Pro Analysis Document Front Sheet

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Pro Analysis AS Standard Terms & Conditions (T&C) for Purchase of Goods and Services

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1 GENERAL PROVISIONS

1.1 These Standard Terms and Conditions for Purchase of Goods and Services shall apply unless other conditions are expressly agreed upon in writing between the parties. All other terms, whether attached to Suppliers order confirmation, or otherwise, shall not be applicable.
1.2 The Purchase Agreement constitutes the entire agreement between Purchaser and Supplier, and shall have precedence over any inquiry, bid and agreements previously made between the parties.
1.3 If any conflict between the provisions of this Purchase Agreement should occur, the various documents shall be given priority in the following order:
a) The Purchase agreement including any special conditions
b) These Terms and Conditions
c) Appendixes in the order they are listed

2 DEFINITIONS

2.1 **Purchase Agreement** means these Standard Terms & Conditions, the Purchase Order Form and other documentation referred to in the Purchase Order Form.
2.2 **Purchaser** means ProAnalysis AS.
2.3 **Supplier** means the Company or Person stated on the Purchase Order Form.
2.4 **Services** mean all services to be performed by Supplier pursuant to the Purchase Agreement.
2.5 **Goods** mean all items to be provided pursuant to this Purchase Agreement whether raw material, processed materials, fabricated products, drawings and other applicable documentation.
2.6 **Work** means Goods to be delivered and / or Services to be performed pursuant to this Purchase Agreement.
2.7 **Price** means the total amount payable to the Supplier in accordance with the provisions of this Purchase Agreement.

3 CONFIRMATION OF PURCHASE AGREEMENT

3.1 The Supplier shall confirm the Purchase Agreement in writing by sending the Purchaser an Order Confirmation within 5 working days. The Order Confirmation shall make reference to the Purchase Order number.
3.2 The Suppliers acceptance of the Purchase Agreement implies unconditional agreement to these Standard Conditions, and the Supplier agrees that such terms and conditions shall not be modified by any terms and conditions contained in any delivery order, acknowledgements, invoice or any other business form used by Supplier issued before, during or after this Purchase Agreement.

4 GENERAL OBLIGATIONS OF SUPPLIER

4.1 The Supplier shall perform the Work, supply documentation, and deliver goods in strict accordance with the Purchase Agreement.
4.2 The Work shall without limitation be in strict accordance with the industry standard applicable to the Work. The Work shall be in accordance with the latest applicable standards of NORSOK and Technical Requirements of the relevant Oil and Gas operators concerned. The Supplier has the responsibility to be updated and operating according to these standards continually.
4.3 The Supplier is responsible for the examination of the scope and requirements described in the Purchase Agreement within 48 hours after receipt of the Purchase Agreement. Any failure to examine or recognise the obligations according to the Purchase Agreement shall not relieve the Supplier from its obligations to the Purchase Agreement. In the event where the Supplier fails to notify of errors or inconsistencies discovered in the drawings and specifications related to the Work which ought to be discovered by the Supplier, the cost shall be borne by the Supplier.
4.4 The Supplier shall have an established and implemented Quality System in accordance with ISO 9001:2015 equivalent, depending on the nature of the Purchase Agreement.
4.5 The Supplier shall have an established and implemented HSE System in accordance with the requirements set forth in NORSOK S-006_HSE Evaluation of Contractors, or ISO 45001:2018, or equivalent.
4.6 The Purchaser or its representative shall have the right to undertake audits and verifications of the Suppliers Quality – and HSE System. This also includes any sub-contractor the Supplier decides to use in order to fulfil the obligations in the Purchase Agreement, and any other necessary and relevant information related to the Purchase Agreement.
4.7 The Supplier shall ensure that the Work is performed according to standards of good workmanship, the specifications listed in the Purchase Agreement, and in compliance with applicable regulations and laws.

5 PRICE

5.1 The price in the Purchase Agreement is fixed unless other is expressly agreed upon in writing between the parties.

6 CHANGES IN THE PURCHASE AGREEMENT

6.1 The Purchaser has the right to order changes to the Work. Such changes shall be purchased through Change Orders, and such changes are subject to the same terms & conditions as for the original Purchase Agreement.
6.2 When the Purchaser request a change, the Supplier shall within 5 working days forward a written confirmation containing a description of what effects the change will imply in regard to Price, delivery schedules and technical specifications.
6.3 A change order shall not be started before the Purchaser has issued a written Change Order.
6.4 If the Supplier finds that a change is required, the Supplier shall notify the Purchaser in writing without any delay. The change shall be approved by the Purchaser before the change is initiated by means of a written Change Order.

