

## General Conditions for Sale and Delivery for IRON Pump A/S

These Terms & General Conditions for Sale and Delivery (the "Terms") shall apply to all quotations, tenders, offers, sales, services and all subsequent contracts of whatever nature by IRON Pump A/S or any of its subsidiaries, branches or affiliates as of 1 July 2019, or at any later date, unless otherwise explicitly agreed in writing.

### 1 Interpretation

#### 1.1

In these Terms the following terms shall have the meaning hereunder assigned to them:

**"Contract"** shall mean the agreement between the Purchaser of any Product and IRON.

**"Customized Product"** shall mean a Product sold by IRON to the Purchaser under the Contract, which has been developed or customized according to the Purchaser's specification.

**"Defective Product"** shall mean a Product which at the time of delivery to the Purchaser is defective due to defective design, defective material and/or poor workmanship.

**"IRON"** shall mean IRON Pump A/S or any of its subsidiaries, branches or affiliates.

**"Order"** shall mean an order placed by the Purchaser with IRON.

**"Order Confirmation"** shall mean the written confirmation as issued by IRON and forwarded to the Purchaser to conclude the conclusion of the negotiation.

**"Product"** shall mean the product sold by IRON to the Purchaser under the Contract.

**"Purchaser"** shall mean the business entity or person which has purchased the Product from IRON under the Contract.

**"Repaired Product"** shall mean a Product which has been repaired rectified or replaced by IRON in accordance with Clause 11.3.

#### 1.2

The headings in these Terms are for convenience only and shall not affect their interpretation.

### 2 Formation

#### 2.1

These Terms shall apply to all quotations, tenders, offers, sales, services and all subsequent contracts of whatever nature by IRON to the exclusion of any other terms and conditions of the Purchaser. These Terms are available at the website [www.ironpump.com/iron-pump/sale-delivery-conditions](http://www.ironpump.com/iron-pump/sale-delivery-conditions), on which website as well IRON may notify amendments, alterations or changes to same. Such amendments, alterations or changes are deemed to be a part of the Terms once same have been advised on the website.

#### 2.2

A Contract shall only be concluded and binding on IRON after IRON has issued an Order Confirmation to the Purchaser. Each Order Confirmation shall incorporate these Terms by reference so that these Terms are considered a part of the Order Confirmation.

#### 2.3

The price stipulated in the Order Confirmation is excluding costs of packing materials.

#### 2.4.

IRON's quotation, tender or offer is based on the applicable taxes, duties, costs, charges and price level for components of the Product existing at the time of the conclusion of the Contract. Any later or additional tax, assessment, duty or other charge of whatever nature and however named, or any increase of components of the Product, shall be added the price stipulated in the Order Confirmation, provided that IRON shall give the Purchaser prior notice of this effect within a reasonable time after IRON becoming aware of the relevant circumstances.

#### 2.5.

The price stipulated in the Order Confirmation is exclusive VAT, unless specifically stated otherwise. Any VAT or other charge and/or tax applicable and whenever imposed, shall be paid by the Purchaser.

### 3 Descriptions

#### 3.1

All information and data contained in product brochures about the Product shall be binding only to the extent that they are by stipulation or reference expressly included in the Contract.

#### 3.2

IRON shall provide free of charge to the Purchaser a manual which is sufficiently detailed to permit operation and maintenance of the Product.

### 4 Substitution

#### 4.1

IRON reserves the right to substitute any part whatsoever of the Product with any other part prior and after delivery, provided that such part is of the same quality as those specified for the original. IRON shall duly inform the Purchaser of such substitution.

#### 4.2

IRON is entitled to make minor changes to the Product, which at IRON's discretion is necessary from a technical point of view. However, such changes may not prevent the Purchaser's intended use of the Product.

### 5 Cancellation and Postponement

#### 5.1

If the Purchaser cancels an Order, which has been confirmed by IRON, more than eight (8) working weeks prior to the expected delivery date, the Purchaser shall pay a cancellation fee amounting to minimum 25% of the price stipulated in the Order Confirmation

#### 5.2

The Purchaser shall in no event be entitled to cancel an Order less than eight (8) working weeks prior to the agreed, notified or expected delivery date.

