

FloControl Ltd

General Terms of Sales and Delivery

Interpretation

In these Terms:

"Buyer" means the person who accepts the Seller's Written quotation for the sale of the goods or whose Written order for the goods is accepted by the Seller;

"Products" means the goods (including any instalment of the goods or any parts for them) which the Seller is to supply to the Buyer in accordance with these Terms;

"Seller" means FloControl Limited;

"Contract" means the Contract for the sale and purchase of the goods;

"Incoterms" means the international rules for the interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made;

"Terms" means the standard terms of sale set out in this document;

"Writing" and any similar expression includes FAX and electronic mail.

For Products supplied by FloControl Ltd (in the following referred to as Seller). These shall apply to all Products supplied by the Seller, unless otherwise specified in Writing between the parties.

1. Quotations and Confirmations:

Quotations are not binding on the Seller unless accepted by the Buyer within the period of validity stipulated in the quotation. If no period of validity is stipulated in the quotation, the quotation is not binding on the Seller until the Buyer's order is accepted by the Seller with an order acknowledgement.

If the Seller's order acknowledgement does not comply with the purchase additions, amendments, or reservations and this is not acceptable to the Buyer, the Buyer is obliged to notify the Seller hereof within a week from receiving the order acknowledgement. Otherwise the Seller's order acknowledgement shall apply.

2. Product Information

The information given in the product specifications such as catalogues, circulars, advertisements and illustrated matters constitutes an approximate guide. The Seller shall not be held liable for the accuracy or any omissions of information within the contract.

Any drawings, rating instructions, application information and documents the Buyer may receive from the Seller either before or after entering into the Contract shall remain the property of the Seller. Such information and documents are not without the Seller's consent to be used for any other purpose than the application and maintenance of the supplied Products and must not be copied, reproduced or handed over to any unauthorised third party or in any other way be brought to the knowledge of any unauthorised third party. The Buyer has the sole responsibility to ensure that the Buyer's computer equipment has the necessary programs installed to prevent virus. The Seller is not liable should digital instructions cause danger to the Buyer's computer programs.

3. Installation and Application Information

The Buyer is under an obligation to follow all instructions and directions which the Seller gives concerning the correct application, installation and dimensioning of the Products. Furthermore, the Buyer is obliged to pass on any such information to its customers in the same way as it is received.

4. Prices

The Seller's prices shall be in force at the time of entering into the order system. The Seller reserves its rights to change the prices in case of changes in the exchange rate of the currency agreed on, changing prices of raw material or prices from sub-suppliers.

Prices quoted are NET PRICES and sold DAP unless otherwise stated, and exclusive of all taxes, value added tax, duty and levies.

5. Packing

In the absence of another agreement the prices stated in the quotation and order acknowledgement shall include the Seller's standard packaging.

6. Delivery - Passing of Risk

If no other trade term is specifically agreed on, delivery shall be DELIVERED AT PLACE (DAP).

Where a trade term has been agreed on, it shall be interpreted in accordance with the Incoterm in force at the time of entering into the agreement.

The risk for the Products shall pass to the Buyer upon receipt.

7. Delivery Time - Delay

The time of delivery stated by the Seller in the quotation or the order acknowledgement is to the best of the Seller's judgment. If, instead of a fixed date for delivery, the parties have agreed on a period within which delivery shall take place, such period shall start to run from the time of entering into the order system.

If the Seller realises that the Seller will not be able to deliver the Products at the agreed delivery time, the Seller shall immediately notify the Buyer thereof stating the reason for the delay and the time when delivery can be expected.

The Seller is not responsible for delayed delivery if the Buyer has not fulfilled his contractual obligations.

8. Terms of Payment

The Seller's terms of payment are 30 days net after date of invoice unless otherwise agreed in Writing.

In case the Buyer does not effect payment in due time and in accordance with the agreement, the Seller shall be entitled to claim penalty interest as from the date of maturity at the Seller's usual interest rate, which is at present 1% per month. The Buyer is not entitled to withhold payment or deduct any counterclaim against the Seller as security for any claims that the Buyer may have on the Seller.

If the Buyer fails to pay the due amount within three months from the maturity date, the Seller shall be entitled by Written notice claim penalty interest at the Seller's usual interest rate as well as liquidated damages from the Buyer for any loss the Seller may have suffered. However, the amount of liquidated damages can never exceed the purchase price payable according to the agreement.

9. Retention of Ownership until Payment

The Products shall remain the property of the Seller until payment has been made in full. The validity of the retention of ownership shall be considered under the law applicable in the Buyer's country.

