

VESTDAVIT GENERAL SALES CONDITIONS FOR GOODS AND SERVICES

All sales of products, including davits and spare parts (hereinafter called Goods), and/or services (hereinafter called Service (-s)) (hereinafter called together or separately Product (-s)) between the Purchaser and Supplier shall be subject to these Conditions. They have precedence over all other documents concerning the Product, including the Purchaser's purchase conditions if any, unless otherwise agreed in a document signed by the Purchaser and the Supplier or accepted in writing by the Supplier.

1. SUPPLIERS GENERAL OBLIGATIONS

Supplier shall ensure that the Goods and Services is performed and delivered in accordance with the specifications in the Contract.

Supplier shall have a documented, implemented, and auditable HSSE management system for the Goods and Services to be performed

2. ACCEPTANCE TEST

Any acceptance testing provided for in the Contract shall be carried out at the place of manufacture during normal working hours in accordance with relevant general industry practice, at the cost of the Supplier.

The Supplier shall notify the Purchaser within sufficient time to allow the Purchaser to be present at the testing. All Purchaser's costs related to participation at the testing shall be covered by the Purchaser.

If the acceptance tests clearly demonstrate that the Goods are not in accordance with the Contract, and this is due to the Supplier, the Supplier shall remedy the deficiencies without delay.

3. DELIVERY

Unless otherwise agreed in the Contract, delivery shall be made EXW, Incoterms 2020. The Goods shall remain the property of the Supplier until paid for in full. The retention of title shall not affect the passing of risk. At the request of the Supplier, the Purchaser shall assist with taking any necessary measures to protect Supplier's title.

The Supplier shall deliver the Goods and Services timely and in accordance with the agreed delivery date in the Contract.

If delivery is not made in accordance with the Contract, the Purchaser is entitled to liquidated damages from the date of which delivery should have been made, payable at a rate of 0,5% of the purchase price for each completed week of delay. The liquidated damages shall not exceed 7,5% of the purchase price. If only a part of the Goods is delayed, liquidated damages shall only be calculated on that part of the purchase price which is attributable to such part of the Goods as cannot in consequence of the delay be used as intended by the parties. Any claim for liquidated damages will be void if Supplier has not received a claim in writing for such damages from the Purchaser within 6 months after the time the delivery should have been made.

If the delay is caused by the act or omission or any other circumstances of the Purchaser or anyone the Purchaser is responsible for, or it is caused by Force Majeure, the delivery time shall be extended accordingly, regardless of whether such reason for delay occurs prior to or after the agreed delivery time. In such case the price of the contract shall be adjusted in order to cover the additional costs, including the increase of the costs of production of Goods. In case of a dispute on the amount of the increase of the costs of production, the price revision clause drafted by the United Nations Economic Commission for Europe shall apply (ref. supplementary clause ME/188bis/53).

If the delay is caused by the act or omission or any other circumstances of the Purchaser or anyone the Purchaser is responsible for the Purchaser shall proceed to pay as if such delay had not occurred, and the Purchaser shall defend, indemnify and hold the Supplier harmless from any claim following from such delay.

When the maximum liquidated damages is reached, the Purchaser may terminate the Contract by giving notice in writing. Upon termination Purchaser will not be entitled to the accrued liquidated damages.

Liquidated damages and termination of the Contract shall be the sole remedies available to the Purchaser for delay.

4. PAYMENT

Payment shall be made in accordance with the agreed payment plan and within 30 days after the date of the relevant invoice.

In case of late payment, the Purchaser shall pay overdue interest in accordance with the 2013 Norwegian Interest on Overdue Payment Act, without delay and upon Supplier's request present an on-demand bank guarantee for the remaining instalments, issued by a bank accepted by the Supplier or confirmed by Supplier's bank.

In case of late payment, and if the parties have an agreement on a retention warranty amount or a retention warranty bond, the agreement giving the Purchaser a right of retention shall automatically be cancelled.

In case of late payment, the Supplier shall have the right to postpone any delivery until payment of the overdue payment and presentation of the bank guarantee for the remaining parts of the payment.

In case of late payment, the Purchaser shall cover the entire costs of debt recovery, including legal costs, in addition to compensation for loss.

5. CHANGE ORDERS

When required by the end user or when it is necessary for improving the Goods, the Purchaser may request change of quality, quantity or characteristics of the Goods and change of the time schedule. A change shall be reasonable, i.e. not beyond what could reasonably have been expected at the date of the signature of the Order Confirmation.

