

**VESTAS' General Purchasing Terms for Goods and Services  
(applicable for non-strategic, low spend purchase order)**

**GOODS**

**1 Applicability**

- 1.1 These General Purchasing Terms for Goods ("General Purchasing Terms") shall apply to and govern the purchase and delivery of products ("Products") set out in the purchase order ("PO") to which these terms are attached.
- 1.2 By issuing an order confirmation ("Order Confirmation") of the PO, Supplier expressly confirms receipt and acceptance of these General Purchasing Terms.
- 1.3 The parties ("Parties") shall in these General Purchasing Terms mean the company within the VESTAS Group as defined below and the supplier ("Supplier") set out in the PO.
- 1.4 Any terms Supplier states or refers to on the Order Confirmation, including reference to Supplier's general terms and conditions, are inapplicable, unless explicitly accepted by VESTAS in writing. Supplier expressly waives any right to apply its general terms and conditions.
- 1.5 Oral agreements are invalid unless confirmed in writing.
- 1.6 The VESTAS Group includes VESTAS Wind Systems A/S and any and all companies which directly or indirectly (through one or more subsidiaries) are controlled by VESTAS Wind Systems A/S ("VESTAS Group"). References in these General Purchasing Terms to VESTAS be deemed references to the specific contracting company within the VESTAS Group set out in the PO.

**2 Contract**

- 2.1 The Parties agree that VESTAS' PO, Supplier's Order Confirmation and these General Purchasing Terms constitute the contract between the Parties ("Contract"). Unless otherwise expressly set out in these General Purchasing Terms in the event of conflict between the documents making up the Contract the order of precedence shall be: (1) Purchase Order, (2) These General Purchasing Terms, (3) Order Confirmation.
- 2.2 The Order Confirmation shall be sent no later than three (3) days after Supplier's receipt of the PO and the Order Confirmation shall as a minimum include; PO number, VESTAS item number, number of Products ordered, price per Product, time of delivery, delivery address.
- 2.3 PO number must be used as a reference on all documents related to the Contract.
- 2.4 At VESTAS' request, Supplier shall at its own cost implement a specified electronic communication system ("E-Communication System") no later than 60 days following receipt of said request. Contracts shall in such case be entered into via the E-Communication System and VESTAS will only pay invoices submitted by Supplier through the E-Communication System. Supplier agrees to comply with all guidelines or instructions for use of the E-Communication System provided by VESTAS or a third party provider of the E-Communication System. VESTAS may at its discretion change the E-Communication System with prior notice to the Supplier.

**3 Postponement and Cancellation**

- 3.1 Supplier accepts that VESTAS can postpone the date of delivery of Products for a period of up to six (6) weeks without any costs or compensation to be paid by VESTAS, provided

that such postponement is advised prior to the time of Supplier's shipment of the Products. Supplier shall diligently store the postponed Products at own risk. If VESTAS postpones the delivery for a longer period than six (6) weeks, VESTAS shall pay to Supplier reasonable documented storage cost in excess of the initial six weeks.

- 3.2 Supplier accepts that VESTAS can cancel the Contract in part or in full. The Parties will agree on the cancellation costs to be compensated based on Supplier's reasonable cancellation costs incurred as a direct result of the request for cancellation reduced to the extent reasonably possible.

**4 Prices**

- 4.1 VESTAS shall pay the prices for the Products set out in the Contract. Unless otherwise agreed between the parties in writing the agreed prices include delivery DAP (Incoterms 2010) at the location set out in the PO. Packing, insurance and handling according to clause 7.7 is included in the prices.

**5 Invoicing and Payments**

- 5.1 Supplier shall not be entitled to submit any invoices to VESTAS until delivery has been made. Payment from VESTAS shall be released within sixty (60) days from end of the month of the invoice plus five (5) days.
- 5.2 THE PARTIES AGREE THAT THE PAYMENT TERMS SET OUT ABOVE HAVE BEEN INDIVIDUALLY NEGOTIATED AND AGREED.
- 5.3 Payments made by VESTAS to Supplier shall not release Supplier of any liability or responsibility, as this is set out in (i) any special terms between VESTAS and Supplier, (ii) these General Purchasing Terms or (iii) any implied liability applicable to the transaction, nor will the payments constitute a waiver by VESTAS with regard to such liability or responsibility.