10. Notification

In case of the Seller's failing to comply, whether the cause is delayed delivery or defects in the delivered Products, the Buyer is obliged to notify the Seller in Writing immediately and without any delay after the delivery time has expired or the defect has become apparent or should have become apparent and in no case later than a week hereafter. The notification shall be substantiated.

If the Buyer fails to notify the Seller in compliance with the above, the Buyer loses his right to make any claim in respect of the defects or the delayed delivery.

11. Return of Products

Any return of Products is to occur no later than six months after the invoice date, and in each case upon the previous agreement with the Seller. Only merchantable Products in intact, original packing may be returned with reference to an RGM no. The return of Products shall occur at the Buyer's own cost and risk. The Seller reserves the right to charge a handling fee of minimum 30% of the amount stated in the invoice.

12. Liability for Defects

The Seller's liability for defects is 18 months from the date of delivery.

Within this period the Seller undertakes to remedy defects in the Products by repair or replacement at the choice of the Seller. The Buyer shall substantiate that the supplied Product is defective. The Seller is not liable for defects caused by storage, installation, use and maintenance which are not in accordance with the instructions, rating instructions, application directions and information etc given by the Seller. The Buyer is immediately upon delivery obliged to examine whether the Product is in accordance with the agreement. If this is not the case, the Buyer shall immediately notify the Seller in Writing. If the Buyer fails to do so, he shall not at a later date be entitled to complain about defects that were or would have been ascertained by such an examination.

13. Disclaim of Liability

The Seller disclaims any liability for indirect losses caused by the sold Products, including, but not limited to interruption or loss of production, which occurs as a consequence of defective Products.

Thus, the Seller can never be liable for loss of production, loss of profit or other indirect losses.

14. Product Liability (Liability for Damage to Goods caused by the Product)

The Buyer shall indemnify the Seller in case the Seller is made liable to any third party for any such damage or any such loss, for which the Seller is not liable to the Buyer according to sub-clauses of this clause.

The Seller shall not be liable for any damage the Products may have caused to:

- a) Real property or movable property, caused while the Buyer is in possession of the Products.

b) Goods produced by the Buyer, or goods in which these are component parts, or for any damage these goods may cause to real property or movable property in consequence of the Products.

Under no circumstances shall the Seller be liable for consequential loss, loss of profit, or any other financial consequences.

The above exemptions of the Seller's liability shall not apply if the Seller has acted grossly negligently. If any third party makes a claim for damages from either party under this clause, then this party shall immediately inform the other party hereof.

The Seller and the Buyer shall be mutually liable to be sued in any law-court or court of arbitration that may be trying a claim for damages against any of the parties due to any defect or loss allegedly caused by the supplied Products. Still, the mutual relations between the Buyer and Seller must at all times be settled by non-exclusive jurisdiction of the English courts in accordance with clause 16.

15. Exemption from Liability (Force Majeure)

15.1 The Seller is not responsible for delayed delivery if the delay is caused by any of the circumstances stated in clause 15.2.

The Seller shall immediately notify the Buyer if the Seller intends to invoke force majeure as a reason for delayed delivery, and the Seller must inform the Buyer about the reason for the delayed delivery and when delivery can be expected.

The Seller as well as the Buyer are entitled to terminate the agreement by Written notice to the other party without being liable, if performance by any of the said reasons is delayed more than three months after the originally agreed delivery time.

15.2 The following circumstances shall result in exemption from liability in case they prevent the performance of the agreement or make the performance unreasonably onerous: labour dispute or any other circumstance beyond the control of the parties, e.g. fire, war, mobilisation, or substantial military call-ups, requisitions, confiscations, exchange restrictions, riots and unrest, lack of transportation equipment, general shortage of goods, fuel restrictions, and defective or delayed supplies from sub-suppliers due to any of the circumstances mentioned in this clause.

The said circumstances shall only result in exemption if their influence on the performance of the agreement was unforeseeable on the commencement date of the agreement.

15.3 Either party who may want to exempt from liability for any circumstance mentioned in clause 15.2 must immediately inform the other party in writing about the occurrence and conclusion of any such circumstance.

In case the exemption from liability does not expire within three months, either party shall have the right to give the other party Written notice to cancel the agreement.

16. Disputes - Applicable Law – Venue

Disputes regarding the Contract or any circumstances connected herewith, shall be governed by the laws of England, and the Buyer agrees to submit to the non-exclusive jurisdiction of the English courts.