

TERMS OF SALE AND DELIVERY

The present Terms of Sale and Delivery shall apply to all agreements made between Bach Composite Industry a/s (in the following called "Bach Composite") and the Buyer, unless Bach Composite accepts another contractual basis in writing.

Any purchase terms etc. laid down by the Buyer shall not be binding on Bach Composite.

The Terms of Sale and Delivery shall be submitted to the Buyer and shall then apply to all orders executed after the time of submission.

Bach Composite shall be entitled to amend these Terms for any future orders without notice.

1. QUOTE, ORDER AND CONFIRMATION

Bach Composite shall not be liable for quotes submitted on the basis of measuring of incorrect drawings prepared by the Customer.

The Buyer's orders shall only be binding on Bach Composite when the Buyer has received a written order confirmation.

2. BACH COMPOSITE'S DELIVERY

Bach Composite's delivery only comprises the products specified in the order confirmation, and Bach Composite is obliged to deliver products of the usual standard in terms of materials and workmanship in accordance with these Terms.

3. PLACE OF DELIVERY

Delivery shall be ex works from Bach Composite's business address, cf. Incoterms 2000, unless otherwise agreed.

If Bach Composite arranges for the delivery of full loads within Denmark, delivery shall be regarded as having taken place once the goods have reached the open road or the railway station nearest to the Buyer's place of business.

4. PRICES

Unless otherwise agreed, the price shall be stated exclusive of VAT and taxes and in DKK or EUR.

The price is subject to changes as a result of documented changes of material prices, prices from sub-suppliers, public taxes and duties, exchange rates, salaries etc.

If such price changes occur, and Bach Composite wishes to increase its prices, Bach Composite shall notify the Buyer without undue delay, after which time the Buyer shall have one week to decide whether to accept the order with the subsequent price increases.

If the delivery is changed or Bach Composite's costs are increased in any other way due to circumstances owing to the Buyer, Bach Composite shall be entitled to adjust the agreed price accordingly.

5. PAYMENT TERMS

Bach Composite shall be entitled to invoice the Buyer for all deliveries already made or ready to be made, as notified to the Buyer by Bach Composite, if the agreed delivery time has occurred.

Unless otherwise agreed in writing, the payment terms shall be net cash upon receipt of the delivery.

In the event of late payment, Bach Composite shall be entitled to charge interest on the amount due from time to time from the invoice date at a rate of 1.5 per cent per month or fraction thereof.

6. TITLE

The products sold shall remain the property of Bach Composite until such time as the entire purchase price pursuant to the agreement has been paid.

7. DELIVERY TIME ETC.

If a specific date has been set for delivery, delivery at the latest in the end of that date shall be regarded as punctual.

If a specific week has been set for delivery, delivery at the latest in the end of that week shall be regarded as punctual.

Bach Composite shall be entitled to demand that the delivery time be deferred in the following cases:

a. If the order is changed on the demand of the Buyer.

b. In the event of delayed deliveries or work performed by the Buyer or being performed for the Buyer by a third party.

c. In the event of force majeure, cf. Clause 13.

d. In the event that work on the delivery must be suspended or is delayed due to public orders.

e. In the event of non-delivery or defective delivery from confirmed sub-supplier agreements, subject to a maximum of four weeks.

With regard to the above Items a, b and d, Bach Composite reserves the right to adjust the agreed price in accordance with the costs incurred by Bach Composite in this connection with the usual profit, if the deferred delivery was due to circumstances directly or indirectly attributable to the Buyer.

If the delivery is significantly delayed, and if Bach Composite is not entitled to defer the delivery time, and if the Buyer's written request to Bach Composite has not been answered, the Buyer shall be entitled to terminate the agreement with written notice to Bach Composite, if the Buyer is able to document that the delay will cause significant inconvenience to him. If the delay only concerns a part of the products sold, the Buyer shall only be entitled to cancel the delivery of such products. If the delay concerns products manufactured in accordance with the Buyer's instructions or specifications, or if the relevant type of products is not normally stocked by Bach Composite, the agreement may only be terminated if the delay results in the Buyer's purpose of buying the product not being fulfilled.

If the Buyer is able to prove that the delay is due to errors or omissions on the part of Bach Composite, the Buyer shall be entitled to compensation for the loss thus incurred. However, this shall never apply to indirect losses.

