

Terms and Conditions of Sale and Delivery for Goods

1. THE CONTRACT

In connection with the sale and manufacture of goods by TESS, these general Terms and Conditions of Sale and Delivery (the "**Terms**") shall apply between TESS (the "**Seller**") and the buyer of the goods from the Seller (the "**Buyer**"), unless otherwise agreed in writing.

The Buyer confirms their acceptance of the Seller's offer (the "**Offer**") by placing an order (the "**Order**"). The Seller then confirms the conclusion of the contract by issuing an order confirmation (the "**Order Confirmation**").

The "**Contract**" between the Seller and the Buyer thus comprises the following documents:

1. The Order Confirmation;
2. the Offer;
3. these Terms;
4. the Order; and
5. the provisions of NL 17 (General Provisions) specifically referred to in these Terms.

In the event of any conflict, the contract documents shall have the order of priority set out above. Any standard terms and conditions of the Buyer shall not apply.

2. DEFINITIONS

"**Buyer Group**" means the Buyer and its affiliated companies, partners or joint ventures, and each of their 1) suppliers or subcontractors and 2) directors, employees and other representatives.

"**Contract Price**" means the total price specified in the Offer, excluding VAT.

"**Goods**" means the goods, including any software and documentation, to be supplied by the Seller.

"**Intellectual Property Rights**" means all copyright, design rights, patents, trade marks, trade secrets and other intellectual property rights.

"**Seller Group**" means the Seller and its affiliated companies, and their 1) suppliers or subcontractors and 2) directors, employees and other representatives.

"**Software**" means the software included in the Goods and consisting of vendor software and/or sub-licensed software.

"**Third Party**" means any person not included in the Buyer Group or the Seller Group.

3. PRODUCT INFORMATION

Information contained in marketing materials, price lists and other product information is only binding to the extent that the Contract expressly refers to it.

4. DELIVERY

Delivery shall be EXW at the Seller's warehouse/service centre, cf. INCOTERMS 2020.

The delivery date stated in the Order Confirmation is indicative, and the Seller shall not be liable for any delay. The Seller reserves the right to change the delivery date in the event of delays on the part of an external supplier or where other circumstances make such a change necessary.

The Seller shall only be liable for delays if it has been expressly agreed that the Seller may not change the stated delivery date, in accordance with Articles 14–17 of NL 17.

5. OFFER AND PRICE

Unless otherwise agreed, the offer is valid from the time it is received by the Buyer and for 14 days thereafter.

In the case of delivery from stock, the offer is subject to there being sufficient stock.

The prices in the offer are indicative and are based on prices and exchange rates on the date of the offer. In the event of changes to supplier prices, freight and insurance costs, customs duties and other charges, exchange rates and raw material prices in the period up to delivery, the Seller may adjust the prices at its discretion. All prices are exclusive of any charges, including VAT.

Where prices have not been agreed, the prices applicable at the time of the Seller's order confirmation shall apply.

Costs for pallets, drums and other special packaging are in addition to the price of the Goods and shall be borne by the Buyer.

The fixed annual price adjustment date is 1 January. Price changes outside this period may occur due to changes in public taxes and duties, as well as significant changes in currency and raw material costs, devaluation, and other unforeseen circumstances that may affect prices and delivery times.

6. TERMS OF PAYMENT

Unless otherwise agreed, payment shall be made against invoice with a payment term of 15 days from the invoice date.

Credit purchases will be subject to a billing fee if the invoice has to be sent by post. Objections to an invoice must be made in writing, and no later than ten calendar days from receipt of the invoice.

A handling fee of NOK 300 is added to all orders with a value of less than NOK 1,000.

If the Buyer fails to pay on time, the Seller is entitled to interest on late payments in accordance with the rules of the Norwegian Interest on Late Payments Act. The Seller is also entitled to reimbursement of its collection costs.

If the Buyer fails to pay on time, or fails to provide the agreed security on time, the Seller shall, after giving the Buyer written notice of this, also be entitled to suspend the performance of its contractual obligations until payment is made or the agreed security is provided.

If the Buyer has not paid the amount due within 3 months, the Seller shall be entitled to terminate the Contract by giving written notice to the Buyer. The Seller shall then, in addition to receiving the outstanding payment, be entitled to compensation for the loss he has suffered.

7. RETENTION OF TITLE

The Goods remain the property of the Seller until full payment has been made, to the extent that such retention of title is valid under relevant legislation.

8. DEFECTS

The Seller is obliged to remedy any defects arising from faults in design, material or workmanship by repairing or replacing the Goods in accordance with this clause 8.

