



HiFlux Filtration A/S

HiFlux Filtration A/S' general terms of tender and sale

Applying from March 29th 2016

1. General

1.1 The following general conditions of tender and sale shall apply to all tenders and sales agreements unless HiFlux Filtration A/S (hereinafter referred to as HiFlux) has expressly confirmed alterations of one or more of the conditions.

1.2 Conflicting purchase conditions or other reservations made by a customer are thus not binding on HiFlux unless expressly accepted by HiFlux in writing.

2. Tenders and order confirmation

2.1 Tenders are submitted subject to the availability of the goods, and shall lapse if the customer has not accepted them within 30 days from the date of the tender. HiFlux confirms accepted tenders by means of a written order confirmation.

2.2 Orders from customers are only binding on HiFlux when a written order confirmation has been issued by HiFlux and only on the conditions stated in the order confirmation.

3. Specifications and prices

3.1 All information on weight, dimensions, capacity, price, technical and other data stated in catalogues, prospectus, circulars, advertisements, illustrated matters and price lists is only intended to be guiding and non-binding information. Such information is only binding to the extent stated in the order confirmation or in other agreements expressly referring to such information.

3.2 With the reservations made in 3.3 all sales are made at the price valid on the date of the receipt of the tender from HiFlux or the date of the HiFlux order confirmation, whichever is the latest.

3.3 The price referred to in 3.2 can be increased if, after the issuance of the tender or the order confirmation, but before the invoice date, alterations occur in the currency exchange rate or increases occur in import duties, indirect taxes, excise duties, fees, etc., or in other similar public charges which involve an increase of the costs connected with the manufacturing and producing of the goods. Further changes to the design of the delivery after tender or the order confirmation may also result in an increase in the price.



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3.4 Unless otherwise expressly agreed upon in writing, delivery is made "ex works" (EXW) in accordance with "Incoterms 2010". The delivery price is exclusive of packing and packing costs, insurance, handling and forwarding, which will be invoiced at costs.

4. Time of delivery

4.1 Delivery times (lead times) are stated ex works and applies from receipt of the formal order and customer confirmed design. In case of orders involving customer-supplied parts, design for approval is initiated at time of delivery of these parts.

4.2 Times of delivery stated by HiFlux may be adjusted as a consequence of strikes, lock-outs, war, mobilization, confiscation, currency restrictions, transport obstacles, restrictions concerning motive power, fire, extensive damage to machinery, faulty castings and forgings, delayed or missing deliveries from sub suppliers or for other reasons beyond HiFlux's reasonable control. The time of delivery will be deferred, if necessary, for a period corresponding to the duration of the delay in delivery. Delivery postponed for the reasons referred to here shall, in every respect, be considered as having been effected in due time.

4.3 If a delay in delivery, caused by one or more of the above-mentioned circumstances, can be expected to last longer than 3 months, the customer, as well as HiFlux, shall be entitled to cancel the agreement without paying compensation to the other part.

4.4 If the delay is caused by other reasons than stated above the customer is only entitled to cancel the purchase if the delay can be considered material and if HiFlux has not completed delivery 30 days at the latest after having received a written demand to this effect.

4.5 In the event that the agreement is cancelled according to 4.3 or 4.4 above, HiFlux shall repay any payments made by the customer, and the customer shall return any part of the goods already delivered. Save from this, no claim for compensation whatsoever, based on a delay of delivery, shall be accepted irrespective of whether the liability for the said delay lies with HiFlux.

5. Terms of payment

5.1 Unless otherwise agreed in writing, full payment of the goods delivered by HiFlux, inclusive of invoiced expenses for freight, handling, insurance and packaging, must be settled within 30 calendar days of the date of invoice. Any and all credit is subject to prior approval by the current credit insurance company used by HiFlux or subject to the obtaining of an irrevocable bank on- demand guarantee.

5.2 Payment for the goods shall, irrespective of any postponements from the customer, be made not later than 30 days after the customer has been informed that the goods are ready for dispatch. In the case of prepayment, dispatch will be after the receipt of the full amount of prepayment agreed upon.



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5.3 If payment is not made when due – see 5.1 and 5.2 – interest will accrue on the overdue payment at a rate of 1.5 per cent per month commenced.

5.4 The customer is not entitled to set-off payment of any amount due with claims related to any other consignment or order.

5.5 In each case where credit is granted, HiFlux will retain the ownership of the goods until payment in full has been made. If the customer does not pay when due, HiFlux is entitled to take the goods back without a court judgment in accordance with applicable law.

