

1 Introduction

1.1 These general purchase conditions shall apply unless other conditions are agreed upon in writing between the parties

1.2 DEFINITIONS

BUYER: OSWO AS

SELLER: The company or person specified as such in the Framework Agreement/ Purchase Order

2 Offers / Tenders

2.1 Cost relating to the preparation and submission of tenders shall be borne by the tenderer. Deviations from the tender documents shall be specified in writing

3 Purchase order

3.1 The purchase order constitutes the entire agreement between the parties, and shall take precedence over the tender documents, the bid and any agreements previously made between the parties

3.2 Other conditions shall not apply to the purchase order unless BUYER has accepted them in writing

3.3 Only written purchase orders shall be considered deemed to be binding

4 Purchase order confirmation

4.1 SELLER shall confirm the order by signing BUYER'S purchase order confirmation form. If the purchase order confirmation is received by BUYER more than 14 days after the purchase order date, BUYER may cancel the purchase order, at no cost to BUYER

5 Price

5.1 The prices stated in the purchase order shall be considered as fixed unless expressly agreed to the contrary

5.2 In the case of deliveries charged for on a reimbursable basis, payment will not fall due pursuant to Clause 6 until BUYER has had reasonable time to control and accept all documentation on which the invoice is based

5.3 BUYER does not accept invoice charges, dispatch charges etc.

6 Terms of payment

6.1 BUYER shall make payment within 60 days of receipt of a correct invoice, provided that all SELLER'S obligations pursuant to the purchase order have been fulfilled and that complete delivery has taken place.

BUYER may, however, withhold disputed amounts or suitable amounts if he has reason to believe that there are outstanding claims from the tax office or equivalent

6.2 If delivery takes place earlier than agreed, the starting point for calculation of the payment date shall be the agreed delivery date

6.3 Interest on overdue payments shall be payable pursuant to the Norwegian Act relating to Overdue Payments Act of 17. December 1976 (Moranteloven)

6.4 If advance payments are agreed upon, SELLER shall provide a guarantee on request, issued by a bank acceptable to BUYER, for a corresponding amount

7 Terms of delivery /shipping instructions

7.1 The provisions of INCOTERMS 2000 shall apply to the delivery

7.2 If SELLER is responsible for the transportation, he shall in good time prior to dispatch request dispatch instructions from BUYER. He shall also as soon as possible, and no later than on the date of dispatch, send an advice note advising of dispatch so that BUYER can make preparations for receipt of the goods

8 Packing list / Invoice

8.1 Packing lists/invoices etc. shall only relate to one purchase order and shall be duly marked according to specifications stated in the purchase order. Packing lists/invoices shall be completed so that each item corresponds to the purchase order with respect to item number, goods description and specification

8.2 All goods shall be duly marked in accordance with packing lists and instructions stated in the purchase order. If the consignment consists of more than one package, each package shall contain a detailed list of contents.

8.3 For all deliveries, the goods and packing lists shall be duly marked with the gross weight

8.4 Any certificates and other documents specified in the purchase order shall be delivered together with the goods. These documents are considered to be a part of the delivery and invoices will not be paid until the documents have been received

9 Certificate of origin / custom invoices

9.1 In the case of imported goods requiring a certificate of origin, such certificate and a customs invoice, shall be submitted to BUYER or any third party specified by BUYER for this purpose

9.2 Costs incurred by BUYER due to the lack of a certificate of origin or customs invoices shall be charged to SELLER and deducted from the purchase price

10 Time of delivery / delayed delivery

10.1 The delivery shall take place at the agreed time of delivery. SELLER shall not be deemed to have fulfilled his obligations until all items specified in the purchase order have been completely delivered. Partial deliveries will not be accepted and cannot be considered to be partial fulfillment of SELLER'S obligations unless accepted in writing in advance by BUYER

10.2 SELLER shall immediately notify BUYER in writing if there is reason to believe that the agreed delivery time cannot be met. Such notification shall state the cause of the delay and the likely overrun of the delivery time. SELLER shall also inform BUYER about what actions he is taking to reduce the delay. SELLER is liable for direct and indirect losses incurred by BUYER that could have been avoided if SELLER had given BUYER such notification in due time

10.3 If delivery is delayed, BUYER is entitled to liquidated damages of 0,1% of the total purchase order value per calendar day or part calendar day or to be compensated for direct losses. The total liquidated damages shall not exceed 15% of the total purchase order value. In case of negligence on the part of SELLER or someone for whom SELLER is responsible, and therefore liable, as an alternative to liquidated damages, BUYER is entitled to be compensated by SELLER for direct and indirect losses incurred as a result of the delay

10.4 If delivery is or seems to be delayed and the delay is of major importance to BUYER, BUYER may cancel the purchase order at no cost to BUYER

