

Sales and delivery terms Rev. Nov. 2021

1. Scope

These sales and delivery terms apply to all deliveries made by Westcontrol AS or Westcontrol Robertsen AS (hereinafter referred to as "Westcontrol" or "Seller") to a buyer (hereinafter referred to as "Buyer"), unless otherwise expressly agreed in writing between the parties. An agreement shall be considered entered into when Seller issues an order confirmation. These sales and delivery terms, together with Seller's order confirmation, constitute the entire agreement regarding the delivery from Seller to Buyer. These sales and delivery terms shall apply in full and have priority over all other terms/conditions which Buyer may have included reference to, or published etc., in connection with entering into agreement with Seller. Additions to or deviations from these sales and delivery terms, are only binding if explicitly agreed in writing between the parties.

2. Drawings and other documents

To the extent that Seller provides any documentation, such documentation shall be considered as guidance, unless otherwise explicitly agreed between the parties.

Received drawings, other technical documents or technical information cannot be used without Seller's consent for any purpose than the delivery. Nor shall such documentation be copied, reproduced, handed to third parties or otherwise brought to their knowledge without Seller's consent. Any production material, produced by Seller for deliveries to Buyer, shall be, and continue to remain, the sole property of Seller.

3. Price

Buyer shall pay Seller the full price as stated in the order confirmation. Prices are based on customs tariff, fees, exchange rates and international commodity prices applicable at the time the agreement was entered into. Seller reserves the right to adjust the prices in the event of a change to said conditions, and also if any environmental charges apply after the agreement has been entered into. Value added tax is not included in the prices. Costs for transportation, storage, packaging etc., are additional to the price, unless specifically stated as included.

4. Payment terms

Payment term is 30 days from invoice date. Deliveries are to be invoiced after delivery or following agreed instalments. In the event of delayed payment, Seller is entitled to interests in accordance with the Norwegian act related to interest on overdue payment. In the event of late payment, Seller has, after giving notice to Buyer, the right to stop its work until payment is made or satisfactory security for payment has been provided by Buyer. Buyer is not entitled to set off any disputed claims against Seller's claim for payment.

5. Sales liens

The Seller has a lien in the delivery as security for Seller's claim for the purchase price, until the purchase price together with applicable interests and other related costs are paid.

6. Delivery and transfer of risk

Delivery shall occur in accordance with Incoterms 2020 and "Ex Works", which means that the delivery is considered delivered by Seller when making the delivery available to Buyer at Seller's premises at the time of delivery, unless another place of delivery has been specifically agreed between the parties. Buyer carries all liability and risk for the delivery from the time of delivery. Buyer shall also carry all costs associated with storage, loading and further transportation after the time of delivery.

7. Delay

Buyer is not entitled to make any claims due to Seller's delay.

8. Defects and duty to inspect

Buyer shall inspect the delivery without undue delay after delivery in order to clarify whether there exist any defects or similar. Buyer shall notify Seller of any defects in writing without undue delay after having discovered a defect, or after a defect ought to have been discovered. Such notice must be given at the latest within the expiry of the guarantee period as stated below.

9. Surplus components and obsolescence

In case of changes or termination of production, Buyer commits to purchase any remaining stock of articles used solely for production for Buyer. The inventory of surplus components and any obsolescence shall be considered and settled by the end of each 12-month period, unless otherwise agreed.

10. Cancellation/annulment

Any cancellation or annulment of a delivery and an agreement is only possible subject to a written consent from Seller.

11. Warranty

The warranty period is one year from the time of delivery and covers material and manufacturing defects. The warranty is subject to Buyer having fulfilled its payment obligations. Seller's liability under this warranty is in any case limited to repair and replacement of parts in the delivery. Any warranty work will be carried out in Seller's production facilities at Tau and Egersund, within Seller's ordinary working hours. Deficient parts which are replaced, become the property of Seller. The warranty does not apply to normal wear and tear or defects caused by materials provided by Buyer or by instructions which Buyer has prescribed or specified.

The warranty lapses if the delivery is damaged due to: (i) user guidance not being followed (although these are for guidance only), (ii) unauthorized treatment and/or defective maintenance on the part of Buyer; and/or (iii) if Buyer makes changes or modifications to the delivery. If there are no defect for which Seller is responsible, Seller is entitled to compensation for work and costs which Seller has incurred in relation hereto.

12. Liability

Both parties shall indemnify the other party from indirect losses and damage to each other's personnel or property, regardless of any liability, whether strict or by negligence, in whatever form. Indirect losses include, but is not limited to, operating loss, deprivation loss, loss of revenue and other financial consequential losses. Seller has no liability unless otherwise explicitly stated in these sales and delivery terms.

Notwithstanding anything to the contrary, Seller's total liability is in any case limited to the cost of the applicable delivery price.

13. Force Majeure

Neither parties shall be considered in breach of an obligation to the extent that the party can establish that fulfilment of the obligation has been prevented by force majeure. Force majeure means an occurrence beyond the control of the party affected, provided that such party could not reasonably have foreseen such occurrence at the time of entering into the contract and could not reasonably have avoided or overcome it or its consequences. The party invoking force majeure shall, as soon as possible, notify the other party of the force majeure situation. Seller is entitled to a schedule extension in so far the delivery is delayed due to force majeure.

If the force majeure situation causes an inconvenience to Seller that is in significant disproportion to Buyer's interest, Seller has the right to cancel the affected delivery.

14. Confidentiality

All information exchanged between the parties shall be considered confidential, be held in confidence and not be disclosed to third parties without the written consent of the other party. A party may however make such information available to third parties who already have lawful possession of the information, or if such information is or will be in the public domain other than by fault of any of the parties, or such information is received from third parties in a lawful manner without an obligation of confidentiality. However, each party may use or disclose confidential information to third parties to the extent this is necessary to perform and control the work and to make use of the delivery. If so, the parties shall ensure that such third parties are bound by a confidentiality obligation corresponding to these terms.

15. Product liability

Seller disclaims any liability for damage caused by the delivery and the products delivered, including the consequences of such damage. Buyer shall indemnify Seller for any claim arising from alleged infringement of patent or other intellectual property rights in connection with the delivery, to the extent that such claims are a result of specifications, documentation, etc. prescribed by Buyer.

16. Disputes, legal venue and applicable law

These sales and delivery terms shall be governed by and interpreted in accordance with Norwegian law. Disputes that may arise between the parties, shall be attempted resolved by negotiations. If no agreement is reached between the parties in negotiations, each party may bring the dispute to the District Court of Sør-Rogaland, as agreed legal venue.