

General Terms and Conditions

PTI Europa A/S, Hjørpstedvej 8, DK-6280 Højer, Denmark
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Business Register (CVR) / Tax ID No.: DK27216129

I. Scope

The present Terms and Conditions shall apply for all present and future business relations between us and our customers. Deviating terms and conditions of the customer which we have not expressly acknowledged in writing shall not be recognized by us - even if we do not expressly object to such terms and conditions.

II. Delivery terms

1. Contractual contents, conclusion

1.1. Contracts shall only be concluded with commercial customers, i.e. businesspersons pursuant to § 14 German Civil Code - hereinafter referred to as "customers". No contracts shall be concluded with private individuals, i.e. consumers pursuant to § 13 German Civil Code.

1.2. Our offers shall be non-binding. All agreements shall serve evidential purposes only where they are set down in writing. Deviating agreements, collateral agreements, assurances and other commitments by our representatives and employees or subsequent changes to the contract shall only be effective if they are confirmed by us in writing.

1.3. Documentation appertaining to our offers such as drawings or illustrations, information on technical data, references to standards and statements in publicity material shall be understood as descriptive of the characteristics and quality of the delivered goods only if they are expressly specified or confirmed in writing to constitute such.

1.4. Deviation of the delivered goods from offers, designs, samples and previous deliveries are permissible, according to the current valid DIN Standards and other appropriate technical standards and in terms of trade- and industry-typical tolerances, insofar as their contractually-specified use, performance and value are not thereby impaired and the said goods do not deviate from the customer's requirements as expressly stated in the contract.

1.5. Goods shall be made available for collection from our warehouse in Højer. Where the customer would like the goods to be shipped, this service can be ordered separately. The shipping order shall bear no influence on the place of performance of the transaction.

2. Prices, minimum order value

2.1 All prices are net ex works and subject to VAT. Prices do not include, in particular, the costs of packaging, freight, loading and unloading, assembly, installation or activation. Within the framework of legal provisions, we will take back

packaging delivered by us if it is returned freight prepaid to us by the purchaser within a reasonable period.

2.2 We reserve the right to change prices up until effective acceptance of the offer by the customer.

2.3. If PTI is to book a transport other than the ones usually used by PTI, a services charge of 110 Euros shall be payable and subject to VAT. If customer books the special transport themselves, no fee will be charged.

3. Term of delivery, default, disruption

3.1. Delivery dates are provided according to our best judgement and are non-binding. Delivery deadlines or terms shall only be binding where they are expressly agreed in writing. Services shall not be due if the customer has not yet performed an act of cooperation required or has failed to make an agreed advance payment. In such instances, the terms of performance and time periods for delivery shall only begin upon completion of the act of cooperation or receipt of the advance payment.

3.2. The customer may only withdraw from the contract in the event of default of performance insofar as we bear responsibility for the delay and the customer has notified us of the default in writing within an appropriate period. No change to the burden of proof to the detriment of the buyer shall ensue in relation to the preceding provisions. The customer undertakes to explain, upon our request and within a reasonable period, whether s/he will withdraw from the contract as a result of the default in performance or insists upon performance.

3.3. Where we are prevented from performing delivery due to force majeure, strike, lock-out or unforeseen events that could not be avoided in spite of all reasonably expected precautions being taken - whether occurring on our premises or on a supplier's premises - the term of delivery shall be subject to an appropriate extension, even in the event of pre-existing default in delivery. If delivery subsequently becomes impossible or unacceptable on the basis of such events, we shall be entitled to withdraw from the contract, in whole or in part.

3.4. The customer may only withdraw from the contract in the event of default in delivery insofar as we bear responsibility for the delay. No change to the burden of proof to the detriment of the buyer shall ensue in relation to the preceding provisions. The customer undertakes to explain, upon our request and within a reasonable period, whether s/he will withdraw from the contract as a result of the default in delivery or insists upon delivery.

4. Rescission

4.1. With the exception of statutory rights of rescission or contractually-agreed provisions, rescission is excluded and shall otherwise require, for example for an erroneous order, written agreement between the parties.

4.2. Where orders already confirmed by us upon agreement are cancelled or significantly modified for reasons that cannot be attributed to us, a fixed sum of damages for cancellation in the amount of 15 % of the gross contract value shall become due. Both Parties shall be entitled to provide evidence of higher or lower damages to the other Party. In such case, only these damages shall be compensated.

