

**Clip-Lok SimPak - General Terms and Conditions of Sale and Delivery**  
Valid from 2016-12-12

**1.0 Scope and Application**

These General Terms and Conditions of Sale and Delivery ("Terms and Conditions") apply to all products and services supplied by Clip-Lok SimPak (hereinafter the "Supplier") to each Customer (hereinafter the "Customer") as well as all offers made by the Supplier.

The Supplier expressly rejects any purchasing conditions of the Customer which differ from or add to its own Terms and Conditions. Such purchasing conditions shall only form part of the Supply Contract between the Supplier and the Customer if the Supplier expressly accepts them in writing. The Supplier's Terms and Conditions only apply to sales to a person who is a merchant (*handelskøb*) within the meaning of section 4 of the Danish Sales of Goods Act (*Købeloven*).

The Supplier's Terms and Conditions shall also apply where it makes an unconditional delivery to the Customer despite being aware that the Customer's purchasing conditions differ from or add to its own Terms and Conditions.

Where the Supplier is involved in continuing business relations with the Customer, its Terms and Conditions shall also apply to all future supply contracts with the Customer.

**2.0 Supply Contract**

**2.1 Acceptance of Orders**

All offers made by the Supplier are non-binding and subject to confirmation. No purchase agreement (a "Supply Contract") shall be considered as having been made until an order confirmation has been provided from the Supplier to the Customer. The Supplier is only bound by the conditions in the order confirmation. If the Customer does not accept the order confirmation he must notify the Supplier in writing immediately. If no such notification is given the Customer is bound by the price and other conditions contained in the order confirmation. The Supply Contract between the Supplier and the Customer shall take effect on the basis of the provisions contained in these Terms and Conditions upon receipt of the order confirmation by the Customer.

**2.2 Documents Detailing the Supplier's Offer**

The documents detailing the Supplier's offer, drafts, cost estimates etc. are protected under copyright law. They may only be used by the Customer in connection with negotiations and the Supply Contract unless written consent has been obtained from the Supplier. In particular, the Customer is prohibited from reproducing the aforementioned documents or making them known to third parties. The Customer is obliged to return documents which the Supplier made available to it, without delay, if no Supply Contract is concluded between them.

As a rule, the technical specifications contained in the documents detailing the Supplier's offer (drawings, pictures, tables of measures and weights etc.) are only approximate values unless their suitability for a contractually intended purpose requires that they correspond exactly. They only serve to describe the product. They may only be regarded as expressly warranted if they are expressly identified as warranties in the offer.

The foregoing shall be without prejudice to the Supplier's right to make technical changes to the products offered at any time provided that such changes do not have a negative effect on the products' fitness for a contractually agreed purpose.

**2.3 Design costs**

The design and development cost for a packaging is based on the specifications received from the Customer. The cost is specified in the quote to the Customer. Should the Customer during an ongoing project change the specifications, the Supplier reserves its right to invoice the Customer for the additional design and development costs relating to the change

**2.4 Delivery Inspection**

The Customer shall inspect the goods upon delivery and notify the Supplier in writing of any defects immediately and in no case later than one week after the delivery of the goods. The notice shall contain a description of how the defect manifests itself. If the Customer fails to notify the Supplier in writing within the above time limits, he loses his right to make any claim in respect of the defect.

**2.5 Delivery Clauses**

Where a trade term has been agreed, it shall be interpreted in accordance with the INCOTERMS in force at the time of the formation of the Contract. If no trade term is specifically agreed, the delivery shall be FCA.

**2.6 Delivery Period /Limitations on Delivery**

Delivery by the Supplier on the confirmed delivery date shall be subject to the condition that the

Customer has already satisfied all of its payment and compensation obligations arising from the Supplier's previous deliveries of products and services to it.

Where time limits for delivery have been agreed, the time limit begins when the Customer has provided the Supplier with all of the technical documentation it is required to supply, all necessary formalities have been fulfilled and it has made the agreed payment on account (cf. clause 3.2).

In the event that the Supplier is in default of delivery, the Customer shall only be entitled to rescind the Supply Contract, if it has granted the Supplier at least an additional six weeks to perform its obligations and the Supplier has failed to do so. The Customer must give the Supplier written notice of the time limit for performance.

