



## ISIC A/S

### General Terms and Conditions of Sale, Delivery and Repair May 2010

#### 1. Scope and Applicability

The below mentioned general terms and conditions shall apply to all quotations and orders for hardware, repair work, and engineering.

Any special or general requests of the customer stated in quotations, orders, etc. are not considered a deviation from the below general terms and conditions unless expressly accepted by ISIC in writing.

#### 2. Quotations and Orders

ISIC quotations are made on request and are valid for 30 days as of the date of the quotation, unless otherwise stated in the quotation.

Purchase orders shall be deemed accepted only when ISIC has forwarded a written order confirmation. Any reservations by the customer as to the content of the order confirmation shall be in writing and be received by ISIC not more than three (3) working days after receipt of the order confirmation.

Cancellation or alteration of an order is subject to written approval by ISIC.

#### 3. Prices

All prices are stated in either Danish kroner DKK or EURO and are exclusive of value added tax in force from time to time, and exclusive of packaging, freight and insurance.

ISIC will add a handling fee to the invoice amount for low value shipments.

#### 4. Terms of Payment

Payment shall be made not later than 30 days after the invoice date unless otherwise expressly agreed upon.

ISIC reserves the right to alter the agreed terms of payment if the customer's ability to pay has been deteriorated after the contract has entered into.

Where the customer does not pay the purchase price on time, ISIC may charge two per cent interest per month commenced reckoned from the due date, and further deliveries will only take place after due payment.

The customer shall not be entitled to retain any part of the purchase price as security for the fulfilment of any counterclaims relating to other deliveries, and such retention shall be considered a gross breach of contract.

#### 5. Retention of Title

ISIC retains title to any delivery until payment has been made in full.

#### 6. Delivery

The time of delivery shall be estimated as precisely as possible by ISIC and stated in the quotation or order confirmation. If the time of delivery based on working days can be foreseen, to be delayed, ISIC is obliged to immediately notify the customer in writing of the expected new time of delivery.

The time of delivery is fixed subject to the assumption that all specifications to be supplied by the customer are available on or before the date of ISIC's quotation or order confirmation. Otherwise the time of delivery shall be reckoned from the date when ISIC receives all relevant specifications from the customer.

In case the customer shall make prepayment in whole or part, the time of delivery shall be reckoned from the date when ISIC has received the prepayment.



ISIC is in no way liable for delays, which are caused by lack of components or delayed deliveries on the part of a sub-contractor of ISIC's.

Delivery is FCA ISIC Brabrand, Denmark. ISIC will, however, at customers cost enter into agreement with the carrier as regards the forwarding and insurance of the goods unless otherwise agreed upon with the customer.

ISIC is entitled to dispatch the products in the manner deemed the most appropriate by ISIC.

## **7. Drawings and Descriptions**

All drawings and technical documentation relating to the product or the manufacture hereof which have been handed over to the customer before or after the date of the contract between the parties shall remain the property of ISIC.

The customer shall not without prior written approval from ISIC, use such material for any other purpose than assembling, starting, operation and maintenance of the product. In addition, the above material, shall not without prior written approval of ISIC, be copied, reproduced or in any other manner made accessible to any third parties.

## **8. Warranty**

All products are warranted by ISIC, for a minimum of 12 months from the date of delivery, for defects in hardware and/or software during normal operating conditions, cf. 12 below.

The warranty does not include accessories, boards of any kind, parts, components or cables which are provided by the customer and for which ISIC has no design or manufacturing responsibility or test facilities, also if such are installed in the product by ISIC.

The warranty does not come into effect if a defect is caused by:

- Accidents such as fire, smoke damage, acid vapours, water damage, electrical overload or static electricity;
- Strike of lightning;
- Neglect or incorrect operation of the hardware and/or software;
- Incorrect assembling and connecting of the hardware and/or software; and
- Mal-configuration of the hardware and/or software, i.e. using the hardware and/or software in systems and for purposes for which it was not specifically ordered.

The warranty covers labour and spare parts for detection and repair of defects covered by the warranty and carried out at ISIC repair facility. ISIC may decide whether to repair the defective product/component or whether it must be replaced by a new product/component. If ISIC decides to replace the product/component, this will not prolong the duration of the warranty.

Defective products covered by the warranty shall be returned freight free (at the expense of Customer) to ISIC attached a "Return Material Authorization" ("RMA") containing a thorough description of the defect. Products returned without a RMA will not be repaired until the RMA has been received by ISIC. ISIC shall provide the customer with a sufficient number of RMA's. RMA formulas can be found at [www.isic-systems.com](http://www.isic-systems.com)

Repaired products will, attached a service report, be shipped to the customer, at the customer's cost and risk, by means of transport which is at any time deemed cheapest and quickest by ISIC. If the customer demands the products sent in a special way, he shall notify ISIC in writing on the RMA.

If the terms of payment agreed upon for the product in question are not complied with, or if the customer himself makes modifications or unauthorized repairs to the product or uses non-genuine spare parts, the warranty shall lapse.



