

General Terms and Conditions of Sales and Supply of Products to Eltronic A/S Customers

applicable as from 01-01-2018

1. Preamble

These general terms and conditions of sales and supply (the "Conditions") shall apply to any sale by Eltronic A/S, VAT number DK-17024280 (the "Seller") of services and products, including software, (the "Products") to customers (the "Buyer").

2. Terms of Agreement

2.1 These Conditions, together with the quotation and order confirmations supplied by the Seller, constitute the entire agreement for sales and supply of Products by the Seller to the Buyer (the "Agreement"). Any terms and conditions of purchase of the Buyer printed on orders or otherwise communicated to the Seller shall not constitute part of this Agreement, unless the Seller has explicitly accepted this. Deviations from the Conditions shall be explicitly accepted by the Seller in writing in the quotation or in the order confirmation.

2.2 Any amendments and additions to the Agreement shall only apply if the parties have agreed to them in writing.

3. Software licence etc.

3.1 The Buyer shall be granted a non-exclusive licence to use the software included in the Product on the terms stated in the licence agreement accompanying the Product.

The Seller shall retain ownership of all intellectual property rights, including copyrights in the licensed software and other versions, modules, upgrades, documentation, corrections, bug fixes, updates, derivative works, or other modifications of the software.

4. Changes of orders

4.1 Changes of orders. The Buyer shall not be entitled to change an order placed with the Seller, or to make changes in terms of specifications, quantity and time of delivery, without the Seller's prior written consent.

4.2 Costs. If the Seller accepts any such changes, the Buyer is obliged to cover the Seller's costs incurred in that respect.

5. Price and payment

5.1 The price payable for the Products is the list price in effect at the time of the order, unless otherwise agreed between the parties in writing. All prices are exclusive of VAT, unless otherwise explicitly stated.

5.2 Invoices fall due for payment for delivery. Terms of payment are net 15 days in cash after delivery, unless otherwise agreed in writing.

5.3 Payment must be effective without any kind of withholding or set-off against the amount of payment.

6. Delayed payment

6.1 Interest. If the Buyer fails to pay by the agreed date due to circumstances for which the Seller is not responsible, the Seller shall be entitled to default interest in accordance with the Danish Interest Act as

applicable from time to time, unless the parties have agreed on another interest rate in writing.

6.2 Termination. If the Buyer has not paid the amount due within 1 month, the Seller - after having given written notice to the Buyer - is entitled to:

- (i) cancel the sale of the Products relating to the late payment and claim return of the Products by the Buyer if delivery has taken place,
- (ii) cancel the sale of Products not yet delivered to the Buyer or demand advance payment for such Products,
- (iii) terminate the Agreement between the parties,
- (iv) in addition to default interest, claim compensation from the Buyer for the loss suffered by the Seller, and/or
- (v) rely on any other remedies for breach.

7. Retention of title

7.1 The Products shall remain the property of the Seller or of the party to whom the Seller has assigned its rights, until the entire purchase price including interest, expenses etc., has been paid by the Buyer.

7.2 If allowed under applicable law, the Seller is entitled to retake possession of the goods if the Buyer fails to fulfil his obligations.

7.3 The Buyer is obliged keep up insurance for the Product against accidental destruction until title to the Product has been assigned to the Buyer.

8. Insurance premium, fees etc.

8.1 Prices which include marine and war risk insurance, freight rates, foreign exchange duties, transfer/assignment charges, import and export charges, customs duty, etc. shall be calculated on the basis of the premiums, rates, charges, duties, etc. applicable on the date of the purchase.

8.2 The Seller is entitled, when issuing invoices, to adjust the price in accordance with any changes in the expenses and additional expenditures mentioned in Clause 8.1 due to new fees, deposit arrangements or similar incurred (or becoming effective) after signing of the Agreement.

9. Delivery

9.1 Terms of delivery. Where a delivery term has been agreed upon, it shall be interpreted in accordance with the INCOTERMS in force at the time of signing of the Agreement subject to the changes that follow from these Conditions.

