

Terms of sale and delivery (Denmark)

14 November 2024

PRIESS

NL 17 (General conditions for the supply of machinery and other mechanical, electrical and electronic equipment in and between Denmark, Finland, Norway and Sweden) applies to all deliveries from Priess District Heating A/S (hereinafter referred to as PDH), unless otherwise stated, with the following order of precedence, in (1) PDH's quote, order confirmations or contract or (2) the following terms of sale and delivery.

1. FOREIGN GOODS

1.1 Goods that are provided to PDH for processing, repair, insertion, installation or similar, and other customer-owned materials that are provided to PDH, are stored at the customer's expense and risk. PDH thus disclaims any liability for loss or damage, and the customer is responsible for arranging any insurance coverage.

1.2 The same applies to foreign goods which PDH, at the request of the customer, must also send together with products sold by PDH; the customer bears the risk of loss, damage and delay during transport from PDH, and is also responsible for arranging any insurance coverage.

1.3 To the extent that PDH, at the customer's request, shall mount or install foreign goods, this shall be undertaken without liability on the part of PDH. The customer is nonetheless obliged to either supply PDH with detailed, written instructions or to provide detailed guidance in person at the time and place of assembly/installation.

2. QUOTE AND ACCEPTANCE

2.1 Only written quotes are valid for PDH. Quotes are valid for 30 days. All quotes are non-binding and subject to subsequent acceptance in the form of an order confirmation.

3. PRICES

3.1 Prices given are based on the prices and costs that apply at the time of quoting/confirmation, including material prices, wages and other production costs. Any changes to the mentioned prices and costs – including changed or new taxes and duties – up to the point of delivery, shall entitle PDH to adjust the quoted/confirmed prices accordingly.

3.2 When delivering on EUR pallets, a separate fee of DKK 500 per pallet is charged. Pallets are taken back at 85% of the fee charged.

4. PAYMENT

4.1 Payment must be made net in cash. Late payments accrue interest from the due date at a rate of 2% per month on a rolling basis.

4.2 If the customer is in breach of the payment terms, PDH shall be entitled to terminate its fulfillment of all other orders from the customer. If the arrears are not paid within a short additional timeframe set by PDH, PDH shall be entitled to terminate all agreements entered into with the customer.

4.3 The customer is not entitled to withhold any part of the invoiced amount or to make deductions from any part of the invoiced amount, unless PDH has agreed to this in writing.

4.4 Orders under DKK 3000 excluding VAT are subject to a handling fee of DKK 500 excluding VAT.

4.5 PDH reserves the right, prior to delivery, to require a payment guarantee or advance payment.

5. DELIVERY AND DELIVERY TIME

5.1 Goods are delivered from PDH in accordance with INCOTERMS 2020 EX WORKS PDH's address in Herning. Goods are delivered in standard packaging.

5.2 The delivery time is calculated from the day on which PDH has received complete information

about the execution of the order, including all necessary technical details and formalities.

5.3 All delivery dates are approximate.

6. RETENTION OF TITLE

6.1 PDH reserves the right of ownership of the goods sold until payment has been made.

7. FORCE MAJEURE

7.1 In the event of force majeure, which includes strike, lockout, fire, flood, major machine damage, extensive operational disruptions, state of war, import and export bans, confiscation of property, measures taken by the authorities, ice obstruction, breakdowns and wreckage, transport delays, non-delivery or incorrect delivery from subcontractors, raw material or energy shortages, sudden outbreaks of disease, epidemics, pandemics, earthquakes and similar, or other events over which PDH has no control, PDH is entitled to postpone or cancel the execution of an order. The customer cannot, in the event of postponed execution or cancellation, demand compensation for damages or make any other claim against PDH.

8TH COMPLAINTS AND LIMITATIONS

8.1 The customer is obliged to examine the delivered goods immediately following receipt.

8.2 Any complaints must be made in writing and, in the case of visible defects and defects that should be discovered during the Customer's examination of the goods, cf. clause 8.1, by no later than eight days from the invoice date, or the delivery date, if this is later. In other cases, complaints must be made within eight days from when the customer becomes aware of the situation giving rise to the complaint. Otherwise, the complaint cannot be accepted.

8.3 PDH's liability for defects, cf. clause 9.2 below, shall otherwise lapse if PDH has not received a complaint from the customer by no later than one year after delivery of the goods.

