

First revision: 18.9.2007

<b>GENERAL SALES CONDITIONS</b>	DOCUMENT NO. 2-2-02_E	VER 08	DATE: 2.10.2019	PAGE 1 of 4
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**PURPOSE:** To describe the sales conditions in Agile Rig & Modules  
**OWNER:** Manager Corporate services  
**APPROVED:** Manager Corporate services 2.10.2019  
**RESPONSIBLE:** Manager Corporate services  
**WHEN:** -  
**ISO REF:** -  
**FILE REF:** G:\Apply O&G\HSE&Q\2-2-KONTRAKT\_ØKONOMI\2-2-02\_E\_General\_sales\_conditions.docx



## 1. General

These general sales and delivery conditions ("Terms") apply to offers and sales for Agile Rig & Modules' products, specified in a separate Order Confirmation (hereinafter called "Contract Object"). Agile Rig & Modules referred to hereinafter as the "Contractor", and the buyer of the Contract Object "Buyer" (jointly referred to as the "Parties").

## 2. Pricing

The price for Contract Object ("**purchase sum**") is provided by the Contractor offers. Service provided by the Contractor to the Purchaser for the period of time is specified in the offer. If no time period is specified, the offer is binding for the Contractor in five (5) working days

## 3. Acceptance of offers - Order confirmation - Contract

Buyer's acceptance of the Contractor's offer means that Buyer is bound by these Conditions, unless otherwise agreed in writing between the Parties. This point is mentioned in the following as "**An agreement**".

At Buyer's acceptance of the Contractor's offer issued order confirmation ("**Order Confirmation**"), and these Terms and the Order Confirmation constitute the parties' contract ("**Contract**"). Deviations from these conditions may be agreed in writing in the Order Confirmation.

The terms prevail over any other Terms and documents, and can only be waived by written agreement between the Parties. If the Buyer when ordering the Contract Object attaches Buyer's purchasing conditions but accepts the Contractor price and the Contractor then starts the work, these conditions prevail over the Buyer's conditions unless the parties have agreed in writing that the Buyer's Conditions apply.

## 4. Delivery and shipping

The Contract Object is supplied Ex Works (Incoterms 2010) in Contractor's premises (factory, warehouse or site). Products are not cleared for export or loaded onto vehicles. Buyer assumes the risk of the Contract Object on agreed delivery date, and Buyer is responsible for all costs incurred in connection with the transportation of the Contract Object from the delivery point and to final destination.

## 5. Delivery time

Delivery of the Contract Object is the time specified in the Order Confirmation ("**Due Date**"). If the Contractor is aware that delivery date can not be met, the Buyer shall be notified immediately and a new delivery date will be agreed in writing.

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## 6. Terms of payment

The supplier is entitled to invoice the Buyer 40% of the purchase price on closing, 40% billing on completed FAT, 10% on delivery date and 10% on delivery of final documentation. By work based on cost-plus basis Contractor may invoice the Buyer immediately in accordance to execution. Payment shall be made within 30 days after invoiced date. The payment is not considered complete until the full amount is credited to the Contractor's account. By delayed payment an interest in accordance to "Norwegian interest on overdue payment law" will apply. Interest is calculated from the due date until payment is made.

## 7. Factory Acceptance Test

Tests specified in the order confirmation, takes place at the production site for Contract Object and during normal business hours unless otherwise agreed.

Buyer shall be notified in writing of tests prior to the execution and shall be invited to participate. If the Buyer does not participate in the tests the tests are considered as accepted by the Purchaser and the test report is forwarded to the Buyer.

## 8. Duty to inspect and Claims

Buyer is obliged to examine that the Contract Object is according contract as soon as it is received and before the Contract Object is mounted or otherwise applied. By visible mistakes this is to be reported within 7 days of delivery. If Buyer fails to claim within this deadline, the Buyer loses the right to bring a claim due to visible defects. If the defect is discovered after the assembly and testing, the complaint must be made as soon as the defect is or should have been discovered.

## 9. Return of Contract Object

The supplier does not accept the return of Contract Object if this is not agreed in writing between the Parties.

## 10. Ownership and Copyright

Contractor has a security for unpaid purchase on the Contract Object and the Contract Object remains the property of Contractor until the Contract Object is paid in full. Buyer shall provide the Contract Object is marked and stored as a property of the Contractor.

Buyer is not entitled to resell Products that are subject to a security for unpaid purchase until the full purchase costs are paid.

Copyright, trademark and other intellectual property rights in the Products, including documentation, manuals and other provided by the Contractor for use in connection with the Products, is the property of the Contractor. All source codes for software, drawings and technical documents relating to material / products are property of Contractor. Buyer has the beneficial right to Contract Object.

