



PAJ General Terms and Conditions of Sale & Service

General Terms and Conditions of Sale & Service (“Terms”) apply to all deliveries of products and services (“Products”) from PAJ or its Affiliates (each of which is referred to as “PAJ”) to any customer (“Customer”). In these Terms “Affiliate” shall mean any entity that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control by PAJ at such time.

No terms and conditions other than these Terms shall be binding upon PAJ and the Customer unless agreed in writing by both PAJ and Customer. All terms and conditions contained in any prior communication which are different from or in addition to the Terms shall not be binding on PAJ unless otherwise expressly agreed in writing by both PAJ and Customer. Such is the case also when the customer forwards orders with enclosed purchase and delivery conditions which differ from the current basis of the offer submitted by PAJ.

1. Confirmation of Order

PAJ shall not be deemed to have accepted an order until a written, including electronic, acceptance of the Customer's purchase order by PAJ is received by Customer or PAJ has received a written, including electronic, timely and unconditional acceptance by Customer of PAJ' quotation.

2. Terms of Delivery

The Products are delivered Ex Works. If the Customer does not provide written instructions, PAJ may deliver the Products to Customer, at the risk and expense of Customer, by a transport method chosen by PAJ.

Unless otherwise agreed in writing, PAJ may make delivery in installments. All installments will be separately invoiced and paid as billed without regard to subsequent deliveries. Failure to pay any installment when due will excuse PAJ from making all future deliveries.

If PAJ does not ship on the promised date, Customer is entitled to request a reasonable, revised shipment date in writing without undue delay. No claims can be made by the Customer as a result of the delay.

Disposable packing is not included in the price and will not be credited if returned.

Cost of special boxing, export boxing, cartage or transfer expenses will be added to the invoice unless charges are shown to be included in the prices quoted.



3. Price and Terms of payment

Prices for Products do not include taxes or duties.

Invoices are payable with 100% at time of ordering

- unless other payments terms are agreed to in writing between PAJ and the Customer, subject to approval and continuance of approval of credit by PAJ. In the event that PAJ does not approve credit to the Customer, or if at any time PAJ reverses its prior approval of credit for any reason, terms of payment shall be full advance payment. All payments shall be in the agreed currency. Invoices not paid timely are subject to an interest rate of 1.5% per month or the highest rate allowable under applicable law.

Offers have a validity of 30 days. Offers are conditioned by PAJ's possibility to obtain security for the full value of the framework order. Or else, that the customer procures security. Offers may be altered within their time-limit if component contractors can document misstated prices.

PAJ reserves the right to adjust accepted prices for non-delivered Products in the event of alterations in rates of exchange, variations in costs of materials, a sub-supplier's price increases, changes in wages, state requisitions or similar conditions over which PAJ has no or limited control.

Prices on pricelist for PAJ products are subject to change at any Time and without prior notice.

For the avoidance of doubt, to the extent that value-added tax has not been paid, Customer shall in any case be liable to pay any value-added tax subsequently imposed by the tax authorities or courts without limitation in time.

4. Group Set-off

PAJ and its Affiliates shall be entitled to set off their own claims against the Customer, in event of Customer's possible claims against any of said companies.

5. Product Information

While PAJ attempts to provide helpful and accurate product information in catalogues, literature, brochures and advertisements, and on its website, the Customer should not rely on any such information, and no such information is binding on PAJ, unless explicit reference to the specific information in question is made in a written offer from PAJ and/or a written order acceptance by PAJ. Specific demands from the Customer are only binding if and to the extent they have been accepted by PAJ in writing.

6. Proprietary Information and Confidentiality

Any non-public information, including but not limited to, drawings, descriptions and any other technical documents which PAJ makes available to the Customer ("Confidential Information") shall remain the



property of PAJ and shall be treated as confidential by Customer and its representatives and must not, without the written consent of PAJ, be copied, reproduced, or transferred to third parties or be used for other purposes than those intended when the Confidential Information was made available. Confidential Information shall be returned upon PAJ' request.

