		Role:		Name:	
		Owner:		Rune Øyen	
Doc Name:		Procurement Conditions		Reviewer:	
Doc No:		DMS-PR-0039		Hildegun Skjæveland	
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				Roy Skåra	
				Issued:	07.04.2020
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Procurement Conditions

1. Introduction

- 1.1 These purchase terms and conditions, along with any additional conditions specified for the individual purchase order/purchase order change, from now on order, forming together the agreement's total purchase conditions. These conditions are available in Norwegian and English, and in the event of a discrepancy between English and Norwegian text, the Norwegian text applies. By any inconsistency between these general purchase terms and conditions and any additional conditions specified in the individual order, the additional terms will apply. Norwegian law applies and these purchase conditions will by any contradictions override the sale of goods Act.

1.2 Definitions

BUYER general purchase conditions of Depro AS.

SELLER: the company or person who according to the purchase order is BUYER'S Contracting Party.

2. Offer

- 2.1 The offer itself should be free of charge. Any deviation from the request for quotation documents must be specified explicitly. BUYER has the right to assume any offer or reject all.

3. Purchase order

- 3.1 The purchase order shall be in writing. It will override any request for quotation, offers and other agreements made between the parties.
- 3.2 Changes of purchase orders are only valid if these are carried out in accordance with clause 3.1
- 3.3 The SELLER cannot claim any other terms and conditions than those in accordance with clause 3.1 and 3.2 unless the BUYER has accepted these in writing.

4. Order confirmation


- 4.1 Unless otherwise agreed in writing, SELLER shall confirm the order by signing the copy of the BUYER'S order and return this to the buyer as its order confirmation within 7 days from the order date. If the BUYER still does not receive such confirmation as provided, the SELLER still bound by the order, but the BUYER may freely choose responsibility and cancel the order within a 30-day deadline as from the purchase date.

5. Price

- 5.1 Prices specified in the purchase order are exclusive of VAT and are considered fixed if not otherwise is agreed in writing.
- 5.2 The BUYER does not accept any invoice fee, handling fee, or equivalent.

6. Terms of payment

- 6.1 BUYER shall pay the invoice within the agreed terms of payment calculated from receipt of correct invoice, if all the SELLER'S obligations in accordance with the purchase order is fulfilled, and complete delivery has taken place. If the SELLER makes the delivery before the agreed delivery time, the payment terms still applies from the delivery time agreed.
- 6.2 In cases that requires prepayment the BUYER may require the SELLER to set a satisfactory bank guarantee.

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7. Terms of delivery/Shipping instructions

- 7.1 The current incoterms are to be used for the delivery. If not otherwise agreed, the terms are DAP BUYER'S shipping address. The BUYER will not accept the use of any transport where the receiver pays, without a written agreement in advance.

8. Packing list/Invoice


- 8.1 A packing list for every order to follow the delivery. All items must be clearly marked in accordance with the packing list and instructions on order. Packing slip should contain the purchase order number, number of parcels, item lines, weight and shipping points date.
- 8.2 Certificates and/or other relevant documents that are a natural part of the shipment or is specified in the purchase order is considered as a part of the delivery and shall preferably be sent by e-mail to Depro Document Control - ddc@depro.no. A reference to our purchase order number shall be made in the subject line. Delivery of any other documentation before item delivery, shall be agreed in writing with the responsible purchaser in each case.
- 8.3 The invoice should only pertain to one purchase order if not otherwise is agreed in writing. The invoiced amount shall be in accordance with the purchase order, or the approved changed purchase order. The invoice shall be selected in accordance with the purchase order. Part invoicing allowed only if agreed upon in writing in advance. The final invoice shall be received by the BUYER within 60 days after complete delivery. Invoices received after this date may be rejected by BUYER. Invoices that is not in accordance with clause 8.3 will be returned to SELLER and forms no basis for payment.
- 8.4 Violation of the requirements under point 8.1-8.2 may result in the shipment being rejected.

