

### SECTION I

#### DEFINITIONS AND SCOPE

##### 1. DEFINITIONS

- 1.1 **"Agreement"** or **"Contract"** means the terms set out herein together with the Binding Order and any schedules and appendices referenced or agreed herein.
- 1.2 **"Binding Order"** means a purchase order that has been unequivocally accepted by Supplier, either by the issue of a purchase order confirmation from Supplier to Customer or otherwise.
- 1.3 **"Customer"** or **"Purchaser"** means the company detailed in the Binding Order for whom the Supplier shall supply parts and / or services as set out in clause 2 Scope.
- 1.4 **"Offshore Services"** means services of Supplier's Personnel provided on deployment on a vessel at sea or on an oil rig.
- 1.5 **"Party"** means either the Customer or the Supplier according to the context in which the term appears. "Parties" shall refer to the Customer and the Supplier collectively.
- 1.6 **"Supplier"** (or "Contractor" as the case may be) means for the purposes of these standard terms and conditions Brunvoll Group.

The definitions set out herein shall also apply as appropriate for Sections II to IV, unless otherwise agreed.

##### 2. APPLICABLE TERMS

- 2.1 The rates set out in Appendix A to these "Rates, terms and conditions" apply to the deployment of the Supplier's Personnel carrying out (i) commissioning, testing and service of equipment supplied by Supplier and (iii) repair/rebuilding and testing of any equipment:
  - i. For all services provided by the Supplier, the Orgalime R 17 "General Conditions for the Repair of Mechanical, Electrical and Electronic Equipment" with Brunvoll amendments as set out in Section II will apply.
  - ii. For the supply of spare parts, the Orgalime "General Conditions for the Supply of Mechanical, Electrical and Electronic products, March 2012" with Brunvoll amendments as set out in Section III will apply.
  - iii. For repairs and upgrades carried out at any Supplier sites, Orgalime R 17 "General Conditions for the Repair of Mechanical, Electrical and Electronic Equipment" with amendments as set out in Section II will apply.

The conditions set out in Clause 2.1 item (i) to (iii) shall prevail (when applicable) over any other conditions put forward by the Purchaser, unless expressly agreed otherwise in writing prior to commencement of work. In case of conflict between Supplier's quotation and/or the Binding Order and these terms and conditions, Supplier's quotation and/or the Binding Order will prevail.

- 2.2 If a Binding Order should diverge from the contents of the purchase order, then the Purchaser shall be bound and committed if three (3) working days have passed from receipt of the Binding Order without the Purchaser rejecting or disputing the Binding Order towards the Supplier. The Supplier shall under no circumstances be committed to commence work before the terms of the Binding Order is agreed.
- 2.3 Divergent terms and conditions of the business of the Purchaser shall only be valid if specifically accepted by the Supplier in writing. This shall also apply if the Purchaser refers to its own general terms and conditions in a purchase order.
- 2.4 The Supplier may at any time revise the rates and charges set out in the rates following these terms and conditions without prior notice to the Customer.

### 3. PRICE AND PAYMENT

- 3.1 Working hours: Minimum charge for assignments equivalent to or exceeding one (1) day, is 12 hours per day – work and/or standby hours. Travel time between work site and lodging, as well as writing of reports and all forms of meetings related to the assignment is included. Service engineers are available 7 days a week when on assignment and the Purchaser will be charged whether they are deployed or not.

Day	Normal hours	Overtime 1	Overtime 2	Total
Monday – Friday	07:00-15:00 = 7,5	15:00-19:30 = 4,5		12,0 hours day
Saturday		07:00-12:00 = 5,0	12:00-19:00 = 7,0	12,0 hours day
Sunday			07:00-19:00 = 12,0	12,0 hours day

- 3.2 Rates for service personnel is set out in Appendix A attached to this Agreement.
- 3.3 Travel expenses, board and lodging:
  - 3.3.1 Board rates will be charged according to the applicable Norwegian "Government travel allowance scale".
  - 3.3.2 Lodging expenses will be charged at cost, with an additional 10% administration fee.

