



## GENERAL CONDITIONS ON SALES & DELIVERY FOR IC ELECTRONIC A/S (IC)

### **1. Application**

- 1.1 The General Conditions on Sales & Delivery at hand (hereinafter referred to as "The Conditions") apply for all products (hereinafter referred to as "The Products"), delivered by IC Electronic A/S (hereinafter referred to as "IC") to any of ICs customers (hereinafter referred to as "The Customer"), and simultaneously excludes and replaces any Conditions on Procurement as may have been stated or laid forth by The Customer.
- 1.2 Potential Conditions on Procurement, or Contractual Annexes, Amendments or Limitations which may have been stated or set forth by The Customer which limits or contradicts the stipulations of The Conditions shall only be effective following the prior written and signed consent by IC.

### **2. Entering into Contract**

- 2.1 Unless otherwise clearly stated in writing, all Offers and Quotations made by IC are valid for 7 (seven) days from the date when the Offer or Quotation was signed. Following the expiry of the 7 (seven) day period, IC shall no longer be obliged by any such Offers or Quotations.
- 2.2 A binding Contract on sales and delivery of The Products (hereinafter referred to as "The Contract") shall be entered into only whenever (i) a written Quotation from IC as well as a Proforma Invoice have been accepted by The Customer in writing in its Entity without amendments or additions and within the time limit as stated in The Quotation; or whenever (ii) IC has issued a Order Confirmation in writing; or whenever (iii) IC has delivered The Products. In all three instances, the circumstances must be in accordance with the stipulations of The Conditions.
- 2.3 Cancellation of Order and returning of goods can only take place upon the explicit written consent of IC and on the condition that The Customer shall hold IC free for any and all losses and costs resulting thereof. The potential returning of The Products shall only be possible for unused Products received in undamaged, original packing. The Invoice Number must always be clearly stated.
- 2.4 In connection with any Cancellation of Order or potential returning of goods, IC is furthermore entitled to charge an Administration Fee of 20% of the original price of all returned Products.

### **3. Delivery**

- 3.1 Unless otherwise stated in writing all deliveries shall be made Ex Works (in accordance with the terms and conditions as stipulated in Incoterms 2000).
- 3.2 All freight, insurance and other Costs on Delivery shall be held by The Customer. Unless otherwise accepted by IC in writing, The Products shall be delivered by a carrier and means of transportation chosen by IC.
- 3.3 The liability of damage to and loss of The Products shall shift to The Customer at point of delivery – or, in case The Customer declines to accept delivery of The Products without proper ground – at the time where IC offers to deliver The Products. IC shall not be liable for damage or losses which may be imposed during transport, nor shall IC make a separate transport insurance on behalf of The Customer unless separate agreement regarding this has been made. Any claim against IC related to delayed delivery must be made in writing to IC without hesitation.
- 3.4 In its own discretion, IC can at any time decide if for practical or other reasons a delivery should take place as partial shipment or partial delivery. Every single partial shipment or partial delivery shall be regarded as a separate Contract.
- 3.5 IC shall neither be liable for any delay caused by Force Majeure, cf. section 9, nor for any delay related to any conditions of The Customer. In any of the aforesaid instances, the Delivery Time shall be considered as prolonged accordingly.
- 3.6 Should IC estimate that The Products cannot be delivered on time, IC shall inform The Customer in writing without hesitation on the reason for the delay and – as far as possible – a new estimated delivery time.
- 3.7 In the event of a delay of more than 14 days for which IC is responsible, The Customer shall be entitled to cancel The Contract as far as the part of The Products which are delayed is concerned, by written notice to IC unless otherwise agreed upon. The Customer cannot undertake any further legal actions in relation to the delay, nor shall IC be liable for any losses incurred as a consequence of the delay of The Products, regardless of the cause thereof.

### **4. Safety Advice and services**

- 4.1 Safety Advice regarding The Products and the utilisation thereof as supplied by IC must be passed on to any customer of The Customer in such a way that such customers are made clearly aware of the safety provisions. Any and all suggestions, advice or other service towards third party apart from what is supplied by IC or referred to in The Contract, shall be the liability of The Customer.