10.5 SELLER shall do his utmost to reduce the delay and damage resulting from it. If SELLER invokes force majeure, satisfactory documentation must be submitted

11 Changes in the purchase order specifications / cancellation

11.1 BUYER has the right at any time to require changes to the specifications in the purchase order

11.2 Changes agreed upon shall be confirmed by BUYER issuing a change order. This change order shall thereafter be confirmed by SELLER in accordance with Clause 4.1 above. SELLER shall, as soon as possible, and within 14 days, inform BUYER in writing of the effects the change order will have on the price, time of delivery and technical specification. If SELLER fails to provide such information within the deadline, he shall lose his right to demand an adjustment of the price and/ or delivery time as a result of the change. Change orders shall be implemented immediately

11.3 Disagreement about compensation payable in respect of such change orders shall not entitle SELLER to withhold delivery

11.4 BUYER has the right at any time to cancel the purchase order. BUYER shall pay the unpaid balance due to SELLER for goods already delivered. SELLER shall be compensated for documented accrued necessary costs related to goods not yet delivered, provided that SELLER does his utmost to minimize them

12 Assignment of buyer's rights and obligations

12.1 BUYER has the right to assign his rights and obligations under this purchase order to any third party, provided, that such third party can fulfill all BUYER'S obligations towards SELLER

12.2 Such third party has the right to assign his rights and obligations under this purchase order on the same conditions

13 Liability for default /Insolvency

13.1 SELLER shall ensure that the goods comply with standards of good workmanship, the purchase order specifications and applicable laws and regulations. SELLER undertakes free of charge to repair all defects caused by faults in construction, materials or production, during a period of at least 18 months from the date the goods are put into use for their intended purpose. The maximum warranty period is limited, however, to 24 months from the delivery date. In the event that the goods are out of use for a period due to SELLER'S default, the warranty period shall correspond to the period it has been possible to use the goods for their intended purpose

13.2 Parts that are replaced / repaired in accordance with the above warranty provisions shall have a renewed warranty period equal to the original warranty period

