

TERMS AND CONDITIONS APPLICABLE TO THE SALE OF LILAAS AS PRODUCTS

1. APPLICABILITY

The following terms and conditions shall apply to all quotations and resultant sales for LILAAS AS (hereinafter called LILAAS) products. Hereinafter the term 'Purchaser' shall mean the person or company to whom the quotation is furnished. In the event of any inconsistency between any of the following terms and conditions and terms and conditions specifically set forth in any quotation, such specific terms and conditions of the quotation shall govern. Acceptance of this quotation is limited to its terms, and LILAAS reserves the right to reject any other terms additional to or different from the terms of the quotation.

2. DURATION OF QUOTATION

Unless otherwise stated each quotation expires 90 days from the date of the quotation.

3. PRICES

Unless otherwise stated, prices are quoted EXW Horten, Norway (Incoterms-2020) LILAAS facility or plant (INCO-terms 2020). The price applicable to each item shall be the amount set forth in the quotation. Prices will be quoted in Norwegian Kroner (NOK) unless otherwise stated. Price for packing will apply.

4. TAXES

Unless otherwise stated all prices are quoted excluding all federal, state and local sales, use, excise, or other taxes, and charges in effect at the date of the quotation and directly applicable to the product covered by the quotation. Unless appropriate exemption certificates are furnished, the amount of all such present and future taxes and charges shall be charged to the Purchaser and added to the invoice.

5. PARTIAL SHIPMENT

LILAAS shall be permitted to make an invoice for partial shipment of completed products.

6. PAYMENT

Payment terms applicable to all quotations and resultant sales are in accordance with the terms specified in the quotation letter. Unless stated otherwise in the quotation letter, payment for goods and/or services shall be NET 30 DAYS from the date of invoice. Invoices not paid within specified terms will carry a service charge of 2,00% per month. Complaints not made within 14days will not be approved.

7. DELIVERY

Unless otherwise stated, delivery shall be EXW Horten LILAAS plant or facility (INCO-terms 2010). Title and risk of loss shall pass to the Purchaser at the point of delivery. LILAAS reserves the right to select the means of transportation and routing of shipments unless the Purchaser supplies specific instructions. Shipping dates are approximate and based on prompt receipt of all necessary information from the Purchaser, and, in the case of export shipments, are also contingent upon receipt of all necessary export documents.

If the Purchaser elects to call for expedited shipments, the Purchaser will pay the difference between the method of shipping specified in the Purchase Order and the actual expedited rate (cost) incurred. LILAAS reserves the right to ship items in advance of the agreed schedule, and the Purchaser is to pay invoices covering items shipped in advance.

8. DELAYS AND DAMAGES

LILAAS shall not be liable for any losses, damages, detentions, or delays resulting from causes beyond reasonable control or resulting from acts of God or of a public enemy, acts of the Government in either its sovereign or contractual capacity, priorities, allocations, fires, floods, epidemic, quarantine restrictions, strikes, freight embargoes, unusually severe weather, insurrection or riot, car shortages, damage in transportation, and inability due to causes beyond its reasonable control to obtain necessary labour, materials, or manufacturing facilities. In the event of delays resulting from any such causes, the date of delivery shall be extended for a reasonable length of time, but in no event for less than the period of delay. The receipt by the Purchaser of any delayed shipment shall, upon delivery, thereof, constitute a waiver of all claims for delay. In no event shall LILAAS be liable for special or consequential damages by reason of any delay in delivery or any failure to deliver.

9. INSTALLATION & COMMISSIONING

Installation & commissioning are not included in the price of the equipment.

10. INSPECTION AND SERVICE

During the warranty period LILAAS may, at its own expense and without charge to the Purchaser, inspect at any reasonable time, any product installed.

