

# General Terms and Conditions for Sale and Supply

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## 1. General conditions

These general terms and conditions for sale and supply ("Terms") shall apply to all services, including installation, repair, maintenance and surveillance ("Services") as well as any delivery of gear boxes or other main components including new, used and refurbished main components ("Main Components") and spare parts including new, used and refurbished spare parts, ("Parts"), offered and delivered to any customer ("Customer") by Connected Wind Services Refurbishment A/S, company reg. no. 37568481 ("CWS-REF"), unless otherwise agreed in writing. For the avoidance of doubt these Terms shall apply to any joint and/or combined delivery of Services, Main Components and/or Parts, i.e. delivery of respectively Services, Main Components and/or Parts will be governed by the relevant provisions applicable hereto. CWS-REF and the Customer are jointly referred to as the "Parties" and separately a "Party". CWS-REF does not accept any conflicting, contrary or additional terms and conditions of the Customer unless CWS-REF expressly confirms acceptance thereof in writing.

## 2. Placing of orders

All orders submitted by the Customer must specify the type and quantity of Services, Main Components and/or Parts requested, delivery place and requested delivery dates. No order is binding for CWS-REF unless and until confirmed by CWS-REF in writing.

The Customer shall provide any and all technical documentation necessary for CWS-REF to perform the Services or deliver the Main Components or Parts. Further, the Customer shall inform CWS-REF of any and all specific technical norms and other quality standards and/or requirements which the Services, Main Components and/or Parts shall comply with.

CWS-REF accepts to perform changes to the order confirmation, if and provided that such changes can be carried out by CWS-REF without interfering in any other commitments of CWS-REF. CWS-REF will inform the Customer of any changes in the price and/or delivery schedule due to such change request.

## 3. Price and payment

Unless otherwise agreed by the Parties, the payment conditions are 50% at order and 50% 14 (fourteen) days net from invoice date. All prices are exclusive of VAT and excluding freight, packaging, import duties, customs charges, tariffs etc. unless otherwise stated.

Invoices will include separate items on payment for (i) Services, Parts and/or Main Components, (ii) travel and living expenses, (iii) payment for consumables, (iv) environmental fees and/or (v) overtime payment, unless a lump sum price has been agreed.

Unless otherwise agreed with the Customer, CWS-REF may at any time notify the Customer of price regulation. Unless otherwise agreed such regulation will

be effective 3 (three) months from the notice was given by CWS-REF to the end of a month. In the event of a price increase, the Customer may terminate the agreement with CWS-REF with 60 (sixty) days written notice provided that the Customer issues such termination within 30 (thirty) days from receipt of the notice of price increase.

In case of delay of the Customer's payment, CWS-REF may claim interest at the rate of 3 (three) % for every commenced month until payment. Further, CWS-REF may claim up to 3 (three) reminder fees of DKK 100 per payment reminder, provided that each reminder is sent with no less than 10 days interval. CWS-REF may require the Customer to submit financial information prior to agreement on payment terms and the Customer is obliged to comply with any such reasonable requests.

If the Customer's financial position has deteriorated in CWS-REF's opinion, CWS-REF may at its sole discretion change the payment terms and credit limit without notice by requiring cash in advance or cash on delivery, bank guarantee, letter of credit or otherwise.

If the Customer does not fulfil its payment obligations towards any company, which is directly, or indirectly part of the CWS group, CWS-REF or any company in the CWS-REF group may suspend any order or any remaining balance thereof until the payment is made. In addition, CWS-REF or any company in the CWS-REF group may terminate any order or any remaining balance thereof by giving the Customer 3 (three) days' written notice. The determination of CWS-REF group shall be in accordance with the Danish Companies Act.

CWS-REF may at all times set off any of its or its affiliates' debt against any debt of the Customer regardless whether the debt has become due or not.

## 4. Supply of Services

Delivery of Services will take place in accordance with the order confirmation and in accordance with agreed time schedule. Services are deemed delivered upon completion of the work specified in the order confirmation. Customers delivery of return components shall take place no later than 3 weeks after delivery of the CWS-REF service or component.

CWS-REF may at any time use sub-contractors without the prior written consent from the Customer.

In case the performance of the Services are delayed solely due to CWS-REF' acts or omissions, the Customer may claim damages from the day on which the delivery should have taken place for documented losses, provided that the Customer asserts such claim within 5 (five) days from the day the delivery date stated in the order confirmation. If, however, CWS-REF finalizes the Services within 30 (thirty) days from the notification, the delivery is deemed timely delivery, and the Customer is not entitled to claim damages.

