

DANFOSS IXA GENERAL TERMS AND CONDITIONS FOR SALE OF SERVICES

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General

These General Terms and Conditions for Sale of Services ("Terms") apply to the sales and performance of Services by Danfoss IXA A/S or its Affiliates (each of which is referred to as "Danfoss") to any customer ("Customer"). In these Terms "Affiliate" shall mean an entity directly or indirectly controlled by Danfoss A/S whether by shares or voting rights. "Services" shall mean maintenance, repair, commissioning or advisory work of the application of Danfoss' products, training or any other kind of services related to Danfoss' products provided by Danfoss to Customer. Any engineering or development services shall, however, be subject to a separate written agreement between the Parties.

Sale of any Services is expressly conditioned upon Customer's acceptance of these Terms. These Terms apply to the agreement to the exclusion of any other terms, and no other terms shall be binding upon Danfoss and Customer for the sale of Services unless otherwise expressly agreed in writing by Danfoss and Customer. Authorization by Customer to provide Services or Customer's receipt thereof will constitute acceptance of these Terms. Danfoss' separate General Terms and Conditions of Sale shall be applied to the sale of products when products, spare parts, replacement parts or accessories ("Products") are sold separately or sold, repaired or replaced or otherwise provided by Danfoss to the Customer as part of or in connection with Services, subject, however, to the provisions in Clause 6 below.

1. Confirmation of Order / Acceptance of Quotation

A purchase order constitutes an offer by the Customer to purchase the Services in accordance with these Terms. Danfoss shall not be deemed to have accepted a purchase order until Customer has received written, including electronic text form, confirmation from Danfoss of the purchase order, at which point a binding agreement shall be formed ("agreement"). Customer's acceptance of a quotation or offer for Services given by Danfoss shall constitute an agreement and acceptance of these Terms.

2. Use of Service Providers

Danfoss shall be entitled, at its sole discretion and at any time, to use the personnel of any Affiliate or any independent service providers authorized by Danfoss to perform the Services on behalf of Danfoss (such independent service providers hereinafter "Service Providers"). Danfoss shall be responsible for the performance of such Service Providers as for its own. Danfoss shall not, however, be responsible for any liabilities, obligations, acts or omissions by such Service Providers under or relating to agreements entered into directly by and between the Customer and the Service Provider.

3. Performance of Services

The Services will be performed at locations and times agreed between Danfoss and Customer in writing. Unless specifically agreed, the Services will be performed at locations and at times of Danfoss' option.

If the personnel performing the Services are prevented from providing the Services for reasons for which Danfoss is not responsible, or if the personnel are retained on location after completion of the Services for any reason whatsoever, Danfoss is entitled to invoice the waiting time as working time. All other costs arising out of such hindrance or retention shall also be reimbursed by the Customer.

4. Delay

If a firm delivery date is agreed and Danfoss does not perform the Services at the agreed time, Customer is entitled to request delivery in writing and fix a final, reasonable time limit for delivery. If the Services are not performed within this time limit due to reasons solely attributable to Danfoss, Customer is entitled to rescind the agreement of sale and, subject to any disclaimers or limitations of liability in these Terms, claim compensation for its documented, direct loss. In no event can the compensation exceed an amount equivalent to the price of the delayed Services. Any claim for compensation must be made within one month from the agreed date of performance. No further claims can be made by Customer as a result of the delay.

5. Prices

Prices for Services are exclusive of VAT, other taxes or duties. Danfoss reserves the right to adjust prices for Services not performed in the event of alterations in rates of exchange, variations in costs of materials, Service Providers' or sub-suppliers' price increases, changes in custom duties, changes in wages, state requisitions or similar conditions over which Danfoss has no or limited control.

Danfoss may charge Customer separately for other costs and charges, such as but not limited to: travelling, daily allowances and accommodation costs, transportation costs, handling fees, packaging costs, costs for materials and tools and any other costs arising from or relating to the performance of the Services, provided Danfoss has informed of such costs and charges, e.g. in Danfoss order confirmation, as part of price lists, or as otherwise made available to Customer.

