

# General terms of sale and delivery

## 1. Scope

1.1 All deliveries from Lemvig-Müller A/S ("The Seller") are to take place under these general terms of sale and delivery unless otherwise agreed in writing.

1.2 However, in the case of sale of products that are not items held in stock or which are to be specifically procured or manufactured, the Seller's obligations to the Buyer shall – notwithstanding these terms of sale and delivery – be limited to the rights obtained by the Seller from his supplier.

1.3 These terms of sale and delivery shall not apply to delivery of steel, pipes, aluminium and other materials sold in bond. For such deliveries the Seller's terms of bond sale shall apply.

1.4 These terms of sale and delivery shall not apply to deliveries from Cascade, instead the terms of sale and delivery for cash trading shall apply.

## 2. Quotation, order confirmation etc.

2.1 Quotations shall be submitted with a time stipulated for acceptance of 8 days and subject to the goods being unsold. The Buyer must not transfer quotations and documentation to any third party. The Buyer's order, acceptance, etc. shall not be binding for the Seller until after submission of a written order confirmation.

## 3. Prices

3.1 The price is calculated on the basis of the Seller's current price list at the time the order is placed. Prices are stated excl. VAT, carriage, etc. in Danish kroner (DKK) and are subject to such documented substantial changes in circumstances that concern the agreed delivery and which are beyond the Seller's control, e.g. exchange rates, prices from sub-suppliers, carriage, customs duty, direct and indirect taxes. Any discount for cash payment shall be deducted from the amount excl. VAT.

3.2 The Seller reserves the right to charge an administrative fee in connection with orders that are under a certain amount or volume, unsuccessful transport, specific packing, unwarranted complaints and other similar matters. The Seller's price list for fees is available at [www.lemu.dk](http://www.lemu.dk).

3.3 The Seller may at any one time and without prior notice change his price lists for products, fees, reductions for returned goods, etc.

## 4. Terms and conditions for returned goods

4.1 It is possible to return sellable goods that have been bought from the Seller. However, custom-made goods and specially ordered items are not returnable. Packing and shipment shall be performed at the Buyer's expense and risk. Return of goods shall be performed with a reduction in the purchase price and moreover subject to such terms and conditions for return of goods as set out by the Seller. The Seller's price list for reductions for returned goods is available at [www.lemu.dk](http://www.lemu.dk).

## 5. Quality

5.1 The Seller shall deliver a general, good commercial product unless other standards or descriptions of quality have been agreed.

5.2 For all deliveries the Seller shall reserve a margin of +/- 10% of the specified quantity.

5.3 When deliveries are made in dimensions and lengths that are not standard stock, the Buyer shall be invoiced for any remaining material from cutting-off to the nearest standard format.

5.4 Used tools and machines shall be sold in their present state and condition and shall not be the object of liability by the Seller.

5.5 The Seller shall not be held liable for the product's suitability for the purpose intended by the Buyer.

## 6. Product information and product modifications

6.1 Information in product information and price lists shall only be binding on the Seller if expressly referred to in the written agreement. Information contained in the Buyer's project material, drawings, technical data and similar shall not be binding on the Seller unless agreed in writing.

6.2 Inquiries about the products' use, qualities, etc. shall be answered in an instructional, non-committal and general manner. The answers shall be understood as general guidance on the product and not as concrete advice on the product's suitability for the Buyer's intended purpose.

6.3 The Seller may modify or discontinue products and specifications without prior notice.

6.4 The Seller shall under no circumstances accept any project liability. Agreements concerning the Seller's assistance in connection with guidance, testing, support, project work, engineering, installation, assembly, commissioning assistance, etc. are solely agreements in which the Seller's employees agree to provide a professional standard of work, and the work shall be invoiced according to the time spent by the Seller's employees regardless of whether or not it has been possible to obtain the Buyer's intended result or effect.