6. Claims, replacements, and responsibility for defective goods

6.1 Claims must be made in writing to HiFlux not later than 14 days after the time when the defects or shortages concerned were discovered by the customer or ought to have been discovered. Furthermore, goods delivered in excess of any order confirmations shall be returned to HiFlux within four (4) months of the date of dispatch.

6.2 In the event that goods delivered by HiFlux prove defective, HiFlux undertakes to replace or repair such parts free of charge. HiFlux's liability is limited to defects occurring within the guarantee period. The guarantee period is 24 months, starting from the date on which the goods in question were taken into use.

6.3 HiFlux's liability, however, shall in all circumstances be limited to a period of 30 months as from dispatch of the goods from the facility business in Hedensted. The validity of the claims is conditioned upon the goods have been carefully stored and mounted correctly and operated under normal and recommended operating conditions.

6.4 HiFlux's liability does not cover wear damage caused by negligence by the customer or by people in the service of the customer, rust, corrosion, deposits owing to water, sand or other impurities, chemical or electrolytic processes, damage caused by unsuitable liquids or insufficient cooling or too high pressure. HiFlux's liability does not cover defects resulting from incorrect information supplied by the customer. HiFlux's liability does not cover defects resulting from materials/design specifications supplied by the customer. HiFlux must in all circumstances be allowed to inspect the defects in question. HiFlux's liability is limited to defects occurring under the operating conditions agreed to in writing in connection with the conclusion of the order.

6.5 The obligation of HiFlux to repair or replace defective parts pursuant to 6.2 shall be fulfilled by delivery-EX works, HiFlux, Hedensted of exchanged or repaired parts. The forwarding and returning of the replaced parts are for the customer's account and risk.

6.6 For purchased parts delivered by sub-suppliers, which make up the whole of HiFlux's delivery, HiFlux undertakes liability only to the same extent as HiFlux's suppliers.



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6.7 If the parts supplied by HiFlux are mounted in a system for which the customer has also used unoriginal parts (i.e. parts that have been supplied through an unauthorised supplier), HiFlux does not assume any liability for any damage, which may arise.

6.8 HiFlux is not liable to any further extent than stated above and HiFlux is thus not obliged to pay compensation nor liable for any consequential damage or other indirect loss such as loss of profits, unless it can be substantiated that HiFlux has acted gross negligent.

6.9 For repaired and reconditioned parts, HiFlux undertakes the same liability as stated in 6.2-6.6

7. Repair, reconditioning, replacements parts

7.1 For parts which are sent to HiFlux for repair, reconditioning, assembling, adaptation, or other processes, the forwarding to and from HiFlux's workshop shall be for the account and risk of the customer.

8. Liability for injury/damage caused by the product (product liability)

8.1 HiFlux shall not be liable for damage to real and personal property, which occurs while the equipment is in the customer's possession. Nor shall HiFlux be liable for damage to products, which are manufactured by the customer, or to products in, which such are included. In all other instances, HiFlux shall be liable for damage to real and personal property on the same conditions, as those applying to personal injury, but such liability shall not exceed 1,000,000 DKK.

8.2 Under no circumstances shall HiFlux be liable for consequential loss, lost earnings or other indirect loss.

8.3 To the extent, HiFlux might assume product liability towards any third party; the customer shall indemnify HiFlux as far as HiFlux's liability has been limited by the preceding paragraphs.

8.4 If the claim for damage as described in this clause 8 is lodged by a third party against one of the parties, the latter shall forthwith inform the other party thereof.

8.5 HiFlux and the customer shall be obliged to let themselves be summoned to the court examining claims for damages lodged against one of them based on damage allegedly caused by the product. However, the contractual relationship between HiFlux and the customer shall always be settled by arbitration in accordance with clause 10.

8.6 The above limitations in HiFlux's liability shall not apply where HiFlux has acted gross negligent.



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9. Proprietary right and reproduction

9.1 All drawings/technical specifications shall remain the property of HiFlux, and must not, neither in part nor in full, be copied, reproduced, published or handed over to any third party without the prior consent of HiFlux.

9.2 Drawings/technical specifications to be used for installing and taking the parts into use shall remain the property of the customer.

10. Law and disputes

10.1 HiFlux's tenders and every contract with customers including the present General Conditions shall be interpreted according to Danish law.

10.2 Any dispute arising out of or in connection with this contract, including any disputes regarding the existence, validity or termination thereof, shall be 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 proceedings are commenced. The arbitration proceedings shall take place in Copenhagen.

10.3 The above will not, however, prevent HiFlux from choosing, at their discretion, to bring a legal action against a customer in the venue where the customer is domiciled.

March 1st 2016