

# General sales- and delivery conditions

For RED HORSE USA Inc. from 1 January 2024

**RED HORSE**<sup>®</sup>

Unless otherwise agreed in writing, all deliveries shall be made on the basis of the present general terms of sale and delivery.

The buyer's general purchasing terms shall not apply unless they have been agreed explicitly and if so only to the extent that they are not contrary to the present terms of sale and delivery.

## A. Price

All prices are based on the seller's most recently issued price lists from time to time. All prices shall be exclusive of VAT, customs duties, and transport costs. The seller reserves the right to change the prices in the price list at any time. In offers, it is a condition for all net prices that the buyer purchases all products included in the offer.

## B. Delivery

Unless otherwise agreed, delivery shall be made Ex Works, Incoterms 2020, and the buyer shall therefore arrange for transport and cover costs of transport, and carry the risk for the transport. Unless otherwise explicitly agreed, the time of delivery shall be approximate.

## C. Offer and acceptance

Unless otherwise stated, offers shall be binding for the seller for two weeks after forwarding to the buyer. Subsequently, the seller's obligation to deliver according to the offer shall lapse. The buyer's order shall only be binding for the seller when the seller has forwarded order confirmation or executed the order.

For all orders, the seller shall be entitled to deliver 10 per cent more or less than the amount ordered, and the buyer shall then be obliged to pay for the number of units delivered.

In connection with sale of articles which are not carried in stock, the seller shall furthermore be entitled to deliver a number of units exceeding the number of units ordered to the extent that this is due to the packaging of the articles, and the buyer shall in such cases be obliged to pay for all units delivered.

## D. Obstacles for delivery

War, interruptions of operations, strike, lockout, shortage of energy and raw materials, epidemics or similar outbreaks of diseases, interruption of traffic, public-sector regulations, all circumstances with the seller's sub suppliers or the seller's contracting parties, and all other examples of force majeure shall release the seller from any obligations to deliver to the extent that the obstacles for delivery affect the agreement made. If the seller claims that an obstacle for delivery exists, the seller shall without undue delay inform the buyer of the nature, start, and expected duration of the obstacle. Delivery at the thus postponed time of delivery shall in every respect be considered delivery on time. Prior to delivery, both the seller and the buyer shall be entitled to cancel the agreement by written notice to the other party without incurring any liability, if the delay is or is expected to be more than 12 weeks.

## E. Payment

Unless otherwise agreed, the seller's terms of payment shall be eight days net. In the event of late payment, default interest shall be charged at 2.5 per cent per commenced month. Set-off against the seller's claim is only possible with the seller's written acceptance. The buyer's rejection of contractual delivery shall not exempt the buyer from paying the purchase amount agreed.

## F. Retention of title

The seller reserves retention of title for the products delivered until the entire purchase amount for the products delivered including interest, costs, etc., has been paid.

## G. Examination of products delivered - complaints

The buyer shall be obliged to examine the products purchased immediately on receipt. Complaints shall be made immediately on receipt regarding visible defects. To the extent that the seller carries the risk regarding the transport, a complaint shall also be made to the carrier immediately on receipt. Complaints about invisible defects shall be made without undue delay after the buyer has determined or ought to have determined the defect, but always within one year after the time of delivery. Complaints shall be made in writing. In the event of late complaint, the buyer is precluded from claiming default.

## H. Returns

The buyer shall not be entitled to return articles without separate written agreement and then only if they are unused, without defects, in unbroken packaging, and are suitable for resale. When the articles have been returned, the seller shall at his own discretion decide whether these conditions have been met. Articles produced or bought specially for the buyer cannot be returned.

Other articles returned according to agreement with the seller shall, unless otherwise agreed separately, be credited less 15 per cent of the sales price. The articles are returned by the buyer to the seller according to DDP Incoterms 2020.

## I. Seller's liability for defects

The seller shall only be liable for defects in the event of documented defects in manufacturing or materials or in the event of shortages in the products delivered. In the event of such defects, the seller shall - at its own choice - be obliged to remedy, deliver later, redeliver, or credit the defective products. The buyer shall not be entitled to further remedies, except in the event of product liability, cf. item J.

The seller shall never be liable for defects caused by incorrect treatment, mounting, storing, etc., by or at the buyer. The seller's liability shall in addition be limited according to item K below.

## J. Product liability

The seller shall only be liable for injury to persons or damage to property caused by the seller's products if it is documented that the injury or damage is caused by errors or omissions on the part of the seller.

The seller's liability for damage to or loss of property

a) of which the seller's product or service has been made part, is mixed with or integrated into, connected to, used as packaging for, or in any other way connected to, or

b) into which the seller's product or service has been processed or used for the processing of, or

c) for the manufacturing, processing, or other types of treatment of which the seller's product or service has been used, shall be limited to the direct loss which arises because a product manufactured or processed must because of the seller's product or service be discarded, repaired, becomes more expensive to product or process, or decreases in value.

Furthermore, the liability is limited to the decrease in value, the additional costs of manufacturing or processing, or the actual costs of repair of the manufactured or processed product.

## Limitation of liability – product liability

In no cases of product liability for property damage shall other costs or losses, including costs as a consequence of posting of personnel, withdrawal, tracking, examination or transport of the seller's products or manufactured or processed products be covered. The seller shall not be liable for the buyer's indirect loss, including consequential loss, loss of earnings, loss of time, loss of profits, penalties, or similar indirect losses.

The seller's liability to pay compensation shall in no event exceed the cover under the seller's product liability insurance. At the buyer's reasonable request, the seller shall be obliged to forward certificate for the product liability insurance taken out. To the extent that the seller incurs product liability towards a third party, the buyer shall be obliged to indemnify the seller to the same extent as that to which the seller's liability is limited. Limitations to the seller's liability shall not apply if the seller is guilty of gross negligence.

## K. Limitation of liability – maximisation of liability to pay compensation

The seller shall in no event, whether due to defects or delays, be liable for the buyer's indirect loss, including consequential loss, loss of earnings, loss of time or profits, penalties, or similar indirect losses, or for losses in connection with the buyer's default on his obligations towards a third party.

The seller's liability for defects cannot exceed the order value of the defective or delayed article.

## L. Intellectual property rights

The buyer shall not acquire any intellectual property rights to the products, except for a ordinary right of use. The seller is the owner of all intellectual property rights to products and/or drawings or components thereof which are a result of the cooperation between seller and buyer. The buyer shall only be entitled to use the seller's trademarks, product names, etc., to the extent that the seller has given its consent. The buyer shall in no way use the seller's trademarks or other of the seller's characteristics as part of their company name, shop name, website address, etc., without the seller's prior consent in writing.

## M. Privacy policy

The seller's privacy policy in force at any time is available on redhorse.com.

## N. Venue and governing law

Agreements between the seller and the buyer shall be governed by State of Florida Law, excepting its rules on choice of law to the extent that such rules imply the use of foreign law. Legal proceedings and other disputes between the seller and the buyer shall be settled by the courts in State of Florida as the agreed venue as the court of first instance.