**2.7 Delays in Delivery Due to Force Majeure**

If without the fault or negligence of the Supplier events or circumstances preventing delivery occur (e.g. late or incomplete delivery by its own suppliers, fire, the imposition of legal or governmental restrictions, shortfalls resulting from legal or governmental supply demands, disruptions to operations, lock-outs, strikes, transportation and warehousing problems or other force majeure events), the time limit for delivery shall be extended by the length of time for which delivery by the Supplier was prevented. Upon the occurrence of any of the above events, the Customer shall only be entitled to rescind the Supply Contract if the deadline for delivery has already been exceeded by ten weeks. The Customer shall only be entitled to rescind the Supply Contract prior to such time, if, as a result of the delay, it would be unreasonable to expect it to accept the products or services or if the Supplier has informed it in writing that it is not able or no longer able to deliver.

**2.8 Rescission of the Supply Contract by the Supplier**

The Supplier shall be entitled to rescind the Supply Contract, if as a result of the circumstances specified in clause 2.7 and without any fault or negligence on its part the products ordered cannot be manufactured within an economically reasonable time limit.

**2.9 Delay from the Customer's Side**

If the Customer does not take delivery of the goods on the agreed date, the Customer is liable for every expense incurred in connection with the delivery just as if the goods in question had been delivered. The Supplier shall, if the goods are still in the possession of the Supplier, arrange for the goods to be stored at the Customer's risk and expense. The Supplier may also terminate the Supply Contract and claim damages.

**3.0 Terms of Payment**

**3.1 Prices**

Unless otherwise agreed in writing, the following shall apply. The prices listed or otherwise agreed are cash prices for delivery ex works and include loading. All prices are in DKK or in EUROS and are exclusive of VAT and other applicable taxes. The prices quoted are the prices valid at the date when the order is accepted. In the event that the Supplier's production or ancillary costs, including but not limited to, its freight costs, taxes etc. increase without its fault or negligence after the conclusion of the Supply Contract, the Supplier shall be entitled to an equitable adjustment of the price. The Supplier's minimum order value is EUR 100.00 even where it has confirmed a lower individual price.

**3.2 Payment Terms/Default**

Payment terms: 30 days net. Delayed payment shall carry penalty interest with 1.5% per commenced month on any outstanding amount. Any part payment shall first be deducted from the penalty interest due. If the Customer fails to pay by the due date, the Supplier may suspend further performance of its contractual obligations until full payment of all outstanding invoices is made.

If the Customer has failed to pay the amount due within 60 days after the due date, the Supplier may terminate the Supply Contract by giving written notice to the Customer. The Supplier shall be entitled to full payment for the goods even if it has not been delivered in full and, in addition, to interest on late payment as well as to claim compensation for the loss it has suffered.

The Supplier's payment invoices shall be considered settled when the respective invoice amounts are credited to the account designated by it for payment.

**3.3 Set-Off, Right of Retention**

The Customer shall only be entitled to set off amounts owed to it by the Supplier against any amount due by it to the Supplier if the amounts owed to it by the Supplier are undisputed or have

been established by a court of law. The same applies to the Customer's right of retention.

**4.0 Passing of Risk and Insurance**

**4.1 Passing of Risk**

Unless the order confirmation provides otherwise, delivery shall be FCA.

**4.2 Insurance**

As a rule, the Supplier will not take out any transport insurance. The Supplier is willing to arrange for transport insurance on the Customer's behalf upon the usual conditions if expressly requested to do so by the Customer.

**5.0 Retention of Title**

The Supplier shall retain title to all products delivered. Title to the products shall not pass to the Customer until it has satisfied all debts or monies (or the balances thereof) owed to the Supplier on any account in full and no recourse may be had against the Supplier on the basis of any security given by it. The foregoing shall also be the case where the Customer has paid for certain products identified by it.

**6.0 Claims**

**6.1 Duty to Examine the Products and Duty to Give Notice of Defects**

The warranty claims of the Customer are conditional on its having duly performed its obligations under section 47 of the Danish Sales of Goods Act to examine the products and to give notice to the Supplier of any defects in them, cf. section 2.4.

**6.2 Claims**

The Customer shall only be entitled to demand a cure of defective performance, rescission of the Supply Contract, a price reduction or damages subject to the following provisions: Where the Customer gives timely notice of defects and its claim is justified, the Supplier shall be able to elect to supply goods which are free from defects or to repair the goods at its own expense. The Supplier thus does not assume any transport costs for defective goods which it did not ask to have returned. The Customer may only rescind the Supply Contract or demand a price reduction where the Supplier has failed to cure the defect or provide a replacement. Its entitlement to demand damages is regulated by clause 7.0. However, the Customer shall only have a right of rescission or a claim to damages in lieu of specific performance if the defect is material.

