

Conditions of Sale and Terms of Delivery


- Application.** These Conditions of Sale and Terms of Delivery shall apply to all offers, orders and supplies unless otherwise agreed in writing between the parties.
- Offer.** Unless otherwise stated, offers made by SJØLUND A/S are binding for 30 days from the date of the offer. If an order is placed after this period, SJØLUND A/S reserves the right to modify the offer. Prices are exclusive of VAT and any other taxes and charges, packaging and freight, unless otherwise stated in the offer. SJØLUND A/S retains copyright to its drawings and proposals; these may not be copied or made available to third parties without SJØLUND A/S' consent.
- Orders.** Orders require written acknowledgement by SJØLUND A/S before a binding agreement about time of delivery can be deemed to have been concluded. The order will be supplied subject to price increases resulting from changes to trading terms, public taxes and charges, exchange rates, raw material supplies and other factors beyond the control of SJØLUND A/S. Cancellation of an order is only accepted following agreement and only against payment of SJØLUND A/S' loss, including the development and manufacture of tools, purchase of materials and any loss of profit. When executing the order, and in agreement with the Buyer, SJØLUND A/S reserves the right to make any modifications that are deemed to be necessary from a production engineering viewpoint.

If the Buyer supplies material himself, a small amount of extra material for setting up machines and for commissioning them will be required, depending on the nature of the assignment.
- Tolerance.** The profiles will be made according to the standard given below, unless otherwise agreed in writing between SJØLUND A/S and the Buyer:


Tolerance classes	Accuracy of linear measurements in mm							
	From 0	Over 400	Over 1000	Over 2000	Over 4000	Over 8000	Over 12000	Over 16000
	To 400	To 1000	To 2000	To 4000	To 8000	To 12000	To 16000	To 20000
Accuracy	± 1.0	± 1.0	± 2.0	± 2.0	± 3.0	± 4.0	± 4.0	± 4.0
Tolerance classes	Accuracy in relation to the angle							
	Ø0-50 mm.		Ø50-200 mm.		Ø > 200 mm.			
	± 1.0°		± 1.0°		± 2.0°			

In the bending process, the rise is the primary measuring unit and the tolerances listed above relate to this height. Tolerance is significantly affected by the nature of the material and its stability of form, since after leaving SJØLUND A/S the profiles may be deformed during transport or handling.

If a deviation from the above tolerances relates to the nature of the material or its stability of form, the Buyer shall remedy the said deviation to the greatest possible extent. Any cost involved shall be borne by the Buyer. Deformation may occur where profile cross section may change during the bending process. If the Buyer has any requirements concerning deformation, these must be agreed in writing with SJØLUND A/S to be considered binding.

 Terms of delivery. The time of delivery starts on the date of the written order acknowledgement, provided that all technical details and formalities related to execution of the order are available on that date. Where a confirmed, irrevocable letter of credit or prepayment is used, these must also be available to SJØLUND A/S on that date. Otherwise, the time of delivery starts at the time when all such elements have been taken care of. If there is a delay in delivery on orders with a confirmed delivery, where such delay is attributable to SJØLUND A/S, the Buyer shall be entitled to a contract penalty of 0.5 % of the purchase sum for each week's delay, within a maximum of 5 % of the agreed purchase sum. No contract penalty shall be payable for the first four weeks of delay. A delay does not entitle the Buyer to invoke any other compensation claims towards SJØLUND A/S regardless of the loss suffered. If the Buyer does not take delivery of ready-for-delivery supplies on the agreed date, he shall still make all payments related to the supplies as if delivery had been made. Furthermore, SJØLUND A/S shall be entitled to cancel the agreement and claim compensation from the Buyer for any financial losses suffered by SJØLUND A/S as a result of the Buyer's neglect.

If not otherwise agreed with the Buyer, the profiles shall be packed for dispatch according to SJØLUND A/S's estimate and the costs thereof shall be paid by the Buyer, unless packaging has been explicitly included in the price. Packaging returns shall only be accepted following agreement and shall be credited by 80 % of the price of the packaging, provided it is still in a useable state and is delivered carriage paid. Dispatch shall always be made ex works, e.g. at the Buyer's responsibility and risk, also in case of carriage paid, and the Buyer shall be responsible for ensuring that the necessary transport insurance has been taken out, unless otherwise explicitly agreed in writing. Delivery shall be made in accordance with Danish standards and regulations, unless otherwise agreed in writing. Excess delivery or short delivery may occur.

 Force majeure. If delayed delivery is caused by war, strike, lock-out, other force majeure or political conditions, or lack of sub-supplies beyond the control of SJØLUND A/S or caused by the Buyer's act or omission, the time of delivery shall be extended correspondingly. In such situations, SJØLUND A/S assumes no liability to pay

compensation to the Buyer. If the Buyer does not comply with the agreed provisions on payment of the purchase sum, SJØLUND A/S shall not be obliged to make delivery. No compensation shall be paid for delayed delivery and the Buyer shall not be entitled to cancel the transaction because of any such delay.