9.2 Where no delivery term has been agreed upon, delivery shall be made "Ex Works".

9.3 The Seller shall notify the Buyer when the Product is ready for collection.

9.4 Additional costs incurred due to strike, lockout or similar in the port of destination shall be borne by the Buyer, if the risk has passed to the Buyer before the Products arrived at the port in question.

9.5 Time of delivery. The Seller shall deliver all sold Products in accordance with the time of delivery

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stipulated in the order confirmation supplied by the Seller. The Seller is entitled to deliver the Products before the agreed time of delivery, unless otherwise agreed between the parties.

10. Delayed delivery

- 10.1 Delay. If a delivery is delayed due to any of the circumstances constituting grounds for exemption from liability as listed in clause 13 or because of any action or omission on the part of the Buyer, the time of delivery shall be extended for as long as it is deemed reasonable under the circumstances.
- 10.2 Notice. If the Seller anticipates a delayed delivery of Products, the Buyer must be notified thereof. The Seller will also inform the Buyer of the reason for the delay and the new expected time of delivery.
- 10.3 Demand. If the Seller does not deliver the Product in time, the Buyer is entitled - by written notice to the Seller - to fix a final and reasonable time limit for delivery (minimum 20 working days), thus indicating that the Buyer intends to cancel the agreement if delivery is not made within this time limit.
- 10.4 Cancellation. If delivery is not made within the (reasonable) time limit as specified by the Buyer, the Buyer shall be entitled to cancel the Agreement by written notice to the Seller.
- 10.5 Custommade Products. In the event of custommade Products, the Buyer shall not be entitled to cancel the Agreement due to delay, irrespective of the provision above, unless such cancellation can be made without the Seller suffering any loss.
- 10.6 Compensation. If the Buyer cancels the Agreement in accordance with clause 10.4, the Buyer shall be entitled to compensation from the Seller for the additional expenditures incurred by him as a result of purchasing similar goods from other suppliers. The compensation shall not, however, exceed 15% of the invoice value of the delayed delivery.
- 10.7 Except for the compensation specified in clause 10.6, the Buyer shall not be entitled to any compensation or other rights due to the delayed delivery by the Seller. This applies regardless of whether the Buyer cancels or upholds the Agreement.

11. Operation and maintenance of the Products

- 11.1 Seller refers to its user instructions, manuals, operating instructions etc. which must always be observed. Furthermore, the use of the Product depends on the specific circumstances, such as the materials and tools used for the Product by the Buyer. Any instructions regarding the use and maintenance of the Product, including instructions in manuals, operating instructions etc., are therefore subject to the specific circumstances. The Seller will provide guidance for the correct use and maintenance of the Product. If the Buyer has doubts as to how to operate and maintain the Product correctly, the Buyer should contact the Seller.
- 11.2 Except for cases of intentional behaviour causing injury or damage, the Seller shall under no circumstances be liable for damages for any type of direct or indirect financial or non-financial damage caused by the Product or the use thereof, including but not limited to, loss due to interruptions, computer failure or errors, loss of data and other commercial

loss. This also applies even if the Seller has been notified of the risk of such damages. The Seller is liable, however, for damages under current product liability law in so far as such law applies to the specific circumstances, cf. clause 13.2.