**6 No suspension of delivery**

- 6.1 The Supplier shall not be entitled to suspend delivery of Products for any sums owed by VESTAS or any VESTAS entity to the Supplier or any Supplier entity.

**7 Delivery, Passing of Title and Delay**

- 7.1 The agreed milestones, completion dates and dates of delivery agreed with VESTAS must be observed at all times. Partial deliveries are permitted only if agreed in writing.
- 7.2 Terms of delivery are DAP – place of delivery as set out in the PO – (Incoterms 2010) or as otherwise agreed in writing between the parties. Supplier acknowledges and accepts that proper delivery at the agreed time of delivery is of the essence to VESTAS.
- 7.3 The Supplier shall deliver the Products by the date specified in the PO and during VESTAS' normal business hours, or as instructed by VESTAS.
- 7.4 All shipping documents, quality documents, instructions and other certificates being necessary or required by VESTAS under law or for Supplier to properly fulfil its obligations under the Contract, shall be dispatched to VESTAS on the date of shipment of the Product. Any delay in delivery of the above documents is considered as a delay of the Products to be delivered.

7.5 Title to the Product passes to VESTAS at the time of delivery.

7.6 If the Products including delivery documentation cf. above are not delivered at the agreed time of delivery and this is not due to (i) an event of force majeure, cf. clause 18 below, or (ii) reasons for which VESTAS is in all material aspects responsible, VESTAS is entitled to claim liquidated damages from the date on which delivery should have taken place. The liquidated damages for delay in delivery shall be payable at a rate of two per cent (2%) of the purchase price of the delayed Products for each commenced day of delay. The liquidated damages shall not exceed twenty per cent (20%) of the purchase price of the delayed Products. The liquidated damages become due on VESTAS' written demand.

7.7 Supplier acknowledges and agrees that any amounts which shall be payable under clause 7.6 shall be in the nature of liquidated damages, and not a penalty, and are fair and reasonable under the circumstances and represent a reasonable estimate of fair compensation for the damages that may reasonably be anticipated by the Parties to result from any delay in performance under this Contract. The payment of such liquidated damages by Supplier, together with VESTAS's right to terminate cf. Clause 17.1 below, shall be VESTAS's sole and exclusive remedies with respect to such delayed delivery by Supplier.

7.8 Supplier shall use suitable packing which adequately protects the Products with identification marks showing the content, number and kind of goods. The packing shall furthermore be suitable to protect the Products during storage at VESTAS' storage facilities for up to six (6) months.

## 8 Warranty, Defects and Indemnification

8.1 For the period set out in clause 8.2, the Supplier warrants that the Products supplied (i) are fit for the purpose for which they are purchased; (ii) are new, of good and merchantable quality and free from defects in design, materials or workmanship; (iii) meet VESTAS' specifications and (iv) comply with all applicable laws and regulations, norms and standards. Breach of this warranty will hereinafter be referred to as a "Defect".

8.2 The warranty for the Products shall be five (5) years from the delivery ("Warranty Period"). The foregoing shall not limit or be regarded as a waiver of any right or remedy that VESTAS is otherwise entitled to under applicable law after the expiration of the Warranty Period.

8.3 VESTAS shall within reasonable time after having become aware of a Defect give Supplier written notice of the Defect. Supplier shall hereafter without undue delay - at its own risk and expense - remedy any Defect. Remedy means either (i) repair and re-installment of the defective Product or parts hereof or (ii) replacement of the defective Product and instalment of a new non-defective Product at the place where the Product has failed.

8.4 Should Supplier fail to fulfil this obligation or should the circumstances at VESTAS' sole discretion so require (taking into account the potential loss to VESTAS or customers of the VESTAS Group), VESTAS may proceed to remedy the defective Product itself or employ a third party to do so. Such remedy shall be at Supplier's risk and expense and shall lead to no loss of warranty for the Product in question, provided that such remedy is carried out in a workmanlike manner. Should Supplier fail to observe the obligation to remedy a specific Defect within a reasonable period fixed by VESTAS, VESTAS shall furthermore have the right to terminate the Contract and claim compensation for any costs and losses suffered due to Supplier's non-fulfilment of such obligation.

