



TERMS & CONDITIONS OF SALE

North Sea Electronics

The Terms and Conditions detailed herein ("Agreement") apply to your ("Customer's") purchase from NSE of NSE hardware ("Hardware"), licenses to use NSE software ("Software"), and Non-NSE Branded Products (collectively the "Product(s)"), as well as NSE hardware and software services and support ("Services"). NSE means North Sea Electronics AS on the Quote, order acknowledgement, or invoice. This agreement shall apply unless Customer and NSE have entered into a separate signed agreement applicable to the particular purchase of Product(s) or Services. By placing an order with NSE, Customer agrees to be bound by the terms of this Agreement. NSE expressly objects to and rejects any Terms and Conditions in Customer's Purchase order or other similar document.

1. PRICES AND ORDERS. Prices are set forth in the quotation issued to Customer ("Quote"). All Quotes expire thirty (30) days from date of issuance, unless otherwise stated in the Quote. All orders are subject to acceptance at the sole discretion of NSE. Orders will be considered accepted once NSE books an order and sends Customer a sales order acknowledgement. NSE shall not be bound by changes to an order unless agreed by NSE in writing. NSE reserves the right to cancel any order if any information provided by Customer to NSE is inaccurate.

2. PAYMENT AND INVOICING. Payment is due at the time the order is placed. If Customer is approved for credit, payment shall be due within thirty (30) days from the date of invoice ("Invoice Date"). Payment shall be in the currency listed on the NSE invoice. All sums not paid when due shall accrue interest daily at a monthly rate of the lesser of 1.5% or the highest rate permissible by law. If there are multiple units in an order, each unit will be invoiced when shipped.

3. DELIVERY, TITLE and RISK OF LOSS. Title and risk of loss to Product(s) shall pass to Customer upon shipment from NSE, its warehouses, or its affiliated companies; provided however, NSE retains a security interest and right of possession in the Product(s) until Customer makes payment in full. For orders to be delivered within the same country as the NSE entity accepting the order, NSE will arrange the shipping; however, Customer is responsible for all shipping and handling fees set forth in the invoice. If Customer chooses to arrange for shipping or if the order is placed with an NSE entity outside the country of the applicable shipping destination, Customer is responsible for all shipping and handling, including fees, customs, formalities and clearance. Shipment dates provided by NSE are estimates only, and NSE shall have no liability for losses or claims resulting from late delivery of Product(s). Claims for shipment shortage shall be deemed waived unless presented to NSE in writing within forty-five (45) days of Invoice Date.

4. TAXES. Prices exclude, and Customer is responsible for, any sales, use, service, value added, and similar taxes ("Taxes") arising from the purchase of the Product(s) and Services. If Customer is exempt from any Taxes, it must provide NSE with the appropriate tax exemption documentation at the time the order is placed.

5. SOFTWARE. Software may either be sold at a fixed price (Customer to own software), or licensed. If software is licensed, it is licensed pursuant to the software license agreements provided with the software. All software that is licensed, the title to the software remains with the applicable licensor(s). Software sold to Customer becomes property of the Customer. NSE reserves the right to use any know-how that does not form part of the Customer Intellectual Property used by NSE in the software.

6. NON-NSE BRANDED PRODUCTS. The Limited Warranty and NSE Intellectual Property Liability sections of this Agreement do not apply to the sale and purchase of Non-NSE Branded Products. "Non-NSE Branded Product" means any third-party hardware, software, or service that NSE sells, but does not carry an NSE mark. Non-NSE Branded Product(s) that NSE resells are subject to warranties from third parties, and may not be testable or repairable by NSE, and it may be necessary for Customer to contact the manufacturer or the publisher for service. NSE does not warrant, has no obligation to support, and shall have no warranty or other liability for Non-NSE Branded Products.

7. SERVICES. Services provided by NSE are also subject to any service agreements or statements of work agreed upon in writing by the parties or, as applicable, to the NSE service Terms and Conditions, available at "www.nse.no → Download → Repair / RMA / T&C".

8. RETURN POLICY. Customer may return standard Product(s) within thirty (30) days of the Invoice Date if agreed by NSE. NSE reserves the right to charge Customer a twenty percent (20%) restocking fee for any Product(s) returned to NSE. No returns will be accepted after the thirty (30) day period has expired. The freight cost for returning a Product to NSE is to be covered by customer. For Product(s) failing within the first 30 days of the warranty period, North Sea Electronics will return the repaired Product(s) at its expense using a standard shipping method; after 30 days of the warranty period, the repaired Product(s) will be returned at the customer's expense using the customer's requested shipping method. Damage due to corrosion, customer alterations, excessive dust, extreme environmental or electrical conditions, and/or misuse will be evaluated upon inspection. If inspection reveals that the cause of damage is not due to materials or workmanship, repair of the Product(s) will be treated on a non-warranty basis.

