

General Sales and Delivery Terms for Karsten Moholt AS (KM), rev. 2022

For all sales of Goods, Work and/or Services, the following Orgalime Conditions, comments, addendums and instructions shall apply to all commercial contracts between the parties, unless otherwise agreed in a Purchase Order following an Order Confirmation in writing. Furthermore, the provisions in INCOTERMS 2020 applies for all deliveries.

List of Orgalime Conditions:

Orgalime S2012 : Sales of Goods

Orgalime SI14 : Sales of Goods including Installation on Site

Orgalime R17 : Repair of Customer's Goods in our Workshop

Section 1: Addendums for the Orgalime Clauses:

i) For Orgalime S2012:

§31 Shall read as following:

"(...) The Purchaser shall at his own expense provide access to the Product and arrange for any intervention in equipment other than the Product, to the extent that this is necessary to remedy the defect. Such access includes any cost related to docking, divers, heavy lifting and other means of access to the Product.

§39 Shall read as following:

"(...) Save as stipulated in Clauses 23-28 including latent defects, the Supplier shall not be liable for defects. This applies to any loss the defect may cause including loss of production, loss of profit and other indirect loss. This limitation of the Supplier's liability shall not apply if leading personnel of Supplier has been guilty of Gross negligence. (...)"

§40 1st section shall read as following:

"(...) The Supplier shall not be liable for any damage to property or personal injury including death caused by the Product after it has been delivered and whilst it is in the possession of the Purchaser or the Purchaser's successor. Nor shall the Supplier be liable for any damage to products manufactured by the Purchaser or to products of which the Purchaser's products form a part. (...)"

ii) For Orgalime SI14:

§63 Shall read as following:

"(...) The Purchaser shall at his own expense provide access to the Product and arrange for any intervention in equipment other than the Product, to the extent that this is necessary to remedy the defect. Such access includes any cost related to docking, divers, heavy lifting and other means of access to the Product.

§71 Shall read as following:

"(...) Save as stipulated in Clauses 23-28 including latent defects, the Supplier shall not be liable for defects. This applies to any loss the defect may cause including loss of production, loss of profit and other indirect loss. This limitation of the Supplier's liability shall not apply if leading personnel of Supplier has been guilty of Gross negligence. (...)"

§72 1st section shall read as following:

"(...) The Supplier shall not be liable for any damage to property or personal injury including death caused by the Product after it has been delivered and whilst it is in the possession of the Purchaser or the Purchaser's successor. Nor shall the Supplier be liable for any damage to products manufactured by the Purchaser or to products of which the Purchaser's products form a part. (...)"

iii) For Orgalime R17:

§26: Comments to clause:

Customers shall at his own cost insure the Customer's property against theft, fire and all other general risks not including the Contractor's gross negligence in connection with the repair work under the Contract.

Section 2: General clauses

i) Validity for Quote

A quote is valid until the expiration date stated in the quote. If no date is stated, the quote is valid for 30 calendar days, calculated from the date of the quote.

ii) Work outside scope

Work outside scope stated in the quote or purchase order shall be govern by Variation Orders. However, if Work outside scope is being carried out without a valid Variation Order, KM will charge according to standard cost for the Work. There are no warranties or liabilities whatsoever for such Work and the Work is carried out at the Customers own risk. If desired for KM, the Terms and Conditions for the original Order may apply for said Work outside scope. Clause ii) includes, but is not limited to; advice, guiding and/or supervision outside the scope of the Order.

iii) Prices

The prices do not include labor or parts resulting from unforeseen electrical or mechanical defects, or defects that lie outside the parameters of the Diagnosis and therefore is only discovered later in the overhauling process. Prices shown in KM's price lists are excluding taxes and public charges, hereunder value added tax. KM reserves the right to adjust prices in connection with currency fluctuations and national wage settlements.

iv) Risk, Storage and return of Customer Owned Equipment

Customer equipment received and present at KM's premises is stored at Customers own risk. Customer equipment not collected after 10 days from notification or customer equipment in storage after quotation validation period of 30 days has expired, will be invoiced for storage cost and handling fees. KM reserves the right to return such equipment to customer at customers risk and expense without further notice.

v) Working hours and surcharges

Work carried out at KM's workshops

Work carried out in our workshops is mainly charged for time and material used, based on a preliminary quotation. A variation of 10% can be incurred without a variation order. Fixed price can be agreed for a specific scope. Additional work will be reported and invoiced accordingly. For overtime, weekends and work on public holidays 50% and 100% rates will be incurred. Special rates will be applicable for priority repairs.

General Sales and Delivery Terms for Karsten Moholt AS (KM), rev. 2022

KM reserves the right to invoice for spare parts and incurred hours worked by pre agreed milestones or by each NOK 200.000.

