

1. Introduction

1.1 In these Conditions, the following definitions apply:

Contract: these Conditions and the Order.

Goods: the goods (or any part of them) set out in the Order.

Order: any order placed by SJØLUND A/S in writing under which the Supplier agrees to supply Goods and/or Services to SJØLUND A/S.

Personnel: the employees, contractors, agents or otherwise of the Supplier that are engaged by the Supplier in the performance of the Contract.

Services: the services and/or works (or any part of them) set out in the Order.

Specification: any specification for the Goods and/or Services, including any related plans, drawings and instructions that are supplied to the Supplier by SJØLUND A/S, or produced by the Supplier and agreed in writing by SJØLUND A/S.

Supplier: the person or firm from whom SJØLUND A/S purchases the Goods and/or Services, as specified in the Order.

1.2 The Order constitutes an offer by SJØLUND A/S to purchase the Goods and/or Services in accordance with the Contract.

1.3 The Order shall be deemed to be accepted on the earlier of: (a) the Supplier issuing a written acceptance of the Order; or (b) the Supplier doing any act consistent with fulfilling the Order, at which point the Contract shall be formed.

1.4 The Supplier shall not act on any Order from SJØLUND A/S (or any variation to an existing Order) placed verbally unless such Order or variation is confirmed in writing within three working days.

2. The Goods

2.1 The Supplier warrants that the Goods shall:

(a) correspond with the relevant description and the Specification and be free from defects in design, material and workmanship;

- (b) be of satisfactory quality and fit for any purpose held out by the Supplier or made known to the Supplier by SJØLUND A/S;
- (c) comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of the Goods and any policies or procedures notified by SJØLUND A/S to the Supplier; and
- (d) not infringe the intellectual property rights of any other person.

2.2 Without prejudice to any other rights or remedies of SJØLUND A/S if, within twelve (12) months of delivery of the Goods or, if longer, within any period specified in the Specification, it is discovered that the Goods do not comply with the requirements of the Contract then SJØLUND A/S shall have the right at its discretion to require the Supplier, free of charge and within a reasonable period (as agreed between the parties), to either remedy any defect in the Goods or to supply replacement Goods which comply with the requirements of the Contract.

3. Delivery of Goods

3.1 The Supplier shall ensure that:

- (a) the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition; and
- (b) each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the Order number, the type and quantity of the Goods, special storage instructions (if any) and, if SJØLUND A/S has agreed to delivery of the Goods by instalments, the outstanding balance of Goods remaining to be delivered.

3.2 The Supplier shall deliver the Goods:

- (a) on the date specified in the Order, or, if no such date is specified, within 14 days of the date of the Order;
- (b) to the location set out in the Order, or as instructed by SJØLUND A/S prior to delivery (Delivery Location); and
- (c) during SJØLUND A/S ' normal business hours, or as instructed by SJØLUND A/S.

3.3 Delivery of the Goods shall be completed on the completion of unloading the Goods at the Delivery Location.

3.4 If delivery of the Goods is not made in accordance with clause 3.2(a), SJØLUND A/S may, without prejudice to any other remedy, terminate the Contract and/or reject the Goods and the Supplier will promptly collect these Goods at its own risk and expense and repay SJØLUND A/S any monies it has paid for the Goods. If the Supplier delivers more or less than the quantity of Goods ordered, and SJØLUND A/S accepts the delivery, a pro rata adjustment shall be made to the invoice for the Goods.

3.5 Title in the Goods shall pass to SJØLUND A/S on the earlier of (i) delivery or (ii) payment, and risk in the Goods shall pass to SJØLUND A/S on completion of delivery.

4. The Services

4.1 The Supplier warrants that the Services shall:

- (a) be performed with all due skill, care and diligence in accordance with good industry practice and wholly in accordance with the Contract (including any Specification), and any proposal submitted to and approved in writing by SJØLUND A/S;
- (b) be provided on or before the dates specified in the Order, or at such time(s) as SJØLUND A/S may specify to the Supplier and shall meet any performance dates for the Services specified in the Order or notified to the Supplier by SJØLUND A/S;
- (c) be performed by appropriately qualified, trained and competent Personnel and shall be properly supervised;
- (d) not infringe the intellectual property rights of any third party; and
- (e) comply, and the Supplier in performing its obligations under the Contract shall comply, fully with all relevant legislation for the time being in force and any codes of practice or policies issued by SJØLUND A/S to the Supplier from time to time.