Payment and security. Regardless of whether this is specified in the offer made or in order acknowledgements, SJØLUND A/S shall be entitled to insist that any payment obligation be secured by means of a bank guarantee from a recognised bank or by a confirmed, irrevocable letter of credit; the choice between the two shall rest with SJØLUND A/S. Terms of payment are net 30 days from delivery. The Buyer shall not be entitled to withhold payment because of any counterclaims not recognised by SJØLUND A/S. If payment is made later than the agreed date of payment, interest shall be added; the present interest rate is 1 % per month or part thereof. SJØLUND A/S reserves the right to change the said interest rate.

Property right. SJØLUND A/S shall retain property in the delivered profiles until the full purchase sum with all additions and all interest has been paid. The Buyer shall be obliged to insure the profiles at their full replacement value from the date of delivery until payment has been made in full.

Complaints and responsibility for deficiencies. If the Buyer wishes to make a complaint, the complaint shall be made to SJØLUND A/S within 21 days of delivery in order to be valid. SJØLUND A/S shall not be liable for errors and deficiencies caused by incorrect installation or handling by the Buyer.

If profiles have significant errors or deficiencies SJØLUND A/S shall choose whether it wants to:

- a) Remedy the deficiency.
- b) Make a replacement delivery.
- c) Give a proportional rebate on the price.
- d) Pay compensation.

The Buyer shall not be entitled to invoke any other rights. Transport, insurance, travel, installation and other costs for remedial action or replacement delivery shall be paid by the Buyer. If the deficiency is significant, the Buyer may cancel the agreement by writing to SJØLUND A/S. The Buyer shall also be entitled to cancel the agreement if the deficiency remains significant following the measures mentioned under a) to d). SJØLUND A/S's liability to pay compensation shall amount to a maximum of 15 % of the invoice amount for the deficient profile; under no circumstances can SJØLUND A/S be held liable for indirect losses, such as loss of use or operating loss.

SJØLUND A/S's liability does not cover deficiencies caused by material provided by the Buyer or by specifications prescribed by the Buyer. If material is provided by the Buyer, SJØLUND A/S shall only be liable for the bending process.

Regardless of the provisions above, SJØLUND A/S's liability for deficiencies shall not apply to any part of the material after two years from the time of delivery. SJØLUND A/S has no liability for deficiencies other than as provided above. This applies to all and any loss caused by the deficiencies, such as operating loss, loss of profit and other consequential losses of a financial nature.

Liability for damage or injury caused by supplies (product liability). The Buyer shall indemnify SJØLUND A/S to the extent SJØLUND A/S is held liable towards third parties for any such damage or injury or any such loss for which SJØLUND A/S has no liability towards the Buyer in accordance with the second and third paragraphs under this heading.

SJØLUND A/S shall not be liable for damage or injury caused by the material:

- a) to real property or chattels, where these occur while the material is in the Buyer's possession.
- b) to products manufactured by the Buyer or to products of which these products form part, or to real property or chattels caused by these products as a result of the material.

Liability for damage to objects is limited to maximum of DKK 1 million; in no case shall SJØLUND A/S be liable for operating loss, loss of profit or other consequential losses of a financial nature. Product liability shall not apply after three years after the damage occurred or in regard to damage caused more than five years from the date of delivery. This shall also apply to damage occurring in connection with force majeure. To the extent SJØLUND A/S is held liable towards third parties in the form of product liability, the Buyer shall indemnify SJØLUND A/S to the same extent as SJØLUND A/S has restricted its liability above. The above does not change the product liability which follows Danish legislation according to (Produktansvarsloven Lovbekendtgørelse 2007-03-20 nr. 261 om produktansvar).

Special conditions. Unless otherwise agreed in these general Conditions of Sale and Terms of Delivery, the parties agree that General Conditions NL92 shall apply. In case of disagreement between NL92 and these Conditions of Sale and Terms of Delivery, these Conditions of Sale and Terms of Delivery shall prevail. Unless otherwise agreed, special tools made for the Buyer's order shall remain SJØLUND A/S's property. Special tools shall be stored until four years after the last order was received. If special tools have been destroyed, cf. above, the Buyer shall, when placing an order, pay the costs of the making of new tools.

Venue clause. Disputes of all types between SJØLUND A/S and the Buyer resulting from the business relationship or from related agreements shall be decided in accordance with Danish law by the Court of Kolding or, if the dispute is to come before the high court, the Western Division of the Danish High Court. Consequently, the Buyer shall be obliged to accept that lawsuits are filed at SJØLUND A/S's local venue.

