

## TERMS AND CONDITIONS OF PURCHASE

### 1 ABOUT THESE TERMS AND CONDITIONS

- a) In these terms and conditions of purchase, “Buyer” means the K. LUND Offshore entity identified in the applicable purchase order, and “Seller” means the party selling the applicable products or services to Buyer.
- b) By selling products or services to Buyer, Seller accepts these terms and conditions. Any modifications of the Purchase Agreement (as defined below) must be in writing and signed by a duly authorised representative of Buyer to be valid.
- c) References to “products” include items specifically provided for in the Purchase Agreement or incorporated in services Buyer purchases from Seller, and includes any embedded software or firmware. References to “services” include work, labour, performance, or other services specifically provided for in the Purchase Agreement, whether standalone or incorporated in products Buyer purchases from Seller.

### 2 THE PURCHASE AGREEMENT

- a) Any products or services Buyer purchases from Seller are purchased subject to the following:
  - (i) if Seller already has a fully signed agreement currently in effect with Buyer covering the products or services being purchased, then the terms of that agreement shall have priority over these terms and conditions in case of conflict;
  - (ii) if Seller does not already have a signed agreement with Buyer covering the products or services being purchased, then these terms and conditions of purchase, and any other terms and conditions incorporated in the attached or enclosed purchase order, shall apply in full; and
  - (iii) if Seller already has a signed confidentiality agreement currently in effect with Buyer, then the terms of that agreement shall have priority over the terms of Section 10, below.
- b) The parties may agree in writing to deviate from any provision of these terms and conditions or any other agreement referenced in subsections (i) through (iii) above, provided that any such deviation is:
  - (i) set forth in a written document expressly identified as a deviation or amendment to the Purchase Agreement;
  - (ii) signed by authorised representatives of both Buyer and Seller; and
  - (iii) expressly references the specific provision(s) being modified or superseded.
- c) The complete agreement as stated above shall be referred to as the “Purchase Agreement”. No other terms or conditions, including Seller’s standard terms and conditions, will have any

application to any purchase between Buyer and Seller unless specifically accepted in writing by Buyer.

- d) All orders submitted by Buyer shall be deemed accepted by Seller upon the first to occur of:
  - (i) Seller's written acceptance of such order,
  - (ii) any conduct by Seller that reasonably evidences the existence of a contract between the parties, and
  - (iii) forty-eight (48) hours after Seller's receipt of such order during business days.
- e) In the event Seller desires to modify or only partially accept an order received from Buyer, Seller must deliver to Buyer a written notice of the proposed deviations before the order is accepted pursuant to Section d) above. Buyer's order will not be deemed modified unless and until Buyer notifies Seller in writing that the proposed modifications are accepted.
- f) Seller may not assign or subcontract its obligations under the Purchase Agreement without the prior written consent of Buyer, and if Seller does so, the assignment or subcontract will be void.
- g) Buyer may from time to time provide Seller with forecasts of its future anticipated requirements for products and/or services, including any forecast of annual volume requirements of any Buyer facility and similar. Seller acknowledges that any such forecasts are for informational purposes only, and are based on a number of factors which may change over time. Buyer makes no representation, warranty, guaranty or commitment of any kind or nature, express or implied, regarding any such forecasts, and they shall not be legally binding in any way.
- h) Seller grants to Buyer an option for ten (10) years from delivery to purchase component parts of any products, at market rates.
- i) If any provision or part of a provision of the Purchase Agreement is found to be illegal, invalid or unenforceable under any applicable law, such provision or part of a provision shall, insofar as it is severable from the remaining terms, be deemed omitted from the Purchase Agreement and shall not affect the legality, validity or enforceability of the remaining terms.

### **3 PRICING; PAYMENT**

- a) Unless otherwise provided elsewhere in the Purchase Agreement, all prices are: (i) stated in Norwegian Krone; and (ii) not subject to any price adjustments. No extra charges of any kind will be allowed unless specifically agreed to by Buyer in writing.
- b) Unless prohibited by law, Seller will separately indicate on its invoices any taxes imposed on the sale or delivery of products or services.
- c) Unless otherwise provided elsewhere in the Purchase Agreement, payment terms shall be sixty (60) days following the date of Buyer's receipt of conforming invoice and related products and/or services. Buyer may, at its option, make payment by bank transfer payable to a

designated EFT or wire address specified by Seller. Invoices will be submitted by Seller to the location indicated on the order and shall include the order number, part number/product description, unit price, and name of person or party issuing the order. Buyer shall have the right (but no duty) to withhold payment for any amounts in dispute.

- d) Buyer will be responsible for all sales (VAT), use, and similar taxes (excluding taxes based on or measured by the net income, net worth or gross receipts of Seller) imposed as a result of the sale of products or services. With notice to Seller, Buyer may pay such taxes directly to the taxing authority if so allowed by law. Seller shall remit all taxes paid by Buyer to the appropriate taxing authority. Upon Buyer's request, Seller will provide reasonable evidence of the legal basis for any taxes charged by Seller.
- e) If the Purchase Agreement obligates Buyer to buy a percentage of its product requirements from Seller, reasonable amounts of product purchased from a third party supplier for purposes of qualifying such products shall be deemed excluded from Buyer's requirements and can be used by Buyer for commercial production and sale.

