

Norwegian Subsea AS - General Terms and Conditions of Sale

1. General

The General Terms and Conditions of Sale ("General Conditions") contained herein shall apply to all offers, quotations and order confirmations issued by Seller and all agreements as hereinafter defined between Seller and any (prospective) Buyer. Deviations from the General Conditions shall not apply unless agreed in writing.

2. Definitions

"Seller" means Norwegian Subsea AS.

"Buyer" means the legal entity purchasing Products from Seller.

"Products" means the products offered by Seller and/or purchased by Buyer.

"Offer" means any quote, proposal or offer to sell Products provided by Seller to Buyer.

3. Prices

Unless stated otherwise, all prices are exclusive of any applicable Value Added Tax and any other tax or duty, packaging and insurance. All prices for deliveries are Ex-Works, as defined by Incoterms 2010.

Seller's offered, quoted, published or notified prices are non-binding and are subject to alteration at any time before delivery by notice in writing to Buyer and in particular may be altered to reflect any increase in cost to Seller caused by currency fluctuations, the imposition or levying by any governmental or other authority of any country or any import or other duty, tax or charge.

4. Terms of Payment

All payments shall be made to Seller's nominated bank account in the currency stated on the invoice. Standard payment terms for domestic orders are net 30 days from date of Seller's invoice, subject to credit approval of Buyer. Payment terms for international orders may be cash in advance by bank transfer, a letter of credit confirmed with Seller's bank or other payment terms as are agreed between Seller and Buyer in writing.

Seller may charge interest on any overdue payments based on the prevailing Norwegian penalty interest rate from the due date until the actual date of payment. Buyer shall be liable for all judicial and extra judicial collection costs.

5. Delivery

All shipments by Seller are Ex-Works Incoterms 2010.

Seller will make every endeavor to deliver Products within the agreed delivery time, but Seller shall not be liable for failure to do so for reasons due to Force Majeure, as defined in Article 6. In the event of such delay, Seller will notify Buyer in writing. Seller is entitled to make partial deliveries.

If Seller prepays shipping, insurance or other related costs, Buyer agrees to reimburse Seller for the actual costs incurred.

Buyer shall inspect the Products immediately on quality and quantity upon delivery by Seller.

Title of ownership of Products shall not pass to Buyer until Seller has received final settlement in full of the sales price and other sums.

Risk of loss of, and damage to, the Products shall pass to Buyer upon delivery. Buyer assumes all risks and liabilities arising out of its use, storage, handling and resale of the Product.

6. Export Controls and Sanctions

Buyer warrants that the Products provided by Seller will only be used for civil application, and that the application for which the Products shall be used has no relation to weapons of mass destruction or vehicles for delivery of such weapons.

Buyer warrants that it shall not sell, provide, transfer export or re-export, or otherwise make available, directly or indirectly, any of the Products provided by Seller or any related support services;

i) to any entity or person targeted by economic sanctions or placed on a list of specifically designated nationals or persons or entities (or similar) that are blocked, restricted or subject to financial sanctions and/or asset freeze targets as imposed, administered or enforced by the UN Security Council, the United States of America (including the U.S. Treasury Department's OFAC), the European Union, and Norway ("Sanctions Lists"), or to any entity or person directly or indirectly owned or controlled by any entity or person currently targeted by economic sanctions or designated on any such Sanctions Lists, or in any other manner that would result in a violation of any sanctions imposed, administered or enforced by the UN Security Council, the United States of America, the EU, and Norway, or

ii) if it is known or suspected that the Products are intended or likely to be used for any purpose connected with chemical, biological or nuclear weapons or vehicles for delivery for such weapons, or if it otherwise would result in a violation of trade and export control laws of the US, the EU and Norway.

Any breach of this Article 6 shall be considered a substantial breach of contract.

7. Force Majeure

"Force Majeure Event" means an event, or a series of related events, that is outside the reasonable control of the party affected.

Where a Force Majeure Event gives rise to a failure or delay in either party performing its obligations (the "Nonperforming Party") under this Agreement (other than obligations to make payment), those obligations will be suspended for the duration of the Force Majeure Event.

Upon occurrence of a Force Majeure Event, the Nonperforming Party shall promptly notify the other party of occurrence of that Force Majeure Event, its effect on performance, and how long that party expects it to last. Thereafter the Nonperforming Party shall update that information as reasonably necessary. During a Force Majeure Event, the Nonperforming Party shall use reasonable efforts to limit damages to the Performing Party and to resume its performance under this agreement.

8. Seller's liability for defects

Seller warrants that the Products will be free from defects in material and workmanship for a period of 24 months from the date of delivery.

Seller is, however, liable for a defect only if Buyer has given notice of the defect without undue delay after having discovered the defect, or after he ought to have discovered it. Such notice must, in any case, have been given at the latest within 24 months from the date of delivery. If Buyer fails to give notice in accordance with this provision, he loses the right to invoke the defect.

If Seller is liable for a defect, he shall as soon as possible rectify or replace the Product. Buyer shall arrange for return of the Products to Seller and pay all costs related hereto. Buyer shall in advance obtain a return merchandise authorization (RMA) from Seller.

9. Exclusion of Liability. Indemnification

Seller shall not be liable towards Buyer for any indirect, special or consequential loss or damage (whether for loss of profit, goodwill or turnover or otherwise), costs, expenses, revenue, anticipated savings or other claims for compensation whatsoever (whether caused by the negligence of Seller, its employees, agents or otherwise) which arise out of or in connection with the supply of the Product or their use by Buyer.

Notwithstanding any other provision in the Agreement to the contrary, the maximum cumulative liability of Seller for all delays, defects, losses, damages, liabilities and/or obligations under or in connection with the Agreement or according to law, whatsoever and howsoever arising, shall not exceed 50 % of the original price of the Product.

Seller and Buyer shall indemnify and hold each other harmless from and against any claim concerning:

- 1) Injury to or death of their employees and
- 2) Loss of or damage to their respective properties

arising out of or in connection with the Agreement or caused by the Product in its lifetime.

Buyer shall indemnify Seller from and against any claim concerning:

- i) Injury to or death of a third party; and/or
- ii) loss of, or damage to the property of a third party

arising out of or in connection with the Agreement or caused by the Products in its lifetime.

The abovementioned exclusions of liability and indemnifications shall apply regardless of any form of liability whether strict or by negligence, in whatever form.

10. Pollution

The Buyer shall save, indemnify, defend and hold harmless Seller from and against any claim of whatsoever nature arising directly or indirectly under this Agreement from pollution or contamination emanating from, relating to or caused by the Products in its lifetime. The indemnity shall apply regardless of cause, and regardless of any form of liability, whether strict or by negligence, in whatever form.

11. Termination

Either party may terminate the contract if the other party is in substantial breach of contract.

Seller may also terminate the contract if Buyer becomes insolvent or stops his payments.

12. Intellectual Property

All intellectual property rights, software codes, drawings, designs and the know how, used or embodied, in connection with the Product shall remain the sole property of the Seller.

13. Confidentiality

Both the Seller and the Buyer shall keep confidential and shall not without the prior consent in writing of the other disclose to any third party any technical or commercial information which it has acquired from the other as a result of discussions, negotiations or other communications between them relating to the Products.

14. Governing Law

The General Conditions shall be governed and constructed in accordance with Norwegian law. Any legal dispute arising out of this Agreement shall be brought before the Oslo City Court.