The Customer's right to damages in case of CWS-REF' delay will be payable at a rate amounting to 0.5% of the order value for each complete week of delay. The damages cannot exceed 10% of the order value, whichever is lowest. If Customers delivery of return components is delayed, Customer will pay same rate of damages for up to 20 weeks. After 10 weeks of delay CWS-REF will have the right to invoice the value of the missing component payable immediately, and the receivable shall be treated as other receivables in this contract.

CWS-REF is not liable for losses exceeding the limitations set out above, and the Customer agrees that the limited damages will be the Customer's only compensation with regard to CWS-REF's delay of Services, thus CWS-REF is not obliged to reimburse the Customer any costs and expenses to buy-ins or the like which exceed the limitations.

The Customer understands that changes to the order may result in postponement of the delivery date. Upon such change, the Parties will agree on a new delivery date provided always that any change of the delivery date shall always be confirmed by CWS-REF in an order confirmation to be valid.

If delay is solely or partly due to the Customer's default, including the Customer's failure to perform preparatory work subject to section "Customer's preparation for supply of Services", the Customer shall reimburse CWS-REF any additional costs incurred by CWS-REF.

For the purpose of this clause 4, it shall not be regarded as a delay of CWS-REF' performance if the delay is caused by Customer's failure, any delay or failure to give CWS-REF access to the site where the Services are to be performed, any delay caused due to weather conditions (such as rough or adverse weather, hereunder high wind and/or heavy rain, which prevents or delays performance) and/or any failure to obtain necessary permits, consents etc. which are not due to CWS-REF' failure.

If CWS-REF has agreed to perform the Services at the Customer's site, the Customer shall ensure that CWS-REF has access to the site and ensure compliance of applicable laws and regulations pursuant to section "Customer's preparation for supply of Services". The Customer shall indemnify CWS-REF for all travelling or transportation costs incurred by CWS-REF in relation to the performance of the Services unless otherwise agreed in writing.

#### **Customer's preparation for supply of Services**

The Customer shall ensure that the Services can be carried out in accordance with applicable laws and regulations on work environment, occupational health & safety etc. Further, the Customer shall carry out any preparatory work necessary for CWS-REF to carry out the Services. Such preparatory work must be carried out at the Customer's own expense.

Furthermore and unless otherwise agreed, the Customer shall obtain all necessary permits, consents and approvals etc. which are necessary for CWS-REF to perform the Services.

CWS-REF may immediately suspend the work if the Customer does not carry out the necessary preparatory work for CWS-REF to perform the Services or if

the Customer or any circumstance on the part of the Customer otherwise hinder CWS-REF' performance of the Services, hereunder if the Customer fails to comply with applicable laws and regulations on working environments, safety etc. The Customer shall reimburse CWS-REF for any and all costs and expenses incurred by CWS-REF in this regard.

#### **5. Supply of Main Components and Parts**

Delivery of the Main Components and Parts will be EXW (Incoterms 2010) unless

- (i) the Main Components and Parts are installed by CWS-REF in which event the delivery shall be deemed to have taken place upon completion of the installation work, or
- (ii) otherwise agreed in the order confirmation.

Delivery dates are CWS-REF' best estimate, and CWS-REF is not liable for any claims, loss, costs or damages suffered by the Customer due to any delay of the Main Components and Parts, and the Customer understands that changes to the order may result in postponement of the delivery date.

CWS-REF will notify the Customer if CWS-REF becomes aware of circumstances, which will cause delay of the delivery.

To the extent the Main Components or Parts have not been installed, the title to the Main Components and Parts remains CWS-REF' until full payment of any and all outstanding accounts is effected by the Customer, unless otherwise stated in the order. If the Customer fails to pay any invoice at the due date, CWS-REF may reclaim the delivered Main Components and/or Parts to cover its claims. The Customer shall, provided that the Main Components and/or Parts have not been installed, separate the delivered Main Components and Parts from any other stock of the Customer and keep the delivered Main Components and Parts distinguished marked as property of CWS-REF until full payment of any and all outstanding payments are effected. The Customer is at his own expense obliged to insure all Main Components and Parts delivered to their full replacement value until title to the Main Components and Parts has passed to the Customer.

If delay is due to the Customer's default, including if the Customer does not take delivery of the Main Components or Parts upon the agreed delivery time, the Customer shall reimburse CWS-REF any additional costs incurred by CWS-REF including payment of warehouse costs and any costs related to a compulsory sale.