9. RETURN MATERIAL AUTHORIZATION (RMA). A RMA number is required for Customer to return any Product(s). Acceptance of returns of customized Product(s) and Non-NSE Branded Product(s) is in the sole discretion of NSE. Prior to returning Product(s) on RMA, give a full description of the difficulty and include the model and serial number of the unit. Upon receipt of this information,



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NSE will give you service information or shipping instructions. These instructions can also be found on www.nse.no/support/. If goods are returned to NSE without following these instructions, incurred handling cost, duties, TAX, VAT will be invoiced the customer.

10. LIMITED WARRANTY. For a period of one (1) year from the Invoice Date, NSE warrants that its Hardware will be free of defects in materials and workmanship that cause the Hardware to fail to substantially conform to the applicable NSE published specifications. For a period of ninety (90) days from the Invoice Date, NSE warrants that the Software will perform substantially in accordance with the applicable documentation provided with the Software. NSE warrants that the Services will be performed in a good and workmanlike manner. If NSE receives notice of a defect or non-conformance during the applicable warranty period, NSE will, in its discretion: (i) repair or replace the affected Hardware or Software, (ii) re-perform the affected Services, or (iii) refund the fees paid for the affected Hardware, Software or Services. Repaired or replaced Hardware or Software will be warranted for the remainder of the original warranty period or ninety (90) days, whichever is longer. If NSE elects to repair or replace Hardware, NSE may use new or refurbished parts or Product(s) that are equivalent to new in performance and reliability and that have at least a functionally equivalent to the original part or Hardware. Customer must obtain an RMA number from NSE before returning any Hardware under warranty to NSE. Customer will pay shipping expenses to send the affected Hardware to NSE, and NSE will pay shipping expenses to return the Hardware to the Customer. If NSE concludes, after examining and testing returned Hardware, that it is not covered by the Limited Warranty, NSE will notify Customer and return the Hardware at Customer's expense. NSE reserves the right to charge a fee for examining and testing Hardware not covered by the Limited Warranty. The Limited Warranty does not apply if the defect of the Hardware or Software resulted from improper or inadequate maintenance, installation, repair, or calibration (unless performed or approved by NSE); unauthorized modification; improper environment; use of an improper hardware or software key; improper use or operation outside of the specification for the Hardware or Software; improper voltages; accident, abuse, or neglect; or a hazard such as lightning, flood, or other act of nature. The Limited Warranty is void if customer modifies or replaces parts of the Product(s). The remedies set forth above are the Customer's sole and exclusive remedies, and shall not apply even if such remedies fail of their essential purpose.

11. NO OTHER WARRANTIES. Except as expressly set forth in this Agreement, Product(s) and Services are provided "AS IS" without warranty of any kind and NSE disclaims all warranties, expressed or implied, with respect to the Product(s) or Services, including any implied warranties of merchantability, fitness for particular purpose, title or non-infringement, and any warranties that may arise from usage of trade or course of dealing. NSE does not warrant, guarantee, or make any representations regarding the use of or the results of the use of the Product(s) or Services in terms of correctness, accuracy, reliability, or otherwise. NSE does not warrant that the operation of the Product(s) will be uninterrupted or error free.

12. WARNING AND CUSTOMER INDEMNITY. Customer understands and acknowledges that Product(s) and Services are not designed, manufactured, or tested for use in life or safety critical systems, hazardous environments or any other environments requiring fail-safe performance, including in the operation of nuclear facilities; aircraft navigation; air traffic control systems; lifesaving or life sustaining systems or such other medical devices; or any other application in which the failure of the Product(s) or Service(s) could lead to death, personal injury, severe property damage or environmental harm (collectively, "high-risk uses"). Further, customer must take prudent steps to protect against Product(s) and Services failures, including providing back-up and shut-down mechanisms. NSE expressly disclaims any express or implied warranty of fitness of the Product(s) or Services for high-risk uses. Customer shall defend, indemnify, and hold NSE harmless from any and all claims, losses, damages, actions, including, lawsuits, arbitrations, and/or administrative actions, and expenses (including reasonable attorneys' fees) arising out of Customer's use of the Product(s) and Services for any high-risk uses, including claims for Product(s) liability, personal injury (including death) or damage to property, regardless of whether such claims are founded in whole or in part upon alleged or actual negligence of NSE. Only specifications explicitly defined in datasheets or other Product(s) documentation is guaranteed by NSE. Any use of Product(s) outside these specifications (temperature, voltage, pressure or any other working/environmental conditions not specified by NSE) is on the customers' own risk and responsibility.