8.5 Repaired parts/Products or replaced parts shall be included in the warranty hereby given for a period of either (i) two (2) years from the date of repair or replacement or (ii) the remainder of the original Warranty Period, whichever is the longer. Replaced (new) Products shall be covered by a new five (5) year warranty period as set out in clause 8.2.

8.6 Supplier shall - in addition to the costs for remedy - be liable for, and obliged to reimburse VESTAS in respect of, all costs, losses and damages incurred as a result of Defects in Products delivered by Supplier, including costs for dismounting and mounting of (i) the Products or parts thereof and of (ii) all other equipment/other products installed in VESTAS' wind turbine generators (WTG), which must be removed in order to repair or replace the defective Products (iii) Costs for repair or replacement of all other equipment/other products installed in the WTG due to damage inflicted on such other equipment/other products as a consequence of the defect in the Product and (iv) Costs arising from land, air and sea transport for remedying or replacing defective Products.

8.7 The Supplier represents and warrants that the Products delivered are in compliance with and shall continue to comply with, all applicable laws, ordinances, rules, regulations, and lawful orders of public authorities of the jurisdiction in which the Products shall be delivered.

8.8 The Supplier shall be responsible for its own personnel and shall indemnify and hold VESTAS harmless for all expenses, claims and causes of action resulting from or relating to bodily harm and injury (including fatal harm or injury) to such personnel. This indemnity shall also apply to claims based on tort, contract or strict liability.

## 9 No liability for indirect losses.

9.1 Unless otherwise stated in these General Purchasing Terms, neither Party shall be liable to the other Party for any loss of production, loss of profit or any other indirect loss suffered by the other Party in connection with the Contract, unless the loss is due to (i) the other Party's breach of confidentiality obligations according to the Contract or any non-disclosure agreement entered into between the Parties (ii) third party claims against VESTAS that the Products are infringing intellectual property rights (iii) in case of death or personal injury or (iv) losses due to gross negligence, wilful misconduct or fraudulence (iv) third party claims for liquidated damages.

9.2 Reference to losses suffered or damages incurred by VESTAS in these terms shall include any losses or damages suffered or incurred by any person or legal entity within the VESTAS Group either directly or indirectly via reimbursement towards third parties.

## 10 Generic defect

10.1 If during any twenty-four (24) months' period the same, or roughly the same type of Defect occurs, within the initial or extended warranty period of the defective Products in five (5) per cent of the Products or parts thereof manufactured to the same design, however as minimum ten (10) Products or three (3) Products at a specific WTG site, which have been delivered by Supplier to any entity within the VESTAS Group irrespective of whether the defective Products originates from same purchase order or contract, such defect is defined as a generic defect ("Generic Defect").

10.2 If such Generic Defect occurs, the Supplier shall promptly implement, at its sole cost and expense, the remedial action approved by VESTAS in all Products of equal design delivered to any entity in the VESTAS Group, including manufacturing, delivering, re-certifying, installing and testing the Product

Classification: Public

modifications necessitated by correcting a Generic Defect hereunder.

10.3 Moreover, for any Generic Defects the Parties shall assess whether similar defects may actually or potentially exist in other product categories. If this is the case VESTAS may demand that the Supplier undertakes the above mentioned remedial steps for the other product categories as well regardless of whether the Generic Defect has in fact manifested itself in actual errors or defects in the individual delivered Products.

10.4 Supplier may request - to the extent such remedial action can be performed by VESTAS as part of the scheduled maintenance of the WTGs – that VESTAS carry out such work on behalf of Supplier at a fixed and reasonable rate per Product all to ensure the most cost-efficient implementation. Both Parties commit themselves to minimize the involved costs.

## 11 Product recall

11.1 If a recall is required by any governmental agency with jurisdiction over the recall of any Product or VESTAS determines that it is advisable to recall a Product due to e.g. potential safety hazard Supplier shall promptly develop a corrective action plan(s), which shall include all actions required by any applicable law and any applicable regulations and provide VESTAS with an opportunity to review and approve such plan. VESTAS and Supplier agrees to cooperate and work together to ensure that such plan is acceptable to both Parties prior to its implementation. Supplier shall reimburse VESTAS for any and all reasonable costs and expenses incurred by VESTAS in connection with any recall, repair, replacement or refund program.

