

Title: General conditions of sale

General Terms and Conditions of Sale

General information

These general terms and conditions (the “GTC”) shall apply to all sales made by Veltec AS (The Company), reg.no. 997 578 597 .

All supplies, works and services to be provided by the company (the “Work”) are based on these GTC.

In the event of any conflict these GTC shall prevail followed by the terms and conditions which are included in the tender documents and/or other contract documents issued by the customer (together the “Contract”).

Alterations to these GTC shall only apply after explicit acceptance in writing by the company.

All Contracts require the company’s written approval to become legally effective. Contracts (or order acknowledgements) transmitted by facsimile or e-mails (signed and scanned) are deemed to be in written form whereas Contracts transmitted by other means of telecommunication are not.

Tenders (offers) from the company are, unless otherwise expressly stated in writing, valid for a period of 20 working days from the tender date.

Drawings, specifications, calculations and other technical information which are provided by the company shall remain the property of the company. The information shall be treated with confidentiality and shall not be distributed, copied and/or entrusted to any third party for other purposes than the execution of the Contract.

Price and terms of payment

Statutory sales tax (VAT) at the relevant level or the tax similar to sales tax (abroad) must be added to all the company’s prices.

The company’s invoices are payable within 21 days after the date of invoice, unless other written agreement has expressly been made.

If the customer exceeds the term for a payment, interest shall be charged on the account receivable in question at the current interest rate set by the Ministry of Finance.

The customer only has the right of withholding payments or offset with counter-claims insofar as its counter-claims are uncontested or legally established.

Customer provided items and site facilities

Customer provided items, shall be provided timely and in accordance with agreed time schedules and milestones.

Drawings, technical specifications and other engineering documents required for execution of the Work shall – unless otherwise agreed – have been approved for construction (AFC) at the date of the conclusion of the Contract.

Customer provided materials shall be handed over at a location determined by the company and shall at delivery to the company be accompanied with all relevant certificates and installation instructions etc.

If the Work includes construction and installation at the customer's premises (the "Site") the following shall to the extent expedient for the company to perform the Work be put at the company's disposal free of charge:

- Free and unhindered access to the Site
- Site offices and welfare facilities for the company's personnel
- Paved areas for storage of materials and tool containers etc.
- Electric power incl. distribution boards and power outlets close to the work areas
- Potable water and water for pressure testing (if applicable)
- Compressed air.

Delivery time

The time of delivery of the Work (the "Delivery Time") shall be based on mutual written agreement between the company and the customer.

The Delivery Time shall be deemed to have been observed when delivery has taken place without material defects within the agreed milestones.

The Delivery Time shall be postponed and the customer shall bear the resulting cost of the company if:

- Customer provided items, are delayed (AFC drawings, materials etc.)
- Acceptance of the Work is delayed for reasons for which the company is not responsible

The Delivery Time shall also be postponed if the company is hindered from completing the Work within the agreed Delivery Time due to reasons of Force Majeure or other circumstances beyond the company's control. The Delivery Time shall be postponed by a period equal to the duration of the hindrance although a reasonable start-up period shall be added.

Risk transfer / Acceptance

The Work shall be at the customer's risk from the moment the Work is delivered. The Work can either entail delivery of goods, or delivery of other works and services.

Delivery of goods, including partial deliveries, shall be Ex Works. This also applies even if the company has assumed ancillary obligations such as dispatch or delivery.

Delivery of other works and services shall be deemed to have taken place when handover has occurred in accordance with the below mentioned:

- Just before completion the company will inform the customer of the expected time of completion. The customer shall then convene the company to a handover meeting to take place within 10 working days after the indicated time of completion.
- Handover occurs upon the conclusion of the handover meeting, unless material defects were discovered in the course hereof, in which case a new handover meeting shall be arranged to be held when the company has informed the customer in writing that rectification has taken place. The customer shall not be entitled to refuse handover on the grounds of a non-significant defect provided the company expressly accept the company's obligation to rectify the defect.
- If handover does not take place due to circumstances for which the company is not

responsible, handover (and hence the transfer of risk to the customer) shall be deemed to have taken place 10 working days after the indicated expected time of completion.

- Moreover, handover (and hence the transfer of risk to the customer) shall be deemed to have taken place if the customer takes the Work fully or partly into operation.

Partial deliveries or services are allowed, unless other written agreement has expressly been made.

Retention of title

The company shall retain title to the Work until all accounts receivable have been settled.

The company is entitled to insure the Work at the customer's expense against theft, breakage, fire, water and other damage unless the customer has demonstrably taken out such insurance.

If the customer is in breach of Contract, in particular in the event of default of payment, the company has the right to take back the Work delivered after having sent a written reminder. This does not constitute withdrawal from the Contract. The customer shall notify the company without delay of all procedures affecting the retention of title, in particular measures of levy of execution on property or actual interference with the retention of title.