- 3.3.3 Offshore compensation: Board and lodging rates are replaced by a daily flat rate when service personnel are staying on board a vessel offshore/sailing/quayside/anchorage/dry-dock. See Appendix A – Offshore compensation.
- 3.3.4 Unless otherwise agreed, all travel expenses, visa/entrance expenses, medical examinations, laundry, bank charges etc. will be charged at cost, with an additional 10% administration fee.
- 3.4 On deployment to a country which in the reasonable opinion of the Supplier requires special measures to be taken in respect of the security or health of the Personnel, as may be notified to Customer from time to time, Supplier reserves the right to charge reimbursement of such additional measures, if required.
- 3.5 The Supplier reserves the right to decline sending Personnel to certain locations, as may be notified to Customer from time to time.
- 3.6 Freight, forwarding, etc. for spare parts and tools:
- 3.6.1 Costs with returning parts and tools from the work site to the Suppliers location, are to be borne by the Customer. Freight, instruments and assistance from sub-contractors will be charged at cost, with an additional 10% administration fee. Forwarding costs, insurance, packing, etc. for parts and tools will be charged according to current shipping charges, available upon request or at [www.brunvoll.no](http://www.brunvoll.no).

Returned, unused parts will be credited at invoicing price, less 15% that covers quality control, purchase cost, handling of returned parts and similar costs. Return of parts fabricated solely for a specific installation, will not be accepted. Return of parts which are unpacked from their original boxes and stern tube seals will not be accepted. All costs related to return of parts and tools, with an additional 10% administration fee, shall be charged.

The Supplier shall not be obliged to accept return of parts later than 6 months from dispatch hereof to the Customer.

- 3.7 Brunvoll toolbox
- 3.7.1 In cases where Brunvoll supplies customized tools, the toolbox is the Suppliers' property and shall be returned to the Supplier, return freight is arranged by Supplier unless otherwise agreed. Contact [service@brunvoll.no](mailto:service@brunvoll.no) if this, for any reason, could not be arranged by our attending engineer. A fee of NOK 500 will be charged for each day past 14 days after completion of assignment. If, after 30 days, the toolbox has still not been received, the Customer will be invoiced for the replacement of the toolbox and contents.

#### **4. MISCELLANEOUS**

- 4.1 The provisions set out in section 4.2 shall, mutatis mutandis, also apply to Section II through III, as appropriate.

- 4.2 If a tax deduction or duties of any kind is/are imposed on the Supplier in the country where the work is being conducted or parts are being forwarded, the Customer shall reimburse the Supplier hereof by increasing the amount due accordingly, which (after making any such tax deduction) leaves an amount to be received by the Supplier equal to the payment which would have been due if no tax deduction had been required. The Customer shall be the sole responsible party to make such tax deduction within the time allowed and in the minimum amount required by law.
- 4.3 Pollution: Customer agrees to defend, indemnify, and hold Supplier harmless from and against any liability for, or costs arising in connection with any pollution or contamination, which is due to the Product or any act or omission in the supply of products or provision of services hereunder. This limitation shall not apply if Supplier is guilty of gross negligence.
- 4.4 Data Protection: Within the meaning of the applicable data protection law, Contractor advises that Contractor stores customer data and uses it in a framework of co-operation.
- 4.5 The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.
- 4.6 Set-off: Without prejudice to any other right or remedy, Contractor will be entitled to set-off any amount otherwise due to the Customer under this Contract or any other contract against any sum or sums, which the Customer is or may be liable to pay Contractor or recover any such amount as a debt.
- 4.7 Suspending work: Time of payment is of the essence of the Contract, and Contractor reserves the right to suspend the provisions of the Product to the Customer, or withdraw any service engineers for the work site, where any amounts are overdue under the Contract or under any other contract until such amounts have been paid. The Supplier reserves the right to charge additional costs incurred as a consequence hereof.

- 4.7.0 Entire Agreement and severability: The rights and obligations of each Party under these general provisions may only be waived specifically in writing. No delay or failure to exercise any right shall be deemed a waiver of that right.
- 4.7.1 If any term of these general provisions is deemed by a court or other legal authority to be illegal, invalid, or unenforceable in any jurisdiction it shall be severed from and not invalidate the remaining general provisions.
- 4.7.2 No term of these general provisions may be varied otherwise than by written agreement between the Parties.
- 4.7.3 These general provisions constitute the entire agreement between the parties in respect of remedial maintenance.
- 4.7.4 No party to these general provisions has placed any reliance on any representations, agreements, statements or understandings made prior to the issue of these general provisions, whether orally or in writing, relating to the remedial maintenance other than those expressly incorporated into these general provisions. These general provisions represent their entire agreement relating to the any remedial maintenance and supersede all such representations, agreements, statements and understandings.