4.3. Return or exchange of goods without good reason shall only be accepted by us upon our written confirmation. We shall charge a buy-back fee at 15 % of the net value of the goods. The customer shall bear responsibility for transportation costs. Goods returned to us shall only be accepted if they are in their original packaging, undamaged and in unused condition. Return of third-party goods, special products and custom-made goods is generally excluded, insofar as the customer has no legal right to rescind.

5. Shipping, transfer of risk, partial delivery, make-and-hold orders

5.1. Shipping will be made at the customer's risk, even where free delivery has been agreed. Risk shall pass to the customer when the goods are handed to the carrier or forwarding agent or the person appointed to ship the said goods. We shall only be liable for damage during shipment where we have expressly assumed the risk of shipment. We shall only contract breakage insurance at the buyer's request and subject to payment of an insurance fee. Any credit note for damage shall only be provided when we have received notification of coverage by the insurers. We shall incur no further liabilities to the extent that the damages have not been caused intentionally or by gross negligence on our part. In the absence of an express agreement, deliveries shall be shipped without insurance. If shipment or receipt of goods is delayed for reasons that cannot be attributed to us, then risk shall pass to the customer upon notification of readiness for shipment or similar.

5.2. We are entitled to make reasonable partial deliveries. With goods manufactured to the buyer's specifications or standard goods, we are entitled to make over- or under-deliveries to a maximum deviation of 10 %.

5.3. In the case of make-and-hold orders, we are entitled to have the total quantity produced at one time. Requests for changes after the order has been placed can only be allowed if these have been previously agreed to in writing.

5.4. If shipment or delivery is delayed upon request of the customer by more than two weeks after notification of readiness for shipment, the customer can be charged storage costs for every month

commenced in the amount of 0.5 % of the price of the items for delivery and up to not more than 2.5 % in total. The Contracting Parties reserve the right to provide evidence of higher or lower storage costs.

6. Defects

6.1. The customer must unpack the goods without delay upon receipt and inspect them for any damage, even where packaging is intact, notifying us of any damage as soon as possible. § 377 German Commercial Code shall apply. Where there is damage caused by transportation or later ascertained damage, such damage should be notified to us within 6 days of delivery if possible, so that we can make appropriate claims against the shipping agent.

6.2. To the extent that we are unable to be sure that a defect exists, in particular, where we request to see goods alleged to be defective, or a sample thereof, and the customer fails to comply with this request, then the defect cannot be enforceable against us.

III. Payment terms

1. Due date and default

1.1. Our services shall always be paid for in advance. To this ends, the customer shall receive a proper invoice pursuant to the Danish Value Added Tax Act within one week of conclusion of the contract. Payment may be effected in cash, by bank transfer, and - after consultation - by payment on account. We reserve the right to refuse payment by cheque and such payment shall only be deemed an undertaking to pay. Payments may not be made by bill-of-exchange.

1.2. Our invoices are due, for partial deliveries in the amount of the delivery performed, at the latest 8 days after the date of invoice without deduction. Where payment by instalments has been agreed, the total sum shall become due if the customer defaults on one instalment. Payments for quantities of make-and-hold orders shall be due upon expiry of the agreed deadline, regardless of the current status of delivery of the make-and-hold order. Where no deadline is agreed, we shall be entitled to declare the remaining payment due at the latest one year after conclusion of the contract.

1.3. Where the customer fails to pay on time or defaults on payment, we shall be entitled to claim default interest in the amount of 8 % above the base rate. This shall also apply in the event of deferral of payment. Our right to make additional claims shall remain unaffected.

1.4. Where the customer defaults on payment or where circumstances become known after conclusion of the contract that put the customer's creditworthiness in doubt (e.g. application for extension of payment, dishonoured cheque, application for a compromise agreement, suspension of payment, making an affidavit with regard to its assets) we shall be entitled to

withdrawal; in the event of default of payment only insofar as a written reminder has been issued and upon expiry of a reasonable period and upon notification to the customer of our right to withdraw where payment is late. For as long as reservation of title exists, we shall in such cases also be entitled to take back delivered goods at the customer's expense without automatically availing of our right to withdraw from the contract. Our right to make additional claims shall remain unaffected.

2. Right to refuse performance Set-off

Any set-off or exercise of rights of retention shall be permissible only insofar as counter-claims have been recognised or determined as legally binding.