#### **4 TRANSPORTATION; DELIVERY AND DELAY**

- a) Unless otherwise agreed, all shipments shall be FCA to such place of delivery.
- b) The products shall be suitably packed and prepared for shipment to secure lowest transportation rates (unless a premium method is specified on the face hereof) and to comply with carrier and packaging regulations, including the International Standard for Phytosanitary Measures for wood used in packaging. Unless expressly agreed, no additional charges shall be allowed for packing, crating, freight express, or cartage. Buyer may select the mode of transportation, the routing of, and the carrier for the products. Exceptions to stated routings and terms must be secured from an authorized representative of Buyer, and Seller shall be liable for excess transportation costs resulting from any deviation from Buyer's instructions.
- c) Products shall be delivered by Seller to Buyer's place of business from which the products were ordered, unless otherwise specified in the purchase order. Unless Buyer instructs otherwise, shipments with the same ship to address must be combined for the lowest freight rates. Seller shall not send partial shipments unless authorized.
- d) Unless otherwise provided elsewhere in the Purchase Agreement, delivery will occur, and title and risk of loss will transfer, when: (i) with respect to products and services incorporated into products, upon delivery to and acceptance by Buyer; and (ii) with respect to services, the services have been completed and accepted by Buyer.
- e) The agreed delivery dates are binding and mandatory. Seller acknowledges that Buyer makes any order in reliance on Seller's ability to meet the stated delivery dates, and that delays could have significant adverse consequences for Buyer. Any delay in delivery shall constitute a breach of contract entitling Buyer to claim damages, apply liquidated damages as set forth below, and/or terminate the Purchase Agreement in accordance with Section 8.

- f) The Seller shall promptly notify the Buyer in writing of any known delay regarding the fulfilment of its obligation, indicating the cause of the delay; the estimated period of delay; and the actions started to remedy such delay.
- g) Buyer has no obligation to accept deliveries that are not made on the agreed delivery date. Seller will be responsible for all reasonable costs incurred by Buyer as a result of early or late deliveries.
- h) If Seller delivers products earlier than the agreed delivery date without Buyer's consent, then Buyer may, at its sole option, either (i) reject the products and return them to Seller at Seller's risk and expense, or (ii) accept the products and charge Seller for any additional costs incurred as a result of the early delivery, including without limitation storage, handling, and insurance costs.
- i) If Seller fails to meet a required delivery date, Seller shall immediately notify Buyer in writing of the delay, the reason for the delay, and the expected revised delivery date. Upon receiving notice of a delay, or upon discovering that Seller will most likely fail to meet a required delivery date, Buyer may, at its sole discretion and without prejudice to any other rights or remedies:
  - (i) grant Seller additional time to perform and provide a new delivery date forecast;
  - (ii) procure replacement products or services from alternative sources; and/or
  - (iii) terminate the Purchase Order (in whole or in part) with respect to the delayed products or services.
- j) Where Buyer exercises the remedies in clause ~~g)~~ subsections (ii) or (iii) above, and provided that (a) Seller was informed in writing at the time of the Purchase Order that the products were for a specific third-party contract with time-critical obligations; or (b) such liability would be reasonably foreseeable to a supplier in Seller's position in the relevant industry; then Seller shall be responsible for reasonable and documented costs directly and foreseeably incurred by Buyer as a result of Seller's delay, including without limitation:
  - (i) costs to mitigate delays for Buyer towards third parties, including use of express freight or similar measures;
  - (ii) the difference in price between the Purchase Order and replacement products or services, including costs to expedite replacement products or service, and additional inspection and testing costs for replacement products; and
  - (iii) reasonable administrative costs directly attributable to managing the delay and procuring replacements.
- k) Buyer may require that the Seller pays the liquidated damages in case of delayed delivery, calculated as follows: 0.5% (zero point five per cent) of the total amount of the Purchase Order for each day of delay (or for any part of it), up to a maximum of 10% (ten per cent) of the total amount of the Purchase Order, whatever may be the quantity of material not

delivered or works on paper, subject of the service not executed, including the documentation and certification required by the Purchase Order.

- l) The liquidated damages for delayed delivery will also apply to products delivered in time that are rejected at the time of inspection due to defects or missing documentation attributable to the Seller.
- m) The liquidated damages for delay shall be without prejudice to Buyer's right to claim documented damages in excess of the liquidated damages amount, where such additional damages are directly caused by the delay.
- n) Buyer's weight and count shall be conclusive unless Seller provides written objection with supporting documentation within five (5) business days of receiving written notice from Buyer. Buyer shall have no liability for payment for products delivered in excess of the quantity specified herein unless Buyer elects to keep such excess, and then Buyer shall be liable only for the price thereof and not any incremental freight expenses. Such excess products shall, at Buyer's option, be subject to rejection by Buyer and redelivery to Seller at Seller's expense.