## 12 Product Liability

12.1 Supplier shall maintain and keep in force adequate public and product liability insurance covering the Products. The insurance is to be valid as long as the business co-operation between VESTAS and Supplier exists and for a period of five (5) years hereafter. Supplier's liability is not limited to the sum insured.

12.2 Supplier shall assume full responsibility and liability for any product liability claims related to Products delivered by Supplier whether such a claim is brought against Supplier or VESTAS. Supplier shall thus indemnify VESTAS and hold VESTAS harmless from and against all claims in relation to product liability towards a third party.

## 13 Assignment, Transfer of Performance of Contract

13.1 Supplier's obligations or rights under these General Purchasing Terms and under the Contract cannot be assigned or transferred without VESTAS' prior explicit written approval. VESTAS shall be entitled to assign all rights and obligations under the Contract to any company within the VESTAS Group.

## 14 Use of subcontractors

14.1 The Supplier shall only be entitled to use a subcontractor, if this is approved in writing by VESTAS.

14.2 The Supplier shall be responsible of all acts and omissions by the Supplier's subcontractor as if the acts or omissions were carried out by the Supplier itself.

## 15 Confidentiality and Intellectual Property Rights

15.1 During the duration of the commercial relationship between VESTAS and Supplier and five (5) years after termination hereof both Parties shall treat all technical and commercial information, which have been disclosed by either Party to the other Party in confidentiality or becomes known to the Supplier within the context or on the occasion of the provision of its services, including information of VESTAS as well as information of VESTAS' customer, and the receiving Party shall not copy, disclose or otherwise use such documents and information for any other purposes than for fulfilling the Contract between VESTAS and Supplier. Supplier shall at request of VESTAS return any documentation to VESTAS or destroy it.

15.2 The Supplier shall ensure that any subcontractor approved by VESTAS in accordance with clause 14.1 has signed a binding undertaking to be bound by the confidentiality obligations of these General Purchasing Terms or similar terms, before any confidential information from VESTAS is disclosed to this subcontractor.

15.3 Any and all intellectual property rights ("IPR") and/or know-how furnished by either Party (Owner) to the other Party (Recipient) may not be used for purposes other than performance of the Contract without express written approval of Owner. Owner shall retain all of the above-mentioned IPR and no ownership of any kind passes to Recipient, unless explicitly agreed in writing by the authorized representatives of the Parties. Notwithstanding the above, VESTAS shall be the sole and unlimited owner of all IPR in or to Products to the extent such Products are customized for VESTAS based on VESTAS' specifications.

15.4 Supplier warrants that it owns all right, title and interest in, to and under all IPR concerning the Products and/or possesses valid, transferable, irrevocable, perpetual and world-wide licenses to relevant IPR owned by third parties entitling Supplier and VESTAS to exploit such third party IPR in the Products, the production process or otherwise without limitation.

15.5 If a third party asserts a claim against VESTAS based on alleged infringement of an IPR by the Products, Supplier shall indemnify VESTAS and hold VESTAS harmless from and against any liability in claims and defence of claims damages or costs awarded in any infringement suit or other action against VESTAS and/or VESTAS' end-customers. Supplier shall thus indemnify and hold VESTAS harmless from and against any cost or loss suffered by VESTAS due to such actual or potential infringement.

15.6 Supplier shall not use trademarks or trade names owned or used by the VESTAS Group or pictures of installed VESTAS WTGs as reference in sales brochures, press releases, or any other material used for general promotion purposes, unless such material is reviewed and explicitly approved in writing by VESTAS prior to such use.

15.7 Any tools and/or documents transferred by the VESTAS Group to Supplier enabling Supplier to manufacture the Products, shall at all times while being in Supplier's possession be clearly marked "Property of VESTAS" in a non-erasable manner. Such tools and/or documents shall be kept and used at Supplier's own risk and liability, and Supplier will at own costs secure that they are properly insured. The tools and/or documents shall be returned immediately to VESTAS upon VESTAS' demand.