#### 5.3

The Purchaser shall in no event be entitled to cancel an Order for a Customized Product.

#### 5.4

If the Purchaser postpones an Order, which has been confirmed by IRON, of more than eight (8) working weeks, 50% of the price stipulated in the order confirmation. Order Confirmation shall be due according to the agreed payment terms based on the confirmed delivery date and the remaining 50% according to the agreed payment terms based on the postponed delivery date.

### 6 Delivery - Passing of Risk

#### 6.1

Any agreed trade term shall be interpreted in accordance with the INCOTERMS 2010. Unless otherwise expressly agreed, delivery and the passing of risk shall be in accordance with INCOTERMS 2010 Ex Works (EXW).

#### 6.2

Where:

- (a) the Purchaser fails to take delivery of the Product;
- (b) IRON agrees to postpone delivery of the Product at the request of the Purchaser; or
- (c) the Purchaser fails to provide any instruction, consent or authorization required to enable the Product to be delivered, the risk shall pass immediately to the Purchaser and delivery shall be deemed to have taken place and IRON may store or arrange for storage of the Product and charge the Purchaser for all related expenses, including but not limited to storage and insurance.

#### 6.3

The Product shall be examined by the Purchaser upon delivery. IRON is not liable for any loss of or damage to the Product unless notice of such loss or damage and the general nature of such loss or damage is given in writing to IRON by the Buyer within three (3) days of the date of delivery.

#### 6.4.

If the Contract involves carriage of the Product, examination may be deferred until the Product has arrived at its destination. IRON is not liable for any loss of or damage to the Product unless notice of such loss or damage and the general nature of such loss or damage is given in writing to IRON by the Buyer within three (3) days of the date of arrival at its destination.

**6.5.**

The Purchaser waives all rights to be indemnified for demurrage and damages for detention.

**7 Payment****7.1**

Payment shall be made within the time stipulated in the Order Confirmation. All expenses occurred by way of the payment shall be paid by the Purchaser. Whatever the means of payment used, payment shall not be deemed to have been effected before IRON's bank account has been irrevocably credited for the price stipulated in the Order Confirmation.

**7.2**

If the Purchaser does not pay the price stipulated in the Order Confirmation within the time stipulated in the Order Confirmation, IRON shall be entitled to interest from the day on which payment was due at the rate of 2.0% (two point zero per cent) per commencing month.

**7.3**

Payment can only be made with discharging effect for the Purchaser to IRON.

**7.4**

The Purchaser is not entitled to offset any amount in the price stipulated in the Order Confirmation.

**8 Retention of title****8.1**

The Product shall remain the property of IRON until payment of the price stipulated in the Order Confirmation has been made in full.

**8.2**

The Purchaser shall at the request of IRON assist IRON in taking any measures which IRON deems necessary to protect IRON's title to the Product.

**8.3**

The Purchaser is not permitted to sell the Product to a third party before payment of the price stipulated in the Order Confirmation has been made in full.

**8.4**

IRON's retention of title shall not affect the passing of risk in accordance with Clause 6.

**8.5**

The Purchaser is obliged to have an insurance of the Product covering the full replacement value and any risk until payment of the price stipulated in the Order Confirmation has been made in full. The insurance policy shall at request be presented to IRON. At IRON's request the insurance company shall be notified to the effect that any compensation to be paid by the insurance company in the event of loss of or damage to the Product shall be made to IRON.

**9 Inspection of the Product during Manufacture and Test before Delivery****9.1**

If the Contract provides for the Product to be inspected during manufacture, such inspection shall, unless otherwise agreed in writing, be carried out at the place of manufacture during normal working hours.

**9.2**

If the Contract provides for testing of the Product before or at delivery, IRON shall notify the Purchaser or his representative of the time of the test of the Product in sufficient time to permit the Purchaser to be represented at the test. If, in spite of such notice, the Purchaser is not represented at the test, a copy of the test report shall be communicated to the Purchaser, who shall not be entitled to contest the correctness of such report.

**9.3**

If, during any test referred to in Clause 9.2, the Product is found to be defective, IRON shall without undue delay rectify the defect.

