

## TERMS OF SALE AND DELIVERY

### **Basis for the Agreement:**

Unless the parties have agreed otherwise all deliveries shall be effected on the basis of the terms of delivery stated below:

### **Price:**

Prices and other information stated in price lists etc., shall always be regarded as recommended. An additional labour charge dependent on price and quantity shall be added to specific dimensions, for which orders of less than 100 metres of each dimension are placed, and which are not stated in our price list.

In case of price increases or the like from seller's supplier prior to the delivery or in case of increased customs duties of other duties, the price shall be proportionately increased.

Orders shall amount to at least DKK 200,00, and a service charge of DKK 50,00 on orders below 500,00 shall be added.

### **Delivery:**

The terms of delivery agreed shall be construed in accordance with the Incoterms in force by the contracting.

If no specific agreement has been reached to such a term of delivery, the delivery shall be regarded as effected "Ex Works". Packing costs shall be charged separately, unless otherwise agreed upon.

If the seller does not effect delivery within the term of delivery agreed, the buyer is entitled to set a reasonable final term of delivery to the seller. If delivery has not been effected within this term, the buyer shall be entitled to terminate the agreement by informing the seller in writing to this effect. Only if the delay is due to circumstances for which the seller bears the risk can the buyer claim damages. The seller's liability to pay damages as a consequence of a delay can never exceed the value of the delivery. The seller's liability to pay damages shall not comprise the buyer's loss of profits or other indirect losses.

If the parties have agreed upon a successive delivery, each delivery shall be regarded as a separate delivery. Consequently, in case of defects by part of a delivery the buyer is not entitled to terminate the agreement as for the remaining deliveries.

### **Terms of payment:**

If payment is effected within 8 days as from the date of delivery, a cash discount of 2 per cent of the invoice amount, excluding VAT, shall be deducted. Otherwise, the terms of payment are net cash 30 days from the date of invoice. If amounts are not duly paid, interest on overdue payments shall be added by 2 per cent per month, counting from the date of payment. New customers shall be required to pay net cash, unless otherwise agreed upon.

### **Retention of Title:**

The product delivered shall remain the property of the seller, until it has been fully paid.

### **Buying Samples:**

If prior to delivery the buyer has received a buying sample to the product to be delivered to him at a later date, and the buyer unconditionally approves of this buying sample, the buyer shall be debarred, when delivery has taken place, from complaining of defects by the product delivered, provided this product is of the same standard as the buying sample approved of. If specific models, forms or other tools are necessary for the manufacturing of the products ordered, the buyer shall pay part of the costs by this manufacturing. In the absence of an agreement between the parties, such models, forms or other tools shall be property of the seller.

### **Patent, Design Production, Copyright etc.:**

If the seller supplies the buyer with sketches, models or other examples for the use of the seller's manufacturing of the product as ordered by the buyer, the buyer undertakes every responsibility for violating the rights of any third party due to patents, design production, copyrights or the like. The buyer is obliged to recover all such costs and damages charged to the seller in connection with claims from third parties and in consequence of disputes to this effect.

### **Defects:**

In case of defects by the product delivered the buyer is entitled, within 8 days upon the delivery, to claim repairing or replacement delivery as per the choice of the seller. The buyer can only terminate the agreement, provided the seller does not effect repairing or replacement within a reasonable deadline. Only in such a case can the buyer claim damages from the seller, and such damages can never exceed the value of the product delivered.

### **Exemption from Liability (Force Majeure):**

The following circumstances shall result in exemption from liability if they impede the performance of the agreement or make the performance unreasonable burdensome:

An industrial dispute and any other circumstance which are beyond the control of the parties such as fire, war, mobilisation or call-up for military service to a similar extent, requisition, seizure, currency restrictions, rebellion and disturbances, lack of means of transport, general scarcity of goods, restrictions on motive power and defects or delay in deliveries from sub-suppliers which are caused by some of the aforementioned circumstances, or that the time of delivery is extended as a result of the goods being sampled for inspection by the customs authorities.

The party who wishes to claim exemption from liability shall immediately notify the other party in writing of when such circumstances arise and cease.

### **Product Liability:**

The seller is only responsible for personal damage, if it can be proved that the damage is due to a mistake or negligence on the part of the seller or other persons under his responsibility. The seller is not responsible for damages on real and personal property, taking place while the material is in the buyer's possession. Neither is the seller responsible for damages to products manufactured by the buyer or products in which such products form part. Besides, the seller is responsible for damages to real and personal property on the same conditions as those applying for personal damage.

The seller is not responsible for loss of profit, lost wages or other indirect losses. To the extent a product liability towards a third party should be imposed on the seller, the buyer is obliged to indemnify the seller to the same extent to which the seller's responsibility is limited according to the two previous subsections. These limitations of the seller's responsibility shall not apply, in case of gross negligence.

Should a third party claim damages against one of the parties according to this section, the party concerned shall immediately inform the other party to this effect.

The seller and the buyer are mutually obliged to be sued at the court of law for arbitration dealing with the claims for damages, which might be advanced against one of them on the basis of damage of a caused by the material.

### **Choice of Law and Venue:**

Disputes, if any, shall be settled pursuant to the rules of Danish Law and by the venue of Aalborg Gummivarefabrik A/S. Besides, all matters of dispute and construction shall be settled pursuant to the rules of Danish Law.

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