If inspection by LILAAS is requested by the Purchaser, whether during the warranty period or subsequent to the expiration thereof, or if repair service or other work ('service work') is requested by the Purchaser that LILAAS is not obligated to perform pursuant to its obligations under the section hereof entitled 'Warranty' such inspection or service work shall be provided at LILAAS' hourly charge. If the Purchaser requested such inspection or service work, the Purchaser shall pay at the applicable charge as aforesaid for all travel time of LILAAS' personnel to and from the place of inspection or service work, and in addition thereto actual living and travelling expenses of such personnel. If the services of personnel are required outside normal working hours, the Purchaser shall pay for such excess hours at LILAAS' hourly overtime charge prevailing in the base area of the personnel. This inspection service cannot be maintained, nor shall performance be guaranteed, should any apparatus other than that supplied by LILAAS be used with or attached in any way to the equipment, unless written approval has first been secured from LILAAS.

11. WARRANTY

LILAAS warrants that all products sold pursuant to the quotation at the time of delivery will be free from defects in material and workmanship under normal use and service when installed & commissioned in accordance with the applicable LILAAS installation guide. LILAAS' obligation under the warranty shall be limited to defects of which LILAAS is notified within eighteen (18) months after date of installation or twenty-four (24) months after date of shipment (from Lilaas) whichever period shall first expire, and shall be limited to the replacement or repair of any defective part or parts. Any repair or service will be conducted at Lilaas in Horten, unless otherwise agreed. Unless other agreed, Shipping cost to be covered by the Purchaser. For agreed warranty work outside Lilaas premises, LILAAS will cover parts and labour, travel and subsistence are additional.

For service work, the warranty period shall be for a period not to exceed thirty (30) days from date of performance and completion of the service work for equipment for which service is requested and not related to warranty. The warranty period for new spare parts shall be 12 months after date of installation or shipment whichever period shall first expire. The warranty for items repaired or overhauled in accordance with LILAAS' procedure, drawings, designs and specifications and for repaired spare parts shall be for a period not to exceed 12 months from the date of shipment or installation by qualified personnel and procedure as

described above. In the case of products sold but not manufactured by LILAAS or its subsidiaries or affiliates, LILAAS shall extend to Purchaser the manufacturer's warranty, provided that Purchaser complies with all applicable conditions of such warranty, including any applicable notice periods. Except for warranty as to title and warranty set forth above, LILAAS makes no warranty, express, implied or implied by law as to any product; and EXCEPT AS SPECIFICALLY SET FORTH HEREIN Lilaas MAKES NO WARRANTY, EXPRESSED OR IMPLIED, OF FITNESS OR MERCHANTABILITY.

No warranty, however, shall be effective as to any product that have been subjected to conditions beyond the limits of their specifications, or which have been physically damaged, or to which is attached any apparatus other than apparatus supplied by LILAAS for attachment or specifically approved for attachment by LILAAS in writing. Nor does it apply to products found to be defective due to abuse, lightning or other electrical discharge.

12. LIABILITY

LILAAS' responsibility to the Purchaser for any injury to any person (including death), or for any damage or injury to or loss of any vessel, equipment, cargo, or stores, or other property or for any consequences thereof shall be limited to that imposed by law for breach of warranties specifically set forth above, and subject to the limitations and exclusions of remedies and damages there set out. LILAAS shall have no other responsibility or liability, whether claim is made for negligence, in strict liability in tort, or based on any other legal theory, whether claim is made by Purchaser or by a party in privity with Purchaser. In no event shall LILAAS' liability exceed the purchase price of the particular product with respect to which losses or damages are claimed.

13. LAWS

Unless stated otherwise in the quotation letter, the laws that govern the quotation letter and any resultant sale are those of the Kingdom of Norway.

14. CONTRACTUAL COMMENTS

LILAAS and the Purchaser agree that there shall be no adjustments in the price, time for performance, or any other provision on this scale unless an authorised representative of LILAAS shall have issued a written order directing a change hereto.

15. NOTICES

All notices required or permitted to be given hereunder shall be deemed to be properly given if delivered in writing personally or sent by certified or registered mail addressed to LILAAS or Purchaser, as the case may be, to the addressees set forth on the face or in the body of the Purchase Order with posting thereon fully prepaid. The effective time of notice shall be at the time of mailing.