**9.4**

As soon as IRON has taken the measures required in Clause 9.3, the Purchaser or his representative shall be notified thereof in writing. The Purchaser shall be entitled to require a new test.

**10 Liability for delay****10.1**

IRON is not liable for losses due to delay, unless the delay is due to gross negligence on part of IRON or anyone, for whom IRON is responsible.

**10.2**

If the Purchaser sustains losses owing to a delay for which IRON is responsible, cf. Clause 10.1, the Purchaser shall be entitled to claim liquidated damages for such delay. Liquidated damages shall amount to point five per cent (0.5%) for each full week of delay, however, providing for a grace period of six (6) weeks, but shall not exceed five per cent (5%) of the value (pursuant to the Order Confirmation) of that part of the total delivery which, as a result of the delay, cannot be used in time or in accordance with the contract.

**10.3**

IRON is in no event liable for any consequential losses, including, but not limited to, loss of profit or loss suffered by third parties.

**10.4**

Unless the delay of delivery exceeds three (3) months, delay of delivery shall not constitute any rights for Purchaser to terminate an Order.

**10.5**

The Purchaser's rights according to Clauses 10.1-10.4. exclude all other claims and remedies.

**11 Warranty****11.1**

IRON warrants for a period of twelve (12) months from the date the Product was delivered, that such Product is free from defective design, defective material and/or poor workmanship.

**11.2**

The Purchaser waives to the fullest extent possible all conditions, warranties or other terms, whether express or implied, statutory or otherwise, inconsistent with Clause 11.1.

**11.3**

In the event of breach by IRON of the warranty in Clause 11.1, IRON shall only be obliged, and shall have no further liability in contract, tort, law or otherwise, at its option either to:  
(a) credit the price (if already paid) for the Defective Product; or  
(b) repair, rectify or replace the Defective Product, provided that the Defective Product is returned to IRON at IRON's premises within sixty (60) days after the Purchaser's notification of the defect.

**11.4**

Transport of the Defective Product for repair, rectification or replacement, cf. Clause 11.3, from Purchaser to IRON shall be at the risk and expense of the Purchaser.

**11.5**

In the event that a defect is found by IRON for which IRON cannot be held liable, cf. Clause 11.8, IRON shall be entitled to compensation for the work and expenses which IRON has incurred.

**11.6**

Clause 11.3. shall be the Purchaser's only remedy and in lieu of any other rights and remedies which might otherwise be available to the Purchaser.

**11.7**

The right of the Purchaser to make a claim for repair, rectification or replacement, cf. Clause 11.3, shall in any event terminate fourteen (14) days after notification of the defect and at the latest when the twelve (12) months warranty in Clause 11.1. has expired.

**11.8**

The warranty given in Clause 11.1. shall not apply where the defect is attributable to unsuitable or improper use, faulty assembly or commissioning by Purchaser or third parties, normal wear and tear, faulty or negligent handling, unsuitable utilities and replacement materials, electrolytic alterations or repair work carried out by Purchaser, provided that they are not attributable to fault on part of IRON.

**11.9**

Purchaser shall grant IRON the time and opportunity, after consultation with IRON, to carry out all repairs and supply all replacements, at IRON's discretion, otherwise IRON shall be released from all liability for the defects.

#### **11.10**

IRON warrants for a period of three (3) months from the date the Repaired Product was delivered, that such Product is free from defective design, defective material and/or poor workmanship. Clauses 11.2 – 11.9. shall apply correspondingly. The warranty given in Clause 11.1. shall be extended by the duration of the period in which the Product could not be used as a consequence of the repair, rectification or replacement. The warranty shall in any event lapse after the expiry of a period of eighteen (18) months from the date the Product was delivered.

#### **11.11**

Purchaser waives all rights to be indemnified for any consequential losses, including, but not limited to, loss of profit and loss suffered by a third party, unless it is established that such loss is due to gross negligence on part of IRON or anyone, for whom IRON is responsible.

### **12 Product liability**

#### **12.1**

IRON is not liable for any damage to real property or movables caused by the Product, unless such damage is due to gross negligence on part of IRON or anyone, for whom IRON is responsible.