## 5. COMPLIANCE

- 5.1 Each Party confirms that it will uphold high standards of business ethics and comply with applicable laws throughout its dealings and in relation to this agreement, including without limitation laws related to anti-corruption, fundamental human rights, international sanctions, anti-money laundering and competition laws.
- 5.2 Each Party warrants and represents that, in connection with this Agreement, it, its directors, employees, agents, representatives and subcontractors have not made, offered, received, accepted or requested, and will not make, offer, receive, accept or request any payment, gift or other advantage or anything of value, whether directly or through intermediaries, to any private party or public official, where such payment, gift, promise or advantage would violate the principles identified in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the Convention on the fight against corruption involving officials of the European Communities or officials of the Member States of the European Union, or that would violate any national anti-corruption laws that apply to either party.
- 5.3 Customer warrants that neither it nor any of its directors, employees, agents, representatives, and subcontractors:
  - (a) are listed on any list of entities, persons or bodies subject to sanctions under any sanctions laws applicable for Supplier, including but not limited to any US, EU, Norwegian and/or international sanctions; and/or

(b) are owned, controlled by, acting on behalf of, or are involved with, any person, body or entity as mentioned under item (a) above.

5.4 Customer shall without undue delay upon prior written request by Supplier, provide such information and documentation regarding itself, its shareholders, ultimate owners, directors, employees, agents, representatives, subcontractors and/or end customers, as Supplier may reasonably request in order to (1) comply with regulatory laws applicable to it, (2) comply with any bona fide internal compliance procedures and/or (3) enabling its bank to carry out any antimony laundering or other similar procedures which its bank is required to carry out in relation to Customer in order for Supplier to receive payment from Customer under the agreement.

5.5 Notwithstanding anything to the contrary in this Agreement, if:

- (i) any of the warranties included above in this section at any point in time is not true and correct in every respect;
- (ii) Customer does not provide such information and documentation as reasonably requested by Supplier pursuant to this section without undue delay after receipt of a written request for information and documentation from Supplier;
- (iii) this agreement or the performance by Supplier of its obligations hereunder may (as determined in the reasonable opinion of Supplier) expose Supplier to (a) a risk of violating any applicable sanctions laws, import and/or export regulations, including without limitation by Supplier being unable to obtain relevant government approvals to fulfill its obligations under the agreement, or to (b) a risk of Supplier being targeted by any sanctions or export control laws, including without limitation US secondary sanctions;
- (iv) Supplier's bank refuses to accept payment from Customer under the Agreement; or
- (v) Supplier does not obtain any required public authorization, permits or licenses to export and/or deliver the goods and products comprised by this agreement to Customer,

this will constitute grounds for Supplier's immediate termination of this agreement, in which event Supplier will not be in breach or default of the agreement or have any form of liability, or payment or delivery obligations towards Customer. Any goods or products received by Customer prior to such termination shall be redelivered by Customer to Supplier in such an event.

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### SECTION II

#### BRUNVOLL ADDENDUM TO ORGALIME R 17 "GENERAL CONDITIONS FOR THE REPAIR OF MECHANICAL, ELECTRICAL AND ELECTRONIC EQUIPMENT"

##### ART 6, first sentence

The first sentence shall be read as follows:

*"If the repair work is to be carried out at the premises of the Customer, the Customer shall at its own cost ensure that: "*

##### ART 6 d)

Insert in the end of the first sentence:

*"...as well as the measuring and testing instruments of the Customer, and sufficiently qualified personnel to operate the cranes, lifting equipment and so on and personnel with sufficient skills to assist the Contractor to the extent required."*

##### ART 10

Article 10 shall be read as follows:

*"The Customer shall arrange for the transport of the Equipment from the Customer's premises to the site where the repair is taking place. The Customer shall give appropriate notice In Writing to the Contractor about the time and means of transport of the Equipment concerned to the Contractor's premises.*