## 16 Safety, Quality, Export control laws, Environment and Audit

Classification: Public



- 16.1 Supplier shall ensure that any person engaged by the Supplier observes, all health and safety rules and regulations and any security requirements that apply at the locations where the Products are delivered irrespective if these are set out by VESTAS or according to applicable law.
- 16.2 Supplier is obligated to ensure that chemicals and materials involved in Products delivered to VESTAS fulfil the requirements stated in the Material Blacklist which can be found on: <http://www.VESTAS.com>, including providing safety data sheets of materials and updates hereto to VESTAS in accordance with local legal requirements prior to first delivery.
- 16.3 Supplier shall not source conflict minerals emanating from mining operations in conflict affected and high-risk areas, hereunder from the Democratic Republic of the Congo and adjoining countries.
- 16.4 Supplier shall conduct its business and act in an environmentally responsible manner, including work to prevent accidental releases of hazardous materials.
- 16.5 The Contract shall at all times be subject to and conditioned upon compliance with US, UN and EU export control laws, conventions and trade regulations and any amendments thereto to which both VESTAS and Supplier thus agrees to comply with. Supplier shall advise VESTAS in writing as early as possible, of any information and data relevant for VESTAS to fully comply with all US, UN and EU export control laws, conventions and trade regulations and any amendments thereto.
- 16.6 Supplier is obligated to act in a responsible manner and comply with VESTAS' Business Partner Code of Conduct, which can be found on: <https://www.vestas.com/en/about/partnering>
- 16.7 VESTAS is entitled to conduct audits of Supplier and Supplier's operations in order to verify Supplier's compliance with its obligations towards VESTAS.

## 17 Termination

- 17.1 Either Party may without liability terminate the Contract by written notice to the other Party with immediate effect (i) as a result of the other Party's material breach of the Contract, provided the breach has not been remedied within ten (10) days of receipt of notice of such breach; (ii) if the Supplier is in material breach of VESTAS' Business Partner Code of Conduct as referred to in clause 16.6; (iii) if the other Party suspends payment and/or a trustee or receiver is appointed by a court for all or a substantial portion of the assets of the other Party; (iv) if the other Party is wound up, files a voluntary petition in bankruptcy, is adjudicated bankrupt and/or a court assumes jurisdiction of the assets of the other Party under any relevant insolvency legislation; (v) if the other Party is dissolved or liquidated or (vi) if the other Party is guilty of gross negligence, fraud or wilful misconduct.

## 18 Force Majeure

- 18.1 In case of force majeure defined as an event (i) beyond the control of and (ii) which could not reasonably have been foreseen, avoided, limited or overcome by the Party claiming force majeure, the Parties shall be entitled to postpone their obligations under the Contract between them until the force majeure situation has ceased. In case the force majeure situation is not expected to be brought to an end within twenty (20) days, the other Party is entitled to terminate the Contract.

## 19 Disputes and Applicable law

- 19.1 Each of the Parties hereby irrevocably consents and agrees that any legal action or proceedings brought against any party to this Contract or otherwise arising out of or relating to this Contract shall be brought in the United States or Oregon state courts located in Portland, Oregon and by execution and delivery of this Contract, each of the Parties hereby (i) accepts the jurisdiction of the foregoing courts for such purposes, (ii) irrevocably agrees to be bound by any final judgment (after any appeal) of any such court with respect thereto, and (iii) irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceedings with respect hereto brought in any such court, and further irrevocably waives to the fullest extent permitted by law any claim that any such suit, action or proceedings brought in any such court has been brought in an inconvenient forum.
- 19.2 The Contract between the Parties including these General Purchasing Terms shall be construed and governed in accordance with the laws of the state of Oregon (rules on choice of law shall not apply) and excluding in full the United Nations' Convention on the International Sales of Goods "CISG".

## 20 Waiver

- 20.1 A Party's failure to enforce any of the provisions of the Contract or any rights with respect thereto or failure to exercise any election provided for herein shall in no way be considered a waiver of such provisions, rights or elections or in any way affect the validity of these General Purchasing Terms.