Warranty

Subject to the company warrants that the Work is in compliance with the Contract
Any Work that is shown to be defective prior to the transfer of risk shall, at the company's option,
be rectified through repair or replacement. Replaced parts shall become the property of the company.

The customer shall immediately upon discovery of any defects notify the company in writing describing in detail the nature and extent of the defect.

The customer, in coordination with the company, shall grant the company the required time and opportunity to perform all rectification activities which the company deems to be necessary; otherwise the company shall be released from liability for the consequences arising thereof.

Only in urgent cases, where operational safety is endangered, or to prevent unreasonably serious damage, of which the company must be notified immediately, the customer shall be entitled to rectify the defect itself, or to have it rectified by a third party, and to require remuneration of the reasonable documented direct costs arising.

Of the costs arising from the rectification, the company shall, in the event that the complaint is revealed to be justified, be responsible for the reasonable documented direct costs of the repaired/replaced item, including domestic freight, costs for removal and installation, and, if the position of the spare part makes it reasonable to expect that workers should perform the Work, the costs for providing the company's workers and auxiliary personnel.

The customer has the right to withdraw from the Contract in case of a major defect and the company fails to rectify the defect within a reasonable period of time. In the case of a minor defect, the customer only has the right of reduction of the Contract price.

Liability and limitation thereof

The company shall be liable for delivering the Work. the company shall only be liable for damage occurring on the Work itself and not damage to people or other property, unless the damages are a result of the company's

- Intent
- Gross negligence
- Malicious silence with respect to defects

Furthermore, the company shall be liable for defects in the Work to the extent that liability is" mandatory prescribed under the Product Liability Law for injury to people or damage to property involving privately used objects.

For products delivered by the company but manufactured by other manufacturers the company's liability shall be limited to the liability which can be carried on to the said" manufacturer and to the extent the manufacturer is able and obliged to meet the obligation.

The company shall not be liable if the defects are attributable to measures taken or designs" used at the express demand of the customer, or if they occur in materials or products supplied by the customer. In particular the company shall not be liable for: Unsuitable or incorrect use," faulty installation or start-up by the customer or third parties, natural wear-and-tear, incorrect or negligent handling, incorrect maintenance, unsuitable equipment, inadequate construction works, unsuitable foundation, chemical, electrochemical or electrical influences, unless they can be attributed to culpable acts or omissions on the company's part.

The company shall not be liable for the resulting consequences if the customer or a third party" performs rectification work incorrectly, including rectification performed. The same applies if modifications are undertaken on the Work without the company's prior" authorization.

Except in the cases mentioned, liability shall always be limited to the lowest"co qwpv'qh'yj g" hqmqy kpi

- 1) damage which is typical for the Contract and which could reasonably have been foreseen.
- 2) to the company's insurance's maximum limit of indemnity
- 3) and to the total Contract value

All other claims for damages, particularly claims for indirect loss or damage such as loss of profit and loss of production, are excluded.

All claims, including warranty claims, of the customer in connection with the Contract shall be time-barred after 12 months from putting the Work into operation, but not later than 15 months from the date of delivery.

Insolvency of the customer

If the customer suspends payment or the customer or one of its creditors applies for the

opening of insolvency proceedings regarding the customer's assets, or the insolvency proceedings against the customer's assets are opened, or the opening of such proceedings is refused for insufficiency of assets, the company may, without prejudice to the company's other legal or contractual rights, terminate the Contract without notice and require immediate return of the delivered goods.

Force majeure

The company shall be released from the company's obligation to deliver the Work in so far as and to the extent that the company has been prevented from fulfilling its obligations due to reasons which lie outside the control of the company and were unforeseeable at the time of the conclusion of the Contract ("Force Majeure").

Force Majeure shall include but is not be limited to:

- War, terrorism and vandalism
- Natural disasters and extreme weather conditions including severe storms, rain snow etc.
- Plant disruptions at any kind at the site which disturb or interrupt the Work
- Fire
- Strikes and lawful lockouts

The company is obligated to notify the customer without undue delay in case of the occurrence of a Force Majeure event.

In case of Force Majeure each party shall cover its own costs resulting from the Force Majeure event.

If a Force Majeure situation lasts without interruption for 30 days or more, or it is evident that it will do so, then each party shall have the right to cancel the Contract by written notice to the other party.

Applicable law, place of jurisdiction

All legal matters arising between the company and the customer shall be governed by Norwegian law, excluding Norwegian international private law.

Any dispute arising out of or in connection with this Contract, including any disputes regarding the existence, validity or termination thereof, shall be settled by arbitration arranged by The Norwegian Building and Construction Arbitration Court.

If the Norwegian Building and Construction Arbitration Court refuses to settle the dispute the local city court near the company's headquarters shall settle the dispute.

General provisions

The customer may not, without the company's written consent, assign the customer's contractual rights under the Contract to third parties.

If one or more provisions of the Contract cannot be enforced because they are contrary to mandatory law or for some other reason are regarded as not accepted, this shall not affect the validity of the other provisions of the Contract.

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