## **5 INSPECTION; REJECTION; REVOCATION OF ACCEPTANCE.**

- a) Buyer may inspect and test all products and services and all materials, equipment and facilities utilized by Seller in producing products or providing services for Buyer. Unless otherwise specified in the individual Purchase Order:
  - (i) Seller will maintain an inspection and testing system for the same that is acceptable to Buyer and will keep records of all inspection and testing data and, with respect to products, samples of each lot shipped, for ten (10) years after delivery; and
  - (ii) Seller shall deliver to Buyer a certificate of analysis as to specifications approved by Buyer with respect to each product lot shipped, at no additional cost to Buyer, where this is industry practice for the relevant product category or otherwise reasonably requested by Buyer in writing.
- b) After receipt of the products, Buyer shall have a reasonable time, but not less than ten (10) days, to inspect and accept or reject the products, and payment for the products shall not constitute acceptance.
- c) Buyer reserves the right to reject any products not conforming to the Purchase Agreement. Unless specifically agreed otherwise, rejected products shall be returned to Seller for full credit or replacement, at Seller's risk and expense, including transportation costs both ways. Buyer may, at its option, purchase substitute products in lieu of the rejected products, with Seller being responsible for all resulting excess costs, including, without limitation, any increase in the price paid for the products and any expenses to expedite routing of the substitute products.

- d) Acceptance by Buyer of a part of any delivery shall not bind Buyer to accept the remainder of that delivery or any subsequent deliveries. Acceptance of all or part of the products shall not deprive Buyer of the right to make claims for defects, non-conformity, or any other breach of warranty, nor shall it constitute a waiver of any remedies available to Buyer under the Purchase Agreement or by law.
- e) Buyer shall not be liable to Seller for failure to accept delivery of products, or for any costs, charges, or expenses incurred by Seller (including without limitation storage costs, demurrage, dead freight, or transportation expenses) where such failure to accept is due to causes beyond Buyer's reasonable control, including but not limited to Force Majeure events as defined in Section 19, delays in Buyer's own supply chain, facility shutdowns, or changes in Buyer's operational requirements. If Buyer's failure to accept delivery extends beyond thirty (30) days and is not due to Seller's breach, the parties shall negotiate in good faith regarding reasonable mitigation of Seller's costs.

## **6 WARRANTIES**

- a) Seller warrants that all products and services will: (i) be in strict accordance with the specifications, samples, drawings or other descriptions in the Purchase Agreement; (ii) be merchantable; (iii) be free from defects in design, quality, material and workmanship; (iv) meet applicable industrial or governmental safety standards; and (v) to the extent that Buyer relies on Seller to choose or specify the products or services, be fit for the purpose specified by Buyer. Seller further warrants that all services will be performed in accordance with the standards of care and diligence normally practiced by persons performing similar services and in the best workmanlike manner.
- b) Seller warrants that all products are free of asbestos and all other hazardous substances and that no claim, demand, or notice has been filed nor any proceeding commenced alleging liability of Seller in connection with the use of asbestos and/or any other hazardous substances relating in any way to the manufacture or sale of the products. Seller shall provide a material safety data sheet for each substance containing a toxic substance that is purchased by Buyer from Seller, and Seller shall affix on each container containing toxic substances the chemical name and the appropriate hazard warning for the use and safe handling of the toxic substance. Seller shall provide other material safety data sheets relating to the products upon request.
- c) Seller warrants that Seller will have title to the products and the right to sell the products to Buyer, and that all products shall be new and unused at the time of delivery to Buyer.
- d) The above warranties will be in effect for the longer of: (i) the duration of any warranty period specifically stipulated in the Purchase Agreement; or (ii) eighteen (18) months from the date the related final product is first placed into operation by Buyer's end customer.
- e) If any products or services fail to conform to the above warranties Seller, at Buyer's option, will: (i) with respect to products, replace or repair the nonconforming products at Seller's cost; (ii) with respect to services, re-perform all services necessary to correct any such non-conformity at Seller's cost; or (iii) refund the purchase price of the nonconforming products

or services and any related costs incurred by Buyer. Any replacement products or services also will be subject to the above warranties and warranty period. The warranty period for repaired products will be extended to account for the time lapsed from the notice of defect until the repair was completed. If Seller does not replace, repair or re-perform, as applicable, within a reasonable time after notice, Buyer may do so at Seller's expense.

- f) Seller shall additionally extend to Buyer the warranties or guaranties, if any, given to Seller by any third party manufacturer of component parts and accessories incorporated into the products sold hereunder. Any reduction in the manufacturers' warranties that normally follows a product or service in the relevant market must be specifically agreed with Buyer to be valid. Seller agrees to use its best efforts to enforce, and will cooperate with Buyer in enforcing, any claims against such third party manufacturer(s) for defects that may occur.
- g) If at any time a governmental agency of any country, state, province or municipality requires Buyer to conduct a product safety recall or a field fix program caused by defects in a product supplied by Seller, or Buyer voluntarily undertakes a product safety recall, Buyer shall notify Seller within thirty (30) days of the initiation of any such action and Seller shall, at Buyer's option, either repair or replace the related products, and reimburse Buyer for reasonable and documented costs, expenses or damages directly attributable to the defective products, up to a maximum of two (2) times the total value of the affected products under the relevant Purchase Order.