The Customer is not entitled to cancel any orders for the Main Components or Parts. However, CWS-REF may accept the Customer's cancellation provided that the Customer reimburses CWS-REF any and all costs and expenses incurred by CWS-REF plus 15 % of such costs and expenses and 20 % of the order value.

CWS-REF may at any time use sub-suppliers without the prior written consent from the Customer.

The Customer understands that Main Components or Parts from CWS-REF can be subject to export control, and delivery of the Main Components or Parts ordered are subject to CWS-REF obtaining necessary export license. In the event CWS-REF cannot obtain export license, CWS-REF is not obliged to fulfil the

agreement with the Customer and may rescind the delivery immediately with no liability.

#### **Acceptance of Main Components and Parts**

The Customer shall upon delivery inspect the purchased Main Components and/or Parts for visible defects as well as any deficits, including other relevant controlling measurements and the compliance with the scope of supply. The Customer is deemed to have accepted the delivered Main Components and Parts unless written notice of rejection specifying the reasons for rejection is received by CWS-REF within 7 (seven) days from delivery of the Main Components or Parts.

Return of Main Components or Parts due to defects disclosed upon timely inspection of the Main Components and Parts will be borne by the Customer.

#### **Testing of Main Components**

If any test has been agreed between the Parties in respect of the delivery of the Main Components, it shall be performed at CWS-REF facilities. Customer shall pay for its own representatives in connection with any test. CWS-REF shall only be obliged to perform additional tests at the account of CWS-REF if the test materially fails to comply with the agreed requirements.

### **6. Warranty**

#### **Services**

CWS-REF warrants that the Services performed will be free from defects in workmanship and in accordance with the requirements of the order confirmation and industry practice.

CWS-REF further warrants that the Services, comply with the law, regulations and technical standards applicable in Denmark and as set out in the order confirmation.

#### **Used and/or refurbished Main Components**

CWS-REF warrants that all used and/or refurbished Main Components delivered and/or installed by CWS-REF will conform in all material respects to the specifications or industry practice for such used and/or refurbished Main Components and will be free from material defects in workmanship and material under normal use.

CWS-REF further warrants that the used and/or refurbished Main Components delivered by CWS-REF comply with the law, regulations applicable in Denmark and as set out in the order confirmation.

#### **New, used and/or refurbished Parts**

CWS-REF warrants that all new, used and/or refurbished Parts delivered and/or installed by CWS-REF will conform in all material respects to the specifications or industry practice for such new, used and/or refurbished Parts and will be free from material defects in workmanship and material under normal use.

CWS-REF further warrants that the new, used and/or refurbished Parts delivered by CWS-REF comply with the law, regulations applicable in Denmark and as set out in the order confirmation.

#### **New Main Components or Main Components and/or Parts refurbished by third party**

For all New Main Components the original manufacturer's warranty will apply and for Main Components and/or Parts refurbished by a third party the third party's warranty will apply. Thus CWS-REF does not issue any independent and/or separate warranty and does not undertake any separate liability in this respect towards the Customer and accordingly. The Customer must assert claims towards and in accordance with any such warranty issued by the original manufacturer or third party.

The Customer shall notify CWS-REF in a duly form and within a duly period in order for CWS-REF to comply with the manufacturer's or third party's specified requirements for CWS-REF to refer any warranty claims. CWS-REF is not liable towards the Customer, if the manufacturer or third party for any reason refuses the Customer's warranty claims.

### **7. Warranty period**

#### **Services**

The Customer may notify CWS-REF of any defects in the Services no later than 6 months after the relevant service work has been performed.

#### **Used and/or refurbished Main Components**

Unless otherwise agreed, the Customer may notify CWS-REF of any defects in the used and/or refurbished Main Components for a period of 12 (twelve) months from delivery, unless otherwise agreed.

#### **New, used and/or refurbished Parts**

Unless otherwise agreed, the Customer may notify CWS-REF of any defects in the delivered new, used and/or refurbished Parts for a period of 12 (twelve) months from delivery of the new, used and/or refurbished Parts.

#### **New Main Components or Main Components and/or Parts refurbished by third party**

The original manufacturer warranty period or a specific warranty period undertaken by a third party shall solely apply. CWS-REF does not accept any separate warranty period.