3. Accounting, reconciliation of accounts

Objections to our accounting, statements of account, reconciliation of accounts etcetera must be made in writing within a period of 2 weeks from receipt of the relevant correspondence. Timely despatch of notification shall suffice. Where no objection is received within the above-mentioned period, the accounting shall be deemed to be accepted. Where an obvious inaccuracy is subsequently exposed, in particular, in the event of calculation errors, the customer can demand rectification on the basis of statutory provisions, as can we.

IV. Retention of title

1. We shall retain title to the delivered goods until settlement of all outstanding claims arising from the business relationship. Retention of title shall also apply to future or conditional claims arising from the continuing business relationship, regardless of the legal grounds on which such claims are based.

2. The buyer is entitled to dispose of the goods purchased in the ordinary course of business.

3. Where goods supplied under reservation of title are processed or combined with goods subject to third-party ownership, we shall be entitled to ownership of the new goods in the fractional share that equates to the invoiced value of our goods in proportion to the value of the new goods at the time of processing or combination. Should the customer acquire sole ownership of the new goods as a result of processing or combination, the customer undertakes to transfer a share in ownership of the new goods to us proportionate to our invoiced value of the goods supplied under reservation of title compared with the value of the new item at the time of processing or combination and the customer shall store these goods on our behalf free of charge.

4. Customers who act as retailers shall sell our goods subject to reservation of title within the normal course of business in their own name. The customer shall assign to us claims from the resale. We shall accept such assignment. Where goods subject to reservation of title are sold subsequent to processing or combination with other products which we do not own, then the assignment of claims shall only be valid in an amount corresponding to the invoiced value of our goods subject to

reservation of title. The customer shall only have the right to collect the assigned claims where he duly meets his financial obligations towards us. The customer shall retain title in respect of his purchasers until the purchase price has been paid in full.

5. The customer may not pledge our goods subject to reservation of title nor use them as collateral. He undertakes to notify us immediately in writing of any claims by third parties on the goods subject to reservation of title. The customer shall be precluded from agreeing prohibitions of assignment. Where the customer defaults on payment or fails to meet his obligations under reservation of title, we can request the return of the goods upon expiry of a reasonable period and, taking into account the loss of value on the purchase price, we can dispose of or sell the goods at the best value available or seek compensation for the market or purchase price less reasonable processing fees. Such take-back in the case of payment-by-instalments shall be deemed to constitute rescission.

6. In the case of orders for repairs, restoration, processing or work, we shall be entitled to a contractual right of lien to items that have come into our possession by virtue of the order as a result of our claims from this order and from previous orders.

7. Should the value of securities exceed our claims by more than 20 %, then we shall release securities of our choice upon request of the customer.

V. Trade mark rights for development, copyright

1. To the extent that our services comprise provision of technical advice, in particular development of technical solutions to problems, preparation of drawings, formulas, research and improvement of products and / or designs etcetera, we shall retain all rights thereto. This shall apply, in particular, in terms of our intellectual property rights to products and also to our physical ownership of all drawings, designs, models etcetera.

2. All reproduction, including for viewing / perusal, and transmission, providing third parties with access to copies (in whole or in part) and / or data storage is prohibited and constitutes a breach of contract - irrespective of our other claims to surrender of objects produced or obtained in such circumstances. The customer undertakes, upon request, to provide to us without delay all information required by us to assert our rights, or to provide us with corresponding documentation. Drawings, designs, models etcetera prepared by us must be returned upon request.

3. Insofar as we deliver items according to information and documentation from the customer, the latter shall warrant that no third-party protected rights are infringed and shall indemnify us against third-party claims.

4. By transmitting data or documents to PTI, the buyer authorises PTI to transmit these data or documents to third-party were relevant for

quotation or production purposes, this only if third-party has a written agreement with PTI that these data or documents are protected and never to be transferred to any irrelevant party.

VI. Test parts, models, tools

1. Where the customer is required to provide parts to complete the order, they must be provided, at no cost to us, to our production site, in the agreed quantity, or in an appropriate quantity to allow for any possible wastage, in a timely manner, free of charge and free from defects. For tools, models and other manufacturing equipment provided by the customer, we shall only be liable for due care and due diligence. The customer shall bear the costs of care and maintenance and any applicable insurance.

2. Production of test parts and tools, manufacturing and the expense of altering models shall be the responsibility of the customer. Unless otherwise agreed, we shall retain sole title to tools and other appliances which require the manufacture of ordered parts. If not stated otherwise, tools shall be charged on a pro rata basis.