16. WORK ON LILAAS' PREMISES

In the event that Purchaser or Purchaser's employees or agents enter onto LILAAS' premises for any reason in connection with the Purchase Order, Purchaser and such other parties shall observe all security requirements and all plant safety, plant protection and traffic regulations. Purchaser shall defend, indemnify and hold LILAAS harmless from all claims, actions, demands, loss and causes of action arising from injury, including death, to any person, or damage to any property, when such injury or damage results in whole or in part from the acts or omissions of Purchaser, Purchaser's employees, agents, representatives, or subcontractors of Purchaser save and except damage caused by the negligence of LILAAS. Purchaser, and any contractor used by Purchaser in connection with this Purchase Order, shall carry Workmen's Compensation and Employee's Liability Insurance to cover Purchaser and contractor's legal liability on account of accidents to their employees. Purchaser and any contractor used by Purchaser in connection with Purchase Order, shall carry adequate Comprehensive General Liability and adequate Comprehensive Automobile Liability Insurance to cover the legal liability of Purchaser and the contractor on account of accidents arising out of the operations of Purchaser or the contractor and resulting in bodily injury, including death, being sustained by any person or persons, or any damage to property. At LILAAS' request, Purchaser shall furnish to LILAAS certificates from Purchaser and its contractor's insurers showing such coverage in affect and agreeing to give LILAAS ten (10) day's prior written notice of cancellation of the coverage.

17. CANCELLATION

The Purchaser may cancel his order only with the consent of LILAAS. In the event of any such consent and cancellation, the Purchaser shall pay LILAAS an amount equal to (i) the contract price for any completed work not theretofore paid; (ii) all costs reasonably incurred by LILAAS in performance of the order and allocable thereto in accordance with generally accepted accounting principles including, without limitation, overhead and general and administrative expense, exclusive of any cost attributable to completed work in (i); (iii) a sum of profit equal to 15% of all costs in (ii); and (iv) an amount equal to the reasonable costs of settling and paying the claims arising out of the cancelling of work under any subcontracts or purchase orders, all less the reasonable resale or salvage value of any work or materials allocated to the performance of the Purchaser's order. In the event of bankruptcy or insolvency of the Purchaser or in the event of any proceeding is brought by or against the Purchaser under any bankruptcy or insolvency laws, LILAAS shall be entitled to treat such event as a material breach of the order.

18. PATENT INFRINGEMENT

LILAAS shall defend any suit or proceeding brought against the Purchaser to the extent that is based on a claim that any of the products sold pursuant to the quotation constitute an infringement of any patent of the Kingdom of Norway. If LILAAS is notified promptly in writing and given authority, information and assistance (at LILAAS' expense) for defence or settlement of the same, and LILAAS shall in such case pay all damages and costs which by final judgement shall be awarded thereunder against the Purchaser or which shall be agreed upon by settlement provided, however, that no such obligation or liability shall result from the foregoing provision if any such settlement shall be made by the Purchaser without LILAAS' consent, and provided further that no obligation or liability shall result from the foregoing provision if and to the extent that any such product is manufactured in accordance with specifications furnished LILAAS by the Purchaser and not based upon LILAAS' design, and provided further that no obligation or liability shall result from the foregoing provision where infringement results from the addition to any product of, or the use of any product in combination with, other equipment or supplies not furnished by LILAAS for the purpose of such addition or use. If in any such suit or proceeding any product is held to constitute infringement and the use thereof is therefore joined (or LILAAS consents to the non-use thereof), LILAAS shall at its own expense and its option either (i) procure for the Purchaser the right to continue using such product or (ii) modify such product to become non infringing, or replace such product with non-infringing equipment, or (iii) refund the amount paid LILAAS therefore less a reasonable allowance for use, damage and obsolescence. In the event of any such refund, LILAAS shall have the right to remove the product in respect of which such refund is made. The foregoing states the entire liability of LILAAS for patent infringement by any product or any part thereof

19. Copyright Ownership

Unless otherwise agreed in writing, all drawings, specifications and other property or material, shall become the property of LILAAS.