## **7 QUANTITY TERMINATION; ORDER CHANGES.**

- a) Buyer may at any time, by written notice to Seller, terminate its purchase of any quantity of products or services for convenience. In case of such termination, Seller shall promptly advise Buyer of the quantities of products and raw material on hand or purchased prior to termination and of the most favourable disposition that Seller can make thereof. Seller shall comply with Buyer's instructions regarding disposition of products and raw materials. Seller shall submit to Buyer in writing notice of its intention to submit claims based on such termination within fifteen (15) days from the date of notice of termination, and all such claims shall be made in detail and substantiated by bills, receipts, and similar documents within thirty (30) days thereafter, or such claims shall be waived.
- b) Buyer shall pay Seller the order price of finished products accepted by Buyer and the cost to Seller, excluding profits and losses, of work in process and raw materials relating to the order, less the agreed value of any products used or sold by Seller with Buyer's consent. Buyer reserves the right to verify such claims at any reasonable time or times by inspecting and auditing the records, facilities, work, or materials of Seller relating to the order. Buyer will make no payments for finished work, work in process, or raw materials fabricated or procured by Seller unnecessarily in advance or in excess of Buyer's delivery requirements under the order.
- c) To the extent the order covers products normally carried in the inventory of Seller, as distinguished from products specially made to Buyer's specifications, Buyer shall have no liability for any termination of the order, in whole or in part, prior to actual shipment.

- d) For any termination for which the notice thereof is sent to Seller after receipt of products by Buyer, liability shall be limited to returning such products and reimbursing Seller the direct cost of handling and transportation.
- e) Notwithstanding the above, payments made under this Section shall not exceed the aggregate price specified in the order, less any payments made or to be made.
- f) Payment provided under this Section shall constitute Buyer's only liability in the event the order is terminated for convenience.
- g) Buyer may at any time, by written notice to Seller, terminate its purchase of any quantity of products or services (i) if Seller fails to complete or deliver any part thereof when agreed, or (ii) if Seller is in breach of any material term of the Purchase Agreement (including any provision of Sections 9, 10, 11 or 12 below), immediately prior to the delivery thereof. In case of such termination Buyer may, in addition to all remedies that may be available to Buyer under law or contract, procure substitute products or services independent of Seller, and Seller will be liable to Buyer for any excess costs incurred by Buyer.
- h) Buyer may at any time, by written notice to Seller, (i) make changes in the drawings, specifications, and delivery schedules and shipping instructions, and/or (ii) increase quantities, under the order. If any such change increases or decreases the cost of performing the order or the time required for its performance, a reasonable adjustment in prices and/or delivery schedules shall be agreed between the parties as soon as practicable, but in any event no later than ten (10) days prior to delivery of the products. Buyer may require Seller to proceed with performance of the changed order pending agreement on any price or schedule adjustment. If the parties are unable to agree on an adjustment, then Buyer may at its sole option either (i) withdraw the requested change and require Seller to perform the original order, or (ii) proceed with the change at the price and schedule proposed by Buyer, subject to Seller's right to challenge such adjustment through the dispute resolution process.

## **8 TERMINATION OF PURCHASE AGREEMENT.**

- a) Either Buyer or Seller may terminate the Purchase Agreement upon thirty (30) days' prior written notice if the other party breaches any material term thereof provided, however that during such notice period, the party in default may cure its default and thereby abate the termination. In the event Seller has not complied in any respect with Sections 9, 10, 11 or 12 below, Buyer shall have the right to immediately terminate the Purchase Agreement, without further compensation to the Seller and without Seller's ability to abate the termination. In addition, Seller shall compensate Buyer for any damages suffered by Buyer as a result of Seller's breach of Sections 9, 10, 11 or 12 above.
- b) Buyer may also terminate the Purchase Agreement immediately upon written notice, with effect for remaining deliverables, in the event (i) there is a material change of control in the Seller; or (ii) Seller becomes insolvent, is placed in bankruptcy, company administration or liquidation, or makes an assignment for the benefit of creditors.

- c) After receipt of a notice of termination, the Seller shall immediately: (i) stop work as directed in the notice; (ii) place no further subcontracts or purchase orders for materials, services or facilities, except as necessary to complete the continued portion of the Purchase Agreement; and (iii) terminate all subcontracts to the extent that they relate to the work terminated. Termination of the Purchase Agreement due to Seller's default shall not affect any order that has been dated prior to the date of termination unless otherwise expressly stated by Buyer.
- d) Notwithstanding Section 8(a), Seller may only terminate a purchase order after giving Buyer reasonable notice of such termination, as well as an opportunity to identify and set up an alternate supplier.

## **9 COMPLIANCE WITH LAWS**

- a) Seller warrants and agrees that it, and all products and services supplied to Buyer, will comply with all applicable laws, orders, rules, regulations, guidelines, standards, limitations, controls, prohibitions, or other requirements contained in, issued under, or adopted pursuant to such laws, in force in Norway (or any other place where the agreement is being performed) and not take any action that would be illegal and/or subject Buyer to penalties under such laws. Delivery of any products or services shall constitute Seller's representation to Buyer that there has been and will be full compliance with all applicable laws and, at Buyer's request, Seller shall certify in writing its compliance with the foregoing. Without limiting the foregoing, Seller shall comply with all applicable anti-corruption, anti-bribery, anti-money laundering, export control and trade sanctions laws and shall maintain policies and procedures designed to ensure such compliance:
- b) The parties shall abide by the provisions of the Norwegian Equality and Anti-Discrimination Act (*Likestillings- og diskrimineringsloven*), which prohibits discrimination against individuals on the basis of age, origin, nationality, language, religion, belief, opinion, political activity, trade union activity, family relationships, state of health, disability, sexual orientation or other personal characteristics. The parties further agree to comply with the provisions of the Norwegian Working Environment Act (*Arbeidsmiljøloven*) relating to equal treatment and prohibition of discrimination.
- c) From time to time, at Buyer's request, Seller shall provide reasonable evidence to Buyer of Seller's compliance with any applicable legal requirements.
- d) Seller shall adopt and comply with Buyer's Supplier Code of Conduct ("COC"), which is available on the Buyer's webpage. The COC is incorporated herein by reference. Additionally, Seller shall ensure that its subsuppliers and subcontractors comply with the COC. The COC may be amended by Buyer from time to time, and the applicable version shall be the one in force at the time of the Buyer's order. The COC shall prevail over other documents that form part of the Purchase Agreement in case of conflict.

