

GENERAL TERMS AND CONDITIONS

2017-10-18

OSN

1. Scope and Applicability

Unless otherwise expressly agreed in writing, these General terms ("Terms") shall apply between Danish Fundamental Metrology A/S ("DFM") and its customer ("Customer") with respect to any sale of products or services by DFM.

2. Delivery of Products and Services

Products/services are delivered Ex Works Hørsholm, Denmark (Incoterms 2000). If DFM undertakes to engage a freight forwarder on the Customer's behalf, the passing of risk and other consequences of the prescribed delivery term shall not be altered thereby.

Any shipment and delivery times informed or stated by DFM are indicative and non-binding shipment/delivery times. DFM will use reasonable, commercial efforts to have products/services shipped/delivered within the indicated shipment/delivery times. However, DFM's failure to meet agreed or indicated shipment/delivery times shall not imply any liability for DFM.

In the event of material delay, the Customer shall as its sole remedy be entitled to give DFM a last notice of 7 days to ship the delayed product/service to the Customer. If DFM has not shipped the product/service to the Customer within this notice period, the Customer shall be entitled to cancel the order in writing



with no further notice and DFM shall without undue delay reimburse the Customer for any advance payment received for the cancelled order. Unless otherwise agreed by DFM, a Customer shall only be entitled to cancel delayed parts of any order.

The Customer shall inspect the products/services promptly upon receipt.

The Customer shall be deemed to have accepted the products/services as being in conformity with the Customer's order, unless the Customer has notified DFM in writing of any inconformity at the latest 14 days after having received the products/services.

3. Built to Order Deliveries

Customer may request delivery of custom-built products/services based on the specifications and instructions of the Customer. It is inherent to such orders that the successful outcome of DFM's development efforts cannot be guaranteed. Provided DFM has used professional and reasonable efforts in performing the order DFM shall not be liable for any failure to meet Customer specifications and instructions. DFM shall be entitled to payment for development efforts undertaken and any products/services delivered based on such efforts, irrespective of the outcome of such efforts.

4. Intellectual Property Rights

DFM retains all right, title and interest in and to (i) all inventions, ideas, processes, methods, know-how, skills and techniques embodied in or represented by products, services, specifications and materials provided by DFM to the Customer; and (ii) all inventions, ideas, processes, methods, know-how, skills and techniques developed, discovered or conceived by DFM or its employees in connection with or used for the development and/or manufacture of products and services, including, but not limited to, patent rights, copyrights,



trade secret rights, design rights, trademark rights and/or other proprietary rights throughout the world.

The sale of any product or service by DFM shall not in any way confer upon the Customer, or upon anyone claiming under the Customer, any express or implied license to any intellectual property rights of DFM.

5. Confidentiality

The Customer shall maintain as confidential and refrain from using any information of a confidential nature of DFM provided to the Customer by DFM.

6. Prices and Payment

All prices are exclusive of any applicable sales or value added taxes as well as transportation and insurance charges. Such taxes and charges will be stated separately on invoices. Unless otherwise agreed by DFM, all payments shall be effected in DKK, unless another currency has been quoted, no later than 30 days from the date of the invoice. In the event of delayed payment, DFM shall, upon giving one week's prior notice, be entitled to terminate or delay pending orders in part or in whole. Simultaneously, all outstanding amounts shall fall due regardless of previously granted terms of credit. An interest of 1% commenced month shall accrue on all outstanding payments. DFM retains full title to delivered products/services until DFM has received full payment for the products/services in question.

7. Limited Warranty

Any warranty claim by Customer will become time barred unless notified to DFM within 10 days after discovery and the latest 12 months after delivery of the product/service in question to Customer.



In the event of a duly notified warranty claim, DFM shall at its discretion either (i) replace the defective product/service with a new product/service; or (ii) repair the defective product/service. If such corrective measures have not been carried out within reasonable time and after the Customer has given DFM a last notice of 14 days to have the defect remedied, the Customer shall as its sole remedy be entitled to cancel the order and return the defective product/service to DFM against reimbursement by DFM of the price paid by the Customer for the defective product/service.

This warranty is expressly made in lieu of any and all other warranties, express or implied, including, without limitation, warranties of merchantability and fitness for any particular purpose.

8. Infringement

Unless otherwise explicitly stated herein DFM does not warrant that its products or the results of its services do not infringe any third party's copyrights, patents, trade secrets, or other proprietary rights.

9. General Limitations of Liability

DFM shall in no event be liable for any loss or damage arising, directly or indirectly, from the use of the products or the services or for any special, incidental, indirect, exemplary or consequential loss or damages, included but not limited to loss of opportunity, use, income or profit, or interrupted operation, nor shall DFM be liable for any post-processing or misappropriate use, handling or exposure of the products or based on services provided.

DFM cannot be held responsible if DFM's products or services fail to produce the required or expected result nor for costs defrayed in vain.

DFM's aggregate liability whether in contract, warranty, tort or otherwise, arising out of, connected with, or resulting from the performance or nonperformance of any agreement shall in no event exceed the lesser of sums paid by the Customer



to DFM during the 12 months prior to the Customer becoming aware of the basis for a claim towards DFM, or EUR 50,000.

DFM cannot be held liable for any loss or damage unless a written request for compensation is made within 6 months after the delivery of the products or the performance of the services to which the liability relates.

Any liability of DFM stated elsewhere in these terms shall be subject to the limitations of this clause 10.

10. Indemnification - product liability et al.

The Customer shall be entirely responsible for the use to which it puts products or services. The customer shall indemnify DFM for any loss or damage resulting from the Customer's, its employees' and its customers' use of products or services of DFM or otherwise caused by such products or services, including product liability. Notwithstanding the above, DFM shall be liable for personal injury and damage to the items intended for private use in accordance with applicable mandatory law.

11. Force Majeure

DFM shall not be liable for any delay or failure to perform, if such delay or failure results from fire, explosion, labour dispute, earthquake, casualty or accident, lack or failure of transportation facilities, epidemic, flood, drought, or by reason of war, declared or undeclared, revolution, civil commotion, the act of a public enemy, blockade or embargo, act of God, any inability to obtain any requisite license, permit or authorization, or by reason of law, proclamation, ordinance, demand, or requirement of any government, late or defective deliveries from sub-suppliers or by reason of any other cause whatsoever, whether similar or dissimilar to the enumerated, beyond the reasonable control of DFM. With respect to labour disputes, DFM shall not be obliged to accede to any demands being made by employees or other personnel. All such causes entitle DFM to a



postponement of the performance of its duties equal to the delay resulting from such cause. However, the Customer shall be entitled to terminate an affected order or delivery if and when the delay has exceeded 90 days.

12. Law & Dispute Resolution

Unless the parties agree otherwise, any dispute arising out of or in connection with these Terms shall be finally settled in Copenhagen, Denmark, in accordance with the "Rules of Procedure of the Danish Institute of Arbitration" (Copenhagen Arbitration, www.denarbitra.dk). Danish law, except its choice of law rules, shall apply.