

Sales and Delivery Terms

The below terms apply to all deliveries and orders, unless there is a separate written agreement confirmed by KE Fibertec AS, in the following called KE.

1

Buyer's orders and commissions are only binding to KE when buyer has received written order confirmation.

The stated prices are net prices, ex works, excluding packaging and fees.

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KE's services only include the parts specified in the order confirmation.

Any drawings, illustrations and technical data in catalogues etc. are guiding and KE cannot be held responsible for any mistakes or misinterpretations in this material.

The proprietary right to all drawings, descriptions and suggestions that accompany quotations or deliveries belongs to KE. These cannot be used or copied, reproduced, surrendered to or in any other way be brought to the knowledge of a third party without KE's consent.

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Prices

All orders are noted at the prices that are in effect of the day of giving the order, unless the order is covered by a given binding quotation. Prices are calculated ex works and in the currency and for the goods and services that are stated in the order confirmation. Prices are excluding VAT and packaging and are based on the exchange rate and prices for materials, salaries, transport costs and fees that are in effect on the day of giving the order. For changes of these KE reserves the right to regulate its prices according to current conditions up to the delivery time. KE reserves the right to impose a handling or reorganisation fee on small deliveries.

If buyer wants to make changes to the given orders/specifications it is at the cost of buyer after statement made by KE.

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Payment

Unless otherwise stated in the order confirmation, payment must be done net cash on delivery.

If payment is late KE will calculate default interest of 1.5% per started month from the time of payment.

If buyer does not receive the delivery at the agreed time, the purchase price is due for payment when the delivery is ready for delivery.

If buyer does not give the order to dispatch then KE is entitled to store and insure the service at buyer's expense. If buyer does not pick up the goods after written request, then KE is entitled to sell the goods the best way possible at buyer's expense. If this is not possible, the en-tire purchase price plus costs is due for payment immediately and without claim. If it is agreed that the purchase price should be paid in instalments, then KE is entitled to consider the purchase price as due for payment if a single instalment is not paid on time. With partial delivery each delivery is payable and if time of payment is exceeded for a single delivery, KE is entitled to withhold other deliveries without losing the right to demand completion of the deal.

Buyer is not entitled to deduct with any counterclaims that have not been approved by KE.

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Delivery

Delivery is done ex works according to Incoterms 2000.

Delivery is done by KE and at buyer's expense and risk.

Insurance on buyer's risk concerning transport is only taken out by KE if there is a written agreement.

If nothing else has been agreed, delivery will take place according to KE's specifications. In cases where delivery time has been agreed, delivery up to 1 week before and 1 week after the stated delivery time is in all cases seen as timely.

KE can demand postponement of delivery time in cases where the buyer demands changes to the order, in case of force majeure, cf. Section 10, and in cases where the work on the delivery has to be stopped or is delayed due to public injunctions.

If the delivery is delayed considerably, then buyer can annul the agreement in writing. If the delay is caused by material that has been manufactured according to buyer's instructions, or if the material is of a kind that is not normally in stock at KE, then the agreement can only be annulled, if the delay means that buyer's purpose for buying will be unsuccessful. If buyer can prove that

the delay is due to mistakes or neglect on the part of KE, and that he has suffered loss, then buyer is entitled to compensation for the loss that he has suffered.

However, the compensation cannot exceed an amount of 1% of the agreed payment for the delayed delivery for each complete week that it is delayed, and the compensation cannot amount to more than 10% of the agreed payment.

If buyer demands packaging, or if KE deems it necessary in order to protect the delivery, it is at buyer's expense. The packaging cannot be returned. KE's storage instructions, which are sent with the order confirmation, apply.

Delivery in the Sale of Goods Act sense is when the goods are delivered to the carrier, as transference to a carrier for forwarding is seen as delivery.

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Deficiencies

KE's responsibility for deficiencies is in force for a period of 12 months from the date of start-up, however no more than 18 months from the date of invoicing. KE's responsibility for deficiencies has the following scope:

- Within the above mentioned period of time KE is obliged to remedy any deficiencies to the delivered items with repairs or new delivery depending on KE's choice.
- KE's obligation to remedy deficiencies is conditioned on buyer proving that the delivered material has deficiencies and can document that the material has been stored, installed, started, used and maintained correctly and according to the installation and storage manual that KE has delivered.
- KE's obligation ceases to exist if components that have not been approved or manufactured by KE are used on the items delivered by KE. The obligation does not cover consequences arising from inappropriate and/or wrong use of the delivered, including deviations from the agreed specifications.
- KE's obligation only covers salary and materials that are directly linked to remedying deficiencies. All other costs connected with a deficiency, including transport, allowance, subsistence allowance, accommodation and costs connected with stripping or making defective parts accessible do not concern KE. In this, KE does not



assume further responsibility for the delivered material which is why buyer cannot annul the purchase, demand proportionate discount or compensation or withhold the purchase price completely or partly.

