

1 Introduction

These general sales and delivery terms apply to all sales and deliveries of Marine Control Services AS ("MCS" or "Seller"). Whoever receives offers, order confirmations or goods from MCS, or otherwise are in contact with MCS associated with possible or completed purchase / delivery of goods from MCS is termed as "Buyer".

Buyer's own standard terms only apply if confirmed in writing by MCS within the time of signing the agreement.

If MCS has accepted the Buyer's or others terms of delivery, and there is a conflict between the sales and delivery terms of MCS and such other terms, the sales and delivery terms of MCS prevail, unless waived by written agreement between the authorized representatives of both parties.

2. Prices - offer - confirmation of order / agreement

Prices are based on the current list prices of MCS at the time of invoicing. All prices are given excluding VAT.

Price changes will be implemented on 1 January each year. Price changes beyond the said date may still occur due to changes in the purchase prices for MCS. Seller reserves the right to change prices and discounts without any further warning. Changes in the prices from offer stage to order stage shall be communicated to the Buyer before the order is executed.

An offer will expire if it is not accepted within a specified deadline. Offer or agreements are not binding until they are confirmed in writing by MCS as order confirmation.

Offers are given on the condition that it does not occur significant changes in prices for raw materials and semi-finished products, exchange rates, freight etc. in the period until the item is ordered or delivery occurs. If such changes take place until the time of delivery, MCS has the right to adjust their conditions accordingly.

All the terms of an offer are calculated based on the volume in the offer, and it is therefore subject to change if partial orders are to occur.

An order confirmation is considered as approved by Buyer unless Buyer within 2 working days after receipt of this, submit a written objection.

3. Payment and Billing

Payment terms are net per 30 days. After due date, interests in accordance with Norwegian Law will be calculated. Buyer's complaints of minor shortcomings do not relieve Buyer from paying the purchase price in full.

Invoicing is done electronically in pdf format to the Buyer's specified e-mail. By using paper invoice, an extra invoice fee of NOK 50,- will be added.

4. Delivery

Shipment

Shipment normally takes place via Seller's distribution systems with delivery terms FCA Øvre Eikervei 83, Drammen Incoterms 2010, unless otherwise agreed in writing.

By delivery direct from the manufacturer, delivery shall be deemed to have occurred at the time the goods have been set to the Buyer's disposal at the designated location.

Delivery

Delivery time is specified in the order confirmation sent to the Buyer.

Deviations from this may occur if the Buyer has not given Seller the necessary technical or other information within the agreed time. The quoted delivery times are indicative, unless expressly stated in writing in the order confirmation or written agreement that the stated delivery time is binding.

5. Return Policy

Approval for a product return

- Return can only happen when it is agreed in writing.
- Goods must be in original packaging and be marketable.
- All returns are to be sent to MCS freight prepaid. Otherwise, credit notes will be reduced with the carrier's tariff rate for transmission. Alternatively charged minimum kr. 250,-, for return transportation.
- Wrong Deliveries will be credited 100% according to the invoiced price and shipping costs are covered by MCS.
- Goods damaged during transport will be handled according to which terms of delivery that is valid. According to the insurance policy, a copy of the waybill / receipt list appended claims. (Waybill / receipt list must have a separate endorsement of the injury and be receipted by the carrier.)

- Other returns are only accepted if the item is in its original packaging, in perfect condition and is marketable. The rebound is credited with 75% of the invoiced price, excl. any charges and freight. Return fee is thus normally 25%.

6. Buyer's duty to investigate

Buyer is obliged to examine that the delivery is as contracted as soon as it is received and before the delivery is resold, mounted, or otherwise put in use. Is the Buyer failing to carry out such examinations within 8 days and the conditions should have been discovered, the Seller responsibility will lapse.

7. Claims, deficiencies and delays

Complaints of transport damage or shortage in the number of packages shall be submitted upon receipt of goods, and damage or shortage should be stated in the waybill and signed by the driver. Complaints of transport damages or shortages in packaged goods shall be effected without undue delay and no later than 5 working days after arrival, with specification of deviations.

Complaints over delays must happen immediately and not later than 5 working days after delivery should have taken place. Such complaints have to be made in writing to MCS. Buyer loses his right to bring claims if no objection is received timely. Seller is under no circumstances responsible for damage or shortage in the number of packages as promised over, later than 3 months after delivery.

Complaints over defective and obsolete goods have to be notified to Seller immediately. From the circumstances, Seller will consider whether this concerns warranty or not.

By sending out replacement product, delivered replacement product will be charged 100%. Defective unit has to be returned for check. At any warranty, delivered unit will be credited 100%. Shipping costs have to be paid by the Buyer.

By complaints of services, Buyer covers travel time and travel expenses.

8. Force majeure

Neither party shall be deemed to have breached an obligation, if the compliance is prevented by factors that according to Norwegian law are considered as force majeure. The other party shall be notified immediately in case of a force majeure situation. On the entry of force majeure, both parties may request the delivery time to be delayed. Both parties may terminate the agreement if the force majeure situation lasts longer than 360 days. Closed roads due to storms, or other similar events, will be considered as a force majeure situation in this agreement.

9. Restrictions on Seller's liability

Seller is not responsible for the Buyer's indirect losses. Indirect losses include replacement costs, labour costs, losses due to the product cannot be used as intended, losses resulting from damage to other than the product itself, damage as a result of further use of product, loss resulting from reduced or lost production or revenues, lost profits as a result of that a contract with a third party expires/is not being properly fulfilled and claims of third parties.

The limitation of liability does not apply if the Seller has acted wilfully or with gross negligence.

10. Reservation of title

Seller shall retain title to goods delivered until the purchase price, interest and costs are paid in full. See. Mortgage Act § 3-14, cf.. § 3-22. Seller may alternatively require other security for the purchase price plus interest and costs. Such a claim may be submitted after the seller has accepted the order and until the goods are delivered. The buyer is not entitled to resell the delivered products before the full purchase cost is paid.

11. Documentation of delivered products

On request, the Seller will submit documentation that the products supplied by the Seller is in accordance to internal control regulations (Internkontrollforskriften). This means that products meet all requirements according to Norwegian standards and guidelines for electrical equipment.

The products do not contain substances that are hazardous and harmful to the environment, and conditions referred to in the Act on fire and explosion protection (Lov om brann- og eksposjonsvern) are preserved. If goods contain chemical substances that can be harmful or polluting, MCS will submit data sheet for the item.

Documentation can be obtained without undue delay.

12. Disputes

The contractual relationship between Buyer and Seller, as well as sales and delivery terms are subject to Norwegian law. All disputes shall be resolved by negotiation. If the matter cannot be resolved amicably, disputes in respect contractual relationship shall finally be settled by the ordinary courts of Norway. Parties have adopted Drammen District Court as legal venue.