*When the repair work is completed and ready for return, the Contractor shall arrange for transportation on a FCA basis (INCOTERM 2010). The Contractor shall give appropriate notice In Writing to the Customer about the time and means of transport of the Equipment concerned to the Customer's premises."*

##### ART 15

**Second paragraph** shall be read as follows:

*"If the Contractor fails to start or complete repair work within such final period, the Customer may himself undertake or employ a third party to undertake necessary repair work, provided that he proceeds in a proper and professional manner."*

Add the following **new fifth paragraph** (current fifth paragraph to be new sixth paragraph):

*"Save for reimbursement of payments as detailed in paragraph 6 herein, the Contractors total liability under this clause 15 shall under any and all circumstances be limited to 20% of the agreed price."*

##### ART 20

Add the following last sentence to the **last paragraph**:

*“If the Customer fails to pay any installments due after completion of the work, the Contractor may suspend any warranties provided for the repair work. Such suspension shall be endured until payment of the overdue payments, interest and debt collection expenses are irrevocably paid.”*

### **ART 21**

Add the following **new second paragraph**:

*“Repair shall be carried out at the place where the Equipment is located unless the Contractor deems it more appropriate that the Equipment is sent to him or a destination specified by him. If the defect can be remedied by replacement or repair of a defective part and if dismantling and re-installation of the part do not require special knowledge, the Contractor may demand that the defective part is sent to him or a destination specified by him. In such case the Contractor shall have fulfilled his obligations in respect of the defect when he delivers a duly repaired part or a part in replacement to the Customer. The Customer shall at his own expense provide access to the Contractor and arrange for any intervention in equipment other than the Equipment, to the extent that this is necessary to remedy the defect. The Contractors liability shall no extend to include cost related to docking, rigging, scaffolding, diving, towing, and any other similar cost, which in its entirety shall be carried by the Customer.”*

### **ART 24**

**Second paragraph** shall be read as follows:

*“If the Contractor fails to fulfil his said obligations within such final period, the Customer may himself undertake or employ a third party to undertake necessary remedial work, provided that he proceeds in a proper and professional manner.”*

Add the following **new fifth paragraph** (current fifth paragraph to be new sixth paragraph):

*“Save for reimbursement of payments as detailed in paragraph 6 herein, the Contractors total liability under this clause 24 shall under any and all circumstances be limited to 20% of the agreed price.”*

### **ART 26**

The current clause 26 shall be replaced by the following:

#### **“MUTUAL INDEMNIFICATION**

**26** *Each party to this contract shall indemnify and hold harmless the other party for any claim arising under this contract against the indemnified party for damages and losses to the indemnifying party’s property and injury to its employees irrespective of who caused the damage.”*

### **ART 27**

**Third paragraph** shall be read as follows:

*“If the Contractor incurs liability towards any third party for damage arising in connection with the repair work, the Customer shall indemnify, defend and hold the Contractor harmless.”*

### **ART 28**

Add the following new wording in the end of the first paragraph:



*“Covid-19 and other global pandemics may cause delay in the Contractors performance under the contract. If the Contractor is hindered from performing the work due to the pandemic the Customer agrees that such event shall be classified as a force majeure event, even though the outbreak of the pandemic is known to the parties at the date of the contract.”*

### SECTION III

#### AMENDMENTS TO ORGALIME S2012 GENERAL CONDITIONS FOR THE SUPPLY OF MECHANICAL, ELECTRICAL AND ELECTRONIC PRODUCTS.

##### DRAWINGS AND TECHNICAL INFORMATION – Clause 4

The following text shall be added at the end:

*“Where Supplier is submitting drawings for approval, the Purchaser approves or otherwise within the time given in the Contract, or, if no time limit specifies, within fourteen (14) calendar days of the receipt failing, which they shall be deemed to have been approved. The Contract language shall be English or Norwegian. All contract communication and documentation shall be accordingly.”*

##### ACCEPTANCE TESTS. PASSING OF RISK – Clause 6a

The following clause shall be added:

*“In case an acceptance is compulsory by contract or by law, such acceptance shall affect the transfer of risks. The Purchaser shall declare acceptance at the agreed date of acceptance-tests or if such date is not agreed, without undue delay after the Supplier’s notice of readiness for acceptance-tests. In case the Purchaser does not declare refusal of acceptance In Writing with a statement of reasons without undue delay after completion of the acceptance test or within a reasonable period of time set by the Supplier, the acceptance shall be deemed effected. The acceptance shall be deemed effected as well by use of the Product by the Purchaser. Minor impairments of the Product of delivery shall not entitle the Purchaser to refuse acceptance. By means of acceptance, the Supplier is released from liability for visible defects as long as the Purchaser did not reserve his right to file notice of certain defects with his acceptance.”*

##### ACCEPTANCE TESTS. PASSING OF RISK – Clause 9

Clause 9 shall be deleted and replaced by the following:

*“The Supplier shall bear all costs for acceptance tests carried out at the place of manufacturer. The Purchaser shall however bear all travelling and living expenses for his representatives in connection with such tests.*

*If the acceptance test is carried out at another place but the place of manufacturer, the Purchaser shall bear all additional costs of the Supplier in accordance with the pay rates stated in the pro forma invoice or the order confirmation and the Appendix. The Purchaser shall ensure, that the Supplier’s personnel is able to start work in accordance with the agreed time schedule and to work during normal working hours as referred to in the Appendix.”*

### **TEST RUN/ PUTTING INTO OPERATION. PASSING OF RISK – Clause 9a**

The following title and clause shall be added:

*“A putting into operation/ test-run is only compulsory if explicitly agreed on in Writing. In any case it shall not have an impact on the passing of risk, which takes place with delivery of the Product or the acceptance according to clauses 6-9.”*

### **DELIVERY. PASSING OF RISK – Clause 10**

The fourth paragraph of clause 10 shall be deleted and replaced by the following:

*“Partial delivery shall be permitted, unless otherwise agreed.”*

### **TIME FOR DELIVERY, DELAY – Clause 11a**

The following clause shall be added:

*As long as nothing else has been agreed upon, the delivery periods and dates shall be deemed met if “– at the date of expiry – either the essential parts of the product to be delivered have left our works or if the Supplier has notified their readiness to be shipped or the risks of loss or damages have been transferred to the Purchaser otherwise.”*

### **TIME FOR DELIVERY, DELAY – Clause 14**

The first paragraph of clause 14 shall be deleted and replaced by the following:

*“If the Product is not delivered at the time for delivery proven by the Purchaser to be negligently caused by the Supplier, the Purchaser shall be entitled to liquidated damages from the date on which delivery should have taken place. “*

### **TIME FOR DELIVERY, DELAY – Clause 15**

The following sentence shall be added at the end of the second paragraph of clause 15:

*“In case of late delivery, the ongoing interest of the Purchaser on the execution of the contract shall be presumed.”*

### **TIME FOR DELIVERY, DELAY – Clause 15**

The first sentence of the third paragraph of clause 15 shall be deleted and replaced by the following:

*“If the Purchaser terminates the contract, he shall be entitled to compensation for the loss he suffers as a result of the Supplier’s delay, excluding any consequential or indirect loss.”*

### **LIABILITY FOR DEFECTS – Clause 25**

At the end of clause 25 the following sentence shall be added:

*“However, the Supplier shall not be liable for the product fitting the use of the Product intended by the Purchaser, unless otherwise agreed explicitly. Supplier shall not be liable when the Purchaser fails to comply with instructions given by Supplier in installation, operation or maintenance manuals.”*

### **LIABILITY FOR DEFECTS – Clause 27**

Clause 27 shall be deleted and replaced by the following:

*“The Supplier’s warranty shall apply only to defects that appear under normal operating conditions, under proper use and only to the extent the defects can be assignable to the Supplier’s performance of the Product”.*

### **LIABILITY FOR DEFECTS – Clause 28**

Clause 28 shall be deleted and replaced by the following:

*“When a defect in a part of the Product has been remedied, the period mentioned in Clause 28 shall be extended by a period equal to the period during which and to the extent that Product could not be used as a result of the defect. “*

### **LIABILITY FOR DEFECTS – Clause 29**

The following sentence to be added at the end of Clause 29:

*“If Supplier and Purchaser agree that the Supplier shall conduct service/repair work for which Supplier is not otherwise obliged to perform under the contract then Orgalime “Conditions for the provisions of technical personnel abroad – October 1995”, or Orgalime (R02) – general conditions for the Repair of Machinery and Equipment maintenance, shall apply and supplier may charge for such service/repair work at its applicable rates.”*

### **LIABILITY FOR DEFECTS – Clause 33**

The following sentence to be added:

*“Other costs incurred when rectifying deficiencies, including but not limited to towage, docking, rigging, labor other than own personnel, will be borne in their entirety by the Purchaser.”*

### **LIABILITY FOR DEFECTS – Clause 39**

The second sentence of Clause 39 shall be deleted.