The request shall be made in writing, and the Supplier shall respond within 10 business days,

In case of an increase of the work/order to be done by the Supplier, the Purchaser shall pay the additional costs on demand upon presentation of the additional invoice. The prices shall be according to the prices and labour costs at the date of the performance of the change order.

If the Supplier cannot perform the changes in the requested time, he shall inform the Purchaser without delay and propose another time limit. This time limit shall be deemed contracted unless the parties agree in writing on another time limit or the Purchaser withdraws his change order with immediate notice to the Supplier.

In case of a reduction of the work/order, the Supplier shall immediately cease production of the part of the order which can be ceased, use his best endeavours to reduce his costs and inform the Purchaser of the new price without undue delay.

The Purchaser shall pay for all the Supplier's costs which cannot be reduced. The Purchaser shall among other pay for all manufactured Goods on stock and performed Services, parts of Goods partly manufactured and all ordered components and materials. These costs include also the cost related to lay off and dismissal of personnel,

cancellation of sub-contracts which are necessary because of the change order and the administrative costs for performing the change order.

6. LIABILITY FOR DEFECTS

6.1 Warranty

The Supplier shall remedy any defect or lack of conformity resulting from faulty design, materials or workmanship ("Defects"), which appear within 12 months from delivery. The warranty does not cover Defects caused by circumstances, which arises after the risk has passed to the Purchaser, such as Defects due to faulty maintenance, incorrect installation or faulty repair by the Purchaser or due to alterations carried out without the Supplier's written consent. The Supplier is not liable for normal wear, tear and deterioration.

The Purchaser shall without undue delay notify the supplier in writing of any Defect which appears, with a description of the Defect. Failure to do so will result in the warranty being void. On receipt of such notice, the Supplier shall at his own cost remedy the Defect within reasonable time. When a Defect in a part of the Goods has been remedied, the Supplier's warranty for the remedied part of the Goods is extended for 12 months from the delivery of the remedied part.

Unless otherwise agreed in writing, the Purchaser shall cover the following costs when the Goods must be repaired in a place other than the place of the Supplier, i.e. Bergen, Norway: travel and living expenses of the persons performing the repair/replacement and travel and waiting time according to the "rates and conditions for service personnel". The Purchaser shall at his own expense provide access to the Goods and for any intervention, dismantling and reinstallation of equipment other than the Goods, to the extent that this is necessary to remedy the Defect.

Purchaser must himself, or through any third-party having control over the vessel, position and prepare the vessel for warranty repair by or on behalf of the Supplier. In case of delay and waiting time for the service personnel and the Purchaser shall cover all additional costs due to the delay, including labour costs for waiting time.

The Supplier shall not be liable for Defects arising out of materials provided or a design stipulated or specified by the Purchaser.

The Supplier shall only be liable for Defects which appear under the conditions of operation provided for in the Contract and under proper use of the Goods and Services.

Unless otherwise agreed in writing and in case of repair performed by the Purchaser or any third party not expressly appointed by the Supplier, the Supplier shall have neither responsibility nor liability for the repair, the consequences and the payment for the repair.

If the Supplier is unable to remedy the Defect within a reasonable time, the Purchaser may, after giving the Supplier prior written notice and a reasonable opportunity to respond, undertake or engage a third party to carry out necessary and reasonable repair work at the Supplier's expense, provided the Supplier has approved the scope and estimated cost of such work in writing (such approval not to be unreasonably withheld), and the Purchaser provides documentation of the Defect and repair upon completion

Where the Goods has not been successfully repaired the Purchaser shall be entitled to a reduction of the purchase price in proportion to the reduced value of the Goods, provided that under no circumstances shall such reduction exceed 15% of the purchase price, or where the Defect is so substantial as to significantly deprive the Purchaser of the benefit of the Contract as regards the Goods or a substantial part of it, the Purchaser may terminate the Contract by notice in writing in respect of

such part of the Goods as cannot in consequence of the Defect be used as intended by the parties. The Purchaser shall then be entitled to compensation for his direct loss up to a maximum of 15% of that part of the purchase price which is attributable to the part of the Goods in respect of which the Contract is terminated.

The above shall be the Purchaser's sole remedy for defects.

