any circumstance referred to in item 18 to notify the other party in writing without delay as to when such arises and ceases. If any ground for exemption from liability does not cease within a reasonable time, either of the parties is entitled to cancel the agreement by notifying the other party in writing.

Arbitration

20. Disputes in connection with the agreement and legal matters issuing therefrom may not be tried by the law courts, but shall be definitively settled by arbitration in accordance with the rules of arbitration of the seller's country.

Rules of law

21. Any and all legal issues arising in connection with the agreement shall be judged in accordance with the laws of the seller's country unless expressly inferred to the contrary in the agreement.

Products supplied by the purchaser

22. If the purchaser supplies the materials himself, it is the purchaser's responsibility to supply materials which comply with the required specifications. ElektroIsola A/S only accepts responsibility for the machining of the materials in question. If the purchaser wants to have any surplus material returned to him, it shall be expressly stipulated in the agreement.

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Elektro-Isola A/S