### **LIABILITY FOR DEFECTS – Clause 39 a**

The following clause shall be added:

*“If not stated otherwise in this Agreement the liability of the Supplier irrespective of the legal ground shall be limited in total to an amount equal to the price of the products and services paid to the Supplier pursuant to this agreement.”*

### **ALLOCATION OF LIABILITY FOR DAMAGE CAUSED BY THE PRODUCT – Clause 40**

The first and second paragraph of clause 40 shall be deleted and replaced by the following:

*“The Supplier shall not be liable for any damage to property, personal injury or death caused by the Product after it has been delivered and whilst it is in the possession of the Purchaser or its successor(s), except to the extent that in case of personal injury or death, such injury or death is caused by the negligence of the Supplier or its directors, employees, agents, or subcontractors. Nor shall the Supplier be liable for any damage to products manufactured by the Purchaser, or to a product manufactured by the Purchaser’s product form a part. If the Supplier incurs liability towards any third party for such damage to property, personal injury or death as described in the preceding paragraph, the Purchaser shall indemnify, defend and hold Supplier harmless.”*

### **FORCE MAJEURE – Clause 41**

The second paragraph of clause 41 shall be deleted and replaced by the following:

*“A circumstance referred to in this Clause whether occurring prior to or after the formation of the Contract shall give a right to suspension whether or not its effect on the performance of the Contract could not be foreseen at the time of the formation of the Contract.”*

Add a new last paragraph:

*“Covid-19 and other global pandemics may cause delay in the Contractors performance under the contract. If the Contractor is hindered from performing the work due to the pandemic the Customer agrees that such event shall be classified as a force majeure event, even though the outbreak of the pandemic is known to the parties at the date of the contract.”*

### **DISPUTES AND APPLICABLE LAW – Clause 46**

Clause 46 shall be deleted and replaced by the following:

*“The place of jurisdiction shall be Ålesund - Norway.”*

The following clauses shall be added:

### **“EXPORT CONTROL - Clause 48**

*Supplier and Purchaser acknowledge that any information provided or received may be subjected to export control laws and regulations and each of the Parties agree that they will strictly comply with all applicable requirements under such laws and regulations. As such, each Party warrants and undertakes that it will*

*not export or transfer by any means, electronic or otherwise, any information or deliverables without complying in all respect with the applicable export control legislation, codes of conduct, relevant export licence(s), guidelines, notices and instructions in relation to any export or transfer of information or deliverables. Neither Party shall have any liability to the other Party for delayed delivery or non-delivery resulting from denial, revocation, suspension or governmental delay in issuance, of any necessary export licence or authority."*

The following is inserted as new clauses 49:

### **SURVIVAL – Clause 49**

*"The following Orgalime S2012 clauses (as amended) will survive termination of this Contract: Clauses 14, 16, 19 to 21 inclusive, 27, 28, 29, 36 to 39 and 45 inclusive."*

The following title and clause shall be added as a new clause 50:

### **"FORWARDING & FREIGHT – Clause 50**

*For those occasions where Customer/Purchaser request Supplier to arrange freight of goods, and Supplier accepts to arrange as requested despite Sales & Delivery of goods is Confirmed Orgalime S2012, following rules applies: All and any forwarding business undertaken by Supplier is transacted subject to the latest edition of the General conditions of the Nordic Association of Freight Forwarders - NSAB, which i.a. limit our liability and entitle us to cover all our claims due for payment through sale of the customer's property under our control. Regarding NSAB 2000 the time guarantee in §§ 6 and 20 is excluded, as well as the requirement as to storage insurance in § 27.c.3."*