

CONDITIONS OF PURCHASE FOR GOODS

No terms or conditions submitted at any time by the supplier shall form any part of the contract. In the event of a conflict between any of these conditions and any specific term or condition (whether in the contract or otherwise) referred to in the purchase order, the latter shall prevail.

1. DEFINITIONS

1.1 In these Conditions:

"Parties" Perfect Temperature Group AS (from now called PTG AS) and its sister/daughter companies, companies fully or partly owned by PTG AS and Supplier.

"Contract" means the contract between the purchaser and the supplier consisting of the purchase order, these conditions, and any other documents (or parts thereof) specified in the purchase order.

"Delivery Date" means the date on which the goods are to be delivered to the purchaser, as specified in the purchase order.

"Goods" means any such goods supplied to the purchaser by the supplier pursuant to or in connection with the purchase order.

"Price" means the price of the Goods as specified in the purchase order.

"Purchaser" means the company that sends out the purchase order.

"Purchase Order" means the document setting out the purchaser's requirements for the contract

"Supplier" means the person, firm or company who is the supplier of the goods named in the purchase order.

1.2 The headings in these Conditions are for convenience only and shall not affect its construction or interpretation.

2 Export control laws

2.1 The supplier acknowledges that any information provided to or received by it in accordance with or in relation to the GCP, the supply agreement or an order may be subject to export control laws and regulations including, without limitation the United States Department of State International Traffic in Arms Regulations ("ITAR") and the United States Department of Commerce Export Administration Regulations ("EAR"). The supplier agrees that it will strictly comply with all applicable requirements under such laws and regulations. The supplier warrants and undertakes that it will not use or permit the use of export or transfer (by any means, electronic means or otherwise), any information or deliverables which are subject to export control laws and regulations without complying in all respects with the applicable export control laws and regulations including, without limitation, all codes of conduct, relevant export licence(s), guidelines, notices, and instructions in relation to any use, export or transfer of information or deliverables.

2.2 The supplier agrees to afford PTG and any competent governmental department or other governmental administrative body access to supplier's premises, for the purpose of auditing supplier's compliance with the requirements of 2.1 above and to provide all necessary facilities and assistance for such audit to take place.

2.3 Where the deliverables to be provided by the supplier pursuant to any order include the provision of services to be performed for or on behalf of PTG and which will, or may, involve supplier's employees having or having the potential to gain access to information which is subject to export control laws and regulations, the supplier will comply with (i) all applicable export control laws and regulations including, without limitation, all codes of conduct, relevant export license(s), agreements, guidelines, notices, and instructions in relation to any use, export, or transfer of information and (ii) all requests and requirements of PTG for the same purpose.

2.4 In the event the supplier breaches any of the provisions of this clause 2 the supplier shall indemnify PTG with respect to all losses, damages, claims, compensation, awards, expenses (including without limitation legal fees), fines and judgments incurred by PTG as a result or because of such breach.

3. GOODS

3.1 The supplier warrants and represents to the purchaser that the goods shall:

3.1.1 conform in all respects with any particulars or specification specified in the purchase order including any variations.

3.1.2 conform in all respects with the requirements of any statutes, orders, regulations or bye-laws from time to time in force.

3.1.3 be of satisfactory quality and free from defects in materials and workmanship; and

3.1.4 be fit and sufficient for the purpose for which such goods are ordinarily used and for any particular purpose made known to the supplier by the purchaser and the purchaser relies on the skill and judgement of the supplier in the supply of the goods and the execution of the purchase order.

3.1.5 Deliver according to agreed specification, price, lead time and delivered to agreed incoterms to any of PTG companies both fully and partial owned.

4. PRICE

4.1 The supplier shall not increase the price unless it is validly accepted by the purchaser and agreed in writing before the execution of the purchase order.

4.2 Unless expressly agreed otherwise between the parties in writing, the price shall be inclusive of all delivery and insurance costs, VAT and any other applicable sales taxes, duties, or levies in the country of delivery.