6.2 Unjustified Warranty Claim

A warranty claim is unjustified when the claim is not covered by the warranty. In case of repair of the Product, done by the Supplier or by a third party on behalf of the Supplier, related to an unjustified warranty claim from the Purchaser, the Supplier shall invoice the Purchaser for the cost of the repair and Purchaser must pay the costs including travelling and living expenses of the persons performing repair/replacement and the labour costs for working time and travel time.

If the Supplier thinks that the claim is unjustified because the defect in question is not covered by the warranty, the Supplier may ask for advance payment and the work for repair or replacement will not begin before receipt of the advance payment, without any liability for the Supplier. If the claim is proven justified the Supplier shall reimburse the Purchaser for the advance payment.

6.3 Handling of Defective Parts

Defective parts shall be stocked at the Purchaser's place at the Purchaser's expense for inspection by the Supplier. After a reasonable time, which shall not be less than 30 days, the Purchaser may request destruction of defective parts. However, the Purchaser shall not destroy these parts when the Supplier accepts to cover the storage expenses at cost or requests sending them at the Supplier's expense to the Supplier's place or any other place designated by the Supplier.

In case of legal proceedings, or risk of such proceedings, the defective parts shall be stocked at the Purchaser's place and expense as long as it is requested for the proceedings.

7 LIMITATIONS OF LIABILITY

The Supplier shall not be liable for any damage to property caused by the Goods after it has been delivered, nor for any damage to products manufactured by the Purchaser or to products of which the Purchaser's products form a part. If the Purchaser incurs liability towards any third party for such damage to property the purchaser shall indemnify, defend and hold the Supplier harmless.

Neither party shall be liable to the other party for any loss of profit, loss of production or any other form of indirect or consequential loss.

Notwithstanding any other provision in the Contract to the contrary, the maximum cumulative liability of the Supplier to the Purchaser for all delays, losses damages, liabilities and obligations whatsoever and howsoever arising (whether under the Contract or otherwise) regardless of the cause or reason therefore and regardless of the Supplier's negligence, which are suffered or incurred by the Purchaser and which are directly or indirectly connected with the Contract shall be limited to 100% of the purchase price.

8. ADDITIONAL CONDITIONS FOR SERVICES

Services include testing, commissioning, maintenance, repair, periodic inspection and up-grading. Services are subject to a specific contract or specific contractual clauses in the Contract.



Unless otherwise agreed in writing, supply of Services shall be invoiced according to the Supplier's "Rates and Conditions for Service Personnel" which are applicable at the date of the performance of the Service.

When ordering a Service, the Purchaser shall provide the Supplier a clear description of the Service to be performed for sending the right service personnel, deciding of the date and place of performance and ordering special utilities/spare parts when it is necessary. Extra costs, including labor costs, due to unclear or incomplete description shall be covered by the Purchaser.

The Purchaser must provide utilities and facilities (electricity, water, premises, machineries, tools etc.) and technical local assistance and interpreters at the place of performance of the Service, unless the local population has a good knowledge of English or a Scandinavian language, for the performance of the Service.

The Purchaser must provide active assistance for getting all required public authorisations from the immigration authority or any other authority which are necessary for the performance of Services by the service personnel at the place of performance.

The Purchaser is in charge of providing secure, safe and decent working and living conditions for the service personnel.

The Purchaser shall control the performance of the Service, request a test, if necessary, draft a report, sign it and request the head of the Service personnel to sign it before the service personnel leaves the place of performance of the Service. Unless otherwise expressly noted in such a service report, the Service shall be deemed correctly performed and the Purchase shall have no right to claim.

In case of breach of these obligations, the Purchaser shall be liable for, defend and hold the Supplier harmless for the consequences, including costs.

Each party shall indemnify and hold the other party harmless for any damage to its own property and personal injury or loss of life of its personnel, irrespectively of the other party's negligence.

Each party shall hold and maintain an insurance policy covering such damages, injuries and loss of life. The policy must be taken out with an insurance company of good international reputation. Such policy shall not contain any subrogation right to the insurance company's benefit against the other party.

9 RETURN POLICY

All returns shall be pre-authorized by Vestdavit prior to any shipment. Standard return fee is 30% of sales price.

A return identification number will be issued for each return shipment. All related documents shall be marked with the return identification number in addition to the original PO-number. Goods received without return identification number will not be handled.