If the Seller is liable for a defect in the Goods, he shall be correspondingly liable for damage to the Goods caused by the defect. The Seller's liability does not extend to defects caused by materials procured by the Buyer or by designs prescribed or specified by him.

The Seller's liability does not cover defects arising from causes occurring after the risk has passed to the Buyer. The liability does not, for example, cover defects arising as a result of operating conditions deviating from those stipulated in the contract or from incorrect use of the Goods. Nor does it cover defects resulting from inadequate maintenance or incorrect installation by the Buyer, alterations made without the Seller's written consent, or repairs carried out incorrectly by the Buyer. Finally, liability does not cover normal wear and tear.

The Seller's liability covers only defects that become apparent within one year of delivery of the Goods ("the Warranty Period"). If the Goods are used more intensively than agreed, the Warranty Period shall be shortened accordingly.

In the event of replacement or repair of parts in accordance with this clause 8, the Seller shall have the same liability for replacement parts and repaired parts as for the original Goods for a period of one year. For the remaining parts of the Goods, the Warranty Period shall only be extended by the period during which the Goods could not be used as a result of defects for which the Seller is liable.

The Buyer must notify the Seller in writing of any defect without undue delay after the defect has become apparent, and in no event later than two weeks after the expiry of the Warranty Period. The notification must include a description of how the defect manifests itself. If the Buyer fails to notify the Seller in writing of a defect within the time limits specified herein, he shall lose the right to make a claim on the basis of the defect.

If there is reason to believe that the defect may entail a risk of damage, notification must be given immediately. If notification is not given immediately, the Buyer loses the right to make a claim on the basis of damage occurring to the Goods which could have been avoided had such notification been given.

Upon receiving written notification from the Buyer in accordance with this clause 8, the Seller shall remedy the defect without undue delay. The

remedy shall be carried out at a time that does not unduly disrupt the Buyer's business.

The rectification shall be carried out at the location where the Goods are situated, unless the Seller considers it more appropriate for both parties that the Goods be sent to him or to a location designated by him.

If the remedy can be effected by replacing or repairing a defective part, and if the removal and refitting of the part can be carried out without special technical expertise, the Seller may require that the defective part be sent to them or to a location they specify for repair or replacement. In such cases, the Seller's obligation in relation to the defect is fulfilled when they deliver the repaired part or replacement part to the Buyer.

The Buyer shall, at its own expense, ensure that the Seller has access to the Goods and carry out work on equipment other than the Goods to the extent necessary to remedy the defect.

All transport and shipping costs in connection with the rectification of defects shall be borne by the Seller at its own risk. The Buyer shall follow the Seller's instructions regarding the method of shipment.

The Buyer shall bear the Seller's additional costs incurred in remedying the defect which are caused by the Goods being located at a place other than the place of delivery specified in the contract for delivery from the Seller to the Buyer or – if no such place is specified – the place of delivery. Defective parts replaced in accordance with this clause 8 shall be made available to the Seller and shall become his property.

If the Buyer has notified the Seller of a defect in accordance with this clause 8, and it transpires that there is no defect for which the Seller is liable, the Seller shall be entitled to compensation for the work and costs incurred by him as a result of the complaint.

If the Seller fails to fulfil its obligations under this clause 8 to remedy the defect in a timely manner, the Buyer may, in writing, set the Seller a final reasonable deadline for performance, which shall not be less than one week. If the obligations are not fulfilled within such deadline, the Buyer may, at its discretion:

- a) at the Seller's expense and risk, carry out or have carried out the measures necessary to

remedy the defect, provided that he proceeds in a reasonable and prudent manner, or

- b) demand a price reduction limited to a maximum of 20% of the agreed purchase price, or
- c) if the defect is material, terminate the contract by written notice to the Seller. The Buyer is also entitled to terminate the contract if, following the measures referred to in (a), the defect remains material. Upon termination, the Buyer may claim compensation for the loss suffered, subject to a maximum of 20% of the agreed purchase price.

Notwithstanding the provisions of this clause 8, the Seller's liability for defects shall not apply to any part of the Goods under any circumstances for longer than one year from the end of the Warranty Period.

The Seller shall not be liable for defects beyond what is set out in this clause 8.

9. RETURNS

The return of goods requires a separate agreement between the Seller and the Buyer.

10. PERSONAL DATA

The Buyer provides the Seller with personal data by registering as a customer and/or making a purchase in the Seller's online shop. The Seller is responsible for ensuring that personal data is processed in accordance with the Norwegian data protection legislation in force at any given time, including the GDPR.

11. LIMITATIONS OF LIABILITY

The Seller shall not be liable for indirect losses, including any loss that may arise as a result of loss of production, personal injury, damage to property, pollution, loss of profit, or other consequential financial loss.