6. Terms of Payment

Unless otherwise agreed due date is 30 days from the date of invoice. If Products sold to the Customer as part of or in connection with the Services are invoiced on the same invoice as the Services, the same payment term shall apply to such Products. Any credit shall be subject to Danfoss being satisfied with the Customer's credit references, and Danfoss may (in its absolute discretion), refrain from performing the Services until such time as Customer has complied with the payment requirements of Danfoss, such as payment in advance, and/or payment of any outstanding amounts which may be due to Danfoss. All payments shall be made by bank wire transfer or direct debit without deduction of any transfer or debit fees in immediately available funds to the bank account set out in the relevant invoice. From due date an interest rate of: i) 2 % per month or ii) the highest rate allowable under applicable law, whichever the lesser, will be payable.

7. Group Set-off

Danfoss and its Affiliates shall be entitled to set off any liability of Danfoss and/or its Affiliates to Customer against any liability of Customer to Danfoss and/or its Affiliates.

8. Information regarding Services

Any information provided by Danfoss, including, but not limited to information on selection of Services or Products, their application or use, descriptions of Services or any other technical data in catalogues descriptions, advertisements, etc. and whether made available in writing, orally, electronically, online or via download, shall be considered informative, and is only binding if and to the extent, explicit reference is made in a quotation or order confirmation. Specific demands from the Customer are only binding if and to the extent they have been confirmed by Danfoss in writing.

9. Proprietary Information and Confidentiality

Any non-public information, including but not limited to, prices, drawings, descriptions and any technical documents which Danfoss has made or may make available to Customer ("Confidential Information") shall remain the property of Danfoss and shall be treated as confidential by Customer and its representatives and must not, without the written consent of Danfoss, 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 Danfoss' request.

10. Customer's Responsibilities

Customer shall, no later than in connection with the purchase order, inform Danfoss in writing of all standards and regulations applicable to the provision of the Services, the operation of the products and applications and health and safety. Customer shall also inform Danfoss of any special circumstances that may have an impact on the provision of the Services. If such special circumstances were not notified prior to or in connection with the purchase order, Danfoss shall be entitled to adjust the price and the time for performance.

The Customer shall deliver technical documents regarding the products and applications on which the Services are performed as well other data and materials agreed to be provided by the Customer or as otherwise requested by Danfoss on a timely manner and in a form following Danfoss' instructions. The Customer shall be responsible for the information provided and shall also be liable for the use of such information for the Services by Danfoss or the Service Provider.

Customer shall ensure that Danfoss' and the Service Provider's personnel have sufficient access to and from the agreed location necessary to perform the Services, including both usable transport access routes to the location and access to the actual work site. Customer shall ensure that necessary entry and exit, residence and work permits and all other permits for the personnel performing the Service as well as the permits for the import and export of Products, tools, equipment, and materials are granted in good time and remain valid throughout the performance of the Services. Customer shall provide a dry and lockable space suitable for the storage of tools and equipment. At Danfoss request, Customer shall also assist with arranging suitable accommodation.

Customer shall carry out all preparatory work necessary to ensure that the Services can be commenced on time and carried out without hindrance or interruption.

If agreed that Customer's spare parts or tools shall be used, Customer shall ensure the availability of the required spare parts or tools in a timely manner and according to Danfoss' specifications. Replaced parts shall remain the property of Customer. Customer shall be responsible for the disposal of any replaced parts or materials in accordance with applicable laws and regulations.

Customer shall ensure the availability of the following in accordance with Danfoss instructions:

- (i) technical aid and personnel as required to assist in the performance of the Services;
- (ii) cranes and other lifting devices;
- (iii) all necessary consumables;
- (iv) internet access and sufficient information security.

The customer shall take all accident prevention measures required. If the safety of the personnel performing the Service cannot be guaranteed for any reason, Danfoss and the Service Provider may at any time refuse or stop the provision of Services and order the return of its personnel. Danfoss shall not be responsible for failure to perform the Services if it in Danfoss reasonable opinion is not safe or otherwise practically possible for the personnel to carry out the Services.