## 7. Delivery and time of delivery

7.1 Delivery shall be EXW (Ex Works) from the warehouse where

the goods are kept in storage or are purchased from the Seller's supplier unless other delivery clauses have been agreed. Agreements shall be interpreted according to the Incoterms in force at the conclusion of the agreement. The Buyer may not collect the goods himself; however purchase of freight is available as an optional feature from the Seller. If freight is purchased, delivery shall be CPT (Carriage Paid To) the Buyer's address and delivery shall be regarded as having occurred upon rendering to the carrier, regardless of whether this is an external carrier or the Seller's own vehicles. Similarly the Buyer shall be responsible for any delays and insurance during transport unless other delivery clauses have been agreed. The Seller may specify special terms of freight, see [www.lemu.dk](http://www.lemu.dk).

7.2 Timely delivery means that the Seller has received all the relevant information in due time in advance.

7.3 If the Seller does not deliver within the agreed date of delivery, the Buyer shall be entitled to fix in writing a reasonable final delivery date. Should the Buyer intend to terminate the agreement in case delivery does not take place within this final date, the Buyer must draw direct attention to this fact. If delivery does not take place within the new date, the Buyer shall be entitled to terminate the delayed part of the delivery.

7.4 If the Buyer terminates the agreement, the Buyer shall be entitled to claim compensation for additional costs for a covering purchase. The compensation may not exceed 15% of the purchase price for the delayed part of the delivery.

7.5 If the Buyer does not terminate the agreement but receives delivery of the product, the Buyer shall not be entitled to reimbursement or compensation in connection with the delay.

## 8. Packing and shipment

8.1 Invoiced standard packing (pallets and box pallets etc.) may be credited in certain cases and on certain conditions when returned, see the Seller's price list for fees, reductions for returned goods, etc. The price list is available at [www.lemu.dk](http://www.lemu.dk).

8.2 Shipments by road are conditional on the Seller's part based on the place of unloading being accessible by road. The Buyer shall be responsible for immediate unloading. Any waiting time shall be at the Buyer's own expense. The Seller may specify special terms of freight, see [www.lemu.dk](http://www.lemu.dk).

## 9. Duty of inspection and complaints

9.1 Upon receipt of the goods the Buyer shall immediately perform a suitably thorough inspection of the goods. If the delivery is insufficient or defective, the Buyer shall immediately file a complaint with the Seller.

9.2 If at a later time the Buyer becomes aware of defects which despite a thorough inspection were not found at the delivery, the Buyer shall file a complaint with the Seller immediately after discovering the defect.

9.3 If the Buyer does not file a complaint as described above, the Buyer shall lose his right to put forward a claim to the Seller in connection with the defect in question.

## 10. Liability for defects

10.1 If a justifiable and timely complaint has been made, the Seller shall undertake remedial actions by delivering substitute goods or undertaking remedial actions of his own choice. Remedy shall be arranged without undue delay and shall be performed within a reasonable time. As a basis, remedy shall occur at the place where the object is located and at the Seller's expense with the exceptions stated below. Upon request, the Buyer shall send the defective part or the entire product to the Seller for repair or exchange at the Seller's premises and the Buyer shall be responsible for arranging proper packing and shipment. If remedy of the defective matter has been performed, the Buyer shall have no further claims towards the Seller in this connection.

10.2 The Buyer shall bear any additional costs that the Seller may have for remedial actions as a consequence of the fact that the products are at another location than the place of delivery. If any dismounting or mounting result in intervention to other items than the products, the Buyer shall take pay for the related work and costs.

10.3 If the Buyer's complaint should prove unjustifiable and the Seller has performed work or deliveries in connection with an attempt to perform remedial actions or has paid for freight, the Seller shall be entitled to invoice any such work, deliveries and other expenses to the Buyer.

10.4 If the Seller does not fulfil his obligations for remedial actions within a reasonable time, the Buyer shall be entitled to fix in writing a reasonable, final time limit for remedial actions. To the extent that such remedial actions do not occur within the expiry of this time limit, the Buyer may choose to: a) have the necessary repairs performed and/or have new parts manufactured at the Seller's expense and risk provided that he does this in a reasonable and fair way or b) demand a proportionate reduction of the price, however not exceeding 15% of the agreed purchase price. In the case of a significant defect, the Buyer may instead terminate the defective part of the delivery.