The Customer shall lose all its claims if it makes changes or repairs to the products delivered or arranges for changes or repairs to be made to them without having first sent a notice to the Supplier in which it sets a reasonable time limit for curing the defective performance.

**6.3 Limitation Period for Bringing Claims**

The limitation period for bringing all claims shall be 36 months from the delivery of the products. The above shall not apply insofar as claims are based on willful misconduct or gross negligence on the part of the Supplier.

**7.0 Damages and Liability**

**7.1 The Supplier undertakes to deliver the goods in the condition agreed to between the parties.**

7.2 The Supplier shall, in accordance with the provisions of clauses 7.4-7.8 below, remedy any defect in the goods resulting from faulty design, materials or workmanship if the defect is not due to mishandling, overloading or otherwise attributable to the Customer or third parties.

7.3 The Supplier's liability does not cover defects caused by circumstances, which arise after the risk has not passed to the Customer, nor does it cover normal wear and tear or deterioration.

7.4 The Supplier's liability is limited to defects, which appear within a period of 3 years from the date of delivery of the goods. If the goods are used more intensely than agreed, this period shall be reduced proportionately. For parts, which have been repaired or replaced under clause 7.2, the Supplier shall have the same liability for defects as for the original goods for a period of 3 years. For other parts of the goods the liability period referred to in paragraph one shall be extended only by the period during which the goods could not be used due to a defect for which the Supplier is liable. Regardless of the provisions of clauses 7.2-7.10, the Supplier shall have no liability for defects in any part of the goods for more than 3 years from the start of the liability period referred to in paragraph one.

7.5 After receipt of a written notice under clause 2.3 (Delivery Inspection), the Supplier shall remedy the defect without undue delay. The Supplier shall bear the costs as specified in clauses 7.2-7.8. Remedial work shall be carried out at a location of the Supplier's choice.

7.6 If the Customer gives such notice as referred to in clause 2.3 (Delivery Inspection), and no defect is found for which the Supplier is liable, the Supplier shall be entitled to compensation for the work and costs which it has incurred as a result of the notice. If remedy of the defect requires intervention in other equipment than the goods, the Customer shall be responsible for any work or costs caused thereby.

7.7 All transports in connection with repair or replacement shall be at the Supplier's risk and expense. The Customer shall follow the Supplier's instructions regarding how the transport shall be carried out. The Customer shall bear the increase in costs for remedying a defect which the Supplier incurs when the goods are located elsewhere than at the destination stated in the Supply Contract or – if no destination has been stated – the place of delivery.

7.8 If the Supplier fails to fulfil its obligations under clause 7.5 within a reasonable time, the Customer may by written notice require the Supplier to do so within a final time. If the defect is substantial, the Customer may instead terminate the Supply Contract by written notice to the Supplier.

7.9 The Supplier shall have no liability for defects save as stipulated in clauses 7.2-7.8. This applies to any loss the defect may cause, such as loss of production, loss of profit and other consequential or indirect economic loss. Liability for Damage to Property Caused by the Goods

7.10 The Supplier shall have no liability for damages caused by the goods: a) to any (movable or immovable) property, or consequential loss due to such damage, occurring while the goods are in the Customer's possession, or b) to products manufactured by the Customer or to products of which the Customer's products form a part. If a third party lodges a claim for compensation against the Supplier or the Customer for loss or damage referred to in this clause, the other party to the Supply Contract (i.e. either the Customer or the Supplier) shall forthwith be notified thereof in writing.

**8.0 Place of Performance, Jurisdiction and Applicable Law**

The place for performance of the Supply Contract shall be the business premises of the Supplier unless the order confirmation expressly names another place as the place for performance. The courts at the Supplier's place of business shall have jurisdiction in all actions including actions based on cheques or bills. The foregoing shall not apply, however, in relation to summary proceedings. The Supplier shall also be entitled to sue the Customer at the place where it has its principal office or where it has a branch office. Danish law shall apply to the Supply Contract to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).

**9.0 Miscellaneous**

All amendments or additions to this Supply Contract must be made in writing or at least confirmed in writing in order to be valid. All agreements made between the Supplier and the Customer has been incorporated into the Supply Contract in writing. No oral ancillary agreements have been made.

The invalidity of one or more of the aforementioned contractual provisions shall not affect the validity of the remaining provisions.

The parties agree to replace an ineffective provision with an effective provision which comes as close as possible to the spirit and intention of the ineffective provision.