

Hans H. Schive AS, GENERAL TERMS AND CONDITIONS

1. The following terms and conditions are Hans H. Schive AS (SELLER) standard Sales Terms and Conditions). Additionally, the general Terms of Delivery described in «NL-17 General Conditions» apply. This document was issued by the organisations for the engineering industries in Denmark, Finland, Norway and Sweden for the Supply of Machinery and other Mechanical, Electrical and Electronic Equipment. In case of conflict between this SCHIVE Terms & Conditions and NL-17, this terms & conditions will prevail.

2. Terms of Delivery & Payment

Delivery is EXW Asker (Incoterms 2010), agreed prices are ex. VAT. The products and/or services shall be delivered from SELLER according to dates given in SELLERS Order Confirmation. Payment shall be made 30 calendar days from the Invoice date as per payment milestones and schedule agreed upon. In case of delay of payment, the Seller is entitled to interests according to Norwegian Act on Overdue Payment 19. Dec. 1976 no. 100 § 3 first paragraph. According to Norwegian Act of Lien § 3-14 to 3-22 the Product is the property of the Seller until the payment is made in full including interests, if any.

3. Delays

If SELLER find that delivery cannot be made on time, or that the delay must be considered likely, the SELLER will as soon as possible inform the BUYER in writing about the possible delay, stating the reason for the delay and if possible confirming when expected delivery will take place. SELLER is not responsible for delays caused by the BUYER.

4. Price adjustments

Changes in raw material prices, component and manufacturing cost, which increases the cost incurred by the Seller for fulfilling this Agreement, of the contractual products(s) may allow price adjustments. Seller will in writing give a one-month notice informing the Buyer about the price change. If the Buyer makes changes to number of units, delivery times or product specification, this shall be notified the Seller immediately. The Seller has the right to adjust the prices if the changes affects Seller product, delivery and/or engineering cost and invoice the costs related to the change process. Seller shall actively seek reduced costs through supplier negotiations, evaluation of alternative components or suppliers and continuous improvement. Changes in currency exchange rates on purchased materials will affect price increase or reduction on prices given in NOK from the Seller to the Buyer. For prices offered in foreign currencies, the official exchange rate published by of the central bank of Norway on the invoice date will be used. The SELLER reserves the right to re-calculate the operation times for the product and adjust the prices with 1-month notification. The Parties can require price adjustment due to changes in governmental tariffs and taxes that may become effective after the contract signing and before delivery of the product.

5. Prognoses

To ensure an optimal supply chain, the parties can agree that BUYER prepares a monthly rolling forecast for BUYERs needs during the next 12 months divided into months. SELLER will use the forecast to take necessary actions like purchases or other activities that ensure sufficient capacity to meet BUYER expectations

6. Specifications and Documentations

BUYER requirements are given from BUYER in written. Any consequences caused by changes, which affect the agreement, are not part of SELLER's responsibility. SELLER's performance shall be performed according to specifications and standards and shall be documented in own documentation, contract or annex. Any changes in the contractual scope shall be presented by BUYER in writing through change request. SELLER shall within 10 days after receiving notice of change, inform the BUYER of possible positive or negative consequences of the changes. All change request shall be archived at SELLER.

7. Annual Volume

If the BUYERs annual purchase is less than the contracted volume, SELLER reserves the right to invoice actual additional costs due to the decreased purchase.

8. Cancellations and changes

Purchase order from BUYER, if confirmed by the SELLER, is a binding agreement and can only be cancelled by the written acceptance from SELLER. Any adjustments of the quantities or delivery times must be

notified in writing to

SELLER. If the adjustments made affect prices, SELLER reserves the right to adjust or compensate for these.

9. Ownership and Risk

According to Act of lien § 3-14 to 3-22 the SELLER remains the owner of the goods or services affected by the Contract of sale until the SELLER has been paid in full for such goods or services, or both. BUYER shall bear the economic responsibility for all material the SELLER has on stock, under order or otherwise acquired for covering the Buyers Purchase Orders or Prognoses. When invoicing surplus material, the sales price will be increased by 15% to cover costs related to purchasing, storage and handling for the Seller. The Buyer accepts Variation Notifications or other changes may lead to increased costs, and the Buyer is willing to accept and cover these costs. If the Variation Request leads to extra costs or the Variation request is not possible to perform, the Seller shall as soon as possible notify the Buyer. The Parties shall then seek to agree on a new prognosis and subsequent cost.

10. Liability for Damage

Damage to property Paragraph 35 in NL-17 applies with any variations mentioned in chapters 5.2 – 5.6 below.

LIABILITY FOR INJURY OR DEATH BUYER and SELLER shall indemnify, defend and hold the other Party harmless from and against all claims concerning Personal injury to or loss of life of any BUYER or SELLER employee, agents, contractors or employees at a sub-supplier and Loss or damage to the property of Buyer or Seller employee, agents, contractors or employees at a sub-supplier arising out of or relating to the Agreement or as consequence of it, regardless of reason including but not restricted by own or subsidiary negligence by the BUYER or SELLER. **LIABILITY FOR INJURY OR DEATH THIRD PARTY** Buyer assumes responsibility for, shall defend and hold Seller harmless from and against all claims, losses, expenses, injuries and costs of all kinds and natures, with reference to injury or illness, accident or death of a third party arising out of or relating to the Agreement or as consequence of it, except if the Seller has shown will full misconduct, statutory breach of duty or gross negligence. In any circumstance, the full extent of the Seller's responsibility is limited by Seller's insurance policy. **Insurance coverage** SELLER and BUYER shall both sign and maintain and can towards the other demand that any sub-suppliers on any level do the same, insurance policies with insurance companies satisfying for Buyer and Seller regarding the exposure towards responsibility both are subject to as dictated by this Agreement. The SELLER is not insured in USA or Canada. If the delivery shall be forwarded to USA or Canada, the BUYER is obliged to notify the SELLER in order for the SELLER to purchase sufficient insurance. It shall be the BUYER's responsibility to buy insurance in such cases that provide full coverage, and BUYER is obliged to produce the insurance documentation proving this. **IN CASE OF DAMAGE, INJURY OR LOSS** SELLER and BUYER are mutually obliged to open to be sued by the court of law or arbitration court processing a claim towards one of them, based on damage or injury or a loss caused by the Delivery. Disputes between the Seller and Buyer shall always be settled by arbitration according to paragraph 39 of NL-17. **INDEMNITY AFTER PRODUCT DELIVERY** After Delivery, the Buyer shall indemnify the Seller from any claim concerning loss or damage suffered by anyone concerning bodily injury or death, property damage or pollution caused by the product in its lifetime. Further, the Buyer shall be in any event be responsible for and shall indemnify, defend and hold harmless SELLER from and against any claim from any third party related to loss of profits, loss of use, loss of production, loss of contract or any other indirect or consequential loss that may be suffered as a result of defects in the works or the Sellers failure to perform the work according to the requirements of the contract.

11. Warranty and complaint procedure

BUYER to claim via post@schive.no BUYER is responsible for return of goods to SELLER. After approval SELLER will replace the claim with new or repaired item. If the complaint is rejected, the SELLER is entitled to invoice BUYER for costs the SELLER has incurred.

12. Law and Arbitration

The agreement between BUYER and SELLER shall be governed and interpreted in accordance with Norwegian Law. The place of arbitration is Asker and Bærum District Court. Any dispute arising due to the Agreement or in connection to the Agreement shall first be sought settled by negotiation. If the dispute cannot be settled by negotiation, then it shall be settled by arbitration by a judge appointed by Asker and Bærum District Court.