



# HUNDESTED PROPELLER A/S

Stadionvej 4 • DK-3390 Hundested • Denmark • Phone: +45 4793 7117 • CVR: DK67559010

## HUNDESTED PROPELLER A/S GENERAL TERMS OF SALE AND DELIVERY

### 1. Application

- 1.1 These General Terms of Sale and Delivery ("General Terms") shall apply to all offers, order confirmations, sales, deliveries of products ("Products") and/or delivery of services ("Service") from Hundested Propeller A/S ("HP"), a company registered in Denmark under the Danish Business Registration no. 67559010 (CVR) to any customer ("Purchaser"), unless otherwise agreed in writing.
- 1.2 These General Terms, take precedence over any conflicting provisions of the Purchaser, e.g., in the Purchaser's order, acceptance and/or the Purchaser's general terms of purchase, etc., also in cases where HP does not object to such conflicting provisions.

### 2. Conclusion of contracts

HP shall not be deemed to have accepted Purchaser's purchase order and a contract shall not be deemed concluded, unless Purchaser has received a written order confirmation from HP containing an acceptance of Purchaser's purchase order.

### 3. Prices, price change and expenses

- 3.1 Unless otherwise stated in writing, all prices are quoted on Ex Works terms. Unless otherwise stated in writing all prices are exclusive of VAT, freight, insurance, taxes, customs, duties, pallets, commissioning, sea trials and testing.
- 3.2 HP offers commissioning, sea trials, Service and testing subject to prior written agreement.
- 3.3 HP reserves the right to alter the prices until the time of delivery in case of changes in production costs, raw materials or sub-supplies, etc. In case of changes in VAT, duties, taxes and rates of exchange, HP is entitled to change the prices with effect from the time at which such changes become effective.

### 4. Delivery

- 4.1 Unless otherwise agreed in writing, all deliveries shall be made Ex Works (EXW) in accordance with the INCOTERMS in force at any time on the address stipulated by HP.

### 5. Delay

- 5.1 HP continuously endeavours to make delivery at the agreed time. If HP has not made delivery within 15 weeks after the agreed time of delivery, and the delay is not attributable to (i) force majeure, (ii) circumstances for which the Purchaser is responsible, the Purchaser may terminate the contract by written notice to HP with respect to the delayed part of the Products. Apart from termination, HP accepts no responsibility for delays or consequences hereof, and the Purchaser has no other remedies of non-performance and may thus not claim compensation.

### 6. Payment

- 6.1 Unless otherwise agreed in writing 30 % of the purchase price shall be paid immediately to HP's bank account upon HP's issuance of order confirmation, and the rest of the purchase price shall be paid prior to shipment of the Products from HP's production site. HP reserves the right to alter the price until the time of delivery, cf. clause 3.3.
- 6.2 If HP delivers Service, including but not limited to commissioning and sea trials, payment shall be made before the Service, commissioning or sea trial is carried out, unless otherwise agreed in writing.
- 6.3 If Purchaser exceeds the time for payment, HP may charge default interest on the account receivable with 2% per month entered. Furthermore, HP may without incurring liability postpone delivery, until Purchaser has paid the purchase price as agreed between the parties. If so, HP will store the Products at Purchaser's risk and cost until payment is made.
- 6.4 The Purchaser is not entitled to detain or set-off any amount against any outstanding amount due to HP.



# HUNDESTED I PROPELLER A/s

Stadionvej 4 • DK-3390 Hundested • Denmark • Phone: +45 4793 7117 • CVR: DK67559010

## **7. Duty of inspection and notification of claims**

- 7.1 Immediately upon receipt and prior to the Products being used or installed, the Purchaser must perform an inspection of the Products to the standard normally expected for commercial use.
- 7.2 If the Products are defective and Purchaser intends to rely on the defect, Purchaser shall give notice in writing to HP of Purchaser's intention immediately after, the Purchaser has discovered or ought to have discovered the defect. Otherwise, the Purchaser shall forfeit his right to set up a claim against HP because of defects.
- 7.3 On suspicion that a Product is defective, the Purchaser shall give notice to HP immediately and give further description of the reason for the suspicion.
- 7.4 Upon receipt of a notification of claim HP will carry out a preliminary technical assessment. At the request of HP, Purchaser is obliged to provide HP with requested photos, videos, or other information or documentation.

## **8. Defects liability**

- 8.1 HP's responsibility only includes defects which appear within one year from the date of commissioning of the Product, however for a maximum of 24 months after delivery of the Product.
- 8.2 HP shall at its own discretion be entitled to remedy the defect through repair, by delivering a Product in replacement, or by offering a proportional reduction of the purchase price in case of defects.
- 8.3 If HP has not remedied the defect, cf. section 8.2 above within reasonable time, the Purchaser may terminate the contract. The Purchaser has no other remedy against HP due to defects, and the Purchaser is thus not entitled to set up claims for compensation, etc. against HP.
- 8.4 HP shall in no event be liable for defects caused by circumstances, which arise after the risk has passed to the Purchaser, for instance but not limited to defects due to faulty maintenance, incorrect installation, alterations of the Product, faulty repair by the Purchaser, misuse, non-compliance with the user manual, unintended use of the Product and defects arising out of materials provided or a design stipulated or specified by the Purchaser or external circumstances. HP's defects liability will further lapse if the Product is dismantled or disassembled by other persons than HP without prior written agreement with HP.
- 8.5 HP shall in no event be liable for defects if the Product does not function due to the hull or foundation of the vessel not being sufficiently rigid, defective shipbuilding or foundation work or faults in the vessel's principal construction, line-up or installation not following HP's instructions or professional good workmanship and common sense.
- 8.6 If during HP's repair no defects are found for which HP is liable, HP will make the Purchaser aware of the findings. HP shall be entitled to compensation for the costs HP incurs as a result of the defects notice from the Purchaser. The repair process will continue after written approval from the Purchaser, at the Purchaser's cost.
- 8.7 The Purchaser shall at his own expense provide access to the Product and arrange for any intervention in equipment other than the Product. The Purchaser shall bear all costs occurred in connection with preparing the Product for repair or replacement, including but not limited to all slipway costs and dry-docking costs.
- 8.8 HP may require the defective Product to be shipped to HP's production site for repair. Transport of the Product or parts thereof to and from HP shall be at the risk and expense of the Purchaser.