However, such compensation shall never exceed an amount of one (1) per cent of the agreed payment for the delayed delivery for each full week of delay, and the compensation shall be a maximum of ten (10) per cent of the payment for the delayed delivery. Bach Composite shall not incur any further liability as a result of delay or the consequences thereof, just as the Buyer shall not have any other remedies than the ones mentioned above.

8. CLAIMANT'S DEFAULT

If, after the delivery time, the Buyer neglects to collect the products or to order shipment, Bach Composite shall be entitled to store and insure the products for the Buyer's account and to submit an invoice for the delivery.

If the Buyer neglects to collect the products despite of a written request to do so, Bach Composite shall be entitled to sell the products on the best possible terms to a third party for the Buyer's account. This shall also apply to products manufactured especially in accordance with the Buyer's instructions or specifications.

9. DEFERRED DELIVERY

Any request from the Buyer to defer the time of delivery of an order or a part thereof from Bach Composite shall be made in writing. If Bach Composite accepts such request, the Buyer shall pay compensation to Bach Composite in accordance with the provisions below.

Bach Composite shall be entitled to receive an agreed penalty from the receipt of the written request for deferred delivery.

Such agreed penalty shall be calculated as [ten (10)] per cent of the total purchase price for the deferred delivery, exclusive of VAT, + [two (2)] per cent of the total purchase price for the deferred delivery, exclusive of VAT, for each full week of deferment. The agreed penalty shall not exceed [twenty (20)] per cent of the total purchase price for the order in question, exclusive of VAT. If the deferment concerns a part of an order, the agreed penalty shall be calculated on the basis of the total purchase price for such part, exclusive of VAT.

The agreed penalty shall fall due for payment on Bach Composite's written claim for payment. However, the agreed penalty shall not fall due for payment before the deferred order or the deferred part of an order has been delivered by Bach Composite, however, no later than at the end of the period in which the Buyer is entitled to defer the delivery, cf. below.

If the Buyer exercises his right under this provision to defer the time of Bach Composite's delivery, the Buyer shall state the new time of delivery of the deferred order or the deferred part of an order with the written request for deferment.

Under this provision, the Buyer shall be entitled to defer the time of Bach Composite's delivery of an order or a part of an order by up to [five (5)] [weeks] from the original delivery time.

At the end of this maximum deferment period, Bach Composite shall be entitled to make delivery of the deferred order or the deferred part of an order, giving five days' notice, and to demand cash payment of the above agreed penalty and other amounts due.

10. CANCELLATION

If Bach Composite accepts a request from the Buyer to cancel an order or a part of an order, the Buyer shall indemnify Bach Composite for all the direct costs incurred by Bach Composite in connection with the preparation and execution of the delivery of the cancelled order or the cancelled part of an order + [thirty (30)] per cent of the total purchase price for the cancelled order or the cancelled part of an order, exclusive of VAT. The request for cancellation from the Buyer shall be made in writing.

The agreed penalty shall fall due for payment [ten (10)] days after the Buyer's receipt of Bach Composite's acceptance of the cancellation. If the Buyer fails to make payment on time, Bach Composite shall be entitled to charge interest from the due date at a rate of [1.5] per cent per month or fraction thereof.

If the compensation has not been received by Bach Composite within [fifteen (15)] days of Bach Composite's receipt of the cancellation, at the latest, Bach Composite shall be entitled to revoke its acceptance of the cancellation. In such case, the Buyer shall be bound by the original agreement.

11. LIABILITY FOR DEFECTS

Bach Composite's liability for defects shall apply for twelve (12) months from the time of delivery of the products. Within this period, Bach Composite shall be obliged and entitled to remedy any defects found in the products delivered by means of repair or replacement delivery, at Bach Composite's discretion. Bach Composite shall not indemnify the Buyer for any costs incidental to salvage, dismantling, transport, assembly or restoration.

Bach Composite's liability for defects shall be conditional upon the Buyer proving that the products delivered have defects that are attributable to Bach Composite as well as rendering probable that the products have been stored, installed, used and maintained correctly and in accordance with the instructions provided by Bach Composite considering the circumstances. In addition, Bach Composite's liability in damages shall be conditional upon the Buyer giving Bach Composite access to the defective parts for remedy at the Buyer's own initiative.

