

SINTEX A/S

STANDARD TERMS OF PURCHASE

1. DEFINITIONS

- 1.1. "SINTEX" shall mean Sintex A/S, Hobro, Denmark.
- 1.2. "Supplier" shall mean the contractual partner with whom SINTEX has placed the order.
- 1.3. "Goods" shall mean all supplies (e.g. raw material, components, semi finished goods or finished in-sourced products) supplied by the Supplier to SINTEX.

2. STANDARD TERMS

- 2.1. The Supplier undertakes to deliver, and SINTEX agrees to take delivery of the Goods specified according to the conditions laid down in these terms.
- 2.2. All changes to these standard terms must be made in writing and signed by both parties.
- 2.3. SINTEX hereby explicitly reject any general conditions of sale of the Supplier, even if reference is made to such terms in the order confirmation.

3. ETHICAL BEHAVIOR

- 3.1. The Supplier shall – within its sphere of influence - respect and support the UN Global Compact, including among others the set of core values and Principles in the areas of human rights, labour standards, the environment, and anti-corruption. The Supplier will ensure that his sub-suppliers follow the same rules.

4. QUALITY

- 4.1. It is the Suppliers responsibility that the Goods fulfill the required specifications and quality.
- 4.2. If the Goods deviate from the agreed quality requirements and specifications, SINTEX shall have the right to return to the Supplier the relevant Goods at the Supplier's expense. In such cases the Supplier is obliged to issue a credit note at an amount equal to the value of the returned Goods.

5. TERMS AND TIME OF DELIVERY

- 5.1. Unless otherwise stated in the order, the Goods shall be delivered DDP Hobro, Denmark (according to INCOTERMS 2000).
- 5.2. The Supplier must strictly observe the time of delivery stated by SINTEX in the order.
- 5.3. If the Supplier finds that he is not able to deliver the Goods at the agreed time of delivery or other non-performance of the order on his part seems likely, he shall immediately notify SINTEX thereof in writing, stating the reason for the delay and the time when delivery can be expected.
- 5.4. If the sale of the products decreases on the market SINTEX has the right to postpone the delivery of orders beyond the above-mentioned time of delivery, however max. four (4) months' postponement.

6. LIQUIDATED DAMAGES

- 6.1. SINTEX is entitled to claim liquidated damages if the time of delivery is not kept.
- 6.2. The liquidated damages amounts to two (2) percent a week entered into, of the total value of the orders in question, however maximum twenty (20) percent. SINTEX deducts the liquidated damages at the settlement of the subsequent invoices. Minimum liquidated damages to be paid are 1,000 EURO.
- 6.3. If delivery is not made in accordance with the agreed specifications, delivery is not deemed to have taken place before the Supplier has delivered as specified.
- 6.4. Additionally to the liquidated damages the Supplier shall pay all extra costs in connection with special transport because of delays or caused by Supplier's non-fulfillment of the agreed specification.

7. TERMS OF PAYMENT

- 7.1. The Supplier may invoice SINTEX on completion of delivery.
- 7.2. Unless otherwise agreed the payment term is current month + three (3) months, or alternatively at the choice of SINTEX, current month + one (1) month less three (3) per cent discount.

8. WARRANTY

- 8.1. The Supplier guarantees SINTEX that the Goods will meet the promised specifications and quality demands for thirty (30) months calculated from the date of delivery to SINTEX, however not more than twenty four (24) months from the moment the final products of which the Goods form part have been put into operation.
- 8.2. In case of a warranty failure SINTEX can claim immediately replacement delivery free of charge as well as compensation for expenses and losses.

9. FORCE MAJEURE

- 9.1. Either party shall be entitled to suspend performance of the said party's obligations to the extent that such performance is impeded by an impediment beyond reasonable control of the party.
- 9.2. If the Supplier wants to refer to force majeure a telefax stating the reason for force majeure is to be forwarded to SINTEX A/S (+45 96 57 43 10) - copy to the relevant purchaser in SINTEX - as soon as possible, however not later than two (2) days after the reason for force majeure has arisen or can be foreseen, whichever is the earliest.

10. PRODUCT LIABILITY

- 10.1. The Supplier warrants that the Goods do not have any defects, which may cause product liability damage. The Supplier will indemnify SINTEX against product liability and losses, which fully or partly can be referred to such defects.
- 10.2. The Supplier shall be obliged to let himself be summoned to the court or arbitration tribunal which examines claims against SINTEX, where the claim is based on damage alleged to have been caused by the Goods.
- 10.3. The liability as between the Supplier and SINTEX shall, however, always be settled by arbitration in accordance with Article 14.2, according to the laws referred to by the plaintiff in the original lawsuit.
- 10.4. During the arbitration it shall be determined whether SINTEX has used the Goods against the Supplier's written instructions. If it – during the arbitration – is determined that SINTEX has not followed the Supplier's written instructions, the Supplier shall be free of charge.
- 10.5. The Supplier is to send to SINTEX a Certificate of his Product Liability Insurance certifying coverage of at least EURO 2,000,000. The Certificate of Insurance is to be issued and signed by the Supplier's Insurance Company.

11. CONFIDENTIALITY

- 11.1. The Parties have agreed that during the period in which they commerce as well as afterwards, any technical, commercial or other information and/or knowledge concerning the Parties and/or activities of the Parties, which has come into the other Party's possession, whether received directly, in writing, orally or via receipt of product samples or parts thereof, or acquired during visits, etc., shall be handled with strict confidentiality by both Parties.

12. INTELLECTUAL PROPERTY RIGHTS

- 12.1. The Supplier warrants that the Goods, supplied to SINTEX hereunder, do not infringe any patents of any third party. The Supplier shall indemnify and hold SINTEX, as well as SINTEX' distributors, customers and end-users, harmless from any claim arising out of infringement or alleged infringement, direct or indirect, of any patent right of anybody by reason of the sale or use of the Goods.

13. MISCELLANEOUS

- 13.1. Any waiver by either party of a breach of any provision of this Standard Terms of Purchase shall not be considered as a waiver of any subsequent breach of the same or any other provision thereof.
- 13.2. All press releases and, to the extent feasible, other publicity concerning the business relationship between SINTEX and the Supplier shall be planned and approved in advance between the parties hereto. No party shall issue any press release concerning the business between the parties without the prior consent of the other party.

14. APPLICABLE LAW AND VENUE

- 14.1. This Standard Terms of Purchase and all other terms agreed between the parties shall be governed by and construed in accordance with Danish law.
- 14.2. Any dispute or claim arising out of or in connection with this Standard Terms of Purchase or the business relationship between the parties, or the breach, termination or invalidity thereof which the parties have been unable to settle amicably shall be settled by arbitration in accordance with the Rules of Procedure of the Danish Institute of Arbitration (Danish Arbitration). The arbitration tribunal shall be composed of 3 arbitrators. The Institute in accordance with the said Rules shall appoint all members of the arbitration tribunal. The place of arbitration shall be Copenhagen. The language of the arbitration shall be English.