4.3 Unless otherwise agreed in writing by the purchaser, the supplier shall render a separate invoice in respect of each consignment of the goods delivered under the purchase order. The purchaser undertakes to pay correctly submitted invoices at agreed payment term of receipt from the day of physical or electronic arrival at the nominated address of the purchaser. Invoices shall not be rendered by the supplier until completion of delivery of all the goods which are the subject of the purchase order or of the consignment (as appropriate).

- 4.4 A valid invoice is one that is:
- delivered in timing in accordance with the contract.
- that is for the correct sum.
- in respect of goods / services supplied or delivered to the required quality (or are expected to be at the required quality).
- which quote the relevant purchase order / contract reference (where used)
- which has been delivered to the nominated address.
- 4.5 The purchaser specifically reserves the right to withhold or deduct by way of set-off or otherwise from any monies due or to become due to the supplier any monies due to the purchaser from the supplier.
- 4.6 The purchaser shall not be liable for any orders or amendments to orders other than those issued or confirmed on the official purchase order and shall not be responsible for the payment of the price for goods supplied more than those required by the purchase order.
- 4.7 No payment of or on account of the price shall constitute any admission by the purchaser as to proper performance by the supplier of its obligations under the contract.
5. **DELIVERY**
- 5.1 The goods shall be delivered to the place named on, and in accordance with, the purchase order. Delivery shall be completed when the goods have been unloaded at the point of delivery specified in the purchase order and delivery has been accepted by the purchaser or its authorised representative. Any access to premises and any labour and equipment that may be provided by the purchaser in connection with delivery shall be provided without acceptance by the purchaser of any liability whatsoever or howsoever arising and the supplier shall indemnify and keep indemnified the purchaser and the crown in respect of any actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which the purchaser or the crown may suffer or incur as a result of or in connection with any damage or injury (including death) occurring in the course of delivery or installation to the extent that any such damage or injury is attributable to any act, omission or negligence of the supplier or any of its sub-contractors.
- 5.2 The time of delivery shall be of the essence for the purposes of the contract and failure to deliver by the delivery date shall enable the purchaser (at its option) to release itself from any obligation to accept and pay for the goods and/or to cancel all or part of the goods under the purchase order, in either case without prejudice to its other rights and remedies.
- 5.3 The supplier's failure to effect delivery on the delivery date specified shall entitle the purchaser to purchase substitute goods and to hold the supplier accountable for all loss and/or additional costs incurred as a result of such failure.
- 5.4 Deliverables will be delivered as agreed in contract, purchase order or in other written way including e-mail or letter.
- 5.4 If goods are delivered before the delivery date, the purchaser shall be entitled to its sole discretion to refuse to take delivery or to charge for insurance and storage of the goods until the delivery date.
- 5.5 Unless otherwise stated in the purchase order, the supplier is responsible for obtaining and the cost of all the export and import licences for the goods, and in the case of the goods supplied from outside the Norway, the supplier shall ensure that accurate information is provided to the purchaser as to the country of origin, HS code, export control classification number (ECCN) and the supplier shall be liable for additional duties or taxes should the country of origin prove to be different to the one stated.
- 5.6 If a classification society approval is requested, the supplier shall handle this on behalf of PTG and will charge such cost to PTG as a pass-through cost only, without any uplift or margin of any kind. If (a) more than one classification society is requested; or (b) a change of the classification society during the manufacturing period is requested, the supplier will attempt to organize this without extra cost. Where the supplier believes it is impossible to accommodate 6.5(a) or 6.5(b) without extra cost to PTG, the supplier must provide a full breakdown of the costs of accommodating 6.5(a) or 6.5(b) and must, if requested by PTG, substantiate such costs through quotations, invoices, or other documentation
- 5.7 The supplier shall at all times observe and act in compliance with all applicable laws, including EU/EC Community law and national and international. Governmental, regional, local, customary law or other statutes. Directives, regulation, treaties, or conventions as well as any additional protocols, and all industry standards. Including upholding a standard of due care which may reasonably be expected of an experienced supplier in a similar business.
6. **OWNERSHIP AND RISK**
- Ownership and risk in the goods shall without prejudice to any of the rights or remedies of the purchaser (including the purchaser's rights and remedies under condition 8 below) shall pass to the purchaser on delivery.
7. **DAMAGE IN TRANSIT**
- 7.1 On despatch of any consignment of the goods, the supplier shall send to the purchaser at the address for delivery of the goods, an advice note specifying the means of transport, the place and date of despatch, the number of packages and their weight and volume.
- 7.2 The supplier shall, free of charge and as quickly as possible, either repair or replace (as the purchaser shall elect in its sole discretion) such of the goods as may either be damaged in transit or having been placed in transit fail to be delivered to the purchaser provided that:
- 7.2.1 in the case of damage to such goods in transit the purchaser shall within sixty (60) days of delivery give notice to the supplier that the goods have been damaged; and
- 7.2.2 in the case of non-delivery the purchaser shall (provided that the purchaser has been advised of the despatch of the goods) within twenty (20) days of the notified date of delivery give notice to the supplier that the goods have not been delivered.