12. Liability for defects

- 12.1 Defects. In the event of any defect in any of the Seller's Products, the Seller undertakes to remedy such defect or replace the defective Products, provided that the Buyer has given notice of the defect to the Seller within 1 year from the time of delivery.
- 12.2 Exclusions. Clause 12.1 does not include wearing parts and errors or defects caused by: (i) normal wear and tear, (ii) storage, installation, use or maintenance contrary to the instructions or general practice of the Seller or his manufacturer, (iii) repairs or modifications performed by others than the Seller, and (iv) other circumstances for which the Seller cannot be held liable.
- 12.3 Duty of inspection - Buyer. The Buyer is obliged to inspect the goods immediately upon delivery to verify whether the goods suffer from any obvious faults or defects. The Seller is entitled to reject any complaint regarding defects which should have been ascertained at such inspection.
- 12.4 Notice. Complaints regarding defective goods shall be made in writing, without undue delay and no later than 8 days upon delivery. Failing that, the Buyer has forfeited the right to demand replacement delivery, cf. clause 12.1, and the right to rely on any other remedies for breach.
- 12.5 Form of complaint. The Buyer's complaint must include information about:
- Scope of the defect
 - Nature of the defect
 - Documentation for the defect
 - Suggestion for remedy/specification of claim
 - Time of delivery and invoice number
- 12.6 Cancellation. Where the Seller does not remedy or deliver replacement goods within a reasonable time after the Buyer has raised a complaint under this clause 12, the Buyer is entitled - after having given written notice to the Seller specifying a time limit for remedy or replacement delivery of no less than 20 working days - to cancel the Agreement with respect to the defective part of the deliverables.
- 12.7 Compensation. If the Buyer cancels the Agreement, the Buyer is entitled to compensation from the Seller for any additional costs incurred by the Buyer as a result of the Buyer's purchasing of similar goods from other suppliers.
- 12.8 Irrespective of the provisions above, the Seller's liability for defects shall always be limited to 25% of the invoice value of the defective goods.
- 12.9 The Seller is not liable for defects or for not having effected replacement deliveries other than what follows from clauses 12.1, 12.7 and 12.8. This applies to any loss caused by the relevant defect, including loss of operation, loss of profit, freight costs, installation costs and other consequential losses. The Buyer's wage costs and costs incurred in connection with replacement of the defective goods shall also be excluded.

- 12.10 If it is demonstrated that the Buyer's claim is not justified, the Seller is entitled to compensation for the costs incurred by the Seller due to the Buyer's complaint.
- 13. Liability**
- 13.1 Liability. Each party is liable for its own actions and omissions under Danish law, subject to the limitations stipulated in the Agreement.
- 13.2 Product liability. If the goods delivered are defective and thus cause injury to a person or damage to goods or real property, the Seller is liable only for damage or loss suffered by the Buyer or any third party, if such liability follows from mandatory Danish rules of law.
- 13.3 The Seller has no liability for indirect damage, consequential damage, loss of operation, lost earnings and other consequential damages caused by damages originating from the Product or from the use of the Product.
- 13.4 To the extent not excluded by mandatory rules of law, the Buyer shall indemnify the Seller if any liability towards a third party is imposed upon the Seller arising out of damage or loss caused by the delivered goods to the person or property (whether movable or immovable) of such third person.
- 13.5 Exclusion of liability. The following circumstances shall give rise to exclusion of liability where such circumstances prevent the performance of the Agreement or makes performance unreasonably onerous: Industrial conflict and any other circumstance beyond the control of the parties such as fire, war, mobilisation or conscription on a similar scale, commissioning, seizure, exchange controls, riots and unrest, power or telecommunication failures, amendments of law or public administration acts, natural disasters, acts of sabotage, terror or vandalism (including computer virus and hacking) and defective or delayed deliveries from sub-suppliers.
- 13.6 The circumstances listed in clause 13.5 shall only give rise to exemption from liability where the impact thereof on the performance of the Agreement could not have been foreseen at the time of signing of the Agreement.
- 13.7 The party wishing to rely on a ground for exclusion of liability as listed in clause 13.5 shall give notice in writing to the other party without undue delay of the occurrence and discontinuation of the relevant grounds for exclusion.
- 13.8 Where a ground for exclusion of liability has not been discontinued within 3 months, either party is entitled to terminate the Agreement by written notice to the other party.
- 14. Disputes and choice of law**
- 14.1 The Agreement and any appendices hereto is governed by Danish law.
- 14.2 Any dispute arising out of or in connection with the Agreement, including any disputes regarding the existence or validity of the Agreement, shall be settled by mediation administrated by The Danish Institute of Arbitration in accordance with the rules on mediation adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced.
- 14.3 If the mediation proceedings are terminated without a settlement, the dispute shall be settled by arbitration administrated by The Danish Institute of Arbitration in accordance with the rules of arbitration procedure adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced. Unless the parties agree to having only one arbitrator, each party shall appoint one arbitrator, and the president of the Arbitral Tribunal shall be appointed by the Institute.
- 15. Communication and acceptance of these Conditions**
- 15.1 These Conditions have been communicated in writing to - and accepted by - the Buyer on signing of the Agreement regarding purchase of Products from the Seller.