Return shipping preparation and packing as well as customs clearance documents is the customer's responsibility. Return shipping costs is the customer's expense. Any damage on the goods received will be carried by customer or its shipping insurance.

10 FORCE MAJEURE

Either party shall be entitled to suspend performance of his obligations under the Contract to the extent that such performance is impeded or made unreasonably onerous by Force Majeure, meaning any of the

following circumstances, if its effect on the performance of the Contract could not be foreseen at the time of the formation of the Contract: industrial disputes and any other circumstance beyond the control of the parties such as fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, currency and export restrictions, epidemics, pandemics, natural disasters, extreme natural events, terrorist acts and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in the clause.

Either party shall be entitled to terminate the Contract by written notice to the other Party if the performance of the Contract is suspended for Force Majeure for more than six months.

In the event the Supplier is unable to fulfil a contract due to Force Majeure or in case a contract is terminated because of Force Majeure, the Purchaser shall pay the Supplier pro rata for the deliveries and work already carried out by the Supplier including the purchases done by the Supplier and the parts of the Goods already manufactured in accordance with the production schedule and on stock and in case of supply of Service the costs of the service personnel as mentioned in clause 8.

11 TERMINATION

The Contract may be terminated with immediate effect by either party (the Requesting Party):

- if the other party has a receiver appointed over any of his assets, becomes insolvent or enters into liquidation, or if a petition of bankruptcy is filed by or against him.
- in case of default in payment or a material, i.e. substantial, breach by the other party of the obligations arising out of the Contract, if the other party does not rectify such default or breach within the time period stipulated by the Requesting Party in the written request of rectification (this time period shall not be less than 15 days unless the default or breach cannot be rectified), or
- in any other which gives the right to cancel the contract according to the law of the contract.

12 CONTACT

Each party shall appoint a contact that must be fluent in English and in charge of the performance of the contract (supply of Goods and/or Services).

Unless otherwise agreed in writing and unless another person is specifically appointed and accepted by both parties, the contact shall have all the necessary powers of attorney and any decision made by the contact or any other person above him in the hierarchy of the company shall bind the company whose contact person he/she is.

13 APPLICABLE LAW, DISPUTE RESOLUTION

These Conditions, and any related contract, shall be governed by Norwegian law.

In case of a lack of conformity alleged by the Purchaser, the parties accept the appointment of an independent technical expert by Det norske Veritas upon request from one of the parties. The expert shall present a technical report in English on the alleged lack of conformity, propose solutions and give an opinion. Unless otherwise agreed the expert shall not be a national of the countries of the parties. Unless otherwise agreed



in writing, this opinion shall not bind the parties and any party may go directly to the competent jurisdiction/arbitration as described below. The Purchaser must facilitate for the examination by the expert. The failing party shall cover the fee and costs of the expert. If the expert is of the opinion that both parties have a responsibility, the fee shall be shared equally between the parties.

When the Purchaser is from a European State, which has ratified the Lugano convention on the enforcement of judgments, any dispute arising out of or in connection with these conditions, and any matter related to contracts and commercial transactions, shall be settled by the court at the place of the Supplier.

When the Purchaser is from any other State, such disputes shall be finally settled by fast-track arbitration in accordance with the Rules of the Arbitration and Dispute Resolution Institute of the Oslo Chamber of Commerce, in English, in Oslo. If a party refuses to appear, send the documents requested by the arbitral tribunal, pay the administrative fee or advance payment to the tribunal or follow the arbitral procedure and rules, the tribunal shall settle the dispute solely on the basis of the documents presented and render an arbitral award. A document shall be deemed presented to the tribunal only when it is sent in due time and the fee and advance payment from the party presenting the document are received in due time by the tribunal. As an exception to this arbitration clause, the Supplier may request interlocutory measures or initiate a debt recovery procedure, including legal proceedings, at the court of its place or the place of the Purchaser. The Purchaser shall bear all the costs of the debt recovery procedure.

Both parties hereby agree that accepted mediation solution or arbitral decision or court decision may automatically be enforced in all countries, particularly in any country where the relevant party has assets. The parties undertake not to oppose the enforcement of such a solution or decision. The losing party shall bear all legal costs of the winning party. The tribunal may at its reasonable discretion reduce the legal costs to be reimbursed if the winning party does not win all his claims. The losing party shall cover all costs of enforcement.