8. INSPECTION, REJECTION AND GUARANTEE

- 8.1 Nothing contained in these conditions shall in any way detract from the supplier's obligations under common law or statute or any express warranty or condition contained in the purchase order.
- 8.2 The supplier shall permit the purchaser or its authorised representatives to make any inspections or tests it may reasonably require in relation to the goods and the supplier shall afford all reasonable facilities and assistance free of charge at the purchaser's premises. The supplier shall make good any defects or deficiencies in the event of any failure (in the sole opinion of the Purchaser) to comply with the terms of the purchase order or the contract. No failure to make a complaint at the time of such inspection or tests and no approval given during or after such tests or inspections shall constitute a waiver by the purchaser of any rights or remedies in respect of the goods.
- 8.3 The purchaser may by written notice to the supplier reject any of the goods which fail to meet the requirements in the contract. Such notice shall be given within a reasonable time after delivery to the purchaser of the relevant goods. If the purchaser rejects any of the goods pursuant to this condition 8.3, the supplier shall at the purchaser's sole option (without prejudice to its other rights and remedies) either:
- 8.3.1 repair the defective goods as quickly as possible or (as the purchaser shall elect in its sole discretion) replace the defective goods with goods which comply in all respects with the requirements under the contract; or
- 8.3.2 refund to the purchaser the price in respect of the defective goods.
- 8.4 The supplier shall guarantee the goods for a period of thirty-six (36) months from installation or forty-eight (48) months from delivery, whichever shall be the shorter (subject to any alternative guarantee arrangements agreed in writing between the purchaser and the supplier). If the purchaser shall, within such guarantee period or within sixty (60) days thereafter, give notice in writing to the supplier of any defect in any of the goods that have arisen during the guarantee period under proper and normal use, the supplier shall (without prejudice to any of the purchaser's other rights and remedies) as quickly as possible remedy such defects (whether by repair or replacement as the purchaser shall elect in its sole discretion) without cost to the purchaser.
- 8.5 Any Goods rejected or returned by the purchaser pursuant to this condition 8 shall be returned to the supplier at the supplier's risk and expense.

9. LABELLING AND PACKAGING

- 9.1 The goods shall be packed and marked in a proper manner and in accordance with the purchaser's instructions and any statutory requirements and any requirements of the carriers. In particular the goods shall be marked with the order number, the net, gross and the weights, details of the contents shall be clearly marked on each container and all containers of hazardous goods (and all relating documents) shall bear prominent and adequate warnings. The supplier shall indemnify and keep indemnified the purchaser and/or the crown (as appropriate) against all actions, suits, claims, demands, losses, charges, costs, and expenses (including legal expenses and disbursements) which the purchaser or the crown (as appropriate) may suffer or incur as a result of or in connection with any breach of this condition 9.1.
- 9.2 All packaging materials will be considered non-returnable and will be destroyed unless the supplier's advice note states that such materials will be charged for unless returned. If supplier want packing material returned this will be on the supplier's cost and expense. The purchaser accepts no liability in respect of the non-arrival at the supplier's premises of empty packages returned by the purchaser.