**10 CONFIDENTIAL INFORMATION; OWNERSHIP OF DOCUMENTS AND MATERIALS**

- a) In the Purchase Agreement, "Confidential Information" means any and all information, in whatever form or format, that Buyer or any of its subsidiaries, or any of their respective officers, directors, employees or agents, discloses in any manner to Seller in connection with the Purchase Agreement, including but not limited to data, technical data, designs, drawings, lists, materials, models, apparatus, sketches, specifications, production or product know-how, and any other material or information of a confidential or proprietary nature, whether relating to Buyer or third parties. Confidential Information shall, to the extent applicable, also include any proprietary information relating to third-parties, including software systems and applications licensed from third parties, regardless of whether such information originates from Buyer or Buyer's licensors. Confidential Information shall not include information that: (i) is or becomes generally available to the public other than as a result of a disclosure by Seller; (ii) is or becomes available to Seller on a non-confidential basis from a source other than Buyer (provided that such source is not bound by a confidentiality obligation to Buyer); or (iii) is independently developed by Seller without reference to the Confidential Information.
- b) Seller shall, to the same extent and under the same standard of care as it protects its own confidential information (but in no event less than a reasonable level of care), treat and handle all Confidential Information in strict confidence and shall not copy, reproduce, reverse engineer, release, disclose or make available, in whole or in part, to any third parties any of the Confidential Information. Seller shall only use Confidential Information as instructed by Buyer to complete an order in accordance with and for the duration of the Purchase Agreement. Seller shall restrict disclosure of Confidential Information solely to those of its employees, representatives, agents and subsuppliers who have a need to know for purposes of performance of the Purchase Agreement and shall ensure that each recipient of Confidential Information is aware of and is made subject to substantially similar obligations as in this Section 10.
- c) All Confidential Information, and all products, inventions, technology or know-how developed with use of Confidential Information or otherwise in connection herewith, is and shall remain the sole property of Buyer (or, where applicable, its licensors), and Seller shall, upon termination of the Purchase Agreement or earlier if so requested by Buyer, promptly return to Buyer all materials containing or reflecting any Confidential Information, or destroy such and so certify to Buyer in writing within five (5) days after receipt of such notice.
- d) This Section 10 is intended to be interpreted together with the provisions of any other agreements between the parties to provide, to the extent permitted by law, the greatest possible protection for Buyer's proprietary information and business interests.
- e) Seller will not make any announcement or release any information concerning the Purchase Agreement to any other person or entity, including the press or any official body, except as required by law, unless prior written consent is obtained from Buyer.

**11 CYBERSECURITY**

- a) Seller shall implement and maintain appropriate technical, physical, and organizational security measures to protect:
- (i) the Confidential Information of Buyer;
  - (ii) all products, services, software, firmware, or other deliverables provided under the Purchase Agreement; and
  - (iii) any systems, networks, or infrastructure used by Seller in connection with the performance of the Purchase Agreement.
- b) The Seller's security measures shall be designed to prevent unauthorized access, use, disclosure, modification, destruction, or loss of Confidential Information or compromise of deliverables ("**Security Incident**"), and shall comply with applicable laws, regulations, and industry standards.
- c) The Seller shall, following any Security Incident:
- (i) notify Buyer as soon as possible, and in any event within twenty-four (24) hours, upon becoming aware of any Security Incident. Such notification shall include, to the extent known at the time, a description of the nature and scope of the Security Incident; the type of information or systems affected; the potential impact on Buyer or Buyer's customers; the measures Seller has taken or proposes to take to address the Security Incident; and a point of contact for further information;
  - (ii) provide timely updates to the notice to Buyer, as additional information becomes available;
  - (iii) promptly investigate the Security Incident and provide Buyer with a detailed written report of its findings within ten (10) business days, or such shorter period as required by applicable law;
  - (iv) take all necessary action to contain, mitigate, and remediate the Security Incident, including implementing measures to prevent recurrence;
  - (v) cooperate fully with Buyer in assessing the impact of the Security Incident and determining appropriate response measures, including any notifications required by applicable law or contract;
  - (vi) coordinate with Buyer prior to making any public statements, regulatory filings, or customer notifications related to the Security Incident, except where immediate disclosure is required by law; and
  - (vii) provide Buyer with reasonable assistance in responding to inquiries from regulators, customers, or other third parties concerning the Security Incident.

- d) Seller shall be responsible for reasonable and documented costs and expenses incurred by Buyer as a direct result of a Security Incident caused by Seller's failure to implement and maintain appropriate security measures, or to act in accordance with the provisions of this Section 11.