7 TERMS OF DELIVERY

7.1 Terms of delivery shall be in accordance with latest edition of Incoterms.

8 DELAY

8.1 If the Supplier has reason to believe that the Goods or Services, or part of the Goods / Services can or will be delayed, the Supplier shall notify the Supplier in writing. The Supplier shall inform the reason for the delay, what efforts that has been planned in order to recover the delay, and also state a revised delivery date.
8.2 The Seller shall in writing respond to all delivery reminders from the Purchaser within 24 hours.

9 VARIATIONS

9.1 Variations to the order may be requested by the Purchaser or may arise due to changes made by the Purchaser affecting the original scope.
9.2 The Supplier shall in such circumstances submit a written variation order request concerning the ramifications of the price and delivery date within 5 days. The Supplier is not entitled to any compensation regarding cost related to the variation work which has not been forwarded in a variation order request and approved in writing by the Purchaser.

9.3 The Work according to the Purchase Agreement shall under no circumstances be delayed unless this has been forwarded in a variation order request by the Supplier and approved in written by the Purchaser. The supplier shall under no circumstances be entitled to withhold the agreed Work due to variation order disputes.

10 PENALTY

10.1 If Supplier's delivery is delayed, the Purchaser is entitled to liquidate damages amounting to 0.5 % of the total Purchase Order Price per commenced calendar day. Maximum liquidated damages shall not exceed 15 % of the total Purchase Order Price.

11 PACKING AND MARKING INSTRUCTIONS

11.1 Packing lists shall relate to one Purchase Order, and shall be marked with Purchase Order number, part numbers and other instructions put forward in the Purchase Agreement.
11.2 Packing lists shall be completed so that each item corresponds to the Purchase Order in regard to item number, part number and Goods specifications.
11.3 The Supplier shall comply with all applicable legislation in regard to marking of hazardous material.

12 INVOICING AND PAYMENT

12.1 Unless otherwise agreed, the Supplier shall invoice the Purchaser following the delivery of the Goods. The Purchaser shall pay accepted invoices within 45 days after the date the invoice is received by the Purchaser.
12.2 All invoices shall make reference to the Purchase Order number.
12.3 Any certificates and other documents specified in the Purchase Agreement shall be delivered together with the Goods. This delivery documentation is considered to be a part of the delivery, and the delivery will not be approved before this documentation has been received.
12.4 Invoices that do not comply with these terms will be considered not valid, and will be returned to the Supplier.

13 WARRANTY

13.1 The Supplier warrants that the Work is in accordance with the specified requirements, and is suitable for the intended purpose and use. Unless otherwise stated in the Purchase Agreement, the warranty period is minimum 18 months from the date the Goods are taken into use limited to 24 months from the date of delivery.
13.2 The Supplier is liable for any defects in connection with the Work pursuant to this article.
13.3 The Purchaser shall notify the Supplier in writing of the defect within reasonable time after the defect has been identified. The Supplier shall without undue delay and at his own cost rectify all defects arising within the warranty period.
13.4 In the event that the Work is out of function for a period due to the Supplier's fault, the warranty period shall be prolonged for a period corresponding to the out of function period.
13.5 For parts that will be repaired or replaced, the warranty period shall be prolonged for a period corresponding to the original warranty period.
13.6 If the Supplier fails to fulfil these obligations, or becomes insolvent, the Purchaser may choose on or more of the following options:
- a) Terminate the Purchase Agreement.
- b) Demand a new delivery if the delivery is not accepted by the Purchaser.
- c) Demand a price reduction.

14 SUSPENSION

14.1 Purchaser shall have the right to suspend the work according to the Purchase Agreement upon written notification to the Supplier.
14.2 The Supplier must immediately cease all work until written instruction by the Purchaser to cancel the suspension. The Supplier shall only be entitled to compensation for documented costs directly related to the suspension.
14.3 The Supplier shall make sure the Work is properly stored and protected during the suspension.

