

GENERAL CONDITIONS

Preamble

1. These General Conditions shall apply when the parties agree in writing or otherwise there to. Deviations from the Conditions shall not apply unless agreed in writing.

Packaging

2. Unless otherwise agreed costs for packaging will be added on the invoice.

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 about weight, dimensions, capacity, price as well as technical and other data contained in product information and price lists are binding only to the extent that they are by reference expressly included in the contract.

Delivery

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

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

Time for delivery, Delay

7. If delay in delivery 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. Apart from the circumstance stated in Clause 8.2, the time for delivery shall be extended even if the reason for delay occurs before or after the originally agreed time for delivery.

8. If the Seller fails to deliver the goods on time or within an extended delivery time according to Clause 7, the Buyer may by written notice to the Seller fix a final reasonable time for delivery and inform the Seller 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 Purchaser shall be entitled to terminate the contract by written notice to the Seller.

9. If the Buyer terminates the contract in accordance with Clause 8.2 he shall be entitled to compensation from the Seller for the increased cost that he incurs in procuring corresponding goods from another source. Any other claim from the Buyer in respect of the Seller'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, be entitled to any compensation for the Seller's failure to deliver in time.

Payment

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

11. If the Buyer fails to pay by the agreed date, the Seller shall be entitled to interest from the day on which

payment became due at the rate of interest payable under the law concerning late payments in the Seller's country. If the Seller's country is Denmark, the rate of interest shall be nine percentage points above the official Danish discount rate.

If the Buyer has not paid the amount due within three months the Seller 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.

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.

Retention of Title

12. The goods shall remain the property of the Seller 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 six months after delivery the Seller 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 the Seller 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 the Seller after having received the Buyer's notice under Clause 14 fails to deliver replacement goods within a 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 the Seller for the increased costs that he incurs in procuring corresponding goods from another source.

16. Save as stipulated in Clauses 13 and 15 the Seller 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 the Seller'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 Seller shall only be held responsible for personal damage if it can be proved that the damage is due to defects or negligence on the part of the Seller or others for whom he is responsible.

The Seller shall not be liable for loss or damage caused by the goods to any (movable or immovable) property. The Seller shall under no circumstances be liable for loss of production, loss of profit or any other consequential economic loss.

The Buyer shall indemnify and hold the Seller harmless to the extent that the Seller incurs liability towards any third party in respect of any damage for which the Seller

according to the three above paragraphs of this Clause is not liable towards the Buyer.

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.

The Seller 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 the Seller and the Buyer shall however always be settled by arbitration in accordance with Clause 20.

The above limitations in the Seller's liability shall not apply where the Seller has been guilty of gross negligence.

Grounds for Relief (force majeure)

18. The following circumstances shall be considered as grounds for relief if they occur after the formation of the contract and 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, mobilization 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 according to Clause 18 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 in the Seller's country.

Resell

21. If the buyer resells the goods to a third party, either in the original form or as a component in a new product, seller will not in any way be held liable for losses occurred by the buyer or by a third party after such a sale regardless of whether such losses are caused by a defect in the goods.

22. Buyer agrees to indemnify seller for all losses arising from claims made by any third party against the seller after a resale as described under clause 21.

Amendments to GENERAL TERMS, clause 1-7

For deliveries of springs the following applies and otherwise according to the GENERAL TERMS.

1. Packaging

All prices stated in offers and other agreements are units excluding packaging. All packaging delivered by the Seller will be charged at cost price and is not returnable unless otherwise agreed upon.

2. Tools

If the Seller produces tools or other equipment, the costs for this must be stated separately and be charged to the Buyer. All tools and other equipment are the property of the Seller.

The expenses for general maintenance of tools are paid by the Seller. Major service or direct replacement of parts/components due to wear to be paid by the Buyer. Required changes are charged to the Buyer unless these changes are due to defects or shortcomings on the part of the Seller.

All obligations of the Seller concerning tools and other equipment cease three years after completed delivery. The Seller is obliged to inform the Buyer prior to scrapping/destruction.

Payment for tools is settled with 50% when placing the order and the remaining 50% on approval/dispatch of type samples.

3. Quantity

Unless otherwise agreed, the Seller reserves the right to overdeliver/underdeliver with max 10%.

In case delivery is to be performed successively according to delivery schedule, the Seller has the right to produce the agreed total amount at the start of the delivery period.

4. Surface Treatment

Cracks as a result of electrolytic surface treatment is at the Buyer's own risk no matter whether the Seller according to the Buyer's request has arranged the surface treatment.

5. Time for Delivery

In case the parties have agreed that drawings and/or type samples must be approved by the Buyer prior to delivery, the time for delivery should be counted from the day the Seller has received a written approval from the Buyer.

6. Validity

The present offer is valid for 30 days unless otherwise stated.

7. Default Interest

5. Time for Delivery
In case the parties have agreed that drawings and/or type samples must be approved by the Buyer prior to delivery, the time for delivery should be counted from the day the Seller has received a written approval from the Buyer.

6. Validity

The present offer is valid for 30 days unless otherwise stated.

7. Default Interest

The default interest is charged with 2% per month and not as stated in the General Terms Clause 11.