- KE is only responsible for the delivered being adequate and/or suitable for solving buyer's task with regards to capacity and any respect, in the extent that it is KE that has contributed to project planning, and in the extent that buyer documents that the information given by buyer concerning buyer's demands is correct and sufficient and approved by KE, and that any drawings etc. delivered by KE have been used in accordance with the information given.

- KE only assumes responsibility for information given like specification, choice of material, etc., also including project planning or contributions to same, if delivery of such is a clear part of the purchase agreement.

- If defects are found in the structure, material or execution on any part manufactured by KE, and if the defect in question is documented by buyer as not being a result of wear, poor maintenance or wrong treatment, then KE will do repairs and renewal within normal working hours in the necessary extent assessed by KE. For parts from other manufacture that are part of KE's delivery, there is only the right to seek redress that is given by the sub-suppliers in question.

- In this, buyer has no right to compensation for damage to a product or other material that has not been delivered by KE, nor compensation for loss of operation, loss of profit, loss as a result of late delivery or the like. KE is not obligated to cover expenses had by buyer in connection with proven defects with or repairs of delivered material, unless this has been accepted by KE.

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Claims

Claims concerning deficiencies with a delivery must be done in writing without undue delay after the deficiency has been discovered. Return of goods is only accepted after previous written agreement.

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Product liability

KE is only liable for bodily injury if it can be proven that the injury is a result of errors or neglect on the part of KE or other people that KE is responsible for. Compensation for bodily injury can never exceed the compensation level

in Danish law in force at any time, nor the sum specified by KE's product liability policy.

KE is not liable for damage to property or chattels that occurs while the material is in the possession of buyer. Neither is KE liable for damage to products that are manufactured by buyer or to products where they are included.

KE is liable for damage to property and chattels on the same terms as the liability for bodily injury, however the amount can never exceed the maximum current amount specified at any time by KE's product liability policy.

KE is not liable for loss of operation, loss of income or other indirect loss.

In the extent where KE would be subject to product liability to a third party, the buyer is obligated to indemnify KE in the same extent as KE's liability is limited under the present terms of delivery. These limitations to KE's liability are not in force if KE is guilty of gross negligence.

If a third party makes a claim for compensation against one of the parties under this section, then this party must immediately inform the other party of this. KE and buyer are mutually obligated to allow actions to be brought against them at the court or arbitration tribunal that deals with claims for compensation because of damages that can be said to be due to the delivery.

The limitations to seller's liability are not in force in the extent where it is against mandatory product liability legislation.

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Limitations to liability

KE is in all respects without liability for indirect damages and losses, like loss of operation, loss of profit or similar losses.

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Force majeure

KE has no responsibility for lack of or delayed fulfilment of agreements arising as a result of force majeure, war, riots, civil disturbances, government intervention or interventions by public authorities, fire, strikes, lock-out, export and/or import bans, missing or incomplete deliveries from sub-suppliers, lack of manpower, fuel, power or any other reason that is outside KE's control, and which is likely to delay or hinder the manufacture and delivery of the sold items.

However, if complete or timely delivery is hin-

dered by one or more of the above circumstances, the delivery is postponed for a time period corresponding to the duration of the hindrance plus a, under the circumstances, reasonable period until conditions have stabilised. Delivery at postponed time of delivery will always be seen as timely. If the hindrance can be expected to last more than 8 weeks, then both KE and buyer will be entitled to annul the agreement, without it being seen as a breach.

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Annulment

Orders that have been made completely or partly according to buyer's instructions cannot be annulled.

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Information, construction drawings, instruction material, certificates

KE reserves the right to make changes without warning to its products, provided that these changes do not deteriorate the purchased product. That is also the case for already ordered products. KE is obligated to send instruction material when delivering the products in order to ensure regulation installation, storage and maintenance. Certificates and approvals that are not mandatory will be paid for separately by buyer.

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Governing law and venue

Any dispute between the parties which cannot be solved amicably must be decided according to Danish law – either at arbitration or at Sø- og Handelsretten (the Maritime and Commercial Court) in Copenhagen at KE's choice.

In cases where KE chooses to have a dispute solved at arbitration, the arbitration tribunal must consist of three members that are all appointed by the President of Vestre Landsret (the Danish Western High Court). One of these members – the chairman – must meet the conditions for being a judge, whereas the other two members must be professionally qualified concerning the nature of the dispute.

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