10. INTELLECTUAL PROPERTY

- 10.1 Except to the extent that the goods are supplied in accordance with designs provided by the purchaser, it shall be a condition of the purchase order that none of the goods will infringe any patent, trade mark, design right (whether registered or not), copyright or any other right in the nature of intellectual property of any third party and the supplier shall indemnify and keep indemnified the purchaser against all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which the purchaser or the crown (as appropriate) may suffer or incur as a result of or in connection with any breach of this Condition 10.1.
- 10.2 All materials, equipment, software, inventions, specifications, instructions, plans or any form of intellectual property right in any of the foregoing ("**Intellectual Property**"):
- 10.1.1 furnished to or made available to the supplier by the purchaser pursuant to the purchase order are hereby assigned to and shall remain vested solely in the purchaser; and
- 10.1.2 the supplier shall not (except to the extent necessary for the implementation of the purchase order) without prior written consent of the purchaser, use or disclose any such intellectual property or any information (whether or not relevant to the contract) which the supplier may obtain pursuant to the contract and in particular (but without prejudice to the generality of the foregoing) the supplier shall not refer to the purchaser or the contract in any advertisement without the purchaser's prior written agreement.

11. HEALTH AND SAFETY

- 11.1 The supplier represents and warrants to the purchaser that the supplier has satisfied itself that:
- 11.1.1 all necessary tests and examinations have been made or will be made prior to delivery of the goods to ensure that the goods are designed, manufactured, supplied, and installed so as to be safe and without risk to the health or safety of persons using the same; and
- 11.1.2 that it has made available to the purchaser adequate information about the use for which the goods have been designed and have been tested and about any conditions necessary to ensure that when put to use the goods will be safe and without risk to health.

12. INDEMNITY AND INSURANCE

- 12.1 Without prejudice to any rights or remedies of the purchaser (including the purchaser's rights and remedies under condition 8 above) the supplier shall indemnify and keep indemnified the purchaser against any and all actions, suits, claims, demands, losses, charges, costs and expenses (including legal expenses and disbursements) which the purchaser may suffer or incur as a result of or in connection with any damage to property or in respect of any injury (including death) to any person which may result directly or indirectly from any defect in the goods or the negligence, acts or omissions of the supplier or any of its employees, agents or sub-contractors.
- 12.2 The supplier shall take out and maintain with a reputable insurance company a policy or policies of insurance that are normal for contracts of this nature and covering all the matters which are the subject of indemnities under these conditions.
- 12.3 The supplier shall at the request of the purchaser produce the relevant policy or policies together with receipts or other evidence of payment of the latest premium.
- 12.4 The supplier shall be liable under the provisions of the contract (including Condition 12.1) whether or not it complies with the insurance provisions in this Condition 12.

12.5 Nothing in these Conditions or the contract shall exclude or limit the liability of either party for death or personal injury caused by its negligence or for fraudulent misrepresentation.

13. CONFIDENTIALITY

13.1 The supplier shall and shall procure that its staff shall keep secret and do not disclose any information of a confidential nature obtained by reason of the contract except information which is in the public domain otherwise than as required to be by reason of a breach of this condition 13 or disclosed by law.

13.2 The provisions of this condition 13 shall apply during the continuance of the contract and after its termination howsoever arising without limitation in time.

13.3 Notwithstanding any other term of this contract, the contractor hereby gives his consent for the client to publish the contract in its entirety, including from time-to-time agreed changes to the contract, to the general public.