## **12 INTELLECTUAL PROPERTY INFRINGEMENT**

- a) Seller represents and warrants that the sale or use of the products or services provided to Buyer in accordance with the Purchase Agreement will not infringe or contribute to the infringement of any intellectual property rights. For the purpose of the Purchase Agreement, "intellectual property rights" or "IPR" means intellectual property rights of any kind existing anywhere in the world, including copyright, patents, trade secrets, trademarks, trade names, design rights, database rights, rights in computer software and any similar rights of whatever nature worldwide:
  - b) Seller shall protect and indemnify Buyer from and against any loss, cost, damage, or expense arising from infringement or alleged infringement of any third party intellectual property right arising out of Buyer's use of the products or services in accordance with the Purchase Agreement, and shall defend or settle at its own expense any suit, action, or proceeding brought against Buyer for such infringement. Furthermore, in the event that Buyer should be prohibited in such suit or proceeding from using any of the products or services, Seller, at Buyer's option, shall promptly either
    - (i) obtain for Buyer the right to use such products or services without any additional payment obligation or liability;
    - (ii) replace such products or services with non-infringing goods or services, all at Seller's expense and to Buyer's satisfaction; or
    - (iii) remove such products or services at Seller's expense, and refund to Buyer the amount paid in addition to other remedies available to Buyer.
  - c) The provisions of this section shall not apply to claims, demands, suits, or injunctions directly attributable to products manufactured by Seller in accordance with Buyer's specific instructions, specifications, design, or drawings. Seller shall not assert any of its patents or other intellectual property rights against Buyer or Buyer's affiliates or customers worldwide in connection with any use of products or services provided to Buyer in accordance with the Purchase Agreement.
  - d) Except as otherwise agreed, the Buyer shall have the right to use and transfer, without any additional payment obligation to Seller, any products or services provided by Seller under the Purchase Agreement in the production, use, preparation, sale, or delivery of, or other action with respect to, the products or services of Buyer or Buyer's affiliates or customers.

## **13 QUALITY**

- a) Seller shall comply with the quality standards set out in the Buyer's global supplier quality manual (the "**Quality Standards**") at the time of entering into the Purchase Agreement. The

Quality Standards are available from Buyer's website, or will be provided by Buyer upon Seller's request, and are incorporated herein by reference.

- b) Seller shall maintain and enforce all measures necessary to secure the quality of products and services and the manufacturing process thereof in accordance with the Quality Standards, including quality control, inspections and specifications.
- c) Seller agrees to keep Buyer informed of the development of new products, proposed improvements to existing products, and the development or improvement of processes involved in manufacturing or performing the products. Seller further agrees to provide Buyer adequate support for any new products; provided, however, that Seller will not introduce any changes in design, including but not limited to changes in performance, maintenance procedures, interchangeability, reliability, or manufacture compatibility, or manufacturing or performance location, manufacturing process, raw materials or proportions of raw materials used in products delivered to Buyer under the Purchase Agreement unless Seller notifies Buyer in writing of the change at least one hundred eighty (180) days before its implementation and Buyer agrees to the change in writing. Seller shall be liable for all losses and damages that Buyer may suffer if Seller does not comply with the requirements of the preceding sentence. At Buyer's request, Seller shall provide samples of product produced with the proposed change to test in Buyer's manufacturing process.
- d) Where specified in the Purchase Order, Seller will participate in quality programs implemented by Buyer relating to the manufacturing and delivery of products and services. Except as set forth in the Purchase Order, such participation shall not entitle Seller to any additional compensation.

#### **14 CUSTOMS AND TRADE**

- a) In any case where Buyer agrees to be the importer of record, Seller will provide all information reasonably and customarily required to effect customs entry into each country into which the products are to be imported under the Purchase Agreement.
- b) Buyer shall have all rights of drawback of duty or taxes paid by Seller in its own country or in any third country where all or part of the work is executed. Seller waives any interest in or rights to such drawback and agrees to provide, at no cost to Buyer, proof of importation and/or re-exportation as the case may be, satisfactory to Buyer and the customs administration, tax collection agency, or other government agency in any country where taxes or duties are paid, as well as to provide any other supporting documentation to enable Buyer to claim drawback of duties and taxes on products or articles manufactured from products provided under the Purchase Agreement.
- c) Seller shall accurately indicate the country of origin of the products provided under the Purchase Agreement on any customs invoice and other applicable documentation. Seller shall provide certificates of origin relating to such products within the meaning of the rules of origin of any applicable preferential duty provisions and execute such other documents as are reasonably and customarily required for Buyer to claim duty preference under any applicable programs.