## 11. Delay

If delivery is delayed according to the Delivery Date, the Contractor shall pay compensation for costs caused by the delay. Buyer must document the costs and the Contractor's liability is limited to 5% of the purchase price. It can not be asserted other claims or remedies against the Contractor as a result of the delay.

If Buyer fails to take over the Contract Object on Delivery date and this is not due to the Contractor, the Contractor shall be entitled to invoice Buyer for the purchase price plus any amount due on the Due Date. By delayed acquisition Buyer shall cover the costs incurred by Contractor in connection with the storage of the Products and any other consequential costs. If the Buyer's delay exceeds 30 days, the Contractor is entitled to dispose of Products for Buyer's account and risk.

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## 12. Warranty and Flaw responsibility

The Contract Object shall be in accordance with the requirements of the Contract. If the Contract Object has mistakes or deviations from the requirements of the Contract, Buyer shall document this complaint in writing within 7 days after the buyer discovered the defect. The Contractor is only responsible for errors / omissions that Buyer has received within the Warranty Period under this provision.

The Contractor is not liable for defects caused by misuse, improper installation, improper repair by Buyer or changes made without Contractor's approval.

If the Contractor is responsible for any errors or deficiencies, the Contractor shall, at his own expense rectify the defect or deliver replacement, unless other remedies agreed between the Parties. Contractor may choose how to defect remedied. If the Contractor must make repairs or replacements outside the Contractor's premises the Buyer shall compensate the Contractor for all costs, for example elapsed time and travel and subsistence expenses.

The warranty period ("**Warranty Period**") is one (1) year unless otherwise agreed in writing between the Parties. The warranty period runs from the date of delivery. Repair or replacement of defective parts during the warranty period does not imply that warranty period is extended.

Warranty on products supplied by subcontractors will be continued by the Contractor on the same conditions as a subcontractor and the Contractor.

Contractor's liability for defects in delivery which has *not* passed Factor Acceptance Test of the Contractor is limited to 50% of the purchase price for the Contract Object. If a product has undergone Factory Acceptance Test Contractor is responsible for defects in the delivery limited to 10% of the purchase price.

## 13. Limitation of liability / distribution of responsibility / indirect loss

Each party shall hold the other party harmless from any claims relating to:

- Personal injury or loss of life of employees, and
- Loss of or damage to private property

arising in connection with the performance of the Contract Object or caused by the Contract Object in its lifetime. This applies regardless of negligence in any form.

Contractor is not responsible for Buyer's indirect losses. Indirect losses include, but are not limited to, lost profits, lost production, lost sales, lost savings opportunities, claims by third parties or other consequential loss.

Supplier's total liability for breach of contract including liability acc. Articles 11 and 12, and whether the contract is terminated or not, is limited to 60% of the purchase price.

## 14. Force Majeure

Neither Party shall be deemed to have breached an obligation if compliance was prevented by Force Majeure.

Force Majeure is considered events that are beyond the Parties' control, and that the parties could not foresee at the conclusion of the contract, such as local or nationwide labor dispute, fire, war, riot, rationing, seizure, currency restrictions, shortage of transport, lack of labor, general lack or the delivery due to delays in delivery of subcontractors.

The Party claiming a Force Majeure event shall promptly notify the other party in writing of the extent of the Force Majeure event. If the event prevents the buyer from carrying out its obligations under these Conditions, the Contractor shall be compensated for the costs associated with securing the Contract Object. If a Force Majeure Event continues, without interruption, for more than six months, each Party shall be entitled to terminate the contract by written notice to the other party.

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## 15. Insurance, and the duty to give correct information

Products delivered from the Purchaser to the Vendor for completion, repair and / or re-certification remain the property of Buyer and shall be kept insured by the Buyer. The insurance shall include damage caused by Contractor's improper handling of the Contract Object, including packing and transportation.

Buyer is responsible for the Contractor to supply correct information about products handed over to the Contractor, and if Contractor shall process the product, correct information about matters of importance to the Contractor's work.

## 16. Drawings / documents / software

Buyer has the beneficial right to software included in the Contract Object when the Contract Object is fully paid.

Contractor delivers product documentation in accordance with the Order Confirmation for use with installation, operation and maintenance of the Contract Object. Buyer is not entitled to use these in ways other than in connection with the Contract Object, and Buyer has no right to let third parties have access to the Contractor's software.

## 17. Disputes and applicable regulations

These Terms are governed by Norwegian law. Any dispute relating to these Terms and sales of products that are not resolved amicably between the parties, shall be decided by common trial with Stavanger District Court as legal venue.

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