### **8. Remedies**

The remedies set out in these Terms are the sole obligation of CWS-REF in the event of defects in respect of any lack of conformity of Main Components, Parts or Services performed (except from title, within the Warranty period as defined in clause 7. CWS-REF makes no warranty with respect to the suitability or fitness for any particular purpose.

#### **Services**

In case of defects in the Services, CWS-REF will rectify the defect.

In the event of CWS's replacement or repair work of defective Services, CWS's does not issue any new or extended warranties on the Services, and the Customer shall only be entitled to notify any defects within the remainder of the original warranty period for the Services.

#### **Used or refurbished Main Components and/or Parts**

In case of defects in used or refurbished Main Components and/or Parts, CWS-REF may at its sole discretion choose either to (i) replace such Parts and/or Main Components, (ii) repair the defective Part and/or Main Components or (iii) refund the purchase price for such Parts and/or Main Components but with a deduction of a reasonable amount for usage.

In the event of CWS-REF's replacement or repair work of defective Parts, or Main Components (used and/or refurbished), CWS-REF's does not issue any new or extended warranties on the replaced and/or repaired Parts or Main Components, and the Customer shall only be entitled to notify any defects within the remainder of the original warranty period for such.

#### **New Main Components or Main Components and/or Parts refurbished by third party**

For the avoidance of doubt CWS-REF does not issue any independent and/or separate warranty and does not undertake any separate liability in this respect towards the Customer and accordingly, cf. above.

Consequently, the Customer must assert any claim towards and in accordance with any such warranty issued by the original manufacturer or third party.

#### **9. Customer's notification of defects**

The Customer shall immediately notify CWS-REF if the Customer becomes aware of any defect (or ought to have become aware thereof including if the Customer becomes aware of any circumstances which should indicate to the Customer that there a defect). If the Customer fails to inform CWS-REF immediately and in any event within the time limits set out above, the Customer forfeits its right to make any claim in respect of the defect.

Any notification of defects shall be made in writing and specify the defect.

The Customer shall provide CWS-REF with records of operations, information on errors and alarms, which has connection to the Main Component and its sub-systems, including cooling and lubrication systems, and any other information requested by CWS-REF, which are necessary for CWS-REF to assess the defect. Further, the Customer shall ensure full access to the error and alarm log. If the Customer does not provide CWS-REF with such information or access, CWS-REF may refuse the Customer's claim.

#### **10. Exclusions**

CWS-REF is not liable for defects caused by (i) faulty installation and/or maintenance on the part of the Customer, including if this is not carried out in accordance with CWS-REF's instructions, installation checklists or recommendations or in accordance with recommended intervals, (ii) due to modifications, repair, alteration or services, including installation of Main Components and Parts carried out by the Customer or any third party without CWS-REF' consent or not in accordance with instructions issues by CWS-REF or (iii) caused by faulty or incorrect information from the Customer. Further, CWS-REF is not liable for defects in Main Components or Parts to the extent the defects are due to other installation work carried out by the Customer or any third party. CWS-REF is not liable for the Customer's failure to comply with the turbine manufacturer's and/or component manufacturer's installation and maintenance instructions. Finally, defects which are only cosmetic defects or which do not have an economic value shall not be considered a defect.

CWS-REF shall in no event be liable for decommission or dismantling costs, unless otherwise agreed, and the Customer shall indemnify CWS-REF for any such costs.

CWS-REF' liability does not include normal wear and tear, deterioration or damage attributable to incorrect storage or use.

Furthermore, CWS-REF is not liable for any defects caused by or arising out of the manufacturer's design, including any upgrades of the manufacturer's design, of the Main Components or Parts.

To the extent a defect in Service performed and/or a Main Component and/or Part delivered is not covered by the limited warranty in these Terms, the Customer shall reimburse CWS-REF any costs incurred by CWS-REF in relation to CWS-REF' inspection of the Services/Main Components/Parts, minimum EUR 500. The costs will be calculated on the basis of time spent and will be invoiced according to CWS-REF' hourly rates.

#### **11. Mitigation of damages**

The Customer has a duty to mitigate damages in case of defects in the delivered Services, Main Components or Parts. The Customer shall immediately notify CWS-REF of any alarms, alerts etc. which indicate a defect. In the event CWS-REF is not able to rectify a defect immediately, the Customer shall at its own expense carry out necessary measures to mitigate the damage.

#### **12. Product liability**

CWS-REF is not liable for personal injury imposed on the Customer, the Customer's employees or any third party unless the Customer proves that the injury is attributable to CWS-REF' acts or omissions.