**15 SERVICES/LIENS; SITE RULES; INSURANCE**

- a) Any products purchased shall be transferred to Buyer with full title and free of any liens. Seller shall, upon Buyer's written request made in connection with any payment, obtain from all of its direct subcontractors whose work or materials are incorporated into the products or installed on Buyer's premises conditional lien waivers covering such work and materials through the date of such payment. Such waivers shall be in form and substance reasonably acceptable to Buyer and shall be effective upon Seller's receipt of payment. Buyer may withhold from any payment an amount equal to the unpaid balance owed to any subcontractor for which Seller has failed to provide the required waiver within 10 business days, and will release any withheld amount within 5 business days after Seller provides the required waiver or other satisfactory evidence that no lien attaches.
- b) Seller shall conform strictly to all of Buyer's site rules and regulations when performing services on Buyer's premises, including Buyer's requirements for background screening of contingent workers. It is Seller's obligation to obtain a copy of Buyer's site rules, and Buyer shall provide a copy upon Seller's request.
- c) In addition to any specific insurance requirements set forth in the Purchase Agreement, Seller shall maintain in force standard liability insurance in line with industry practice and shall furnish Buyer, at any time upon request, with a certificate of insurance that shall provide for Buyer to receive at least 30 days' prior written notice of modification, non-renewal, cancellation or termination.
- d) It is agreed that Seller, in rendering any services on Buyer's premises, will be an independent contractor and that neither Seller nor any principal, partner, agent or employee of Seller is the legal representative of Buyer for any purpose whatsoever and has no right or authority to assume or create, by action, in writing or otherwise, any obligation of any kind, express or implied, in the name of or on behalf of Buyer. Neither Seller nor any principal, agent or employee of Seller shall be entitled to or be eligible to participate in any benefit program extended by Buyer to its employees.
- e) All Seller's employees providing services under the Purchase Agreement must be authorized to work in the jurisdiction where the services are performed.

**16 SELLER'S INDEMNITY**

- a) Without prejudice to any other rights and obligations of the Buyer under the Purchase Agreement, Seller will fully defend, indemnify, hold harmless and reimburse Buyer, its officers, directors, shareholders, affiliates, subsidiaries, employees, agents, customers and assigns from and against all claims, suits, actions, proceedings, damages, losses and expenses, including attorneys' fees, arising out of, related to, or resulting from:
  - (i) any breach of any representation, warranty, certification, covenant or agreement made by Seller in the Purchase Agreement;

- (ii) any negligence or willful misconduct of Seller or its agents or subcontractors in connection with their performance under the Purchase Agreement;
- (iii) any litigation, proceeding or claim by any third party relating to the obligations of Seller under the Purchase Agreement;
- (iv) any violation of law by Seller, its employees, agents, affiliates, contractors or subcontractors; and
- (v) Seller's use, control, ownership, or operation of its business and facilities, except to the extent caused by the negligence of Buyer.

## 17 BUYER'S PROPERTY

- a) All property of Buyer furnished or made available to Seller for performance of work under the order, including, but not limited to, materials, tools, tooling, special tooling (as defined below), equipment, and replacements thereof, shall remain the property of Buyer. Seller shall keep such property segregated from Seller's own property, individually marked and identified as Buyer's property, and shall promptly return it to Buyer upon written request, or upon termination, cancellation, or completion of the order. Seller shall maintain and keep up-to-date a list of all such property, and shall furnish the list to Buyer upon request. Such property shall be used exclusively for performance under the order and Seller agrees to: (i) maintain such property in good condition and assume all risks and liability for loss or damage thereto excepting normal wear; (ii) purchase insurance to cover the replacement cost thereof, with the proceeds payable to Buyer, and furnish Buyer evidence of such insurance upon request; (iii) permit inspection of such property by Buyer during normal business hours; (iv) at Buyer's request, furnish detailed statements of such inventory; and (v) fully cooperate and assist Buyer in any effort by it to obtain possession of such property through court proceedings or otherwise.
- b) Before commencing work under the order, Seller agrees to obtain Buyer's prior written approval for the purchase of any special tooling (as defined below), describing in detail in such request each item and its price. As used herein, "**special tooling**" means all patterns, dies, fixtures, molds, jigs, models, gauges, inspection devices, special cutting tools, special test devices, drawings, and templates, and any replacements thereof, which, prior to the date of the order, were not owned or used by Seller and which Seller has been or will be required to acquire and use solely for the purpose of furnishing products under the order. Special tooling does not include tools, capital items, or property owned by or furnished by Buyer.
- c) Upon completion, cancellation, or termination of the work for which such special tooling is required, Seller shall prepare a list of products for which special tooling has been used, together with a detailed listing in a form acceptable to Buyer of the special tooling, including each item's unamortized cost and fair market value, and shall upon request by Buyer, in its sole discretion, transfer title to the special tooling to Buyer, by written assignment, free and clear of liens and encumbrances, in exchange for the lesser of the tooling's unamortized cost or fair market value, and shall transfer possession of the special tooling to Buyer if Buyer elects to purchase such special tooling.

**18 SET-OFF**

Buyer may set off any amount owing at any time from Seller to Buyer or any of its affiliated companies (as defined by applicable laws) against any amount payable by Buyer under the Purchase Agreement.