## **9. Service, commissioning, and sea trials**

- 9.1 The Purchaser shall in good time undertake preparatory work to ensure that the conditions necessary for Service, commissioning and/or sea trial are fulfilled prior to HP performing the Service, commissioning and/or sea trial.
- 9.2 The Purchaser shall at his own expense provide access to the Product and arrange for any intervention in equipment other than the Product, to the extent that it is necessary to carry out the agreed Service, commissioning and/or sea trial.
- 9.3 If HP shall carry out Service, HP shall notify the Purchaser in writing, when the agreed Service is completed. At the request from the Purchaser a test will be carried out to determine whether the Service has been adequate. If possible, the test shall be carried out immediately after completion of the Service.
- 9.4 If HP shall carry out commissioning after the Purchaser has finished installation of the Product, or HP shall participate in a sea trial, the Purchaser shall notify HP in writing, that the Product is ready for commissioning and/or sea trial and suggest a



# HUNDESTED I PROPELLER A/s

Stadionvej 4 • DK-3390 Hundested • Denmark • Phone: +45 4793 7117 • CVR: DK67559010

- date for commissioning and/or sea trial. The Purchaser shall give HP reasonable notice of the suggested date for commissioning and/or sea trial occur.
- 9.5 The Purchaser shall provide free of charge any power, lubricants, water, fuel, raw materials and other materials required for the tests, commissioning and sea trials and for final adjustments in preparing for the aforesaid. The Purchaser shall install free of charge any equipment and provide any labour or other assistance necessary for carrying out the tests, commissioning or sea trial. The Purchaser shall bear subsequent costs in close connection with the test, commissioning or sea trial such as, but not limited to oil and oil filters.
- 9.6 HP's execution of tests, commissioning or sea trials does not make HP liable for any defects or faulty installation, which HP could not reasonably be expected to discover during the test, commissioning, and/or sea trial.
- 10. Limitation of liability**
- 10.1 HP shall in no event be liable for operational loss, loss of time, loss of profit, loss of earnings, loss of savings, loss of data, loss of goodwill or any indirect loss or consequential damages.
- 11. Product Liability**
- 11.1 Subject to the limitations stated in this clause, HP is liable for product liability pursuant to Danish law.
- 11.2 In no event shall HP be liable for operational loss, loss of time, loss of earnings, loss of profit, loss of savings, loss of data, loss of goodwill or any indirect loss.
- 11.3 HP's product liability shall in any event be limited to EUR 1 300 000 per calendar year.
- 11.4 To the extent that product liability is imposed on HP because of a third-party claim, the Purchaser shall indemnify HP to the same extent, as HP's liability is limited towards the Purchaser in accordance with the above.
- 11.5 Should a third-party file a claim for compensation pursuant to the above against either HP or the Purchaser, the party in question shall without delay inform the other party of same.
- 12. Force Majeure**
- 12.1 HP is not liable for any non-fulfilment caused by force majeure, including but not limited to war, riots, intervention by governments or local authorities, strikes, lock-outs, export or import bans, bad weather conditions, epidemics, pandemics, fire, lack of raw material, man power, energy supplies or breakdown of machinery, and irrespective whether such a force majeure event affects HP or any of its sub-suppliers. In case of force majeure, the time of delivery is postponed for a period corresponding to the duration of the force majeure event. Both HP and Purchaser are however, entitled to terminate the contract covering the affected deliveries in writing, if the force majeure event has lasted or is expected to last more than 15 weeks.
- 13. Retention of title**
- 13.1 The Products remain the property of HP until paid for in full to the extent such retention of title is valid under the relevant law. The Purchaser shall at the request of HP assist him in taking any measures necessary to protect HP's title to the Product.
- 14. Applicable law and dispute resolution**
- 14.1 These General Terms and any contract entered into by HP and the Purchaser shall be governed by Danish law, with the exception of any conflict of law rules in Danish law.
- 15. Disputes**
- 15.1 Any dispute arising out of or in connection with these General Terms including any disputes regarding its existence, validity, or termination, shall be finally settled by arbitration administered by the Danish Institute of Arbitration in accordance with the Rules of Arbitration adopted by the Board of the Danish Institute of Arbitration. The arbitral tribunal shall be composed of three arbitrators. The place of arbitration shall be Copenhagen, Denmark. The language to be used in the arbitral proceedings shall be English.

Valid from April 27<sup>th</sup>, 2022 (Version 01)