9. Documents of origin/Customs invoices

- 9.1 For items from abroad that requires proof of origin, the proof of origin, and customs invoice shall be sent to the BUYER via email.
- 9.2 Direct expenses the BUYER is being inflicted due to missing proof of origin or customs invoice, will be charged SELLER and can be deducted from the original price.
- 9.3 SELLER shall also be able to provide documentation on the origin of products that are not imported in their entirety to Norway.

10. Delivery time/Delay

- 10.1 Delivery shall take place at the agreed time. The SELLER is deemed not to have fulfilled its obligations before all item lines and related documentation according to the purchase order is completely delivered. Partial deliveries are not accepted and cannot be considered as a partial fulfilment of the SELLER'S delivery obligations unless this is agreed upon in advance in writing.
- 10.2 SELLER shall immediately inform the BUYER in writing if there is reason to assume that the agreed delivery time cannot be met. The notification shall include the expected delay and the reason for delay. The SELLER also commits to notify what measures will be taken to mitigate the delay.
- 10.3 If the delivery is delayed, the BUYER may require a liquidated damage fee of 0.35% per calendar day of the total purchase sum, limited to 15%.
- 10.4 If the delay is due to circumstances that fall within the sphere of SELLER'S control, the BUYER may demand liquidated damages or require compensation for both direct and indirect loss.
- 10.5 If the delivery is delayed or the SELLER cannot substantiate the delivery date will be met and the delivery time is essential to the BUYER, the BUYER may without liability, terminate the purchase order.

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10.6 SELLER shall endeavour that any delay and damage the impact of this will be mitigated. If the SELLER claims Force Majeure, satisfactory documentation must be presented for the BUYER.

11.Change of order/cancellation

11.1 BUYER may at any time require the change of the order.

11.2 Such required changes should be confirmed in the form of written confirmations from the BUYER who then shall be verified in accordance with point 4. SELLER shall without delay, at the latest within 7 days, notify the BUYER in writing about the impact the changes will have on the price, delivery time and technical specification. If the SELLER fails to provide such notice within the time limit, the right to claim the change of price and delivery time is lost. The contents of the written change order issued shall be executed immediately. Execution obligation applies no matter if there's disagreement about the compensation for such changes or about the impact the change will have on the delivery time. Price level in the original order to be added to the base for the calculation of prices on the order change.

11.3 BUYER may at any time in writing make full or partial cancellation with immediate effect. SELLER shall in that case be compensated for the goods already delivered. For ongoing work and services, documented purchased materials, accrued and necessary costs will be compensated, assuming SELLER do their best to limit these.

12.Liability for defects/insolvency

12.1 SELLER is responsible for ensuring that the shipment is expertly executed and in accordance with the purchase order specifications and Government regulations. The SELLER undertakes to remedy free of charge any defects that are due to faulty construction, materials or manufacture.

12.2 If the SELLER fails to perform their obligations under the purchase order, the BUYER may select one or more of the following options:

- A. Require the SELLER for their own cost to immediately make the necessary fixes.
- B. Retain a necessary amount to ensure remediation of the item.
- C. Claim replacement at SELLER'S cost
- D. After written notice to the SELLER, rectify the defect at SELLER'S expense, either by us or with the assistance of other vendors.
- E. Claim reduction in price.

12.3 If SELLER becomes insolvent BUYER may cancel the purchase for free.


12.4 If it turns out that the shipment has significant deficiencies BUYER can cancel the order.

12.5 If the delivery is not complete due to circumstances that fall within SELLER's control sphere the BUYER may claim both direct and indirect losses be compensated.

13.Quality Assurance/HSE

13.1 SELLER shall have a quality system as defined in the ISO 9000 series, or a system of equivalent standard, pre-approved by the BUYER.

13.2 SELLER shall have a documented, implemented and controllable health, security and environmental management system that is appropriate for the delivery, according to the laws and rules that apply where the work is performed. BUYER shall have the right to check the SELLER'S HSE management system at any time. SELLER shall immediately and within 24 hours, report to BUYER all serious and adverse events that may occur in connection with the fulfilment of the agreement.

