# General Terms and Conditions for the Sale of Goods

## 1. Definitions

**Agreement Date**: Date of the acceptance of Seller's offer by the Buyer.
**Buyer**: The Party who accept to buy Goods from Seller.
**Delivery Date**: Time of delivery as agreed in the Sales agreement.
**Seller**: LiqTech International A/S, Industriparken 22 C, 2750 Ballerup, Denmark, CVR no. 2512 1031.
**Goods**: All products specified in the accepted offer of the Seller.
**Incoterms**: Trade terms published by the International Chamber of Commerce and entitled "Incoterms 2010".
**In Writing or Written**: Signed by both Parties.
**Parties**: Seller and Buyer together.
**Party**: Seller or Buyer respectively.
**Sales Agreement**: Agreement formed by Seller's offer and acceptance of the Buyer.

## 2. General

The terms and conditions set out below shall form part of the Sales Agreement concluded between Seller and Buyer. The terms and conditions shall apply to all subsequent transactions without any need of express reference thereto or agreement thereon at the conclusion of such action. These General Terms and Conditions shall prevail over any additional or conflicting terms set on any document provided by the Customer, unless Seller accepts those terms of the Buyer in Writing.

## 3. Prices; Terms of Payment

The prices shall exclude any statutory VAT. If, as a result of a change of law between the Agreement Date and the Delivery Date, additional or increased charges – in particular duties, levies, currency compensation payments, are payable, then the Seller shall have the right to increase the purchase price accordingly.
If not otherwise agreed in Writing, the Buyer shall pay the price of goods within 30 days of the date of the Seller's invoice. If not otherwise agreed in Writing, the Buyer is not entitled to any discount for prompt payment. Payments shall be made by bank transfer.
If the Buyer fails to make any payment on the due date, the Seller shall at his discretion be entitled to charge the Buyer interest on the amount unpaid, at the rate of 1 per cent for each month, until payment is fully made.
If the Buyer's business is operated beyond the ordinary course of business which shall include, without limitation, acts of seizure or a situation, where payments are delayed or even discontinued or insolvency proceedings have been petitioned or opened, the Seller has the right to rescind the Sales Agreement.

## 4. Delivery

If not otherwise agreed in Writing, the Delivery of the Goods is based on ex works (Incoterms "EXW").

## 5. Delay of Delivery

Unless otherwise expressly agreed in Writing, any indicated time of delivery shall be non-binding.
If any agreed time of delivery is exceeded, the Buyer must specify to the Seller a reasonable cure period. If the Seller fails to meet such deadline due to its fault or responsibility, the Buyer shall have the right to rescind the agreement but shall have no right to seek compensation for breach of contract or default unless in cases of willful misconduct or gross negligence on the Seller's part.
In case of delay of delivery the Buyer shall not be entitled to recover from Seller losses of profit or losses of business interruption unless in cases of willful misconduct or gross negligence on the Seller's part.

## 6. Duty to Inspection and Objection

Upon taking possession or upon delivery at the agreed destination, the Buyer shall immediately examine the Goods as required by Danish Law (provision 51 and 52 in Danish Sale of Goods Act [Købeloven]).
The Buyer shall specifically check quantities, weight and packaging and record any objections thereto on the delivery note. The Buyer shall also conduct a quality check representatively on a spot check basis.
In case of a notice of defect the Buyer shall notify the Seller immediately in writing form. Any goods to which objections have not been raised in accordance with the provisions 51 and 52 of the Danish Sale of Goods Act shall be regarded as approved and accepted.

## 7. Warranty, Limitation of Liability

The warranty of LiqTech International A/S is limited to the compliance with the agreed product specifications. See www.LiqTech.com for clarification.
Upon justified objections which have been raised in accordance with the procedures and deadlines hereunder, the Buyer shall have the right to claim a reduction in the purchase price which shall be without prejudice to the Seller's right to provide the return of the objected goods.
The Buyer shall not be entitled to any further rights or remedies.
Any claim regarding defects of a delivered Product shall be in accordance with the provision 54 of the Danish Sale and Goods Act.

## 8. Product Liability

The Seller has taken out product liability insurance. The Seller is in no event responsible for product liability/payment for product liability not covered by Seller's product liability insurance unless Seller has caused the damage purposely or as a result of gross negligence.

## 9. Retention of Title

The Seller shall retain full title of the Goods that have been delivered until the Buyer has discharged all claims arising from the business relationship which include any account balance.
The Buyer shall be entitled to resell or use the Goods in the ordinary course of business. The authority granted hereunder shall cease in the case that the Buyer's business is operated beyond the ordinary course of business. Moreover, the Seller may withdraw the sales authority of the Buyer through written notice if he is in breach of any obligation owed to the Seller, in particular is in payment default or if the Seller becomes aware of other incidents that give rise to doubts about the Buyers creditworthiness.
If the Goods are processed or reshaped by the Buyer the Seller shall become owner of the processed or reshaped goods.
If the Goods are processed or reshaped by the Buyer and if processing is done with other goods that seller has no property in, Seller shall become co-owner of the processed or reshaped goods. The same shall apply if Seller's Goods are inseparably mixed with other goods.
Where claims of the Seller are secured through the retention of title by more than 125%, any surplus of Goods delivered under the retention of title shall, upon demand of the Buyer, be released in accordance with Seller's choice.

## 10. Intellectual and Industrial property Rights

The Seller will indemnify the Buyer from and against all liabilities, costs, damages, claims and expenses that may be awarded or paid to any third party in respect of any claim or action that the Goods or their use by the Buyer infringe the Intellectual Property Rights of such third party, if the Buyer has notified the Seller about such claims immediately after it has come to its attention and cooperates with the Seller in defending such claims. The Seller shall be released from any liability above to the extent that Seller has manufactured the Goods in accordance with instructions received from Buyer.

## 11. Choice of Law; Place of Jurisdiction

This Sales Agreement shall be governed by and construed in accordance with Danish Law. International purchase laws shall not apply.
The courts of the Seller's premises shall have jurisdiction over all disputes arising from the Sales Agreement. However, the Seller shall have the right to bring a claim before a court at the Buyer's principal place of business or at his discretion before any other court being competent according to any national or international law.
The invalidity of any provision of these general terms and conditions of sale shall not affect the validity of the other provisions. Invalid provisions shall be deemed to be replaced by such valid provisions that are suitable to implement the economic purpose of the deleted provision to the greatest extent possible.