## 21 Personal Data Protection

- 21.1 The Parties will as part of their contractual relationship and to perform their respective obligations under the Agreement only share personal data about certain employees or third parties engaged by either Party whom are working to fulfil the Agreement.
- 21.2 Vestas and the Supplier, as applicable, will collect and process the personal data as data controllers.
- 21.3 The Parties acknowledge and agrees that they will provide all of its employees and/or third parties engaged by the Parties, as applicable, whom are working to fulfil the Agreement, with information about the other Party's collection and processing of their personal data.
- 21.4 Such information must comply with applicable data protection laws, including Article 13 and 14 of the General Data Protection Regulation. Either Party will defend and indemnify the other Party from and against all claims raised by an employee or third party engaged by the Party due to the Party's non-compliance with this Clause 21.
- 21.5 To the extent Supplier acts for VESTAS as a data processor the Parties shall enter into a Data Processing Agreement in compliance with applicable data protection laws.
- 21.6 If applicable, VESTAS and/or Supplier must comply with any requirements established by any data protection authority or any other governmental authorities necessary for the granting of approval by such authorities for the transfer of personal data outside of the EEA, including by facilitating the conclusion of the Commission's standard contractual clauses as set out by Commission Decision of 5 February 2010 with later amendments (the "Model Clauses").

## 22 Invalid provisions

22.1 Should any of these General Purchasing Terms or any specific terms agreed between VESTAS and Supplier be declared invalid, the remainder of these General Purchasing Terms and specific terms shall continue unaffected thereby, and the

Parties shall agree on replacement terms, which to the extent possible shall express the initial intention of the Parties.

## SERVICES

All the above-mentioned clauses regarding Goods shall apply to the supply of Services and/or Deliverables (as defined below) with the following exceptions and changes:

“Products” shall be replaced with “Services”, where mentioned in the above stated clauses, unless otherwise stated below.

Clause 1.1 is replaced with:

These General Purchasing Terms for Services (“General Purchasing Terms”) shall apply to and govern the purchase and supply of services (“Services”) and the delivery of documents, products and materials as part of or in relation to the Services in any form or media, including without limitation drawings, maps, plans, diagrams, designs, pictures, computer programs, data, specifications and reports and their drafts (“Deliverables”) as set out in the purchase order (“PO”) to which these terms are attached.

The entire clause 4 is replaced with:

## 4 Prices and Taxes

4.1 VESTAS shall pay the prices for the Services set out in the Contract. The prices shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.

4.2 If the Parties have agreed in a Contract, that VESTAS shall pay a fixed price for the Services, VESTAS shall pay this price without regard to actual consumption of the time and materials used by the Supplier.

4.3 If the Parties have agreed in a Contract that VESTAS shall pay a price based on the Supplier's actual consumption of time and material, the Supplier shall provide a fee estimate of the estimated time and material of the delivery, which shall be approved by VESTAS in advance. The Supplier shall provide VESTAS in writing with a revised fee estimate, if the fee estimate is exceeded or there is a material risk that it will be exceeded. The Supplier shall not be entitled to any payment exceeding the fee estimate, unless this has been accepted by VESTAS in writing.

4.4 Only actual and effective time spent working for VESTAS (excluding e.g. time spend of travelling, longer breaks, lunch time) may be charged by the Supplier.

4.5 Supplier shall pay all taxes (including taxes based upon its income) or levies imposed by law, regulations and/or tax treaties on Supplier, its employees or its consultants as a result of the Contract and payments made thereunder.

4.6 All fees and hourly rates quoted by Supplier shall include and specify all applicable taxes to be withheld or deducted by VESTAS from payments to Supplier, including but not limited to any gross taxes and/or worker's contribution or social benefit taxes. Should any tax authority under applicable law consider Supplier's Services – partially or in full – as hired labour or similar or on any other grounds levy such taxes as described in clauses 4.5 or 4.6 on VESTAS, Supplier will fully reimburse and indemnify VESTAS from and against any such taxes paid by VESTAS.

The entire clause 7 is replaced with:

## 7 Supply, Delivery and Delay

7.1 The agreed milestones, completion dates and dates of supply of Service and/or delivery of Deliverables agreed with VESTAS must be observed at all times. Partial supply of Services and/or partial delivery of Deliverables are permitted only, if agreed in writing.

7.2 Terms of supply and/or delivery and place of delivery will be set out in the PO placed by VESTAS. The Supplier understands and acknowledges that proper delivery at the agreed time of delivery is of the essence to VESTAS.