The Customer shall be liable for losses and damages caused by its own or third parties' personnel irrespective of whether the personnel of Danfoss or the Service Provider manage and supervise the works. The Customer shall also be liable for any losses and damages caused or contributed by material, spare parts, tools and equipment provided by the Customer.

Customer is solely responsible for its products and applications on which the Services are performed and shall bear the risk of damage to and loss to such products and applications.

The Customer shall obtain and maintain at all times sufficient general liability and property insurance coverage.

11. Acceptance of Services

When Danfoss in its reasonable discretion deems the Services to be completed, Danfoss shall notify the Customer that the Services are ready for acceptance. Without undue delay upon receipt of Danfoss notice thereof, Customer shall together with Danfoss inspect the Services and report to Danfoss in writing of any defects or deficiencies therein. If no defects or deficiencies are reported, Customer shall be deemed to have accepted the Services. Acceptance shall also be deemed to have taken place in the following circumstances:

- (i) Customer provides a written approval of the Services;
- (ii) in case the inspection does not take place on the agreed date, or in the absence of an agreed date, within 2 days from notice of completion of the Services by Danfoss;
- (iii) when Danfoss has remedied the defects or deficiencies in the Services reported in connection with the acceptance inspection;
- (iv) Customer refuses to accept the Services without justified cause; or
- (v) the products or applications on which the Services were performed are put into operation.

If defects or deficiencies in the Services are discovered during the acceptance inspection, Danfoss shall remedy such defects without undue delay as set forth in Clause 12 below.

12. Cost-free re-performance of Services

Services shall be performed with reasonable skill and care using Danfoss own working methods and instructions, and Danfoss makes no warranties as to the suitability thereof. Danfoss shall not be liable for any Services provided for free.

Danfoss agrees to correct, re-perform or credit at the discretion of Danfoss such Services that are found to be deficient due to poor workmanship, provided Customer makes a claim to Danfoss within 5 business days after discovery of the deficiency, however, not later than within 6 months from the date of acceptance of the Service in question ("Claim Period"). If deficiencies occur within the Claim Period, Customer shall inform Danfoss in writing in accordance with Danfoss' instructions. The Customer shall provide Danfoss with a written notice describing the deficiency in the Service. If Danfoss' examination shows that the Service is not deficient, Danfoss may charge a fee for the time and materials used in investigating the deficiency and charge other costs in accordance with its price list as valid from time to time. If Danfoss ascertains that the Service is deficient, Danfoss shall in its discretion correct the deficiency, re-perform the Service, or credit the original purchase price to Customer. Customer shall grant Danfoss access in case of correction or re-performance on location.

To the extent permitted by law no claim can be made by Customer in respect of Services after the expiry of the Claim Period, whether based in contract, breach of warranty, tort, statute, or otherwise.

All warranties, conditions and other terms implied by statute or otherwise (including any implied warranty of merchantability or fitness for a particular purpose) shall be excluded from the agreement, other than those that cannot be excluded by applicable law. In addition to the generality of the foregoing, unless otherwise expressly set forth herein in these Terms, the Services are supplied "as is", "where is" and "with all faults".

13. Limitation of Liability

Danfoss shall not be liable to Customer for any of the following types of loss or damage arising under or in relation to an agreement governed by these Terms: 1) any loss of profits, business, contracts, anticipated savings, goodwill, or revenue; or 2) any loss or corruption of data; or 3) any indirect, special, punitive, exemplary or consequential loss or damage whatsoever; even if Danfoss was advised in advance of the possibility of such loss or damage, and whether arising out of breach of warranty, tort, statute, delay, deficient Services, defective Products, product liability, recall or otherwise, and even if any express warranties fails its essential purpose.

Danfoss' total liability arising under or in relation to an agreement governed by these Terms shall not exceed the amount invoiced by Danfoss to Customer thereunder.

Customer acknowledges and agrees, that Danfoss has set its prices and entered into the transaction in reliance upon the disclaimers of warranty and the limitations of liability set forth herein, and that the same reflect a risk allocation between the parties forming an essential basis for the bargain between them.