9. DELAYS, DEFECTS, PRODUCT LIABILITY AND GENERAL LIMITATION OF LIABILITY

9.1.1 A delay can never trigger a claim for liquidated damages until at least 30 days have elapsed from the agreed delivery date.

9.1.2 The liquidated damages specified in NL 17, Sec 16(2), for each commenced week during which the delay has persisted, are only calculated from 30 days from the agreed delivery date, cf. clause 9.1.1 above, and they can only be claimed against PDH at a rate of 0.5% of the agreed purchase price for the delayed part.

9.1.3 The total liquidated damages specified in NL 17, clause 16(3), can only be claimed against PDH at a rate of 5% of the total purchase price for the delayed part.

9.1.4 If, due to the duration of the delay, the customer becomes entitled to the maximum liquidated damages according to clause 9.1.3, and the product still has not been delivered, the customer may make a written demand for PDH to make the delivery and set a final, reasonable deadline, which may not be shorter than four weeks.

9.1.5 If PDH does not deliver by the deadline set in clause 9.1.4, and such non-delivery is not due to conditions for which the customer is responsible, the buyer can, by submitting written notice to PDH, terminate the agreement for the part of the product that has not been delivered within the timeframe specified in clause 9.1.4.

9.1.6 If the customer has terminated the agreement in accordance with clause 9.1.5, they are also entitled to claim for the loss suffered as a result of PDH's delay, to the extent this loss exceeds the maximum liquidated damages that can be claimed under clause 9.1.3. However, this compensation cannot exceed 5% of the agreed purchase price for that part of the product, for which the agreement is terminated.

9.1.7 The customer is also entitled, by providing written notice to PDH, to cancel the agreement if it is clear that there will be a delay which will exceed 14 weeks from the time at which delivery should take place. In the event of such a cancellation, the Customer is only entitled to the maximum liquidated damages in accordance with clause 9.1.3, and compensation which cannot exceed 5% of the agreed purchase price.

9.1.8 Except for the liquidated damages under section 9.1.2 or 9.1.3, and termination with limited compensation in accordance with clauses 9.1.6 and 9.1.7, any other claims from the customer due to a delay on the part of PDH shall be excluded.

9.2 In the event of deficiencies in the delivery, which can be claimed against PDH, and where PDH fails to fulfill its obligations under NL 17, clause 29 in a timely manner, the customer may, pursuant to NL 17, clause 35, provide PDH in writing with a final, reasonable time limit for compliance, which, in accordance with NL 17, is extended by one week, since the deadline cannot be shorter than 14 days. Attention is also drawn to the fact that PDH has no liability for deficiencies other than those prescribed in NL 17, clauses 24–36.

9.3 In addition to that stated in NL 17, clause 43, it is hereby clarified that PDH disclaims any product liability that does not follow from the mandatory rules in the Danish Product Liability Act (Produktansvarsloven).

9.4 Attention is drawn to the general limitation of liability set out in NL 17 clause 44. Regarding intellectual property infringements under NL 17 clauses 38–42, it is hereby agreed that PDH has no liability for losses in the form of operating losses, loss of earnings and other consequential financial losses or indirect losses.

10. DRAWINGS AND DESCRIPTIONS

10.1 All information about weight, dimensions, capacity, price, technical and other data stated in the catalogs, data sheets, advertisements, visual materials and price lists are approximate and are only binding to the extent they are expressly referenced.

10.2 All drawings and descriptions provided shall remain the property of PDH, and may not be copied, reproduced, disclosed or otherwise made known to third parties without permission.

11. TESTING

11.1 Some of PDH's products are inspected and subjected to standards testing at PDH's factory before shipment, and a test certificate for such products can be supplied upon request. For other products, PDH can perform tests and supply a completed test report for a fee.

12. ARBITRATION AND CHOICE OF LAW

12.1 Any dispute that may arise in connection with these terms of sale and delivery, or which in general may arise between the customer and PDH, including disputes concerning the existence or validity of agreements, shall be settled by arbitration via the Danish Arbitration Institute in accordance with the rules adopted by the Arbitration Institute for this and which apply at the commencement of arbitration proceedings. Danish law, with the exception of the Danish international choice of law rules, shall apply to any dispute between the customer and PDH.