## **5. Price**

- 5.1 The Price of The Products shall be the price quoted by IC. Unless otherwise stated in writing, the price quoted by IC is valid for 7 (seven) days only.
- 5.2 Unless otherwise stated in writing, any prices quoted by IC shall be considered as net prices and delivery shall take place Ex Works (Incoterms 2000) exclusive of any public or private taxes or fees.
- 5.3 One-way packaging material is included in the price. Re-usable packaging material such as pallets a.o. is not included in the price. Such material cannot be returned to IC and shall be invoiced at current market price.
- 5.4 For orders from foreign countries with a value below EURO 200, a handling fee of EURO 10 will be invoiced.
- 5.5 IC reserves the right to regulate the accepted prices in the event of major currency fluctuation, price increase on input material, changes in salaries, government regulations or other events which are subject to Force Majeure.

## **6. Terms of Payment**

- 6.1 Payment must take place in accordance with the Terms of Payment of The Contract, if such is signed by both parties.  
IC can choose between payment in advance and payment at delivery.  
Normal IC payment terms are current month plus 30 days, this form of payment are valid if no other agreement is made.
- 6.2 In case of late payment by The Customer, interest shall be invoiced as from the original Date of Payment at a level of 2% of the amount due per initiated month.  
There will be a fee for reminders, 20 euro for every reminder.
- 6.3 The Customer shall not be entitled to make deductions not effectuate claims from any outstanding amount owed to IC.
- 6.4 IC shall have the right to cancel The Contract in the event of delayed payment and/or stall further deliveries as may be agreed in such Contract until payment of all outstanding amounts has been made.
- 6.5 The ownership of The Products shall remain with IC, until payment of all amounts due has taken place.

## **7. Inspection & Claims**

7.1 Immediately upon receipt of The Products, The Customer must carefully inspect The Products in order to verify their consistency with the contractual specifications.

7.2 The Customer shall lose his right to claim compensation for errors or inconsistencies on The Products, unless IC is immediately notified about the nature of the errors or inconsistencies in writing after such errors or inconsistencies have become apparent to The Customer, or The Customer should have discovered such errors and inconsistencies had an examination been undertaken immediately upon receipt of The Products.

## **8. Liability & Indemnification**

8.1 In the event that The Products are inconsistent with the specifications outlined in The Contract, because of conditions for which IC is responsible, IC is obliged to either relieve the inconsistency of The Products (by repairing them) or deliver replacement Products, then choice of which shall be made at ICs' sole discretion. The Customer shall not be entitled to initiate any further legal measures in connection with the reception of inconsistent Products, no matter what caused the inconsistency.

8.2 Notwithstanding the stipulations of The Conditions, ICs' liability on The Products shall in no event exceed a period of 18 (eighteen) months as calculated from the date data code printed on each Product.

8.3 Inconsistent Products which IC has taken upon itself to either relieve or replace shall remain the property of IC and must be made available to IC upon request. In the event of returning of goods requested by IC, The Products shall be followed by a note clearly specifying the cause of the returning of goods. Subsequently, IC shall forward the relieved or replacement Products without hesitation. Any changed or replaced parts shall be the property of IC. Any cost on returning of goods shall be held by IC which will choose method of transportation. In case it appears that the cause of returning is not the liability of IC, IC shall be entitled to indemnification of the work and cost held by it in relation to the wrongful claim.

8.4 Regardless of any stipulations within The Conditions, IC shall under no circumstances be liable for losses related to stop of production, time, profit or any other kind of economic consequences, nor for any indirect damages or losses.

8.5 The Customer shall hold IC indemnified to the extent that IC is held liable for losses incurred by a Third Party for any and all such damages and such losses for which IC has no liability towards The Customer as stipulated in The Conditions.

8.6 IC reserves the right to make changes to The Products, as far as this does not affect technical specifications as stated in The Contract.

8.7 Unless otherwise agreed upon in writing, IC shall manufacture The Products in accordance with the laws and provisions of the country land in which The Products are manufactured The Customer shall be responsible for the adherence to such legislation and such administrative provisions which are in effect in the country to which delivery is made or the country of usage of The Products whichever applies. Under no circumstances shall IC be liable for The Customer's usage of The Products, including any subsequent incorporation into other products, mounting, utilisation, and distribution i.e.

8.8 IC shall not be liable for the suitability of The Products. At all times, The Customer shall be responsible for the suitability of the products to the contemplated purpose.