7.3 All services output material, quality documents, instructions and other certificates being necessary or required by VESTAS for Supplier to properly fulfil its obligations under the Agreement between VESTAS and Supplier, shall be dispatched to VESTAS on the date of completion of the Services. Any delay in delivery of the above documents is considered as a delay of the Services to be delivered.

7.4 If the Services and/or Deliverables cf. above are not delivered at the agreed time of delivery and this is not due to (i) an event of force majeure, cf. clause 18 below, or (ii) reasons for which VESTAS is in all material aspects responsible, VESTAS is entitled to claim liquidated damages from the date on which supply and/or delivery should have taken place. The liquidated damages for delay in delivery shall be payable at a rate of two per cent (2%) of the purchase price of the delayed Services for each commenced day of delay. The liquidated damages shall not exceed twenty per cent (20%) of the purchase price of the delayed Services. The liquidated damages become due on VESTAS' written demand.

7.5 Supplier acknowledges and agrees that any amounts which shall be payable under clause 7.6 shall be in the nature of liquidated damages, and not a penalty, and are fair and reasonable under the circumstances and represent a reasonable estimate of fair compensation for the damages that may reasonably be anticipated by the Parties to result from any delay in performance under this Contract. The payment of such liquidated damages by Supplier, together with VESTAS's right to terminate cf. Clause 17.1 below, shall be VESTAS's sole and exclusive remedies with respect to such delayed delivery by Supplier.

The entire clause 8 is replaced with:

## 8 Warranty, Defects and Indemnification

8.1 For the period set out in clause 8.2, the Supplier warrants that Services and any materials provided by Supplier for or as part of performing the Service and or Deliverables are (i) fit for the purpose for which they are provided; (ii) are performed and/or supplied with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade; (iii) conform with all descriptions and specifications set out in the PO and that Deliverables shall be fit for any purpose expressly or impliedly made known to the Supplier by VESTAS; (iv) use the best quality goods, materials, standards and techniques, and ensure that the Deliverables and all materials used in the Services are free from defects and any third party rights eliminating or diminishing their value or their fitness for normal use and (v) complies with applicable laws and standards and meet VESTAS' requirements and general

standards of performance and use. Breach of this warranty will hereinafter be referred to as a "Defect".

8.2 The warranty for the Services, the services output material and Deliverables set out in 8.1 shall be five (5) years from the delivery ("Warranty Period"). The foregoing shall not limit or be regarded as a waiver of any right or remedy that VESTAS is otherwise entitled to under applicable law after the expiration of the Warranty Period.

8.3 VESTAS shall within reasonable time give Supplier written notice of any Defects in the Service and/or Deliverable after having become aware thereof. If during the Warranty Period any Defect should be found in the Services and/or the services output material and/or Deliverables delivered by the Supplier, the Supplier shall promptly at its own costs, in consultation and agreement with VESTAS regarding appropriate remedying measures, remedy the defective Services or the services output material as well as be responsible for any damage or loss to VESTAS caused by such Defect, including costs for dismounting and mounting of equipment/ products installed in the VESTAS' wind turbine generators (WTG), which must be removed in order to repair or remedy the defective Services and costs arising from land, air and sea transport for remedying or replacing defective Services and/or Deliverables. Should Supplier fail to fulfil this

obligation or should the circumstances so require, VESTAS may proceed to remedy the defective, inadequate or non-contractual Services and/or Deliverables itself or employ a third party to do so at Supplier's risk and expense. Should Supplier have failed to observe the obligation to remedy within a reasonable period fixed for him, VESTAS will have the right to terminate the Contract according to which the Services have been delivered and claim compensation for any loss suffered due to Supplier's non-fulfilment of its obligations to remedy within a reasonable time as fixed by VESTAS.

8.4 The Supplier represents and warrants that the Services carried out and/or Deliverables are in compliance with and shall continue to comply with, all applicable laws, ordinances, rules, regulations, and lawful orders of public authorities of any jurisdiction in which the Services shall be performed.

8.5 The Supplier shall be responsible for its own personnel and shall indemnify and hold VESTAS harmless for all expenses, claims and causes of action resulting from or relating to bodily harm and injury (including fatal harm or injury) to such personnel. This indemnity shall also apply to claims based on tort, contract or strict liability.