- 13.3 SELLER undertakes under the above warranty that the goods shall be rectified to comply with the purchase order or replaced by new goods as soon as possible and free of charge
- 13.4 If SELLER fails to fulfill his obligations pursuant to the purchase order, or becomes insolvent, BUYER may choose one or more of the following alternatives:
- Demand that SELLER immediately performs the necessary rectification work
 - Withhold an amount sufficient to ensure rectification of the goods
 - Demand a new delivery
 - After informing SELLER in writing, rectify the defects at SELLER'S cost, either using his own resources or by using other suppliers
 - Demand a price reduction
- If SELLER becomes insolvent, BUYER may, at no cost to BUYER, cancel the purchase order
- 13.5 Should the goods have major defects of a nature that cannot be remedied within a reasonable period, BUYER is entitled to cancel the purchase order and to be compensated by SELLER for his direct losses. The same applies if the goods with major defects have not been rectified within a reasonable period. Should BUYER suffer indirect losses as a result of defects in the goods, he shall be entitled to be compensated by SELLER for such losses in case of negligence on the part of SELLER or on the part of someone for whom SELLER is responsible
- 13.6 SELLER must follow the requirements in EC directive 2002/95/EC (Restrictions of the use of hazardous substances, RoHS.). The delivered goods can not contain any of these substances. The Supplier is responsible regarding this also through their sub-contractors.
- 14 Indemnity**
- 14.1 SELLER shall indemnify BUYER and BUYER'S customers from and against any claim concerning personal injury, sickness, death or loss of or damage to any employee or property of SELLER
- 15 Legislation and Ethics**
- 15.1 SELLER and Deliverables shall meet all requirements of relevant legislation, standards related to the manufacture, labeling, transportation, importation, exportation, licensing, approval or certification of delivery, including legislation related to anti-corruption, environmental issues, labor regulation, discrimination, occupational or safety and motor vehicle safety. The order includes all obligations and conditions required above
- 16 Force Majeure**
- 16.1 Neither of the parties shall be deemed to be in breach of an obligation under the purchase order if the party can substantiate that fulfillment of the obligation has been prevented by force majeure
- 16.2 The affected party shall immediately notify the other party of the force majeure situation. If a party fails to give such notification, it shall be precluded from claiming the right to be relieved of its obligations
- 16.3 In case of the event of force majeure, each party shall be responsible for its own costs resulting from the force majeure situation
- 17 Corona Virus and the war in Ukraine**
- 17.1 The implications of the Coronavirus pandemic and the war in Ukraine are currently difficult to foresee. Oswo will make all reasonable commercial efforts to overcome the implications in the best interest of the customer, but formally reserve the right, subject to reasonable prior written notice and consultation with the customer, to delay, extend or suspend the deliveries or services to the extent necessary due to any relevant impending implications on deliveries or services caused by or related to the Coronavirus pandemic and the war. Oswo will cover its own costs in relation to such necessary delay, extension, or suspension, but shall not be liable for or responsible for, and the customer shall hold Oswo harmless from and against, any costs or consequences incurred by or on part of the customer.
- 18 Right to information**
- 18.1 On request, BUYER shall be entitled to all requested information from SELLER, including satisfactory progress reports, information relating to subcontractors etc.
- 18.2 SELLER shall permit BUYER and BUYER'S clients to carry out such inspections at SELLER'S or his subcontractor's premises as BUYER deems to be necessary. Inspections carried out by BUYER, shall not relieve SELLER of his contractual responsibilities
- 19 Ownership**
- 19.1 Title to the goods, or parts of the goods, together with the technical documentation to be supplied by SELLER pursuant to the purchase order passes to BUYER on payment. SELLER shall clearly identify such goods and if possible keep them separate from other goods
- 19.2 All drawings, specifications and other technical documentation transmitted by BUYER to SELLER shall remain the property of BUYER and shall not be copied or disclosed to any third party without the prior written consent of BUYER
- 19.3 Technical documentation and sensitive data shall be processed / stored safely. Seller shall provide secure deletion / destruction of classified or sensitive information
- 20 Confidential Information**
- 20.1 Knowledge of confidential character acquired by SELLER / SUBCONTRACTOR, must not be disclosed to third parties without the consent of BUYER or use such information for any purpose other than carrying specific work
- 21 Durability**
- 21.1 SELLER of products that possess expiry date, undertakes not to deliver products where 80% of remaining lifetime cannot be satisfied
- 22 Subcontractors**
- 22.1 SELLER shall secure BUYER'S rights under this purchase order in relation to SELLER'S subcontractors
- 22.2 SELLER shall not enter into any subcontract concerning parts of the work without the prior consent of BUYER Pursuant to this agreement; SELLER is liable to BUYER for such subcontractors as if the subcontracted work were performed by SELLER himself.
- 23 Downflow of requirements**
- 23.1 For products and services where the BUYER customer (directly or indirectly) is Kongsberg Group ASA, their condition (downflow of requirements) will also apply: Kongsberg Defence & Aerospace – <http://www.kongsberg.com/no/kda/suppliers>
Kongsberg Discovery – <http://www.kd.kongsberg.com/supplier>
- 23.2 All requirements of this contract may be subject to GOA. You will be notified of any GOA activity to be performed.
- 24 Disputes**
- 24.1 This agreement shall be governed by and interpreted in accordance with Norwegian law
- 24.2 Disputes arising in connection with or as a result of the agreement, and which are not resolved by mutual agreement, shall be settled by court proceedings unless the parties agree otherwise. Any court proceedings shall be brought before the court in BUYER'S district, and disputes shall be settled in accordance with Norwegian law.
- 25 Environment**
- 25.1 Oswo want to contribute to the best possible preservation of the environment. Products used must therefore have low raw material and energy consumption, low impact on biodiversity and a minimum of pollution and waste throughout the product lifecycle. Our suppliers must in their business aspire to this. Oswo wish that suppliers are focusing on environment related to transportation, packaging and chemical use. Storage, use and disposal of chemicals should have a high focus and use of recyclable and / or biodegradable packaging is desirable.
- 26 Conflict materials by US (RMI/CFSI)**
- Our company are following the initiative from CFSI ([conflict-free sourcing initiative](#)) to keep us updated. If some of our products are not in compliance with this, we will work with the suppliers to exchange the source or find alternative products. We ask you to



inform us if there are deviation in our supply chain due to minerals. Upon request, we will demand a list over all mines our suppliers get minerals from. If we or you find that this have happened, we are open for return, and phasing out the current product. This has no retroactive effect.

27 REACH

Registration, Evaluation, Authorizations and Restriction of Chemicals,

<https://www.miljodirektoratet.no/ansvarsomrader/kjemikalier/>

Registration, evaluation, authorizations and restriction of chemicals, The regulation, assessment, approval and restriction of the Seller are responsible for the to know and document what they create, transform and use.

28 Counterfeit Materiel

Counterfeit parts.

Seller shall prevent the purchase and/or use of counterfeit parts.

- a. Maximize the availability of authentic parts.
- b. procure parts from trusted sources.
- c. ensure the authenticity and conformity of the purchased product.
- d check the parts identified as counterfeit.
- e. and report counterfeit parts to other potential users and Government investigative authorities.

If counterfeit parts have been used, the Seller will be held liable for any consequences this may cause.