15 TERMINATION OF THE PURCHASE AGREEMENT

15.1 Purchaser has the right to terminate the Purchase Agreement at any time with immediate effect by giving the Supplier a written notice. In the event of such termination, Supplier shall cancel all sub-contracts, and the Purchaser shall pay only necessary documented direct costs incurred by the Supplier in connection with the cancellation.
15.2 Purchaser may also as its sole option, terminate the Purchase Agreement if the Supplier becomes insolvent and/or if there is any breach of the Purchase Agreement by the Supplier, or if the Purchaser has reason to believe Supplier will be in breach of the terms in the Purchase Agreement.
15.3 Neither of the parties shall have the right to make claim against the other party due to consequential losses caused by the termination of the Purchase Agreement, unless due to gross negligence or wilful misconduct of the Work to the terms in the Purchase Agreement. In such events no amounts shall be due from the Purchaser to the Supplier, and the Purchaser shall have the right to procure the work from a third party and charge the Supplier with any increase in cost to Purchaser.

16 FORCE MAJEUR

16.1 Force Majeure means an occurrence beyond control of the party affected, provided that such party could not reasonably have foreseen such occurrence at the time acting into the Purchase Agreement, or could not reasonably have avoided or overcome the consequences.
16.2 A party shall not be considered in breach of the Purchase Agreement to the extent it is proven that he was unable to fulfil his obligations due to force majeure.
16.3 The party invoking force majeure shall notify the other party thereof without undue delay. Such notice shall also include the cause of the delay, and the presumed duration thereof.
16.4 Each party is entitled to cancel the Purchase Agreement if the force majeure situation continues, or it is obvious that it will continue, for more than 30 days.
16.5 Each party shall cover its own cost resulting from the force majeure situation.

17 LIABILITY AND INSURANCES

17.1 Supplier shall indemnify Purchaser from and against any claim concerning:
- a) Personal injury to or loss of life of any employee of Supplier
- b) Loss or damage to any property of Supplier arising out of or in connection with the Work

This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of Purchaser.
17.2 Purchaser shall indemnify Supplier from and against any claim concerning:
- a) Personal injury to or loss of life of any employee of Purchaser

b) Loss or damage to any property of Purchaser arising out of or in connection with the Work

This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of Supplier.

17.3 Purchaser shall indemnify Supplier from Purchaser's own indirect losses, and Supplier shall indemnify Purchaser form Supplier's own indirect losses. This applies regardless of any liability, whether strict or by negligence, in whatever form, on the part of either party. Indirect losses according to this provision include, but are not limited to, loss of earnings, loss of business opportunity, loss of profit, loss due to pollution and loss of production.

17.4 Supplier shall maintain at his own expense all necessary insurances required for and adapted to his operation for the performance of the Work. Supplier shall ensure that the insurance company waives all rights of subrogation against Purchaser. Whenever requested by Purchaser, Supplier shall provide an insurance certificate documenting that the relevant insurance requirements are fulfilled.

18 CONFIDENTIALITY

18.1 All drawings, calculations and other information which Supplier may receive from the Purchaser for the purpose of carrying out the Work are proprietary to Purchaser and shall be treated by the Supplier as trade secret and may not be used for any other purpose, duplicated or made available for a third party without Purchaser's written permission.

18.2 The Supplier is liable for any inconvenience and loss suffered by the Purchaser by such infringement. The Supplier shall, if so requested, immediately return all such material together with all copies and duplicates.

19 PATENTS AND INTELLECTUAL PROPERTY

19.1 The Supplier is responsible for and shall defend, indemnify and hold Purchaser harmless from and against any claims, damages, losses, expenses and the like on the account of any infringement of Patent, Registered Design, Trade Mark etc. in conjunction with his/her execution of the Work and the Purchaser's use of same.

19.2 Intellectual property owned by a Party prior to the Work shall remain the property of that Party. Intellectual Property developed as part of the Work shall be the property of the Purchaser. This does not include inventions, improvements, and developments to the existing intellectual property, unless this was made possible through information supplied by the Purchaser.

20 DISPUTES, APPLICABLE LAW

20.1 Disputes arising out of or in connection with the Purchase Agreement shall not be brought before the court, but shall be finally settled by arbitration in accordance with the law on arbitration applicable in Norway.

20.2 All disputes arising out of the Purchase Agreement shall be judged according to the law of Norway. Any court proceeding will be brought before Bergen City Court.