

# Terms & Conditions of Sale & Rental of Equipment

## 1. Application

Unless otherwise agreed in writing, these general delivery terms apply. The terms and conditions apply to all supplies where IKM Gruppen AS and / or its subsidiaries (IKM) have assumed delivery responsibility for rental and / or sale of equipment and material to a customer (the CUSTOMER).

## 2. Offer, acceptance, order confirmation and contract signing

IKM gives an offer based on these sales and delivery terms, which are indispensable, unless otherwise agreed in writing, cf. article 1. This offer is valid for 30 days, and subject to availability of equipment at time of award of a mutually agreed contract.

The offer is without obligation for IKM until there is an acceptance that covers the offer, and otherwise until the purchase contract has been signed, cf. article 3 and 4.

When ordering products or services, the CUSTOMER accepts IKM's offer and these delivery terms.

The CUSTOMER's forwarding of own or other terms and conditions has no effect on the offer and its contents. In such cases, a valid purchase agreement is not available until IKM has either confirmed the CUSTOMER's order or has sent the products, depending on which takes place first.

Provided that IKM's order confirmation deviates from the CUSTOMER's order in the event of additions, reductions or reservations, and the CUSTOMER does not accept such deviations, the CUSTOMER shall notify this in writing without undue delay, but no later than 3 working days of receiving the order confirmation. If not, IKM's order confirmation will apply. The supply includes what has been specified in the order confirmation, purchase agreement and / or the documents referred to therein.

IKM has assumed that equipment can be easily installed. All costs incurred in installation, including but not limited to welding, testing, steel works etc. Work permits, authorisations will be CUSTOMER care and expenses.

## 3. Prices

Unless otherwise agreed, the prices that IKM quotes do not include GST, other taxes, e.g., related to import and export of goods, freight and forwarding charges. All prices are in currency shown in the price list. The price can be regulated if more than 3% variation in currency from tender day to delivery day. Equipment rental is applicable from when equipment leaves our workshop and returned the same. Rental is applicable on weekends as well as holidays and equipment will not be off-hire for reasons beyond our control, e.g. craneage delays, bad weather etc.

## 4. Delivery

Unless otherwise agreed, delivery shall be interpreted in accordance with the applicable INCOTERMS at the time of signing the contract. If no delivery clause has been agreed, the delivery is regarded as being "Ex Works" (Tenders addresses).

For equipment not returned in the same condition as on delivery, a daily rental will run until necessary repairs are carried out. Any repair costs will be charged to Customer.

## 5. Delivery time

If the contract states a period in which delivery shall take place, IKM may choose the actual delivery date within the agreed period.

## 6. Transfer of risk

Unless otherwise agreed, the risk will be transferred to the CUSTOMER on delivery, cf. article 4.

## 7. Payment terms

Unless otherwise agreed, payment shall take place net within 30 days. In the event of overdue payment, interest of 1% per month commenced will be charged from the due date until payment takes place.

## 8. Vendor's lien and use of hired objects

In the event of sale on credit, IKM retains ownership of the sales object until it has been fully paid.

The hired object remains IKM's property and the rental agreement gives no legal right to have the disposal of the hired object.

## 9. Amendments

Unless otherwise agreed, the following shall apply:

If after receipt of the contract the seller notices a need for changes to the agreed supply, he shall immediately notify purchaser of this. As a minimum, this notice shall contain information regarding the cause of the change and also any cost and delivery consequences that the change will or may have for the CUSTOMER. An immediate reply shall be given to changes instructed by the CUSTOMER after signing the contract. As a minimum, the reply shall contain all cost and delivery consequences the change will or may have for the CUSTOMER. Seller shall not implement any changes until any cost and delivery consequences have been clarified with the CUSTOMER and the CUSTOMER has given written consent for the change.

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## 10. Delivery test

Equipment supplied under the contract will be tested and verified in accordance with IKM's applicable QA manuals. Any faults and discrepancies in the agreed supply found during testing will be remedied before handover.

## 11. Delay

Unless otherwise agreed, the following applies:

If IKM finds that it cannot deliver at the right time, or if a delay on IKM's part seems inevitable, IKM shall inform the CUSTOMER of this without undue delay, giving the reasons for the delay, and if possible, when delivery is expected to take place.

## 12. Insurance

Unless otherwise agreed, the CUSTOMER undertakes at his own expense to take out full value insurance against all damage to the supply during the period from transfer of risk until the purchase price has been fully paid or the equipment / material has been returned to IKM's stock receipt at the end of the rental period.

## 13. Limitation of liability

IKM cannot be held liable for any indirect loss such as production or income loss that the CUSTOMER or a third party might suffer or for any kind of damage to a person, property or goods with the CUSTOMER or a third party, regardless of the cause, which is due to inadequate delivery or performance of other obligations that clearly rest with IKM in accordance with these general delivery terms or other written agreement.

The CUSTOMER shall keep IKM indemnified and defend IKM against any claim made against IKM in connection with damage to a person, property and goods that the CUSTOMER, his employees or a third party might suffer.

Any help given to purchaser, over and above the said obligations, is regarded as advice and under no circumstances shall result in liability.

## 14. Force Majeure

IKM is released from all obligations under the purchase contract, including these delivery terms, if situations should arise over which IKM has no control and which IKM could not have foreseen on signing the contract. The following circumstances shall be regarded as grounds for exemption, as long as they prevent fulfilment of contract or make fulfilment of contract unreasonably difficult: labour dispute and any other circumstance over which the parties have no control, such as fire, war, natural catastrophes, mobilisation or military call-ups of a similar magnitude or incorrect delivery from sub-contractors or delay of such delivery as a result of such circumstances as mentioned above.

## 15. Specifications and drawings

All technical documents such as operating manuals, advertising material, certificates, drawings, test results, etc. will remain the property of IKM.

IKM shall provide an agreed number of complete sets of documentation so that the CUSTOMER shall be able to operate and possibly assemble, install and maintain the supplied object.

## 16. Faults

IKM is only liable for faults in the supply that occur due to defects in the material or in manufacture within 12 months of an approved test run, however, no later than 18 months after delivery.

Purchaser undertakes to check the delivery as soon as it is received. Any complaint concerning the delivery shall be made in writing no later than 8 days from the date the fault was or should have been discovered.

If there is a fault, against which the CUSTOMER has made a complaint within the deadlines defined above, IKM shall remedy the fault without undue delay. IKM shall decide how to remedy the fault, including whether to use new parts or make a repair.

In case of repairs at IKM's workshop, IKM will cover all freight costs, labour costs and parts. In case of help outside IKM's workshop, all extra charges associated with freight, travel and subsistence will be charged to the CUSTOMER.

Replaced parts of the supply will be taken care of and be available for inspection by IKM for six (6) months. If the parts are not kept available as mentioned, any liability with respect to the part in question will be dropped. It is assumed that the CUSTOMER familiarises himself with the operation, safety and maintenance regulations prepared for the supply. IKM is not liable for faults, discrepancies or damage due to normal wear and tear, use of non-approved parts, etc., incorrect handling, inadequate maintenance or overload. IKM is also not responsible for changes or modifications to the supply, which have been made without IKM's written permission.

Sold merchandises cannot be returned unless agreed.

## 17. Legal venue

Any dispute between the parties that cannot be solved amicably shall be settled according to Norwegian law in Stavanger Municipal Court, which the parties accept as their legal venue.