#### **12.2**

IRON is not liable for any damage to products manufactured by the Purchaser or to a product of which the Purchaser's products form a part, unless such damage is due to gross negligence on part of IRON or anyone, for whom IRON is responsible.

#### **12.3**

IRON is not liable for personal injury or damages, if such personal injury or damages are due to use of the Product contrary to IRON's manuals and/or technical specifications or are due to a negligent act on the part of others than IRON.

#### **12.4**

IRON is under no circumstances liable for indirect loss, loss of profits, or any other kind of consequential loss suffered due to damage caused by the Product.

#### **12.5**

IRON is liable for personal injuries and for damage to real property or movables intended for non-commercial purposes according to the rules in the Danish Act of Product Liability to the extent that IRON's liability is not limited pursuant to Clauses 12.1 - 12.4.

#### **12.6**

In the event that IRON is held liable according to the product liability rules in relation to a third party, the Purchaser is obliged to indemnify IRON from all claims to the extent that IRON has limited its liability according to Clauses 12.1 - 12.4.

#### **12.7**

If a claim for damages as described in this Clause is lodged by a third party against one of the parties, the latter party shall with utmost dispatch inform the other party thereof.

### **13 Force majeure**

#### **13.1**

Any delay in or failure of performance of either party shall be considered as cases of relief of responsibility to the extent that such delay in or failure of performance are caused by industrial disputes, fire, war, general mobilisation of unforeseen military mobilisations, general shortage of materials, requisitions, import bans or export bans, shortage of transport, civil commotion or any other event which was unforeseeable or outside the control of the party affected.

#### **13.2**

Clause 13.1. shall be applicable to IRON if a subsupplier of IRON is affected by an event described in Clause 13.1.

### **14 Export control**

#### **14.1**

Notwithstanding anything provided for in Clause 13, IRON reserves the right to suspend its performance of the Contract at any time, in whole or in part, without incurring any liability, whenever such performance would be prevented by applicable export or re-export

regulation or where an export license required by such regulation cannot be obtained.

#### **14.2**

In the event that the performance of the Contract is prevented by applicable export or re-export regulation or where an export license required by such regulation cannot be obtained for a period of more than 180 days, IRON shall be entitled to terminate the denied part of the performance immediately. The Purchaser waives to the fullest extent possible all claims, rights and/or remedies with respect to such termination.

### **15 Various**

#### **15.1**

If any term of these Terms is found by any court, arbitral tribunal, administrative body or authority of competent jurisdiction to be illegal, invalid or unenforceable, then that term shall, to the extent required, be ineffective, without, as far as is possible, modifying or affecting any other term of these General Conditions for Sale and Delivery which shall remain in full force and effect.

#### **15.2**

The Purchaser is not entitled to assign his rights and obligations under these Terms.

### **16 Work Outside the Contract**

#### **16.1**

All civil works or ships construction works are considered to be outside IRON's scope of supply.

### **17 Applicable law and disputes**

#### **17.1**

This Contract shall be governed by and construed in accordance with Danish law, excluding the rules of conflict of laws and excluding the Convention of United Nations of 11 April 1980 on Contracts for the International Sales of Goods as implemented in Danish law.

#### **17.2**

If the Purchaser has its principal place of business within the EU/EEA, any dispute, controversy or claim arising out of or in connection with the Contract or the existence, breach, termination, interpretation or validity thereof shall be finally settled by Maritime and Commercial Court in Copenhagen.

#### **17.3**

If the Purchaser has its principal place of business outside the EU/EEA, any dispute, controversy or claim arising out of or in connection with the Contract or the existence, breach, termination, interpretation or validity thereof shall be finally settled by arbitration administered by the Danish Institute of Arbitration in accordance with the rules of arbitration procedure adopted by the Danish Institute of Arbitration and in force at the time when such arbitration proceedings are commenced. The arbitration tribunal shall be composed of one arbitrator appointed by the Danish Institute of Arbitration. The place of arbitration shall be Copenhagen, Denmark and the language to be used in the arbitral proceedings shall be English. This arbitration agreement shall be governed by and construed in accordance with Danish law.