7. Alterations

PAJ reserves the right to make, without notice to Customer, alterations to a Product that do not materially affect agreed specifications or the Product's form, fit or function.

8. Limited Warranty

PAJ warrants that sold products are to be free from defects in material and workmanship for 12 months from date of shipment.

This warranty shall be voided if the article in question is improperly installed, applied, operated or maintained; subjected to overload, misuse, negligence or an accident; or repaired or altered outside of the PAJ factory or by anyone other than an authorized PAJ service partner under direction of PAJ.

Since PAJ does not know customers' application of our product or components, we presume that customers perform incoming test procedures on all products/components, and also final burn-in testing for all end-products before final delivery. Thus products manufactured by others, but with components supplied by PAJ, are not warranted by PAJ.

Customer's sole and exclusive remedy against PAJ and PAJ' only obligation, for breach of warranty, shall be, at PAJ' option, the repair or replacement (with either a refurbished or new Product) of any Product that on PAJ' examination is found to be defective at the time of delivery due to faulty workmanship and/or defective material, but only if the Customer submits a claim in writing to PAJ within the warranty period.

When making a warranty claim, the Customer must forward the Product to PAJ in a manner to be agreed upon between Customer and PAJ with a description of the reason for returning the Product. Freight and insurance will be paid by the Customer. If PAJ' determines that the Product is not defective due to faulty workmanship and/or defective material or that the warranty has been voided, the Product shall be returned to the Customer, if the Customer requests it. In such case, freight and insurance shall be paid by the Customer. If PAJ ascertains that the Product is defective due to faulty workmanship and/or defective material, PAJ shall send the repaired Product or a replacement Product to the Customer. PAJ may choose the method of delivery and will pay freight and insurance. Products or product parts which have been replaced shall be the property of and retained by PAJ. The Customer is responsible for repackaging Products returned in suitable packing material to prevent damage in transit.



9. Disclaimer of Warranties

EXCEPT FOR THE WARRANTIES STATED IN SECTION 8, THE PRODUCTS ARE SUPPLIED "AS IS", "WHERE IS" AND "WITH ALL FAULTS". PAJ DISCLAIMS ALL OTHER WARRANTIES WITH RESPECT TO THE PRODUCTS, EITHER EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

10. Indemnification

Customer shall indemnify, defend and hold PAJ harmless from all claims, including but not limited to all claims filed by third parties, for injuries, harms, losses or damages of any kind, (a) caused by or resulting from, (i) the Product after it has been delivered, (ii) the improper use, repair, maintenance or operation of the Product by Customer, (iii) the failure of Customer to adequately train personnel in the operation of the Product, or (iv) the Customer's failure to comply with applicable laws or regulations or (b) to products manufactured by the Customer or to products of which the Customer's products form a part.

The Customer consents to the jurisdiction of any court or arbitral tribunal in which any third party files a claim for injuries, harms, losses or damages allegedly caused by any Product sold to Customer.

11. Limitation of Liability

IN NO EVENT SHALL PAJ BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OR LOSSES ARISING OUT OF ANY BREACH OF WARRANTY, FAULTY PRODUCT, DELAY IN THE DELIVERY OF THE PRODUCT, PRODUCT LIABILITY, FAILURE TO WARN, RECALL OR OTHERWISE, IRRESPECTIVE OF THE CAUSE, INCLUDING BUT NOT LIMITED TO, LOSS OF PRODUCTION, LOSS OF PROFIT AND LOSS OF GOODWILL.

12. Notice of Claims

Claims or complaints as to defects and/or delay in delivery of the Products or other claims shall be submitted in writing by Customer to PAJ without undue delay.

