

ØGLÆND SYSTEM AS**GENERAL SUPPLY TERMS AND CONDITIONS****1. Application**

The following terms and conditions (“General Supply Terms and Conditions”) shall apply exclusively for the supply of goods and/or services from the Supplier, unless otherwise agreed in the contract.

The Purchaser confirms that it has received, carefully studied and accepts all stipulations of these General Supply Terms and Conditions,

2. Scope of supply

The supply encompasses equipment in accordance with the relevant specification provided by the Supplier, even if minor parts within the framework of the supply and that naturally belong to the supply, are not expressly stated in the specification or are evident from the associated drawings.

3. Price

Unless otherwise agreed, the price includes all customs duties, taxes and other fees.

In the event of amendments to customs, taxation or duty regulations that form a basis for the contract price, or significant increase to inflation or steel prices to the Supplier, the price shall be amended correspondingly.

4. Payment

For advance and future payments, payment shall be due within 14 calendar days after the payment dates that are determined in the invoice issued by the Supplier.

Invoices (including the final invoice) are due for payment on completion of the supply. Unless otherwise agreed, payments shall be due without deduction 30 days after the date of invoice.

Late payments will incur interest in accordance with Norwegian Act relating to Interest on Overdue Payments (“Forsinkelsesrenteloven”).

5. Delivery and transfer of ownership

All goods and materials supplied by the Supplier will be delivered to the location set out in the purchase order, unless otherwise agreed by the parties.

INCOTERMS 2010 shall apply unless agreed otherwise by the parties. Export orders shall be delivered Free Carrier (premises nominated by the Supplier) save that the supplier shall have no obligation to obtain any export licence or clearance required.

All times and dates given for the delivery of goods are intended to be estimates only.

The Supplier holds the risk for all goods supplied until handover/supply. The goods will become the Purchaser’s property on delivery to the agreed location.



The Purchaser is obliged to examine the goods on receipt. The Purchaser must notify the Supplier in writing if any defects or faults are discovered, including transport damage, at the latest 7 (seven) days after receipt. If the Purchaser fails to do so, it will lose the right to claim defects that could or ought to have been discovered on investigation when the material was received by the Purchaser.

All fasteners (screws, nuts, washers etc.) are counted by counting weight, according to given procedure, from our subcontractor. Non-conformance in numbers under plus / minus 3 % will therefore not be accepted.

A lien (security) in the delivered goods for any claims on the purchase sum, with the addition of interest and charges, may be agreed between the parties.

6. Delays/postponement - Purchaser

The Supplier has the right to extend the supply time, corresponding to the time period that he has been delayed in performing work due to any delay in receiving the correct information from the Purchaser, necessary for supply of the equipment.

The Supplier shall immediately provide the Purchaser with a written notification regarding all delays and increases in costs that he has reason to believe will occur.

7. Delays - Supplier

The Supplier will not be liable to the Purchaser for any delay in the delivery or any part of the order due to reasons brought about by the Supplier.

8. Liability for injury/damage to persons and objects

The Supplier is responsible for any damage to property belonging to the Purchaser that is caused by negligence by the Supplier or another party he is responsible for as part of the supply. Under the same terms and conditions, the Supplier is liable in relation to the Purchaser for personal injuries.

The Supplier, in performing the supply, must be covered by insurance for liability for damage/injury to a third party's (including the Purchaser's) property and to persons, including product liability, for a liability that shall be no less than NOK 1 million per incidence of damage/injury. The Supplier's liability is limited to the insurance policy's value.

9. Return of surplus materials

The Supplier may agree to re-purchase up to a maximum of 20% of the amount of goods for a maximum 80% of the sales price for the particular type of goods.

The conditions on which the Supplier may re-purchase goods from the Purchaser are that:

- a) the goods are of the goods category type = A, which means that the articles are in stock; and
- b) the goods are of good quality and are saleable without further cleaning or other form of processing (goods volumes that the Purchaser wishes to resell to the seller beyond 20% of each goods type must be agreed in each case, and the seller is free to refrain from re-purchasing the goods).



The Purchaser is responsible for returning the goods back to the seller, to the Supplier's sales location, in accordance with the supply terms and conditions DDP Incoterms 2010 (at no cost to the Supplier).

10. Warranty and defects

In case Supplier performs warranty work during the warranty period, the Supplier warrant those parts of the supply affected by such warranty work. This warranty applies for 1 year after the date of completion of such warranty work, unless the remaining part of the original warranty period is longer. The Supplier shall, at his own expense and at no cost to the Purchaser, replace or repair the defect parts that are necessary to bring that part to compliance with the specification issued by the Supplier.