4.2 The Supplier warrants that its Personnel will comply with all applicable staff, contractors' and other applicable regulations of SJØLUND A/S whilst at SJØLUND A/S' premises.

4.3 In the event of any breach of any of the warranties set out in clause 4.1, in addition to any other remedies available to SJØLUND A/S under the Contract or otherwise, the Supplier agrees promptly to take whatever action is necessary to remedy such breach, at no additional cost or expense to SJØLUND A/S, and without interruption to SJØLUND A/S' ongoing business, time being of the essence.

4.4 SJØLUND A/S may revise the scope of the Services in a manner which does not materially vary the nature of the Supplier's work or materially increase the burden on the Supplier.

5.Liability

5.1 The Supplier shall indemnify SJØLUND A/S in full against all costs, expenses, damages and losses, including any interest, penalties, and legal and other professional fees and expenses awarded against or incurred by SJØLUND A/S as a result of or in connection with any breach of the Contract or any negligence or breach of statutory duty by the Supplier.

6.Price and Payment

6.1 SJØLUND A/S shall pay the price set out in the Order for the Goods and/or Services and in respect of the Goods such price shall (unless otherwise specified in the Order) be inclusive of the costs of packaging, insurance and delivery. All amounts are exclusive of VAT which shall be paid by SJØLUND A/S in addition on production of a valid VAT invoice.

6.2 The Supplier shall provide an invoice in the agreed format on completion of delivery of the Goods or on completion of the Services. Such invoice shall, as a minimum, include the relevant SJØLUND A/S Order number. Each undisputed invoice shall be paid within thirty days of the end of the month in which SJØLUND A/S receives such invoice. If SJØLUND A/S disputes any invoice in good faith, it shall promptly notify the Supplier and the Supplier shall (i) issue a credit for the full amount of the original invoice, and (ii) issue a new invoice for any undisputed amount (and SJØLUND A/S shall pay such invoice in accordance with this clause 6.2). If the dispute is resolved in the Supplier's favour, it may issue a further invoice for the remaining amount, which SJØLUND A/S shall pay in accordance with this clause 6.2. If any undisputed amount is not paid

when due, the Supplier may charge interest at a rate of 2% per annum above the base rate from time to time of the CIBOR until paid.

6.3 SJØLUND A/S may set-off any liability of SJØLUND A/S against any liability of the Supplier to SJØLUND A/S.

6.4 SJØLUND A/S will not reimburse any expenses incurred by the Supplier other than as set out in the Order or otherwise agreed in writing in advance by SJØLUND A/S.

7. Intellectual Property

7.1 The parties agree that any intellectual property rights existing at the date of the Contract (Background Intellectual Property) in the Goods and/or used in providing the Services shall at all times remain in the ownership of the relevant party. The Supplier grants to SJØLUND A/S an irrevocable, royalty-free, non-exclusive worldwide and perpetual licence to use its Background Intellectual Property to such extent as is necessary to enable SJØLUND A/S (and any company within its group) to have the full benefit of the Goods and/or Services for the purpose intended (including the right to sub-license such Background Intellectual Property to any third party engaged by SJØLUND A/S where required). The Supplier warrants that it has obtained all necessary permissions for any third party intellectual property rights in the Goods and/or used in the provision of the Services. The Supplier acknowledges that any rights granted by SJØLUND A/S to use or exploit any of SJØLUND A/S' intellectual property rights will terminate immediately upon the expiry or termination of the Contract for any reason. All goodwill in respect of SJØLUND A/S' intellectual property rights shall remain with SJØLUND A/S at all times.