Fieldwork

Offshore Domestic/Abroad

Work carried out offshore is invoiced on a monthly basis in accordance with signed timesheets. Work in excess of 12 hours will be invoiced at the overtime rate of plus 100 %. After 14 days, all domestic offshore work carried out will be invoiced at the overtime rate of plus 100 %. After 28 days, all offshore work carried out abroad will be invoiced at the overtime rate of plus 100 %. All day rates quoted for fieldwork are based on a standard offshore workday of 12 hours. Overtime will be invoiced in accordingly. The customer is invoiced every month in accordance with signed timesheets. Final invoice will be issued after completion of the Order.

Onshore Norway

Work carried out onshore in Norway is invoiced on a monthly basis in accordance with signed timesheets. Work in excess of 8 hours will be invoiced as overtime at plus 50 % for the first five hours and plus 100 % thereafter. All day rates quoted for fieldwork are based on a standard offshore workday of 8 hours. Overtime will be invoiced in accordingly. The customer is invoiced every month in accordance with signed timesheets. Final invoice will be issued after completion of the Order.

Onshore abroad

Work carried out onshore outside Norway is invoiced on a monthly basis in accordance with signed timesheets. Work in excess of 12 hours will be invoiced at the overtime rate of plus 100 % in addition to the agreed day rate. After 28 days, all onshore work carried out abroad will be invoiced at the overtime rate of plus 100 %. All day rates quoted for work abroad are based on a standard workday of 12 hours.

Free time after night work

For each hour worked after 22.00, one hour will be invoiced to compensate for free time.

Saturdays and Sundays/Public Holidays

For work carried out on Saturdays the first 5 hours are invoiced as 50 % overtime. Thereafter hours are invoiced as 100% overtime. For work carried out on Sundays and Public Holidays the invoiced rate will be 100 % overtime from commencement of work.

Changes in planned shifts

Any changes in planned day/night shifts due to customer requirements will be invoiced as 24 hrs offshore overtime per person.

Travelling

Travelling time

Travelling time is invoiced in accordance with signed timesheets. Up to 12 hours travelling time per 24-hours can be invoiced. Waiting time due to changes / delays / cancellations to/of airline flight departures, helicopter departures or in other forms of transport shall be invoiced as travelling time in connection with outward bound travel and as work hours in connection with return travel. Travelling time in connection with the performance of guarantee work in the field shall be invoiced according to signed timesheets.

Travelling expenses

Travelling expenses are invoiced in accordance with the Norwegian State Regulative plus an administration fee of 10 %. Disbursements in connection with travel shall be invoiced at cost in accordance with documentation plus an administration fee of 10 %. Outside the County of Vestland an-out-of-town fee will be charged equal to a 20 % increase in hourly rates. Travelling expenses in connection with the performance of warranty work in the field shall be invoiced at cost in accordance with documentation plus an administration fee of 10 %.

Mobilization/demobilization

Mobilization/demobilization rates will be used unless otherwise agreed. The rates include mobilization from Storebotn 90 to check-in at heliport of the selected destination. Upon demobilization, the rates apply from checkout from heliport destination to Storebotn 90. The following are not included in these rates and will consequently be invoiced per hour:

- Waiting time at the heliport after check-in.
- Waiting time on helicopter offshore.
- Travel time to and from the offshore work destination.

Cost and lodging for accommodation regarding mobilization or demobilization due to lack of correspondence between aircraft and helicopter is not covered by these rates and will be invoiced at cost with an administration fee of 10%.

vi) Delay and Cancellation by customer

If a planned and confirmed* assignment is delayed or cancelled less than 36 hrs before travel start, the following applies for each personnel:

- a. Delayed assignment: 7,5 hrs standby rate per day will be invoiced from planned travel/assignment start, until actual travel/assignment start
- b. Cancelled assignment: 3 days x 7,5 hrs standby rate will be invoiced as cancellation fee
- c. All documented mobilization/demobilization costs will be invoiced according to the initial order

*: Confirmed = confirmed helicopter seat or alternatively mobilization place & time

If an assignment is delayed, disrupted or cancelled after travel/assignment start, the following applies:

- a. Assignments which includes lodging will be invoiced per day in full, according to the initial order
- b. Assignments without lodging will be invoiced 12 hrs offshore rate for the first day, thereafter 7,5 hrs standby rate per day until start of assignment
- c. For cancellations, KM will invoice according to paragraph vii) letter b. for the duration of 3 days
- d. All Mobilization/demobilization will be invoiced according to the initial order

All travel expenses will be invoiced in accordance with paragraph vi) above.

vii) Urgent Assignment/Contingencies

24- hour emergency/contingency mobilization is charged at Norwegian kroner 10 000 per person per incident.

viii) Equipment and Parts

Unless agreed otherwise, Equipment and/or Parts are invoiced according to the agreed INCOTERM for the Order.

ix) Hotbedding

For instances where our personnel have to share a single cabin, including the use of the same bed ("Hotbedding") KM will invoice 1400 NOK pr affected personnel pr day.