A defect is not said to exist if the material is supplied in accordance with general industry standards, applicable legislation and regulations. Further, the Supplier is not liable for faults and defects that are caused by wilful damage or by storage, assembly or installation not being performed in accordance with applicable standards and instructions.

The Supplier is liable for ensuring that the supply is carried out to a professional standard and in accordance with the specification issued by the Supplier. The Supplier is obliged to rectify all faults that are caused by defects in construction, materials or manufacture, in accordance with the determined specifications.

If the supply cannot be brought into compliance with the specification issued by the Supplier by replacement within a reasonable time, the Purchaser has the right to cancel the purchase, relating to the part of the supply that cannot be used as intended as a result of the Supplier's omission. The Purchaser, in such case, can claim compensation for losses, limited upwards to 15% of the purchase sum for the cancelled part of the supply.

If rectification of faults/defects on the supplied material will require disproportionate amounts of work or will lead to expense that exceeds the contract value of the faults/defective material, the customer cannot demand that repair is carried out, or the expense of such repair compensated.

11. Liability

The Supplier does not have any liability for damage to property and chattel that occurs whilst the supply is in the Purchaser's possession. The Supplier shall not be liable for damage to Purchaser's product and/or property to which the supply is incorporated, or to products that these are a part of.

The Supplier, regardless or any other regulation, shall not be liable for indirect losses incurred as stated in the Norwegian Sale of Goods Act ("Kjøpsloven") section 67, paragraph 2 and 3, nor any other consequential losses such as, but not limited to, costs for works, daily penalties, damage/injury compensation, lease losses or losses of income, goodwill, assignments or opportunities incurred by the customer, regardless of cause and regardless of how these have occurred.

Except as expressly provided in these General Supply Terms and Conditions, all warranties, conditions, guarantees or other terms implied by statute, common law, custom usage or otherwise are excluded to the fullest extent permitted by law.

The maximum cumulative liability of Supplier to Purchaser for breach of contract shall be limited to 100% of the purchase order.



These limitations on the Supplier's liabilities do not apply if the Supplier has been found to have been grossly negligent.

12. Force majeure (grounds for exemption)

The following circumstances shall be considered to be force majeure, if they occur after the contract has been signed and prevent the fulfilment of the contract: War, riot or civil unrest, policies introduced by public authorities, natural disasters, failure in the public power supply or in normal communications, significant labour disputes, fire or other circumstance of a similar nature and radical significance.

The Supplier has the right to extend the supply time, corresponding to the time period that the work has been delayed, in the event of force majeure, affecting itself or its subcontractors.

The Supplier must, immediately after a delay as stated above has occurred, or as soon as he is aware that a delay will occur, give a written notification and provide all necessary information.

13. Intellectual Property

Any intellectual property created by the Supplier in the course of supply under these General Supply Terms and Conditions or otherwise in the design, manufacture, drawings or supply of goods or services shall remain the property of the Supplier. Nothing in these General Supply Terms and Conditions shall be deemed to grant to Purchaser a licence or any other right to use the intellectual property of the Supplier or its group of companies. All rights in its logos, tradenames or trademarks are owned by the Supplier or its group of companies and are strictly reserved.

14. Confidentially

All information exchanged between the parties shall be treated as confidential and shall not be disclosed to third parties without the other party's written permission, unless such information:

- a) is already known to the party in question at the time the information was received, or
- b) is or becomes part of the public domain other than through a fault of Supplier or Purchaser, or
- c) is rightfully received from a third party, without obligation of confidentiality.

Each of the parties may, however, use or disclose confidential information to a third party, to the extent necessary for the performance of and control of the supply of goods and/or services. In such cases the parties shall ensure that the third party signs a written confidentiality agreement in at least as stringent as under these General Supply Terms and Conditions.

Nevertheless, the provisions of this article shall not prevent a party from disclosing confidential information to relevant authorities or a third party, according to the applicable law.

15. Law and Jurisdiction

These General Supply Terms and Conditions and any resulting contract between the supplier and the Purchaser, and any disputes or claims arising in connection with it, (whether contractual or non contractual) shall be governed by and construed in accordance with Norwegian law.

Disputes arising in connection with or as a result of these General Supply Terms and Conditions, and which are not resolved by mutual agreement, shall be settled by court proceedings unless the parties agree otherwise. Any court proceeding shall be brought before Stavanger district court.