13. Intellectual Property Rights

If the Product is delivered with embedded software, Customer obtains a non-exclusive, software license in form of a right to use the software solely for the purposes set out in the applicable specification of the Product. Aside from this, Customer obtains no rights in form of license, patent, copyright, trademark or other proprietary right connected to the Products. Customer shall not obtain any rights to source codes to such software.



PAJ, at its' election, may defend any suit or proceeding brought against Customer as far as the same is based on a claim that any Product of PAJ' design furnished hereunder or any part thereof, constitutes an infringement of any patent, if notified promptly in writing and given authority, information and assistance for the defense of the same and if such alleged infringement is not the result of the design or other special requirements specified by Customer or the application or use to which such Product is put to use by Customer or others. In the event that PAJ elects to defend such suit or proceeding, PAJ will pay all damages and costs awarded in such suit or proceeding against Customer. In the event that such Product or part in such suit is held to infringe any such patent and use thereof is enjoined, PAJ will, at its option, (a) procure Customer with the right to continue use of such Product or part, (b) replace same with non-infringing Product(s) or parts, (c) modify the same so that it becomes non-infringing, or (d) remove said Product or part and refund the purchase price and the transportation and installation costs thereof. The foregoing states the entire liability of PAJ to Customer for patent infringement.

14. Export

Customer is hereby advised and put on notice that Products may be subject to export controls and regulations, another country of manufacture or a country of transshipment, and export may require a valid export license. PAJ' acceptance of Customer's order and delivery of the Products is expressly conditioned on compliance by Customer with all applicable export controls. PAJ is under no obligation to sell or deliver the Products until all required export licenses have been granted. No Products sold to Customer may be exported unless such export complies fully with all applicable export regulations. Customer shall be responsible for obtaining all required export licenses and for all expenses of obtaining such licenses.

15. Prohibition on Resale and Use for Certain Purposes

PAJ Products are produced exclusively for civilian use. Customer is not allowed to use or to resell the Products for purposes which have any connection to chemical, biological or nuclear weapons or for missiles which are capable of delivering such weapons. Customer is not allowed to sell the Products to persons, companies or any other kind of organization if Customer has knowledge of or suspects that said persons or entities are related to any kind of terrorist or narcotics activities. The Products may be subject to legal regulations and restrictions and may therefore be subject to restrictions in case of sale to countries/customers covered by export and import ban. These restrictions shall be observed in case of resale of the Products to such countries/customers.

Customer is not allowed to resell the Products if there is doubt or suspicion that the Products can be used for the purposes mentioned in the preceding paragraph. If Customer receives knowledge of or suspects that the conditions in this clause have been violated, Customer shall immediately inform PAJ.



16. Force Majeure

PAJ is entitled to cancel orders or suspend or delay delivery of Products and will not be liable for such cancellation, suspension, or any non-delivery, faulty or delayed delivery which partly or wholly is caused by circumstances beyond PAJ' control, including, but not limited to, riots, civil unrest, war, terrorism, fire, insurrection, requisition, seizure, embargo or defects or delays in deliveries by sub-contractors, strikes, lockouts, slow downs, lack of transportation, scarcity of materials, accidents in product testing, and insufficient supplies of energy. Any of Customer's contractual rights are suspended or become void in any such circumstances referred to in this clause. Customer is not entitled to any kind of damages or to make a claim whatsoever in case of cancellation or delayed delivery due to such circumstances.

17. Partial Invalidity

If one or more of the terms and conditions in these Terms or any part of a term is deemed invalid, unenforceable, illegal or inoperable, the validity, enforceability, legality or operability of all further terms and conditions shall not be affected or diminished thereby.

18. Governing law, Disputes and Jurisdiction

Any dispute between the parties concerning or arising from (a) a purchase of a Product or (b) any damages, injuries, losses or harms allegedly caused by any Product shall be decided under Danish law.

Place of jurisdiction and venue is Sønderborg, Denmark.

Any such dispute which the parties themselves are unable to resolve can, at the choice of PAJ, be referred to and settled by arbitration in Sønderborg, Denmark.