

# GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY FOR SCANFLAVOUR A/S

## 1. Introduction

- 1.1. These general terms and conditions shall apply to all deliveries made by Scanflavour A/S (hereinafter referred to as SCF) unless otherwise explicitly agreed and confirmed in writing by both parties.
- 1.2. Conditions or requirements of the Buyer contained in the Buyer's order stated in his general conditions of purchase or elsewhere, shall not bind SCF unless SCF has accepted them in writing.
- 1.3. In his use of the goods the Buyer shall observe all relevant national legislations including any regulation or requirement of governmental or other regulatory authority. Consequently, SCF assumes no liability for any infringement of patents or violations by the Buyer of any relevant legislations, regulations or requirements, which is due to his use of the goods. This shall apply even if SCF, its employees or agents have made statements or recommendations (whether before or after the purchase) relating to the goods.
- 1.4. All information in brochures, publications etc. regarding goods offered for sale by SCF is based on SCF's own research and development work. The information is of an informative nature only and does not constitute a warranty. SCF accepts no liability for such information.

## 2. Terms of delivery

- 2.1. Unless otherwise agreed in writing, the delivery terms are "Ex works".
- 2.2. The terms of delivery agreed upon shall be interpreted in accordance with Incoterms 2010.
- 2.3. The stated date of delivery or length of time for delivery is an estimate made to the best of SCF's knowledge. SCF shall notify the Buyer of the actual date of delivery when it has been finally determined.
- 2.4. Unless otherwise agreed in writing, the quantity agreed upon shall be delivered in even consignments in the course of the term of the order. The delivered quantity shall be deemed to be contractual, if the delivered differs from the invoiced quantity within a maximum of +/- 1,5 %.
- 2.5. If a consignment has not been taken by the Buyer within the agreed time of delivery, SCF is entitled at its own discretion to cancel or maintain the delivery in question. Furthermore, SCF is entitled to store, sell or remove the goods for the Buyer's account and risk and to claim damages. In case of SCF cancelling the order, SCF is entitled to compensation for costs incurred as well as loss of profit.
- 2.6. SCF can demand a postponement of delivery if the Buyer makes changes in the order or in cases where the production is stopped or delayed by responsible authorities. On this account SCF reserves the right to an adjustment to the agreed price in accordance with the actual expenses.

## 3. Delays

- 3.1. If delivery is delayed beyond the date or length of time agreed upon or stated by SCF according to clause 2.3, the Buyer can by notice to SCF demand delivery and fix a final, reasonable time limit for delivery.
- 3.2. If delivery is not effected within reasonable time limit fixed in any notice served under clause 3.1, and the time limit is exceeded by more than 10 (ten) working days, then the buyer is entitled to cancel the order. The buyer cannot cancel when goods are delivered to the buyer prior to his serving the notice of cancellation.
- 3.3. Whether or not the order is cancelled, SCF shall not be liable to make good any damage or loss whether arising directly or indirectly from any delay in delivery.

## 4. Price and cost reservation

- 4.1. SCF reserves the right to increase prices quoted or agreed upon if and to the extent such increase is due to an increase in costs of raw materials or taxes/duties. However, an alteration of prices already agreed upon shall not apply to goods to be delivered within the first 14 days upon SCF's written notification of the price increase in question to the Buyer
- 4.2. Price changes resulting from variations in relevant currency exchange rates will be credited/debited the Buyer only if the order confirmation clearly states which currency shall apply.

## 5. Payment

- 5.1. Unless otherwise agreed in writing, the amount owed to SCF falls due for payment at the latest on the date stated on the invoice as the last due payment date.
- 5.2. In case of late payment, SCF charges interest for default on the amount owing at the time in question, at a rate of 1,5 per cent per month from the due date. Interest will be calculated on the outstanding amount due which will include previously added interests, reasonable cost etc. until payment has been effected.
- 5.3. Should default be made by the Buyer in paying any sum due under any order as and when it becomes due, SCF shall have the right either to suspend all further deliveries until the Buyer's default of payment shall have been made good or to cancel the order so far as any goods remain to be delivered there under.
- 5.4. The Buyer shall not withhold payment or make any deductions from the price of the goods in respect of claims that have not been approved by SCF.
- 5.5. To the extent that this is allowed by the relevant legislation, SCF shall retain title to the goods until payment has been made.

