

## **DEPRO AS - GENERAL RENTAL TERMS**

### **1. DEFINITIONS**

- 1.1. This rental agreement (hereinafter called “Agreement”) consist of these general terms and conditions, technical documentation and other documents made a part of the agreement by specific reference.
- 1.2. The delivery (hereinafter called “Delivery”) shall mean all products, services, documentation, equipment, materials, drawings, software, software licenses, and other items supplied by Depro AS to the “Lessee” accordance with these terms and conditions.
- 1.3. Depro AS (hereinafter called “Lessor”) refer to Depro AS, Martin Vagles veg 2, 4344 Bryne, Norway.
- 1.4. “Lessee” refers to the party who will rent and receive the Delivery from and compensate Lessor accordance with these terms and conditions.

### **2. GENERAL**

- 2.1. All rental periods begin the day the complete Delivery is shipped from the Lessor’s facility and end on the day the complete Delivery returns to the Lessor’s facility. It shall be conclusively presumed that the Delivery was delivered in good condition.
- 2.2. All Delivery will be EXW Lessor’s facilities if not agreed otherwise.
- 2.3. Upon the expiration of lease, with respect to any item of the Delivery, Lessee shall return the same to Lessor in good repair condition and working order, ordinary wear and tear resulting from proper use thereof alone excepted, as may be specified by Lessor.
- 2.4. Lessor retains title to the Delivery rented. No transfer of right or title is implied or intended, unless expressly agreed to in writing.
- 2.5. The Lessee is responsible for insurance of the Delivery during the rental period. The Lessee is responsible for loss or damage to the Delivery until it is received at Lessor’s facility.

### **3. RENTAL AND PAYMENT**

- 3.1. The period rental rate is based upon the minimum term. Lessee shall not have the right to cancel the rental of the Delivery prior to the expiration of said minimum term upon which a rental is based. If for any reason (including, without limitation, termination by Lessor following a default by Lessee) such rental shall be terminated prior to the expiration of said minimum term, Lessee shall forthwith upon demand pay to Lessor an amount (plus applicable taxes) equal to the differences between (1) the aggregate rental that would have been charged by Lessor using the rental rate specified in its most recent listing, for and during the period actually rented by the Lessee, and, (2) the aggregate rental actually paid by Lessee with respect to such period. Rental charges for fractional periods beyond the first period will be charged on a prorated basis based on the rate for the original rental period. All shipping charges will be pre-paid and added to customer invoices.
- 3.2. Prices do not include any taxes, now or hereinafter enacted, applicable to this transaction, which taxes will be added to the price when required by law to be billed and collected, and will be paid by Lessee, unless Lessee provides a proper tax exemption certificate.
- 3.3. Invoice is payable within 30 days of date of invoice.
- 3.4. Lessor reserves the right to require payment on delivery or, at Lessor's option, payment in advance for all Delivery yet to be delivered. Lessor reserves the right to require at Lessor's option a security deposit prior to rental.
- 3.5. If any rentals or other sums are not paid within ten days of the due date, a service charge of 1.5% per month, not to exceed the maximum rate allowed by law, shall apply to the portion of Lessee's outstanding balance which is not paid when due. If legal action is taken by Lessor, Lessee shall be liable for Lessor's reasonable attorney fees, plus other costs of such action.

### **4. TERMS OF USAGE**

- 4.1. It is assumed that the Delivery is to be used at the Lessee's facility, installation or at Lessee's customer facility or installation under normal conditions and times. Extraordinary wear and tear either by excessive running time or exposure of the Delivery to adverse conditions will obligate the Lessee to pay such refurbishing fees as to restore the rented Delivery to its original condition as of the beginning of the rental, less "normal wear and tear."
- 4.2. Loss or extensive damage to the Delivery will obligate the Lessee to replace the Delivery at its expense according to pricelist.

- 4.3. The Delivery is to be properly used and retained by Lessee and not to be used under an agency capacity as for renting or subletting purposes or assigned to any other person or entity without appropriate purchase order, written agreement and proper notification of the original Lessor. The Lessee shall not copy or allow Delivery to be copied or specifications reproduced. Lessee shall not make any alterations, additions or improvement to the Delivery.
- 4.4. Lessor makes no warranties, either express or implied, as to any matter whatsoever, including, without limitation, the condition of the Delivery, its merchantability, or its fitness for any particular purpose.
- 4.5. Lessor shall at any and all times during business hours have the right to enter into and upon the premises where the Delivery may be located for the purpose of inspecting the same or observing its use.

## **5. LIMITATION OF LIABILITY**

- 5.1. Lessor will not be liable for Lessee's issuance or amendment of purchase orders or change orders covering original or extended rental periods. Charges in all cases will commence on the date of shipment of Delivery to Lessee and terminate on the date the Delivery is received by Lessor.
- 5.2. In no event, whether as a result of breach of contract or warranty, tort (including negligence) or otherwise, shall Lessor be liable for any consequential, incidental or exemplary damages, including, without limitation any loss of profit or revenues, loss of use of any of the Delivery, damage to other equipment, cost of substitute Delivery, claim by Lessee for damages of Lessee's customers or down time costs.
- 5.3. The Lessee is responsible for loss of or damage to the Delivery from receipt until it is received on return by Lessor's facility. Loss or damage to the Delivery will obligate the Lessee to replace or repair the Delivery at its expense or remit the full market price to Lessor. It is understood that the rental fees will continue until such replacement Delivery or the replacement cost is received by Lessor.
- 5.4. Lessee hereby waives any and all existing and future claims, and offsets, against any rent or other payments due hereunder; and agrees to pay the rent or other payments due hereunder regardless of any offset or claim which may be asserted by Lessee or on its behalf.

5.5. Upon default of the payment of rent, or if the Delivery is not returned as of the end of the stated lease term, or upon any other breach of the lease by Lessee, Lessor shall have the right to take possession of and remove the Delivery.

## **6. CONFIDENTIALITY**

6.1. Each party shall maintain confidential all information received from other party. Both parties shall however have the right to transfer such information to third party to the extent that this is necessary in connection with use of the Delivery.

## **7. LAW**

7.1. This agreement shall be governed by and construed according to Norwegian Law.

7.2. The parties hereto agree that any legal dispute arising out of this Agreement shall be brought before the Jæren Tingrett.

7.3. Lessor may also pursue any other remedies to which it may be entitled in law or equity, and Lessee shall pay Lessor's attorneys' fees and expenses in the event legal action is necessary due to a breach of the lease by Lessee.