

General Conditions of Purchase

1. Scope

1.1. These General Conditions of Purchase (the "General Conditions") apply to all quotations, purchase orders and order confirmations between any legal entity of the GPV Group (the "Buyer") and a seller of goods and/or services (the "Seller") in respect of the delivery of such goods and/or services (the "Products"). Deviations from the General Conditions shall only apply if such deviations are expressly agreed in writing between the Buyer and the Seller. The Seller's Standard terms, National or International Terms for Sale and Delivery are expressly excluded.

1.2. The GPV Group comprises GPV International A/S, Central Business Reg.no. (CVR) 66945715, Haandvaerkervej 3-5, DK-6880 Tarm and all of its affiliated companies.

2. Quotations

2.1. Each Party shall cover its own costs and expenses for preparation of quotations. A quotation from the Buyer does not constitute a binding order but only a non-binding request.

2.2. All prices contained in an offer from the Seller based on a quotation from the Buyer shall be according to the technical descriptions and/or drawings delivered from the Buyer, in the agreed currency exclusive of VAT and any existing public duties and other costs. The prices shall be fixed for the required period of time. Any possible price adjustments beyond the fixed period for components and raw material, tariff rates, import/export duties, exchange rates or other conditions shall be clearly stated and documented including their individual influence to the prices. The Seller shall obtain no rights to drawings, technical descriptions etc. delivered from the Buyer and shall immediately return such including copies hereof upon the Buyer's request.

3. Ordering and Changes

3.1. Purchase orders issued by the Buyer shall be confirmed by the Seller not later than two (2) working days from the date of the purchase order unless otherwise agreed upon in writing. If no confirmation is received within this period the purchase order shall be null and void unless a written agreement has been concluded between the parties.

3.2. Any deviation from the time of delivery and volume set out in the purchase order when confirmed by the Seller shall only be valid when confirmed by the Buyer in writing prior to the time of delivery set out in the purchase order.

3.3. Any change in design, quality or function of the Product shall be communicated in writing to the Buyer as an Engineering Change Order (ECO) and be mutually agreed upon before such changes are implemented in the Products delivered to the Buyer.

4. Payment

4.1. Terms of payment are current month + sixty (60) days from date of invoice.

4.2. The Seller is not entitled to effect a set-off of a claim which the Buyer may have against the Seller against the Seller's claim for payment or other claims, unless such claim has been approved by the Buyer in writing or established by court order.

5. Delivery

5.1. If the Products are not delivered at the agreed time of delivery and such delay is caused by the Buyer, including in case of modifications to the Products requested by the Buyer after the Seller's issue of an order confirmation, the time of delivery will be postponed to the extent the delay is caused by the Buyer.

5.2. If the Products are not delivered at the agreed time of delivery, the Buyer is entitled to claim liquidated damages of zero point five (0.5) percent of the purchase price of the delayed Products in question per working day the Products are delayed (however excluding a grace period of one (1) day), up to a maximum of seven point five (7.5) percent. Thereafter the Buyer will be entitled to cancel the purchase order without any liability or further responsibilities towards the Seller and claim compensation for the loss he may have suffered exceeding the liquidated damages.

5.3. If delivery is made earlier than one day before the agreed date of delivery, the Buyer shall at its own discretion be entitled to either (i) reject the Products and demand delivery at the agreed date; or (ii) accept delivery of the Products and claim reimbursement of storage and handling costs which have been incurred as a consequence of early delivery.

5.4. Title of the Products pass to the Buyer when received at the Buyers premises. The Buyer will usually not and shall not be required to examine the Products at the time of delivery or any time thereafter. The Buyer shall not lose any right against the Seller as a consequence of not having carried out an examination of the Product.

6. Warranty

6.1. The Seller warrants that all delivered Products are free from malfunctions and defects in material and workmanship and correspond to the technical documentation, information of the Products and the requirements provided by the Buyer, and or the DIN standard products delivered by Seller shall be of the required quality for such products. The warranty period shall endure for a period of 24 months from the date of delivery. Additionally, the Seller warrants that the Products are free and clear of any third party rights.