#### **9. Extended Warranty**

An extended warranty may be offered for certain products at ISIC's choice. Such extended warranty will only be in force when agreed upon between ISIC and the customer in each case, and confirmed in writing when ordering the product.

Such extended warranty is subject to terms and conditions specified separately.

#### **10. Duty to examine (caveat emptor)**

The customer is obliged immediately upon receipt of the delivery to examine the products in order to detect any defects.

#### **11. Notification of Defects**

The customer shall without undue delay after a defect has been detected or ought to have been detected notify ISIC directly in writing of the defect. The notification shall contain a specification of the defect.

If there is reason to expect that a defect might entail a certain risk of product liability, notification must be made immediately after the defect has been or ought to have been detected.

Where the customer within the time limit does not notify ISIC of a defect, the customer forfeits his right to claim damages on account of the defect.

Where a defect is notified, the customer shall not be entitled to use the product delivered nor shall he be entitled to return the product to ISIC without the prior written approval of ISIC.

If the customer has notified a defective product and it subsequently appears that there is no defect for which ISIC is liable, ISIC shall be entitled to compensation for the work and the expenses which the notification of the alleged defect have incurred on ISIC.

Notification of deviations relating to statement on the invoice or the order confirmation shall be forwarded to ISIC in writing within eight (8) days after receipt of the invoice or the order confirmation.

#### **12. Liability**

The liability of ISIC for defects shall be limited to replacement delivery or remedy of the defect.

The customer shall be entitled to repudiate the contract if a defect has not been remedied within reasonable time after the customer, with the approval of ISIC, has returned the defective product duly attached a RMA to ISIC.

Where the contract is repudiated due to a defect, the customer shall be entitled to reimbursement of the purchase sum paid against return of the defective delivery to ISIC. ISIC shall not be liable for additional claims, including extra costs, operating losses, loss of profit, lost earnings or other direct or indirect losses incurred due to the defective delivery.

The liability of ISIC for defects implicates no other remedies than those mentioned in this provision.

ISIC assumes no liability that the products delivered may legally be used for the purpose intended.

In case ISIC exceeds the stated time of delivery, the customer shall not be entitled to invoke remedies for breach of contract.

Where the delay is not notified by ISIC, and deemed to be significant. The customer shall, however, be entitled to choose either to uphold the contract and the goods shall be delivered on a new date agreed upon, or to cancel the order, but the customer shall not be entitled to any cover of damages.



### **13. Force majeure**

Neither party shall be entitled to compensation in case of non-compliance where this is due to force majeure.

Force majeure shall be deemed, where a party or his sub-contractor, is prevented from performing this contract, due to war, civil war, insurrection or riot, government restrictions, import or export ban, catastrophes of nature, including but not limited to earthquake, high tides or flooding caused by storms, extensive flooding, waterspout or volcanic eruption, widespread labour disputes, fire or similar events which neither should nor could have been foreseen by the parties when entering into this contract.

### **14. Product Liability**

Where there is damage to property, which by its nature is intended for commercial use, ISIC shall be liable according to the following rules:

ISIC shall not be liable for damage to immovable or movable property if damage occurs whilst the products are in the possession of the customer. Generally, ISIC shall only be liable for damage to immovable or movable property if it can be proven that fault or negligence on the part of ISIC or others for whom ISIC is liable caused the damage.

Moreover, ISIC shall not be liable for damage to products, which are manufactured by the customer, or for damage to products, which contain products, manufactured by the customer.

ISIC shall not be liable for operating losses, loss of profit or other indirect losses. Moreover, ISIC's liability cannot exceed the sales price for the product which caused the product liability, and ISIC shall only be liable for a period of one (1) year after the product was delivered to the customer.

Insofar as product liability vis-à-vis a third party is imposed upon ISIC, the customer shall be obliged to indemnify ISIC to the same extent, as ISIC's liability is limited under this provision.

ISIC shall be liable under the provisions of the Danish Product Liability Act (Produktansvarsloven) for personal injury caused by the products and also for damage to property which by its nature is usually intended for non-commercial use.

If either ISIC or the customer is held liable by a third party for damages under this provision, the party in question shall immediately inform the other party thereof.

### **15. Special Terms and Conditions of Repair**

Before any repair work is begun, ISIC shall send a fax or mail to the customer stating an estimated price of the repair work and an estimated time of delivery. When the customer has confirmed the repair order by fax or mail, the work shall begin.

ISIC will charge a minimum fee of DKK 1.500,00 or EURO 200€ covering investigation, troubleshooting and handling, for all products sent to ISIC for repair, also if the customer decides not to have the defective product repaired.

Equipment having been repaired by ISIC or by an ISIC authorized engineer is covered by a 90 days warranty for the repair work and parts replaced.

### **16. Disputes**

Disputes between the customer and ISIC shall be settled according to Danish law before the Commercial and Maritime Court of Copenhagen.

Brabrand, May 2010