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14. Indemnity

- 14.1 The SELLER is obliged to keep the buyer and the BUYER'S customers indemnified from any claims resulting from the personal injury, disease and death among the SELLER'S employees, as well as keeping the BUYER'S and the BUYER'S customers indemnified from any loss of or damage to property belonging to or used by the SELLER or the SELLER'S employees.
- 14.2 The SELLER is also obliged to keep the BUYER and the BUYER'S customers indemnified from any loss the SELLER might inflict on third parties.

15. Force majeure

- 15.1 Neither party shall be deemed to have breached their obligation to the order when it can be proved that the compliance has been prevented due to force majeure.
- 15.2 The affected party shall immediately notify the other party of any force majeure situation. Failure to notify disqualifies the right to claim exemption for their obligations.
- 15.3 In the case of force majeure, each of the parties covers their own costs due to the situation.

16. Right of disclosure

- 16.1 The BUYER has the right, upon request, to access all the desired information from the SELLER relating to the purchase order. Furthermore, the SELLER shall allow inspection by the BUYER and their client both at SELLERS premises and at any subcontractor's premises when the BUYER finds it necessary. The inspection does not exempt the SELLER of responsibility for the contract.

17. Proprietary rights/confidentiality

- 17.1 The item, or any part of the item along with any required technical documentation for completing the item becomes the property of BUYER as the item is paid.
- 17.2 All the information, drawings, specifications, computer programs and other technical documentation provided to SELLER or SELLER becomes familiar with through the purchase order, is the BUYER'S property and must not be copied or left to the third party without BUYER'S prior written permission. Violation of this, is considered a significant breach of confidentiality rights.

18. Inventions/patents

- 18.1 Inventions the SELLER makes in connection with the delivery, shall be the BUYER'S property.
- 18.2 SELLER shall provide the BUYER an irrevocable, royalty-free, non-exclusive right of use to all inventions that is or comes under the SELLER'S control to the extent that this is necessary for the production, operation, maintenance and repair of the purchased item.
- 18.3 The SELLER is responsible for the purchased item and its application not to conflict with any third-party patents or other protective rights, and to keep the BUYER indemnified from any claims that may arise due to the violation of third-party patents or other protective rules.

19. Approvals

- 19.1 The SELLER is obliged to ensure that the purchase item satisfies the relevant regulations and directives according to the purchase order object, so as the machine directive, pressure equipment directive and the Atex directive and any other regulatory approvals for the current product.

20. Place of jurisdiction

- 20.1 The Parties adopts the Jæren District Court as the right venue.



MANAGEMENT

SYSTEM

Doc Name:

Sanctions Policy

Doc No:

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Rev. 02

Role:

Owner:

Name:

Thorbjørn Bråstein G

Reviewer:

Roy Skåra

Approver:

Kåre Stokkeland

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Sanctions Policy

The following policy outlines Depro AS (Depro) commitment to ensuring full compliance with all sanctions applicable to our business activities.

This policy is applicable to any service, product or transaction provided on behalf of clients, and for services and products provided to Depro by suppliers.

Depro shall not engage in any transaction with companies, entities or persons affected by sanctions legislated in Norway and the European Union.

This includes, but is not limited to, the following scenarios:

- Where it is known to Depro that client ownership, board members or high rank officers are affected by legislated sanctions.
- Where it is known to Depro that the final destination of the transaction, product or service provided by Depro is a sanctioned country or territory.
- Where it is known to Depro that supplier or OEM ownership, board members or high rank officers are affected by legislated sanctions.
- Where it is known to Depro that the origin of the transaction, product or service provided to Depro is a sanctioned country or territory.

An overview over currently sanctioned countries, territories or organisations can be found at the following websites:

<https://sanctionsmap.eu/#/main>

<https://www.regjeringen.no/no/tema/utenrikssaker/Eksportkontroll/sanksjoner-og-tiltak1/sanksjoner-og-tiltak/>

Deviating from this policy would only be allowed under exceptional circumstances, requiring a direct case by case approval from the Norwegian Ministry of Foreign Affairs.

All employees shall report any suspected breaches with regards to this policy, without delay, to their line manager.

No blame or fault shall be placed on personnel for raising concerns or reporting suspected breaches regarding the policy.



Kåre Stokkeland, CEO
Depro AS