7. Quality

7.1. The Seller's quality system shall fulfil routines according to EN ISO 9001: 2000. Workmanship standard IPC-610A rev. D class 2 shall be fulfilled unless otherwise stated specifically in writing. Delivered products must not contain prohibited chemicals acc. to law. Further, RoHS 2002/95/EC shall be fulfilled where applicable. The Seller shall confirm that the Products do not contain conflict minerals originating from Democratic Republic of Congo (DRC) or an adjoining country.

8. Liability

8.1. If a Product is defective (do not fulfil the warranty provided by the Seller, cf. section 6.1 above), the Seller is obliged to re-deliver or remedy the defective Product at his own expenses immediately. If the defective Product is returned to the Seller, the Seller is obliged to issue a credit note and invoice the new deliveries again as from the new delivery date.

8.2. In addition to the Buyer's right to demand re-delivery and remedy the Buyer shall be entitled to damages for any loss suffered by the Buyer due to a defective Product including indemnification against any third party claims raised as a consequence of a defective Product.

9. Environment

9.1. In accordance with ISO 14001, the Buyer is entitled to audit that the Seller fulfils relevant aspects in relation to the environment.

9.2. The Seller is obliged to act responsible in order to avoid any harmful impact to the environment. As a minimum the Seller shall prove that all binding local as well as national environmental directives and procedures are fulfilled. Preferably the Seller shall fulfil the requirements in ISO 14001 or an equivalent hereto with an environmental policy in writing, including goals for improvements.

10. Human rights

10.1. The Seller will not make use of forced labor or employ children below the age of 15 (or, in countries covered by the ILO developing countries exception, 14 years) and shall respect "The Universal Declaration of Human Rights" within his sphere of influence. Please read: <http://www.un.org/en/universal-declaration-human-rights/index.html>.

11. Force Majeure

11.1. Neither the Buyer nor the Seller shall, be liable to the other party in case of non-fulfilment of its obligations in respect of these General Conditions to the extent such non-fulfilment is caused by a Force Majeure Event. Force Majeure Event means any event or circumstance including, without limitation, however only to the extent such event or circumstance could not reasonably have been foreseen, avoided and was beyond the reasonable control of a party, acts of God, compliance with any law or governmental or quasi-governmental order, regulation, direction or any overriding emergency procedures, accident, fire, flood, storm, and strikes or any industrial action..

11.2. Force Majeure can only be claimed when the affected party has given the other party written notification no later than maximum two (2) days after the Force Majeure Event. Failing deliveries from the Sellers sub - suppliers shall not qualify as a Force Majeure Event.

12. Business and Product Liability

12.1. The Seller shall maintain and keep in force adequate business and products liability insurance covering the Products delivered to the Buyer. Coverage of injuries on persons or damage to property should be valid worldwide and not less than DKK 20 Mio. (approx. € 2.7 Mio.) per year. A valid insurance shall be presented to the Buyer on demand.

12.2. The Seller shall assume full responsibility and liability for any product liability claims ("Claims") related to the Products whether such claim is brought against the Seller or the Buyer. The Seller shall indemnify and hold the Buyer harmless from and against all Claims directed at the Buyer.

13. Governing law and jurisdiction

13.1. Any dispute between the parties arising out of or in connection with these General Conditions, including disputes on the existence or validity of the General Conditions, which cannot be settled through amicable negotiation between the parties, shall be settled by arbitration arranged by The Danish Institute of Arbitration in Copenhagen 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.

13.2. These General Conditions shall be exclusively governed by Danish Law. The application of the UN Convention for the International Sale of Goods (CISG) shall be excluded.

14. Final stipulation

14.1. Should any provision of these General Conditions be void or nullified by virtue of applicable law, the Buyer and the Seller shall consult each other and agree on a provision that actually is allowed and which as much as possible captures the purpose of the original provision.