CWS-REF is not liable for damage to real or personal property, for damage to Main Components, Parts or material made or provided by the Customer, to Main Components or Parts in which these form a part or to damage to real or personal property caused by such Main Components or Parts or for damage to the Customer's products in which the supplied Main Components and Parts are incorporated.

In case that a third party makes claims against the Customer regarding product liability, the Customer shall inform CWS-REF immediately.

CWS-REF' product liability, including liability arising by way of indemnity or in tort, must in no event exceed DKK 10,000,000 per accidental damage.

#### **13. Limitation of liability**

CWS-REF shall in no event be liable (whether in contract, tort or by way of indemnity) for any business interruption costs, loss of profit, loss of production, removal or reinstallation costs including but not limited to cranes and other lifting equipment, re-procurement costs, loss of data, injury to reputation, loss of customers or any indirect, special, incidental, consequential or punitive damages of any nature. This section also applies for any product liability assumed by CWS-REF under clause 12.

CWS-REF' liability for any claim must not exceed 15 (fifteen) % of the order value giving rise to such claim irrespective of the nature of the claim, whether in contract, tort, by way of indemnity, warranty or otherwise.

CWS-REF is not liable for any claims based on CWS-REF' compliance with the Customer's own specifications, instructions or technical documents or for Customer's use of Main Components or Parts in combination with other products or services. It is the Customer's risk that any specifications, instructions or technical documents are correct and complete submitted to CWS-REF in due time for CWS-REF to ensure compliance hereof.

The Customer shall indemnify and hold harmless CWS-REF against claims from any third party to the extent the claims are excluded from CWS-REF' liability towards the Customer under these Terms. The Parties shall notify each other in case a third party makes claims in this regard.

#### **14. Force Majeure**

The Parties are not liable for any delay or any failure in performance if caused by reasons beyond its reasonable control, including, but not limited to, acts of God, war, fire, epidemics, insurrection, strikes, lockouts or other serious labor disputes, delayed deliveries and/or non-deliveries, delayed services and/or non-services from subcontractors, riots, earthquakes, floods, explosions, natural disasters or other acts of nature, embargo, restrictions of any governments or other legal authority which affects its performance, to the extent such circumstances could not be foreseen at the time of formation of the agreement.

The Parties obligations so excused will be extended on a day-to-day basis for the time period equal to the period of such excusable interruption, provided that the Party relying upon force majeure notifies the other Party hereof immediately.

In the event of force majeure continues for 3 (three) consecutive months a Party may terminate the agreement upon written notice. The Customer shall upon such termination pay CWS-REF for any work performed up until termination has been effected.

#### **15. Term and termination**

The Parties' agreement under these Terms can be terminated by each Party with 6 month's written notice to the end of a month. Orders confirmed before the termination, must be performed in accordance with the Terms, unless otherwise agreed by the Parties.

CWS-REF may at any time suspend or terminate any and all orders and claim damages pursuant to Danish law due the Customer's material breach of the Agreement, including the Customer's failure to fulfil its payment obligations.

#### **16. Confidentiality**

The Customer shall observe full confidentiality regarding information of confidential nature, which the Customer has obtained by reason of the Term and the Parties performance hereunder, including these Terms.

#### **17. Assignment**

The Customer shall not be entitled to assign any rights and obligations arising out of the contract with CWS-REF without CWS-REF's prior written consent. CWS-REF shall be entitled to assign its rights and obligations arising out of the contract with the Customer to any associated or affiliated company.

#### **18. Governing law and disputes**

These Terms and any order issued hereunder and the work performed by CWS-REF are governed by Danish law excluding any international private law rules and CISG.

Any dispute arising must be settled through loyal negotiation between the Parties including negotiations between higher management of both Parties.

All disputes arising out of or in connection with the Agreement that cannot be settled through the Parties' negotiation must be finally settled by arbitration before the Danish Institute of Arbitration in accordance with the rules of arbitration procedure adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced. The arbitration tribunal shall consist of three arbitrators, so that each Party appoints one arbitrator and the Danish Arbitration Institute appoints the chairman. The arbitration must be seated in Aarhus. Notwithstanding the foregoing, the obligation to refer a dispute to arbitration shall not restrict a party from using any intermediary measures such as injunction etc. Furthermore, in the event that the dispute arises out of Customers failure to effect duly payment or the claim is below DKK 1 million, CWS-REF shall (at its option) be entitled to refer the dispute to the ordinary Danish courts.