## 6. Defects

- 6.1. Upon receipt of the goods, and before use thereof, the Buyer shall make such examination of the goods as is required by proper trade practice. The Buyer shall satisfy himself that the goods meet all contractual requirements.

- 6.2. The Buyer forfeits the right to submit complaints in respect of defective goods, if the Buyer does not notify SCF thereof specifying the nature of such defect in writing within 7 days after the defect was or should have been detected. The complaint shall include a description of the alleged defect.
- 6.3. Claims based on defects shall be advanced within 6 months of delivery.
- 6.4. SCF may at SCF's own discretion remedy any defects by subsequent delivery/replacement delivery to be made within a reasonable period of time or grant the Buyer a proportionate reduction in the purchase price.
- 6.5. The Buyer is not entitled to cancel the order or to claim damages in the event that defects are ascertained, provided that SCF remedies such defects in accordance with the provisions of clause 6.4. above.
- 6.6. SCF shall not be liable for infringements of any third party's intellectual property right to which the use of SCF's products may give rise. Furthermore, SCF shall have no responsibility as regards the legality of use of the product in the country of consumption.
- 6.7. In no event shall SCF be liable for indirect losses, including but not limited to operating losses, loss of earnings, loss of time, loss of profit, trading losses as a result of delivery of defective goods, punitive damages or other indirect losses and consequential damages. SCF shall furthermore never be liable for any recall expenses including (but not limited to) any pre recall expenses, business interruption damages, rehabilitation costs, loss of goodwill, third party recall costs and/or consultancy costs.

## 7. Product liability

- 7.1. SCF shall be liable in accordance with applicable law on product liability, however with the limitations following from this clause 7.
- 7.2. SCF shall under no circumstances be liable for indirect losses, including but not limited to operating losses, loss of earnings, loss of time, loss of profit, trading losses as a result of delivery of defective goods, punitive damages or other indirect losses and consequential damages to which a defective product may have given rise. SCF shall furthermore never be liable for any recall expenses including (but not limited to) any pre recall expenses, business interruption damages, rehabilitation costs, loss of goodwill, third party recall costs and/or consultancy costs.
- 7.3. SCF cannot be held liable for damage to products manufactured by the Buyer or to products of which these form part.
- 7.4. Furthermore, SCF shall not be liable for losses suffered in connection with carriage and replacement of a product that has been resold.
- 7.5. To the extent SCF incurs product liability towards third parties, the Buyer shall be under an obligation to indemnify SCF to the extent such liability exceeds the limitations according to this clause 7.
- 7.6. In the event that a third party lodges a claim against either party for damages in pursuance of the provisions regarding product liability, the party in question shall immediately inform the other party thereof. The parties are mutually obliged to participate as defendant/involved party at the court/arbitration that considers the claim for damages. However, any disputes between SCF and the Buyer shall always be settled in accordance with clause 9 below.

## 8. Force Majeure

- 8.1. SCF shall not be liable for failure to perform the company's obligations in compliance with offers or orders to which the company is a party provided that such failure to perform results from force majeure, including war, rebellion, terrorism, domestic riots, government or local authority intervention, strike, blockade or lockout, embargo on exports or imports, natural disaster or weather conditions, fire, failure of machinery, shortage of labour, raw materials or energy or other matters that are beyond the reasonable control of SCF and that prevent SCF's performance of its obligations.
- 8.2. The above force majeure clause shall apply regardless of whether the events preventing performance of the order affect SCF or a sub supplier or carrier appointed by SCF.
- 8.3. In the event that timely or defect-free delivery is temporarily prevented due to one of the above-mentioned events, the time of delivery shall be postponed for a period of time that corresponds to the duration of such event. However, either party is entitled to cancel the agreement in writing without incurring liability, if such event can be expected to persist for more than two months after the stipulated time of delivery.

## 9. Governing Law and Venue

- 9.1. Any dispute that may rise out of or in connection with the sale from SCF including any disputes regarding the existence, validity or termination thereof shall, at SCF's sole discretion, be finally settled either by court at the venue of SCF or by arbitration arranged by Danish Arbitration in accordance with the rules of arbitration procedure adopted by Danish Arbitration and in force at the time when such proceedings are commenced. The arbitration shall take place in Aarhus, Denmark The law in force in Denmark shall be applicable for the settlement of all disputes, disregarding its rules of renvoi. The international law pertaining to the sale of goods (U.N. Convention, C.I.S.G.) shall not apply between the parties.

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