7.2 The Supplier assigns to SJØLUND A/S all intellectual property rights in any materials, products or deliverables acquired or created by the Supplier or on the Supplier's behalf for SJØLUND A/S, commissioned by SJØLUND A/S or which are made to SJØLUND A/S' specification and shall provide such assistance and execute any documents required to perfect SJØLUND A/S' title in all such materials, products and deliverables. The Supplier shall ensure all the SJØLUND A/S' employees, contractors and agents are bound by the undertakings within this clause.

8. Insurance

8.1 During the term of the Contract, the Supplier shall maintain in force, with a reputable insurance company, adequate levels of insurance to cover such heads of liability as may arise under or in connection with the Contract, and shall, on SJØLUND A/S' request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

9. Confidential Information

9.1 Any confidential information supplied by SJØLUND A/S to the Supplier (including the details of the Order), shall be kept confidential and shall only be used for the performance of its obligations under the Contract. Upon request, and in any event upon expiry or termination of the Contract, the Supplier shall promptly destroy, and provide evidence of such destruction, (or at SJØLUND A/S' written request, promptly return to SJØLUND A/S) any confidential information provided.

10. Termination

10.1 The Contract will terminate immediately without notice on the completion of the Order in accordance with the Contract.

10.2 SJØLUND A/S may terminate the Contract in whole or in part at any time on giving the Supplier seven (7) days written notice.

10.3 SJØLUND A/S may terminate the Contract with immediate effect by giving written notice to the Supplier if:

(a) the Supplier is in material breach of any of its obligations under the Contract and fails to remedy the breach (if capable of remedy) within 14 days of the date of a written notice by the Supplier specifying the breach and requiring it to be remedied;

(b) the Supplier ceases, or threatens to cease to trade, becomes insolvent, is unable to pay its debts as they fall due, has a receiver, administrative receiver, administrator or manager appointed over the whole or any part of its assets or business, makes any composition or

arrangement with its creditors or an order or resolution is made for its dissolution or liquidation (other than for the purpose of solvent amalgamation or reconstruction) or, if an individual, the Supplier dies or is the subject of a bankruptcy petition.

10.4 Upon receipt of any termination notice from SJØLUND A/S, the Supplier shall discontinue the provision of the Goods and/or Services on the date and to the extent specified in the notice and SJØLUND A/S shall only be liable to pay any charges incurred by the Supplier in the performance of its obligations under the Contract up to the date on which termination takes effect. For the avoidance of doubt, SJØLUND A/S shall not be liable to pay any charges to the Supplier where SJØLUND A/S has terminated the Contract for the default or insolvency of the Supplier in accordance with clause 10.3.

10.5 Termination of the Contract, however arising, shall not affect any rights or remedies that have accrued as at the date of termination. Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.

11. General terms

11.1 The Supplier shall have no right to assign, sub-contract or transfer any of its rights or obligations under the Contract without the prior written consent of SJØLUND A/S.

11.2 All notices served under the Contract shall be in writing and sent to the recipient party at its registered office address or where the recipient is not a company at the last known address. Notices sent to SJØLUND A/S shall be marked for the attention of the Supply Chain Manager, with a copy to the Key Account Manager. Notices may be sent by first class, recorded delivery mail or delivered by hand. Notices sent by post shall be deemed to have been received two (4) working days after the date of posting. Notices delivered by hand shall be deemed to have been received upon delivery.

11.3 If any court or competent authority finds that any provision of the Contract (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall be deleted, and the remainder shall stand in full force and effect.

11.4 Any failure by SJØLUND A/S to insist upon strict performance of the Contract shall not be deemed a waiver of SJØLUND A/S' rights nor of any subsequent default by the Supplier under the Contract.

11.5 Any variation to the Contract, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing and signed by SJØLUND A/S.

11.6 The Contract sets out the entire agreement between the parties and shall supersede any other arrangements, communications (verbal or written), or any other documents relating to its subject matter (including, but not limited to, purchase orders or other terms and conditions pertaining to the Goods and/or Services issued by, or referred to, by the Supplier).

11.7 The Contract shall be subject to Danish Law and the exclusive jurisdiction of the Danish courts.