14. Mandatory liability

Nothing in these Terms (including but not limited to the exclusions and limitations in clauses 12 and 13) shall operate so as to exclude or limit the liability of either party to the other for death or personal injury arising out of its negligence, fraudulent misrepresentation or for any other liability which cannot be excluded or limited by law.

15. Notice of Claims

Claims or complaints as to deficiencies and/or delay in performance of the Services or other claims shall be submitted in writing by Customer to Danfoss without undue delay.

16. Intellectual Property Rights and Use of Software

If the Services include software, Customer obtains a non-exclusive software license in form of a right of use to the software solely for the agreed purpose and in accordance with any applicable license conditions made available. Aside from this, Customer obtains no rights in form of license, patent, copyright, trademark or other proprietary right connected to the Services or Products. Customer shall not obtain any rights to source codes to such software. Software provided separately regardless of how it is provided by Danfoss is made available on an "as is", "where is" and "with all faults" basis, and may be used solely for the purpose for which it is intended, and subject to any applicable license conditions. Danfoss shall not be liable in any way for errors or for any loss or damage arising out of or as a result of use of such separate software, or any third party software relating thereto.

17. Force Majeure

Danfoss is entitled to cancel orders or suspend performance of Services and shall not be liable for any non-delivery, faulty, deficient or delayed performance, which partly or wholly is caused by circumstances beyond Danfoss' reasonable control, including, but not limited to, riots, civil unrest, war, terrorism, fire, insurrection, requisition, seizure, embargo or defects, deficiencies or delays in deliveries by sub-suppliers, strikes, lockouts, slow downs, lack of transportation, scarcity of materials, 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.

18. Global Compact and Anti-Corruption

Danfoss has joined the United Nations' Global Compact initiative which means that Danfoss has undertaken to live up to 10 principles on human rights, employees' rights, the environment and corruption. These principles and further information are set out at Global Compact: <http://www.unglobalcompact.org>. Therefore Danfoss encourages Customer to comply with these fundamental principles. Danfoss shall be entitled to cancel any delivery, purchase order or terminate an agreement without incurring any liability if Danfoss has reason to believe that Customer acts in a manner contrary to applicable laws and regulations regarding bribery and corruption.

19. Data Privacy

Personal data of individual contacts of the Customer such as name and business contact details may be processed and stored globally outside of the Customer's country by Danfoss, its affiliates or authorized third party providers. Danfoss will use personal data to perform its contractual obligations (such as administration of customer relations and of payment transactions), to analyze and improve its products and services, and/or to send information on products, services and events of Danfoss to contact persons of Customer. Where consent is required by law, the Customer hereby agrees to the personal data being used and transferred as described above, and acknowledges that personal data will be subject to the foreign law of the country where it is being held/server is located. Danfoss will use adequate contractual and technical mechanisms to protect personal data. Danfoss will keep personal data for the duration of the contractual relationship. Where required by mandatory law and provided that the necessary conditions are satisfied, the Customer may as a natural person have the right to access, rectify, inquire about or, object to the processing of his personal data. For further details contact your local Danfoss contact – see www.danfoss-ixa.com.

20. 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.

21. Assignment

Danfoss and Customer may at any time assign or transfer all or any of its rights under these Terms. Neither Party may assign or transfer any of its obligations under these Terms without the prior written consent of the other Party.

22. Governing law and Disputes

Any dispute between the parties arising from or in connection with an agreement governed by these Terms shall be governed by the substantive law at Danfoss' selling entity's place of business. Any dispute arising from or in connection with an agreement governed by these Terms and which the parties themselves are unable to resolve shall be referred to and finally settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce, ("Rules") by one or more arbitrators appointed in accordance with said Rules. Either Party shall be entitled to seek injunctive or interim relief or any other temporary measures. The Parties may refer the enforcement of any arbitral award to any competent court. The seat of arbitration shall be the capital city of the country of the Danfoss IXA. English shall be the language to be used in the arbitration proceedings unless otherwise agreed between the parties. The arbitration proceedings and the arbitral award shall be confidential and involved persons on both sides are pledged to secrecy.

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