The Seller shall have no liability for damage caused by the Goods to real property or personal property, or for the consequences of such damage. Nor shall the Seller be liable for damage to products manufactured by the Buyer, or to products in which the Buyer's products are incorporated. The Buyer shall indemnify the Seller to the extent that the Seller is held liable to a third party for such damage or loss.

If a third party makes a claim against the Seller or the Buyer for compensation for damage and loss as referred to in this clause, the other party shall be notified immediately in writing.

In any event, the Seller's liability under the Contract shall be limited to the Contract Price.

12. DOCUMENTATION AND INFORMATION

All documentation relating to the Goods which, before or after the conclusion of the Contract, is handed over by one party to the other, shall remain the property of the party handing it over.

Documentation or information received may not, without the consent of the other party, be used for any purpose other than that for which it was provided, and may not, without the consent of the other party, be copied, disclosed to or brought to the attention of any third party.

To the extent that the Buyer is to receive documentation from the Seller under the Contract, the Seller may fulfil this obligation by making the documentation available in electronic form.

13. OWNERSHIP OF INTELLECTUAL PROPERTY RIGHTS

All Intellectual Property Rights held by the Seller prior to the conclusion of the Contract shall remain the property of the Seller. Ownership of any new Intellectual Property Rights arising in connection with the Contract shall belong to the Seller.

14. INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

The Buyer shall indemnify the Seller Group against any claims arising from infringement of Intellectual Property Rights resulting from or in connection with the Buyer's obligations under the Contract, including in connection with the Seller's use of equipment or facilities supplied by the Buyer.

The Seller's liability to the Buyer for infringement of intellectual property rights is governed by NL 17 clauses 38-42.

15. THE SELLER'S RIGHT OF TERMINATION

The Seller is entitled to terminate the Contract with immediate effect if the Buyer is in material breach of its obligations under the Contract. The same applies if the Buyer becomes insolvent, files for bankruptcy, enters into a composition or debt settlement, or enters into any other agreement with its creditors, commences liquidation proceedings or suspends its payments.

16. TEST PRIOR TO DELIVERY (DELIVERY TEST)

If a delivery test has been agreed, clauses 8-11 of NL 17 shall apply.

17. SOFTWARE

If the Goods include Software, clauses 5-7 of NL 17 shall apply.

18. FORCE MAJEURE (GROUNDS FOR EXEMPTION)

The following circumstances constitute grounds for exemption if they prevent the performance of the contract or render such performance unreasonably onerous: labour disputes and any other circumstances beyond the parties' control, including fire, natural disasters and extreme natural events, war, mobilisation or military call-ups of a similar scope, acts of terrorism, requisition, seizure, epidemics, pandemics, trade and currency restrictions, riots and civil unrest, shortage of means of transport, general shortage of goods, restrictions on the supply of fuel, as well as defects in deliveries from subcontractors or delays in such deliveries resulting from any of the circumstances referred to in this clause.

The aforementioned circumstances shall only constitute grounds for exemption if their effect on the performance of the contract could not have been foreseen at the time of entering into the contract.

The party wishing to invoke a ground for exemption as referred to in this clause shall, without undue delay, notify the other party in writing of the occurrence and cessation of the hindrance.

In the event of force majeure on the part of the Buyer, the Buyer shall cover the costs incurred by the Seller in securing and protecting the Goods.

Notwithstanding any other provisions in these Terms, either party may terminate the contract by written notice to the other party if performance of the contract is prevented for more than 6 months by an event as referred to in this clause.

19. SUSTAINABILITY

The Seller aims to use sustainable solutions, including in the execution of sales, delivery and the choice of packaging, etc. Such solutions may result in longer delivery times, e.g. when collecting Goods prior to dispatch.

20. CONFIDENTIALITY

All information of a confidential nature exchanged between the Seller and the Buyer in connection with the Contract and the Goods shall

be kept confidential. Neither party shall, without the written consent of the other party, make the information available to a Third Party, unless required by law, regulation or legal process.

The confidentiality obligations shall continue to apply for a period of five (5) years after the Goods have been delivered or the Contract has otherwise been terminated.

21. NO WAIVER OF RIGHTS

No failure by the Buyer or the Seller to exercise a right under the Contract shall be construed as a waiver of such right.

22. GOVERNING LAW AND DISPUTE RESOLUTION

The contractual relationship is governed by Norwegian law.

If negotiations fail, the dispute shall be resolved through ordinary court proceedings. Buskerud District Court is the agreed venue, with Drammen as the place of court.