## **9. Force Majeure**

9.1 IC shall not be liable for non-fulfilling of its obligations nor shall IC be considered to be in breach of contract should it appear the IC's failure to fulfil its obligations is caused by events that are not under IC's control. Such events shall free IC from its obligations under The Contract as well as any obligation to pay indemnification, fines or other contractual or legal sanctions. Furthermore, in case of Force Majeure, a reasonable delay of the time for fulfilment of contract shall be acceptable and The Customer cannot claim any right to cancel The Contract or in any other way terminate it. Such events which may limit the responsibilities of IC especially include, but are not limited to, fire, warfare, strikes, lock-outs, political conditions, seizures, restriction on currencies, civil uprising and riots, lacks of transportation, general shortage of material or delays incurred on IC from sub-contractors or suppliers.

9.2 Notwithstanding the stipulations of Section 9.1. and The Conditions in general, IC shall have the right to cancel The Contract, if the fulfilment of contract will be too troublesome for IC as a consequence of events which fundamentally changes the foundation of The Contract.

## **10. Liability & Indemnification**

10.1 IC shall be liable for personal injury and damage to property or equipment only, if it can be proven beyond any doubt, that any such damage is caused by serious neglecting or disregard by IC or if such liability is stipulated by current Law or Regulation which cannot be disregarded.

10.2 The Customer shall hold IC indemnified to the extend that IC is held liable for losses incurred by a Third Party for any and all such damages and such losses for which IC has no liability towards The Customer as stipulated in The Conditions.

10.3 In no event, IC shall be liable for any losses related to operation or production, time, profit or any other economic losses incurred by The Customer, nor shall IC be liable for any indirect damages or losses.

10.4 In any event, the total Product Liability of IC including for personal injury, damages to property or equipment shall be limited to an amount of DKK 1.000.000.

10.5 In case a claim of indemnification is raised by Third Party against either party, the party against whom the claim has been raised shall immediately notify the other party. The Customer is obliged to participate in legal proceedings at the Court or arbitrating institution with jurisdiction over claims against IC on the grounds of damages or losses claimed to have been incurred by The Products. The mutual relations between IC and The Customer shall, however, always be subject to arbitration in accordance with the provisions in Section 13.

## **11. Immaterial Rights and Product Information**

11.1 Any immaterial right or other rights in connection with the products shall be the property of IC. In case The Products wholly or partially consists of software, The Customer shall solely acquire an exclusive software license in the form of the right to usage of the software. The Customer shall acquire neither ownership nor any other rights in connection with the software.

11.2 In continuation of the above Section, IC shall have all rights of written information material, drawings etc in relation to The Products and the utilisation thereof ("Product Information"). Product Information is confidential information which is the property of IC and shall not be handed over to any Third Party without the prior written consent of IC. However, Safety Provisions contained within Product Information as referred to in Section 4 shall be excluded from this stipulation.

11.3 Product Information shall only be legally binding for IC to the extent it has been attached to The Contract or the stipulations of The Contract clearly make reference to such Product Information. Thus, IC shall not be liable for errors or shortfalls in any Product Information which has not been attached to or made reference to within The Contract.

## **12. General Conditions**

12.1 In the event that one of the stipulations of The Conditions should be invalid this shall not affect the remainder of the stipulations therein.

12.2 The decision of IC not to claim any breaches of contract by The Customer shall not be considered a waiver against claiming any subsequent breaches of the same or other stipulations within The Contract.

12.3 In relation to any Third Party, The Customer must keep confident and may not pass on any confidential information submitted by IC. The Customer is not allowed to utilise any such information for his own benefit or for the benefit of any Third Party.

**13. Disputes & Choice of Law**

13.1 The General Conditions at hand as well as any contract entered into with and by IC shall be subject to Danish Law. The same applies to any dispute or conflict that may arise in relation to such contract and the fulfillment thereof.

13.2 Any dispute which might arise in relation to this contract including disputes on the existence or validity of the contract shall be settled by arbitration in Denmark in accordance with the regulations as outlined by The Institute of Arbitration valid at the time of the arbitration. Notwithstanding the aforesaid, the arbitration shall take place in accordance with Danish rules and standards for such proceedings.