

SKARPENORD AS GENERAL SALES CONDITIONS

CONTRACT DOCUMENTS

The Contract shall consist of the following documents "Contract Documents" which apply to this order, and which have priority in the following order they are listed unless superseded by

1. Purchase Order Confirmation
2. Skarpenord AS Sales Conditions (this document)
3. General Conditions for the Supply of Plant and Machinery for Export - formula ECE 188 with Appendix and Addendum of 2002 to General Conditions ((ECE 188) for the Supply of Plant and Machinery for Export
4. Vendor's quotation

DEFINITIONS/ABBREVIATIONS

Vendor / SSR	– Skarpenord AS
Purchaser	– Client, Customer
VOR	– Variation Order Request
VO	– Variation Order
IP	– Intellectual property (copyrights, patents, trademarks, trade secrets)

DELIVERY TERMS

EXW Rjukan - INCOTERMS 2020, 1 shipment, unless otherwise specified in Vendor's quotation.
Cost for additional or partial shipments requested by the Purchaser shall be for Purchaser's account

DELIVERY TIME

Delivery time for the equipment is specified in Vendor's quotation or agreement in Contract*

DOCUMENTS

Documentation to follow the order is specified in Vendor's quotation or agreement in Contract

PRICES

Prices are quoted in NOK unless otherwise specified in Vendor's quotation.

If quotation is in another currency, Vendor reserves the right at its option to adjust the amount based on actual currency value at the time of Purchase Order Confirmation.

If prices on raw material** or purchased items used in the production, changes 5% or more, SSR reserves the right to also change the price on finished goods to the client accordingly.

Prices are based on complete delivery in the same year as the Purchase Order Confirmation is issued unless otherwise agreed. For later delivery, 0,3% will be added per commenced month.

PAYMENT TERMS

To be stated in Vendor's quotation or agreement in Contract

WARRANTY

Warranty period of delivered equipment is 12 months from the date of commissioning / supervision done by SSR or any other SSR approved service partners, but not to exceed 24 months from the date the equipment is ready for dispatch from SSR workshop.

Basic prerequisite for a thorough warranty processing is as follows:

1. All installation work of Vendor's systems shall be performed or supervised and approved by Vendor personnel or Vendor approved service partners***
2. Commissioning work on Vendor's systems shall be performed by Vendor personnel or Vendor approved service partners as agreed in the contract
3. Preservation reports, storage facility description, commissioning report, photos of actual material and surroundings, oil samples, oil analysis reports, flushing reports, programming protocols/printouts – shall be made available for SSR upon request
4. SSR document **QR-102588, Claim/Warranty report** – shall be filled in
5. Warranty is limited to cover defective material, poor workmanship and if necessary, service execution on board
6. Freight cost for parts or tools and cost for travelling, travel expenses and lodging the service engineers are not included
7. Vendor's liability shall in no event exceed the contract value
8. If installation/commissioning is not executed/supervised/approved by Vendor personnel or Vendor approved service partners, the warranty will be evaluated individually based on information given in SSR document QR-102588 and accompanying documentation

All SSR products are sensitive equipment and shall be handled carefully and stored in a dry, clean, ventilated place; well protected from dust, dirt, humidity, rain, wind, snow, sun, vibrations or any other external influence. SSR procedures for Handling, Storage and Preservation shall be followed.

CONSEQUENTIAL DAMAGES

Consequential damages are explicitly excluded from Vendor's liability.

"Consequential damages" may also be referenced as Consequential loss/indirect damages/loss and includes but is not limited to: "loss of use, loss of production, loss of profit, loss of contracts, loss of reputation, loss of revenues or loss due to pollution".

CHANGES/VARIATIONS

Purchaser may propose variations through a written VOR.

If Vendor accepts Purchaser's proposal, Vendor will issue a VO provided:

1. Vendor cannot agree to time limits to raise VO with corresponding loss of rights that the project is not able to uphold
2. Purchaser's instruction does not exceed what the Vendor reasonably expected at the time of contract award
3. Purchaser shall accept consequential price- and delivery time adjustments

IP AND PATENTS

Vendor retains at all time ownership to any and all IP rights created prior to the Contract issuance, and any and all IP rights created during the performance of the scope of work shall explicitly vest in Vendor, except if such IP rights are created solely or mainly based on information provided by the Purchaser.

Licenses to IP rights offered to the Purchaser shall be limited to the performance of the scope of work in the contract and not extend to the Purchaser in general.

INSPECTION

Access to our works for inspection of the production is possible with two weeks' notice.

Quality assurance program acc. To ISO 9001:2015.

VALIDITY

Skarpenord AS General Sales Conditions are valid until further notice by Vendor.

**Due to the prevailing situation in the world as a result of the spread of the new Coronavirus (Covid-19) and the uncertainty this may entail regarding material availability and human resources, the specified delivery times may change, and Skarpenord AS thus reserves the right to adjust delivery times, or to perform by partially deliver. This means that the delivery times stated in the quotation are approximate and may be changed after acceptance of the quotation or the placed order. Skarpenord AS will keep its customers informed.*

***LME – London Metal Exchange – shall be the prevailing source for prices on raw material*

****Vendor approved service partners are Skarpenord Shanghai Service Station (SSSS) and Scana Korea Hydraulics (SKH)*