3. The customer must provide confirmation in writing of the accuracy of manufactured models and other technical appliances prior to production commencing. Prototypes in all sizes of the design shall be made available. The customer's confirmation of accuracy, even where this is communicated indirectly in the form of a contract request, shall be applied by us as binding acceptance for production, without the need for us to undertake any additional testing.

4. Our storage obligation shall end - regardless of the customer's rights of title - at the latest two years after the last instance of production using the relevant design or tool.

VII. Liability for defects

1. Within the framework of the following provisions, we shall provide a warranty of 1 year's duration from the date of delivery. Where longer statutory periods in terms of liability for defects apply in an actual case, then these shall apply.

2. The customer must examine the delivery for completeness and absence of defects without delay. Material defects shall be notified to us in writing without delay and within 10 days of receipt of goods for commercial transactions. Later notification of defect shall not be acknowledged.

3. The customer shall not be entitled to refuse its consideration or acceptance of the goods as a result of minor defects. No claim for defects shall arise where there is only minor deviation from the agreed quality nor where impairment of serviceability is minor nor where there is normal wear and tear occurring after the transfer of risk as a consequence of faulty or careless handling, excessive stress / loading or specific external circumstances which are not included in the contract. Where modifications or repair work are carried out by customers or third parties, no claims for defects shall arise from the

same nor for resultant damages. Insofar as businesspersons order goods indirectly from us on the basis of catalogues, lists etc. from our suppliers (third-party accessories), we shall only bear liability in accordance with the provisions of the said suppliers, provided that the customer is aware of the same or should be aware of the same.

4. In the case of justified and timely notification of defects we shall provide a remedy by delivery of new, defect-free goods or repair of the goods delivered, according to our own choice. If subsequent performance fails, the customer may withdraw from the contract without prejudice to any claim for damages or make payment at a reduced rate.

5. In the case of notification of defects, payment should be withheld by the customer only to the extent that is reasonable and proportionate to the material defects concerned.

6. Costs of repair resulting from the fact that the customer, being a businessperson, has moved the goods to a place other than the place of performance, shall be borne by the customer.

7. Warranty information and terms in relation to third-party accessories are merely manufacturer information for which we accept no liability. In a warranty claim for such goods, the manufacturer can provide replacement or repair, according to its choice. We shall assume no liability for expenses, in particular for installation costs or travel expenses, arising in connection with the manufacturer's warranty.

VIII. Scope of liability

Our liability for damages, on whatever legal basis, in particular on the basis of impossibility, default, defective or incorrect delivery, breach of contract, neglect of duties in contract negotiations and torts, insofar as culpability is at stake, shall be limited in accordance with the following provisions:

1. We shall not be liable in cases of simple negligence of our corporate entities, legal representatives, employees or other agents insofar as there is no breach of material contractual obligations. Material contractual obligations are those which concern timely, defect-free delivery as well as advisory, protective and due care obligations that should facilitate the customer's use of the delivered items in compliance with the contract or which concern protection of the customer and its personnel or third parties from damage to life and limb or from significant damage to the customer's right to ownership.

2. Insofar as we bear liability on the basis of the foregoing provisions, such liability shall be limited to damages foreseen as a possible consequence of infringement of the contract at the time of its conclusion, or, taking into account circumstances that were acknowledged or should have been acknowledged and in the event of usage with due care and attention, should have been foreseen. Indirect and consequential damages arising from

defective goods shall only be liable for compensation to the extent that such damages are typically to be expected upon proper usage of the goods.

3. In the case of liability for simple negligence, our duty of compensation for damage to property or personal injury shall be limited to a sum in the amount of 10.0 Million Danish Krone, even where there has been an infringement of a material contractual obligation.

4. The foregoing exclusions and limitations of liability shall not apply to liability for wilful intent or wilful deception on our part, nor to liability for guaranteed characteristics, for damage to life and limb or according to product liability laws.

IX. General Provisions

1. The place of performance for services and payments shall be Højer (Denmark)

2. The place of jurisdiction for all disputes, insofar as these concern a businessperson, shall be Sønderborg (Denmark).

3. Danish law shall apply also in relation to foreign partners to the exclusion of international law pertaining to the sale of goods.

4. Where individual provisions of the present Terms and Conditions are or become invalid, the validity of the remaining provisions shall be unaffected thereby. The Contracting Parties undertake to replace the invalid provision with a provision that comes closest to the economic effect of the original provision.

Højer, May 2015