10.5 If the Buyer terminates the agreement, the Buyer shall be entitled to claim compensation for additional costs for a covering purchase. This compensation may not exceed 15% of the purchase price for the defective part of the delivery.

10.6 The Seller's liability for defects shall be valid for 12 months from the date of delivery. For unprocessed steel products the liability for defects shall, however, only be valid for 6 months from the date of delivery. For returned, exchanged or repaired parts the liability for defects shall be valid for 12 months, and 6 months for unprocessed steel products, from the date of the return, exchange or repair in question, however not exceeding 24 months from the original date of delivery.

10.7 Construction deliveries clause: For building materials that are resold by the Buyer in accordance with AB92 or ABT93 the time allowed for complaints shall be 5 years from delivery of the construction but shall not exceed 6 years from the Seller's delivery to the Buyer.

## 11. Exemption from liability

11.1 The following circumstances shall result in exemption from liability if they prevent the Seller from fulfilling the agreement or make fulfilment unreasonably onerous to the Seller: Industrial conflict and any other circumstances that are beyond the parties' control such as fire, war, military mobilisation or drafting of a similar extent, requisition, confiscation, currency restrictions, rebellion or civil disorder, lack of transport means, general scarcity of goods, restrictions on operating power, extraordinary intervention by EU authorities and defects in or delays of deliveries from sub-suppliers due to the circumstances mentioned under this item.

11.2 Should a force majeure situation occur at the Buyer's premises, the Buyer shall cover the Seller's costs for ensuring and protecting the products as long as the force majeure situation prevails.

11.3 If the fulfilment of this agreement is prevented for more than 6 months due to a force majeure situation, both parties shall be entitled to cancel the part of the delivery that has not been performed without compensation.

## 12. Liability for damage to property caused by the products (product liability)

12.1 The Seller shall alone be responsible for product liability to the extent that such liability results from mandatory statutory provisions in the Product Liability Act no. 261 of 20 March 2007 including any later amendments. The Seller shall not be liable for damage to property unless the relevant object is intended for its usual non-commercial use according to its nature and has principally been used by the claimant in accordance with this. The Seller shall not be liable for damage to the defective product itself or other larger products in which it is incorporated.

12.2 The Seller's liability shall be further limited as stated in item 13 below.

12.3 If a third party files a claim to one of the parties for product liability, the relevant party shall immediately inform the other party of this. The Buyer shall indemnify the Seller if the Seller is subject to liability for loss for which the Seller bears no liability to the Buyer, cf. items 12.1 and 12.2.

## 13. Limitation of liability

13.1 Compensation shall only be granted for direct, documented loss. The Seller shall not be liable for indirect loss, consequential damage and similar, including, for example, the Buyer's operating loss or loss of profits. The limitation of liability shall not apply if the Seller has demonstrated gross negligence. Reference is here made to the other limitations of liability which shall apply in addition to this item 13.

## 14. Payment and retention of property

14.1 The purchase price shall be payable at the time of delivery. Setting off may not occur if the Seller has contested the counterclaim. Complaints shall not entitle the Buyer to withhold payment for deliveries.

14.2 If the Buyer does not pay within the time stated, interest for late payment shall be payable. See the current interest rate at [www.lemu.dk](http://www.lemu.dk)

14.3 The Seller may at his own discretion and at any time request the Buyer to pay in cash or provide security.

14.4 The goods sold shall remain the property of the Seller until the Seller has received full payment.

## 15. Venue

15.1 All disputes between the parties in connection with the agreement and circumstances in relation to the agreement shall be settled in accordance with Danish law irrespective of the governing law rules therein. The international Sale of Goods Act no. 733 of 7 December 1988 and United Nations' convention of 11 April 1980 on international sale agreements (CISG) shall not apply. Disputes shall be settled exclusively in a Danish court of law in the jurisdiction where the Seller has his place of business and from where the delivery has taken place.