13.4 The client may, at its sole discretion, redact information from the contract prior to publishing for one or more of the following reasons:

- (a) national security.
- (b) personal data.
- (c) information protected by intellectual property law.
- (d) information which is not in the public interest to disclose
- (e) third party confidential information.
- (f) IT security; or
- (g) prevention of fraud.

13.5 The client may consult with the contractor to inform its decision regarding any redactions, but the client shall have the final decision in its absolute discretion.

13.6 The contractor shall assist and cooperate with the client to enable the client to publish this contract.

13.7 PTG AS will in some cases share the procurement prices and other relevant information with customers.

14. TERMINATION

14.1 In the event of a material breach of the contract by either party, the non-breaching party may terminate the contract with immediate effect by notice in writing.

14.2 The purchaser may terminate the contract with immediate effect by notice in writing to the Supplier if at any time.

14.2.1 the supplier passes a resolution that it be wound-up or that an application be made for an administration order, or the supplier applies to enter a voluntary arrangement with its creditors.

14.2.2 a receiver, liquidator, administrator, supervisor, or administrative receiver be appointed in respect of the supplier's property, assets, or any part thereof.

14.2.3 the court orders that the supplier be wound-up or a receiver of all or any part of the supplier's assets be appointed.

14.2.4 the supplier (being an individual or partnership) is declared or adjudicated bankrupt or enters into any arrangement or composition with its creditors.

14.2.5 Nothing in this condition 14 shall affect the coming into, or continuance in force of any provision of the contract which is expressly or by implication intended to come into force or continue in force upon termination of the contract.

15. ASSIGNMENT AND SUB-CONTRACTING

15.1 The supplier shall not without the prior written consent of the purchaser assign or transfer the benefit or burden of the contract.

15.2 No sub-contracting by the supplier shall in any way relieve the supplier of any of its responsibilities under the contract.

15.3 Where the purchaser enters a sub-contract with a supplier or contractor for the purpose of performing the contract, it shall cause a clause to be included in such sub-contract which requires payment to be made to the supplier or contractor within a specified period not exceeding thirty (30) days from receipt of a valid invoice as defined by the sub-contract requirement.

16. LAW AND JURISDICTION

The contract and any dispute arising under or in any way connected with the subject matter of the contract (whether of a contractual or tortious nature or otherwise) shall be governed by and interpreted in accordance with Norwegian Law and the parties submit to the jurisdiction of the Norwegian courts only except that the purchaser may seek injunctive relief outside such jurisdiction.

17. Force Majeure

Any delay or failure of either party to perform its obligations hereunder will be excused if, and to the extent that it is caused by an event or occurrence not reasonably foreseeable and beyond the reasonable control of the party and without its fault or negligence, such as, by way of example and not by way of limitation, acts of God, actions by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars, sabotage, inability to obtain power, material, labour, equipment or transportation, or court injunction or order, provided that written notice of such delay (including the anticipated duration of the delay) will be given by the affected party or the other party as soon as possible but in any event not later than 3 days. During the period of such delay or failure to perform by supplier and after prompt notice from supplier to PTG of the occurrence of such an event, PTG, at its option, may purchase deliverables from other sources and reduce its requirement to supplier by such quantities, without liability to supplier, or have supplier provide the deliverables from other sources in quantities and at times requested by PTG and at the price set forth in the order. If requested by the PTG, supplier will, within 10 days of such request, provide adequate assurances that the delay will not exceed 20 days. If the delay lasts more than 30 days, PTG may immediately cancel an order without liability. The supplier will in any event, make all reasonable endeavours to mitigate the effects of any delay. For the avoidance of doubt, strikes, lockouts or other industrial action or disputes specific to the supplier and/or its subcontractors or agents shall not be considered a force majeure event.

18. **Signature**

This GCP have 5 pages and a signature on bottom left on each page in addition to below need to be filled out and signed.

PTG AS:

.....
(Signature)

.....
(Print Name)

.....
(Position)

Supplier:

.....
(Signature)

.....
(Print Name)

.....
(Position)