

# Sales terms and conditions for CESTEK A/S

November 2022

## Application

These Terms & Conditions apply to all deliveries of products from CESTEK A/S, Bogensevej 9, 4200 Slagelse, Denmark, to all buyers. CESTEK A/S acceptance of the Buyer's order is exclusively based on the Buyer's acceptance of these conditions. The international terms "Incoterms 2020" apply between CESTEK A/S and the Buyer.

## Orders

There is no final agreement of sale or delivery between CESTEK A/S and the Buyer until the order has been confirmed by CESTEK A/S in form of an order confirmation or other detailed written confirmation. If CESTEK A/S order confirmation does not match the Buyer's order, the Buyer must immediately object. Otherwise, the contents of the order confirmation are binding to the Buyer. Offers, proforma invoices and other related correspondence are not binding CESTEK A/S. Cancellation or change of orders is only considered accepted when CESTEK A/S has confirmed the cancellation or change in writing. In case of cancellation or change, the Buyer must reimburse CESTEK A/S for all reasonable costs incurred in connection with the cancellation or change of orders.

## Delivery conditions

All deliveries from CESTEK A/S are sold EX Works (EXW) Slagelse, Denmark (Incoterms 2020), and the Buyer bears any risk of loss, damage or delay during transport. If nothing else has been agreed, transport must be carried out using the means of transport that CESTEK A/S deems most suitable, for which CESTEK A/S is not responsible. CESTEK A/S undertakes to take all necessary precautions to deliver on time. Should the delivery be delayed, CESTEK A/S is entitled to postpone the delivery time by up to 180 days, without the Buyer being entitled to cancel the order. In the event of delayed delivery, the Buyer is not entitled to claim compensation.

## Taxes

In addition to the purchase price, all taxes, duties or excise duties that may be charged on the Products, as well as all necessary expenses for approval of the Products, must be covered by the Buyer.

## Prices

CESTEK A/S reserves the right to change the prices until order confirmation is issued. CESTEK A/S also reserves the right to change the prices of confirmed orders as a result of changes in production costs, labor cost, material costs, sub-deliveries, exchange rates, public taxes and in the national discount rates.

## Terms of payment

The payment terms are at the latest upon delivery EXW Slagelse, Denmark (Incoterms 2020), unless otherwise is expressly agreed in writing. If payment is not made on time, CESTEK A/S is entitled to calculate interest on the total invoiced amount at 2% per month or for part of a month and to withhold all future shipments. CESTEK A/S is also entitled to collect payment for all reasonable costs incurred in connection with the recovery of payment in or out of court. The buyer is not entitled to withhold payments due to any alleged counterclaims against CESTEK A/S, unless CESTEK A/S has acknowledged these in advance in writing. If the Buyer fails to accept consignments or partial consignments that are ready for delivery on the agreed day, the Buyer is however obliged to pay for the Products as had they been delivered, unless otherwise agreed.

## Property rights

CESTEK A/S retains ownership of the delivered Products until full payment for the delivered has taken place, even if the Buyer has put the Products into use or has begun to incorporate the Products into its applications.

## Intellectual property rights

Rights to construction and design of Products belong to CESTEK A/S. Products may not be copied or handed over to third parties for the purpose of copying the Products. CESTEK A/S retains ownership of drawings and descriptions forwarded to the Buyer, and these may not be copied, transferred, or otherwise passed on to third parties without CESTEK A/S's written consent. In case of breach of the above, the Buyer is obliged to cover CESTEK A/S losses to an extent attributable to illegal copying, as well as all costs of legal or extrajudicial pursuit of CESTEK A/S rights. If a third party's intellectual property rights, such as patents, design patents, copyrights, trademarks and similar rights, are infringed by CESTEK A/S as a result of participation in the Buyer's development projects based on the Buyer's requirements and specifications, the Buyer must indemnify CESTEK A/S for all costs, including costs for lawyers and court fees as well as for any damage resulting from the claim.

## Software

If Products are delivered with "embedded" software, CESTEK A/S grants a non-exclusive software license in the form of the right to only use this software for the purposes stated in the applicable product specification. In addition, the Buyer acquires no rights in the form of license, patent, copyright, trademark or other proprietary right in connection with such software. Buyer acquires no right to software source code, and Buyer may not attempt to access such source code. Buyer obliged to update the software after delivery by installing necessary updates offered by CESTEK A/S.

## Technical changes and approval

CESTEK A/S reserves the right to make technical and other changes to Products, including ordered Products, without notice, in case this can be done without changing the agreed technical specifications. CESTEK A/S does not assume responsibility for possible errors in catalogs and other written material prepared by CESTEK A/S or for possible misinterpretations of the information provided herein. The Buyer is fully responsible for the use and operation of any Product meeting the Buyer's specifications for his application and applicable legislation, regardless of whether such use or operation is approved by CESTEK A/S. It is the Buyer's responsibility to ensure that the agreed technical specifications meet the Buyer's needs. CESTEK A/S cannot assess all factors that have an impact on the Product in the Buyer's application e.g., exposure to the environment in the form of temperature and humidity, duration and frequency of use of the Products. It is the Buyer's responsibility to test the Products in the application, which also includes testing whether the Buyer's or third-party components are suitable to be connected to CESTEK A/S Products. The products must under no circumstances be used in aircraft or in connection with nuclear power of any kind. The Buyer is obliged to comply with all necessary national or international approvals for the systems in which the Products are used. Under no circumstances may the Buyer put the Products into use before a CE mark (where one is required) is present on the application where the Product is used.