Bach Composite shall only be liable for ensuring that the products delivered are sufficient in number and/or suitable for the Buyer's purpose in any respect if Bach Composite has been in charge of planning and if the Buyer is able to document that the information provided by the Buyer is correct and satisfactory. In addition, any drawings etc. delivered by Bach Composite shall be used in accordance with the instructions provided thereon. Bach Composite shall only be responsible for information provided and specifications, choice of materials etc., including projecting or contributions therefore, if this has been expressly stipulated in the agreement.

Bach Composite's liability shall lapse if components not manufactured or approved by Bach Composite are used for the products delivered, unless the Buyer proves that the defect was not attributable to such components.

In the event of material breach, the Buyer shall be entitled to cancel the purchase and claim a pro-rata reduction of the price or compensation, subject to the limitations provided in Clause 13.

12. PRODUCT LIABILITY

Bach Composite shall only be liable for personal injury if it may be proven that such injury was caused by errors or omissions committed by Bach Composite or others for whom Bach Composite is responsible.

Bach Composite shall only be liable for damage to property or movables if it may be proven that such damage was caused by grossly negligent errors or omissions committed by Bach Composite or others for whom Bach Composite is responsible. However, compensation shall never exceed the value of the delivery of which the defective products are part, subject to a maximum of DKK 500,000.00, inclusive of interest and costs.

Bach Composite shall under no circumstances be liable for the Buyer's indirect damage or losses of any kind, including claims for compensation, daily penalties or agreed penalty set up by a third party against the Buyer as well as the Buyer's operating loss, loss of time, loss of delivery or similar losses.

To the extent that Bach Composite incurs product liability against a third party, the Buyer shall be obliged to indemnify Bach Composite to the same extent as Bach Composite's liability is limited pursuant to these Terms. If a third party sets up a claim against either Party for liability under this Clause, such Party shall immediately notify the other Party. The Buyer shall be obliged to accept trial at the same court of law as the one hearing the claim set up against Bach Composite by reason of damage claimed to be caused by the delivery.

13. LIMITATION OF LIABILITY

Bach Composite shall under no circumstances be liable for the Buyer's indirect damage or losses of any kind, including claims for compensation, daily penalties or agreed penalty set up by a third party against the Buyer as well as the Buyer's operating loss, loss of time, loss of delivery or similar losses. Even if Bach Composite in individual cases waives claims or rights against the Buyer, this shall not mean that Bach Composite waives such claims or rights in other cases than the one agreed.

14. DUTY TO GIVE NOTICE AND DUTY OF INSPECTION

The Buyer shall carefully inspect the products' conformity at the receipt of such products, at the latest. The Buyer shall be obliged to immediately complain of any defects found in such inspection, and the Buyer shall not be entitled to claim defects which were or should have been found in such inspection at a later time. The same shall apply if the Buyer neglects to complain immediately of any hidden defects found.

15. FORCE MAJEURE

Bach Composite shall not be liable for non-performance or delayed performance of agreements caused by force majeure, war, riots, civil unrest, measures taken by the government or public authorities, fire, strike, lockout, export and/or import bans, mobilization, vandalism, currency restrictions, delay and/or non-delivery from sub-suppliers or any other cause which lies outside the control of Bach Composite.

If non-defective or punctual delivery is temporarily prevented by one or more of the above situations, delivery shall be deferred for a period corresponding to the duration of such situation plus a reasonable period considering the circumstances for normalization of conditions. Delivery before the deferred delivery time, as provided above, shall be regarded as punctual in all respects. If the situation preventing delivery is expected to last more than eight (8) weeks, cf. however Clause 7.e., both Bach Composite and the Buyer shall be entitled to cancel the agreement without this being regarded as breach.

16. DEVIATIONS

If Bach Composite in one or more cases deviates from the provisions stipulated in these Terms considering the circumstances, this shall not mean that the relevant Clause or provision in these Terms is regarded as having lapsed by custom or practice.

17. LANGUAGE

Any written correspondence to Bach Composite from the Buyer shall be in either Danish or English. If Bach Composite receives correspondence in another language, such correspondence/inquiry shall not be regarded as having been received by Bach Composite or in any way be binding on Bach Composite.

18. GOVERNING LAW AND VENUE

Any disputes arising between the Parties shall be settled in accordance with the provisions of Danish law. Bach Composite shall be entitled to decide whether to settle the case by arbitration or in the courts of law. Otherwise, the Rules of Arbitration Procedure of Danish Arbitration shall apply. The arbitration proceedings shall take place in Viborg, Denmark.

The venue shall be Bach Composite's home court.