

These sales terms apply for all offers and contracts for the supply of products from SCHÜTZ Nordic AS (hereafter called the vendor,) unless otherwise agreed in writing with the buyer.

1. CONCLUSION OF CONTRACT

- 1.1 Offers are made on the basis of these sales terms and are not binding except when expressly stated.
- 1.2 When an order is placed, the buyer is deemed to have accepted these sales terms. No valid contract will exist until the vendor has either confirmed or delivered the goods.

2. PRICE

- 2.1 The agreed price is exclusive of taxes and duties.
- 2.2 Changes in production costs that occur after conclusion of the contract entitle the vendor to add a charge to the agreed price. If the extra charge amounts to more than 3% of the invoice amount, the buyer may cancel the contract in respect of any remaining deliveries. If notice of cancellation has not been received by the vendor within 15 days from the date notice of the added charge was sent, the buyer will be considered to have accepted the added charge.
- 2.3 Increases in transportation or insurance costs that occur after the contract is concluded, shall be borne by the buyer, who may not plead such increases for cancelling the contract.

3. TERMS OF DELIVERY

- 3.1 When not otherwise agreed, delivery is free on truck to the vendor's warehouse. Delivery will be deemed to have been effected when the vendor has notified the buyer that the goods are ready to be fetched/despatched.
- 3.2 The vendor is not responsible for taking out transport insurance for the goods except in the case of CIF sales and bears no liability for any damage that may occur during transport.
- 3.3 Delivery terms such as FOB, CIF, C&F etc., shall be interpreted in accordance with the rules in Incoterms 1953, issued by the International Chamber of Commerce, as subsequently amended.

4. DELAYS

- 4.1 If the vendor finds it impossible to effect delivery at the agreed time, or if the vendor considers it probable that delay will occur, he shall notify the buyer in an expedient manner and without undue delay. Whenever possible the vendor shall at the same time inform the buyer of when he expects to complete the delivery.
- 4.2 If delay is due to circumstances beyond the vendor's control, the delivery date shall be postponed for the period reasonable under the circumstances. Circumstances beyond the vendor's control include labour conflicts and all other circumstances the vendor is unable to control, such as fire, war, mobilization or unforeseen military call-ups on a similar scale, requisitioning, confiscation, currency restrictions, revolts or riots, shortage of transport facilities, general shortage of goods, major rejections, governmental interventions – including refusal of licences etc., power/fuel supply restrictions, and also any defects in deliveries resulting from circumstances listed under this clause. Corresponding rules apply in the event of delay due to any act or omission on the buyer's part.
- 4.3 If the vendor fails to deliver within the period stipulated in clause 4.1, or within any delivery period extended pursuant to clause 4.2, the buyer shall – in the event of material delay – be entitled to cancel the contract in respect of any deliveries not yet effected. If the buyer wishes to employ this cancellation right, he shall notify the vendor without undue delay.
- 4.4 The buyer may not plead delay as grounds for further breach of contract action against the vendor, this including liability for compensation.

5. LIABILITY AND DEFECTS

- 5.1 All directions concerning contents and use of the goods that are given by the vendor in technical publications and technical services, are for guidance only.
- 5.2 Upon receipt of the goods and before starting to use them, the buyer shall check to ensure that the goods are in accordance with the agreed quantity and specifications.
- 5.3 The vendor's liability covers only defects of which the buyer complains in writing without undue delay, and not later than 30 days after delivery was effected.
- 5.4 If the goods are defective and the vendor is liable, the vendor shall at this option either reduce the price proportionately, cancel the contract and credit the invoiced value, or effect the necessary repairs of supplementary delivery, or deliver new goods.
- 5.5 The vendor shall inform the buyer of the method chosen, without undue delay. If the vendor chooses to effect repair or supplementary delivery or to deliver new goods, the buyer may cancel the contract if such deliveries do not take place within a reasonable time.
- 5.6 The buyer may not take further action against the vendor for breach of contract on account of defective goods. Thus the vendor is not liable in compensation and bears no consequential liability, this including product liability.
- 5.7 In the event that under this contract the buyer's customer could hold the vendor directly liable for any defect, the vendor shall be entitled to recover in full from the buyer, unless unwarrentable conduct on the vendor's part is proven.
- 5.8 The buyer shall not return defective goods except by agreement with the vendor. Claims for defects do not entitle the buyer to withhold of delay payment for other goods delivered.

6. PAYMENT TERMS

- 6.1 Payment shall be made to our bank connection.
- 6.2 Unless otherwise agreed, the buyer shall effect payment for the goods as and when delivery is effected, net at 30 days after the date of invoice. If payment is not effected within said time limit, outstanding amounts bear interest at the current rate at any time, as from the time payment of the appropriate invoice falls due.
- 6.3 The vendor has a sales lien on delivered goods until the invoiced amount is paid in full.
- 6.4 If before or after delivery there is reason to believe that the buyer will not effect payment when due, the vendor may require the buyer to furnish satisfactory security for proper payment. If the buyer fails to do so, the vendor may cancel the contract.

7. DESIGN ETC.

- 7.1 Design which are based on our ideas or drawings are our property and cannot be reproduced by others without our express written permission.
- 7.2 Models and tools which are manufactured or constructed completely or partly at the expense of the buyer can only be used for the production of goods which are to be delivered to him, unless something else is agreed upon.
- 7.3 Models and tools, as mentioned, are the buyer's property, and he shall insure these against fire. Changes can only be carried with the permission of the buyer and his expenses.
- 7.4 Without consideration of item 7.3 the vendor has the right to use and manufacture the models and tools. This applies also to models and tools which the vendor or third party make in order to replace destroyed or damaged models or tools.
- 7.5 The buyer can demand that the models and tools which he owns be surrendered:
 - a) in the event of the vendor's bankruptcy, immediately after bankruptcy proceedings start, or, if applicable, upon payment in accordance with item 7.8.
 - b) upon the discontinuance of the vendor's operations.
 - c) if the models or tools are to be used for a simple production series and an unusually long work stoppage or other delay on the part of the vendor prevents the buyer's own production or sale, or
 - d) if the price of the product does not follow variations in the price of the raw materials, wages or general market conditions, provided that all the buyer has given the vendor at least 6 months, notice of the fact that the surrender will be demanded.
- 7.6 If the buyer demands that models and tools be surrendered, he shall pay the difference between the seller's expenses for making them and that which the buyer has already paid for the work. The buyer has the right to be informed of the vendor's expenses when the contract is entered into.
- 7.7 The vendor shall store the models and tools in a proper manner. If he has not in the course of a three year period received orders of a reasonable size from the buyer, this obligation no longer applies. They can be destroyed after the buyer has been informed of the fact that if an order is not received within three months such will be done.
- 7.8 The client is subject to professional secrecy concerning all specifications, drawings or information which has been placed at his disposal.

8. PROHIBITION AGAINST ASSIGNMENT

Rights and duties under this contract may not be assigned to a third party without the other party's written consent.

9. ADDITIONS TO OR AMONDEMENTS OF CONTRACT

Additions or amendments shall be in writing.

10. DISPUTES

„Whenever possible, disputes arising from this contract shall be settled by negotiations. If no agreement is reached through negotiations, the dispute shall be brought before the courts of Norway and settled according to Norwegian law. Venue shall be Vinger and Odal Tingrett. The vendor may however apply to any court of competent jurisdiction for the collection of amount due to the vendor.“