## Complaints

If the Buyer wishes to discover errors or defects in the delivered products, the Buyer is obliged to immediately report this to CESTEK A/S. The Buyer must immediately upon receipt examine shipments for deficiencies, errors, defects or other deviations from what was agreed. If the Buyer wishes to file a complaint to CESTEK A/S, the Buyer must do so in writing to CESTEK A/S no later than five (5) days after receiving the Products, if the errors and defects in question could have been discovered during the Buyer's investigation upon receipt of the delivered products. CESTEK A/S is not responsible for any damage or loss that may have occurred during transport, and in such circumstances, claims can only be made against the carrier in question.

## Free repair or replacement

CESTEK A/S undertakes, at its own discretion, to repair, re-deliver or credit Products which prove to be defective at the time of delivery as a result of manufacturing, design and/or material defects, if the Buyer has filed a complaint to CESTEK A/S before 12 months from the production date, which appears on the product label. If the Buyer discovers errors and/or defects within the Liability Period, the Buyer must notify CESTEK A/S of such possible errors or defects in writing, and the Product must then be returned to CESTEK A/S or to another address specified and instructed by CESTEK A/S with freight and insurance paid by the sender, accompanied by a description of the reason for the return. If, however, CESTEK A/S's examination shows that the Product is not defective, CESTEK A/S can return the Product to the Buyer at the Buyer's expense and risk, and CESTEK A/S can collect payment for the time and materials involved in examining the returned product. CESTEK A/S is under no circumstances obliged to remove, replace or install Products that are built into other non-CESTEK A/S products. Redelivery or repair must under no circumstances be carried out outside the CESTEK A/S address.

For Products delivered with software, CESTEK A/S is not responsible for defects caused by the combination of products with hardware or software not manufactured or supplied by CESTEK A/S, the Buyer's specifications diverging from agreed written specifications, defects and inconsistencies, which were not discovered by CESTEK A/S or the Buyer during launch, quality testing and approval, failure to update software to the extent necessary, as well as changes or modifications to Products, except for changes or modifications made by CESTEK A/S or expressly approved in writing by CESTEK A/S. In the event of software errors and/or defects, the Buyer's only form of remedy and CESTEK A/S's total responsibility is limited to CESTEK A/S having to procure and/or replace defective parts of the Products by supplying new software components to the Buyer. CESTEK A/S is not responsible for replacing Products or parts of Products in the Buyer's systems, including, but not limited to, any kind of updates. Unless otherwise expressly stated in these conditions, products are supplied "AS IS" and "WITH ALL FAULTS", and CESTEK A/S disclaims all warranties, whether written, express or implied, of fitness for a specific purpose. The right to free repair or redelivery is only liable on Products having been used and maintained correctly, and not having been altered, opened, or exposed to wear and tear.

## Product liability

CESTEK A/S is responsible according to applicable, invariable product liability legislation, but does not assume additional responsibility beyond that specified in legislation. Any product liability arising from case laws are waived. The Buyer must indemnify CESTEK A/S to the extent that CESTEK A/S incurs liability towards third parties for any damage or loss for which CESTEK A/S is not liable to the Buyer in accordance with the above

## Limitation of liability

CESTEK A/S is not liable to the Buyer for any of the following types of loss or damage that may arise from or in relation to an agreement governed by these conditions: 1) Any loss resulting from loss of production, profit turnover, goodwill, or anticipated savings, or 2) any loss or destruction of data, or 3) any other consequential or indirect loss. CESTEK A/S's liability for loss or damage that may arise from an agreement governed by these conditions must be limited to the total amount that CESTEK A/S has invoiced the Buyer for the agreement in question.

## Export

The buyer acknowledges that CESTEK A/S is obliged to comply with applicable export/import laws and regulations regarding the sale, export, import, transfer, disposal and use of the Products. Buyer warrants that the Products will not at any time, either directly or indirectly, be used, exported, re-exported, imported, sold, transferred, transferred or otherwise disposed of in a manner that would result in a breach of any export/import laws and rules.

## Force majeure

CESTEK A/S is entitled to cancel orders or postpone delivery of Products and is not liable for non-delivery, defective or late delivery which is wholly or partly due to circumstances beyond CESTEK A/S's reasonable control, including, but not limited to riot, civil disturbance, war, terror, health crises, health epidemics, pandemics, associated governmental or regulatory restrictions, fire, insurrection, requisition, seizure, embargo or defective or delayed deliveries due to subcontractors, strike, lockout, downturn, lack of transport, material shortages and insufficient energy supply. All the Buyer's rights are suspended or lapses in such cases, as described in this section, the Buyer cannot demand compensation for damages or otherwise make any other claim in the event of cancellation or delayed delivery.

## Confidentiality

The buyer is obliged to keep information exchanged in connection with trade with CESTEK A/S strictly confidential towards third parties.

## Partial invalidity

If one or more of the provisions in these Terms of Delivery are found to be invalid, illegal or unenforceable, the validity, legality or enforceability of none of the other provisions shall be affected or impaired thereby.

## Choice of law and venue

Any discrepancy or dispute between CESTEK A/S and the Buyer must be resolved according to Danish law without regard to conflict of law rules. Unless CESTEK A/S gives written consent to arbitration proceedings, which must therefore take place in Copenhagen, any dispute must be brought before the Court in Viborg or Vestre Landsret, depending on the nature of the case in question.