**19 FORCE MAJEURE**

- a) Any non-performance or delay in performance of any obligation of Seller or Buyer under the Purchase Agreement will be excused to the extent such failure or non-performance is caused by “Force Majeure.” “Force Majeure” means any cause preventing performance of an obligation under the Purchase Agreement which is beyond the reasonable control of the Seller or Buyer, and which, by the exercise of due diligence, could not be overcome by Buyer, including fire, flood, sabotage, shipwreck, embargo, explosion, accident, riot, epidemic or pandemic, acts of a governmental authority, and acts of God. In no event shall Seller's ability to sell products or services at a better price, or Seller's economic hardship in buying raw materials necessary to manufacture products at a commercially reasonable price, constitute Force Majeure.
- b) If Buyer or Seller is affected by Force Majeure, it will (i) promptly provide notice to the other party, explaining the full particulars and the expected duration of the Force Majeure and (ii) use its best efforts to remedy the interruption or delay if it is reasonably capable of being remedied. In the event of Force Majeure, deliveries or acceptance of deliveries of products or services which have been suspended will not be required to be made up on the resumption of performance and, to the extent not otherwise permitted under the Purchase Agreement, Buyer will have the right to purchase products and services from other sources during the period of Force Majeure. If a Force Majeure extends for more than sixty (60) days, the Purchase Agreement may be terminated upon written notice by the party not declaring Force Majeure without any liability on its part.
- c) If a Force Majeure compels Seller to allocate deliveries of products or services, Seller will make such allocation in a manner that ensures Buyer at least the same proportion of the Seller's total output as was purchased by Buyer prior to the Force Majeure. Seller will use best efforts to source products or other items, at Seller's expense, from its own or its affiliates' global operations or the market in order to meet Buyer's required delivery dates.

**20 ACCESS AND AUDIT**

- a) In order to assess Seller's work quality and compliance with the Purchase Agreement, Seller shall permit Buyer and its authorized representatives (including third-party auditors) reasonable access to (i) all locations where work is performed in connection with the products or services provided for in the Purchase Agreement, and (ii) Seller's books and records relating to the Purchase Agreement.
- b) Such access shall normally be exercised during Seller's normal business hours and upon at least three (3) business days' prior written notice to Seller. However, Buyer may conduct audits without prior notice where Buyer has reasonable grounds to suspect material non-

compliance, quality issues, or breach of the Purchase Agreement. Seller shall provide immediate access and full cooperation during any such audit, and waives any objection to the timing or manner of such inspections conducted in good faith.

## **21 INTELLECTUAL PROPERTY RIGHTS**

- a) Seller hereby assigns and agrees to assign to Buyer and not otherwise to make use of any invention, improvement, or discovery, whether or not patentable or protected by copyright, which is
- (i) created, conceived or reduced to practice in performance of the work or provision of the products or services under the order by any employee of Seller or any person working under Seller's direction,
  - (ii) embodied in any products delivered under the order, or
  - (iii) created using or derived from Buyer's Confidential Information.
- b) Seller shall execute and cause to be executed such documents, render such assistance, and take such other actions as Buyer may reasonably request to assign, apply for, register, perfect, confirm, and protect Buyer's intellectual property rights under this Section. Seller shall be solely responsible for any compensation payable, by law or by contract, if any, to individual inventors of Seller.

## **22 NON-WAIVER; CUMULATIVE REMEDIES**

- a) The failure of Buyer to insist upon strict performance of any terms and conditions hereof, failure or delay in exercising any rights or remedies provided herein or by law, failure to properly notify Seller in the event of breach, the acceptance of or payment for any products, or approval of design, shall not release Seller from any of the warranties or obligations and shall not be deemed a waiver of any right of Buyer to insist upon strict performance or of any of its rights or remedies as to the products or as to any prior or subsequent default, nor shall any purported oral modification or rescission of the order by Buyer operate as a waiver of any of the terms hereof.
- b) Any right or remedy of Buyer provided herein is in addition to Buyer's other rights and remedies provided herein or by law, provided in all cases that Buyer shall not be entitled to recover more than once for the same loss.

## **23 PERSONAL DATA**

- a) In the context of the performance of the Purchase Agreement, either party may disclose to or receive from the other party personal data as defined in Regulation (EU) 2016/679 ("GDPR") ("Personal Data"). Each party shall process any Personal Data in compliance with the GDPR and other applicable data protection laws. To the extent that the performance of the Purchase Agreement requires the exchange or other processing of Personal Data, the parties shall promptly enter into such data processing agreements, controller-to-controller

arrangements, or other agreements as may be necessary to comply with applicable data protection laws.

- b) To obtain complete information on Buyer's privacy policy, please refer to Buyer's website.

## **24 GOVERNING LAW AND DISPUTE RESOLUTION**

- a) The Purchase Agreement shall be governed by the laws of Norway, without regard to its conflict of laws provisions. The application of the United Nation's Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded.

- b) All disputes arising under or in connection with the Purchase Agreement shall first be sought resolved by good-faith negotiations by knowledgeable, responsible representatives of each party who are fully authorized to settle any such dispute. In the event such negotiations do not resolve the dispute:

- (i) Where Seller is domiciled in the European Economic Area, the exclusive venue and jurisdiction for the resolution of any claim, controversy, dispute or other matter involving the Purchase Agreement shall be the District Court of Oslo, Norway, as the court of first instance; or

- (ii) Where Seller is not domiciled in the European Economic Area, any such dispute, controversy or claim arising out of or relating to the Purchase Agreement, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Norwegian Arbitration Act (Act of 14 May 2004. 25). The number of arbitrators shall be one. The seat of arbitration shall be Oslo, Norway. The language of the arbitration shall be Norwegian, but evidence in English shall be submittable without translation. In case the parties cannot agree on the arbitrator the Arbitration and Dispute Resolution Institute (ADRI) of the Oslo Chamber of Commerce shall appoint one. Each party shall bear its own costs of these procedures and the parties shall equally split the fees of the arbitration and the arbitrator. Notwithstanding the afore stated, the parties are free to seek injunctive relief in the general courts.