13. SYSTEM AND APPLICATION RESPONSIBILITY AND ADDITIONAL INDEMNITY. Customer acknowledges that it is ultimately responsible for verifying and validating the suitability and reliability of the Product(s) or Services whenever the Product(s) or services are incorporated in its system or application, including the appropriate design, process, and safety level of such system or application. Further, customer must take prudent steps to protect against Product(s) and Service failures when Product(s) and Services are incorporated in a system or application, including providing back-up and shut-down mechanisms. Customer shall defend, indemnify, and hold NSE harmless from any and all claims, losses, damages, actions, including lawsuits, arbitrations, and/or administrative actions, and expenses (including reasonable attorneys' fees) arising out of customer's incorporation of the Product(s) or services into its system or application, regardless of whether such claims are founded in whole or in part upon alleged or actual negligence of NSE.

14. INTELLECTUAL PROPERTY LIABILITY. NSE agrees to defend against any third-party claim or allegations that the Hardware, Software or Services infringe any patent, copyright, or trademark ("Claim"). Customer shall notify NSE immediately upon learning of any Claim, or any allegation that the grounds for a Claim may exist, shall grant NSE sole control over the defense and settlement



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of the Claim, and shall cooperate fully with NSE in preparing a defense for any Claim. NSE agrees to pay any final judgment or settlement resulting from any Claim, provided that the settlement is entered into in accordance with this Section. NSE shall not be liable for a settlement made without its prior written consent. Notwithstanding the foregoing, NSE shall have no obligation under this Section for any claim relating to or arising from (a) Customer's modifications of Hardware, Software or Services; (b) failure to use Hardware, Software or Services in accordance with the applicable documentation provided by NSE; (c) the combination, operation, or use of Hardware, Software or Services with any hardware, software or service not provided by NSE; (d) the compliance of NSE with Customer's specifications or directions, including the incorporation of any software or other materials provided by or requested by Customer; or (e) Non-NSE Branded Product(s). In such cases Customer shall defend indemnify and hold NSE harmless from any and all claims, losses, damages, actions, including, lawsuits, arbitrations, and/or administrative actions, and expenses (including reasonable attorneys' fees). The foregoing states the Customer's sole remedy for, and the entire liability and responsibility of NSE for, infringement of any patent, trademark, or copyright or other intellectual property rights. This limited indemnity is in lieu of any other statutory or implied warranty against infringement.

In any event, if NSE believes in its reasonable opinion the Hardware, Software, or Services may be alleged to be infringing, for the purposes of mitigating any potential damages, NSE may, at its option, (i) procure for the Customer the right to continue to use the Hardware, Software, or Services; (ii) replace them with comparable Hardware, Software or Services that are free of such infringement; or (iii) refund the fees paid by Customer, in which case Customer shall promptly return the Hardware to NSE and/or terminate the use of the Software or Services.

15. PROPRIETARY RIGHTS. NSE reserves all right, title, and interest in any intellectual property rights contained or embodied in Product(s), or resulting from the Services, including any custom developments created or provided by NSE under this Agreement. Nothing in this Agreement will be deemed to grant to Customer any ownership rights in such intellectual property.

16. LIMITATION OF LIABILITY. NSE shall not be liable for (i) special, indirect, incidental, punitive, exemplary, or consequential damages arising out of or in connection with this agreement or the Product(s) or Services; or (ii) any damages arising out of or in connection with: (a) Product(s) or Services not being available for use, including any costs of obtaining substitute Product(s) or Services; (b) loss of, corruption of, or loss of use of any Product(s), hardware, software or data; (c) loss of revenue, profit, or business opportunity; (d) business interruption or downtime; or (e) inability to achieve a particular result, even if it is at suggestion made by NSE. To the extent permitted by applicable law, the total liability of NSE arising out of, or in connection with this agreement or the Product(s) or Services, shall not exceed the amount of the fees paid by customer for the specific Product(s) or Service giving rise to such claim. This section: (1) applies to NSE and its licensors, distributors, and suppliers (including its and their directors, officers, employees, and agents), (2) reflects an allocation of risk between NSE and customer in view of the purchase price of the Product(s) and services, (3) applies even if NSE has been advised of the possibility of the damages and regardless of whether such claims are founded in whole or in part upon alleged or actual negligence of NSE, and (4) regardless of whether such damages are based in contract, warranty, strict liability, negligence, tort, or otherwise. To the extent the foregoing limitation of liability is unenforceable or fails of its essential purpose, the sole liability of NSE to customer shall be limited to \$50,000 (USD).

17. FORCE MAJEURE. NSE shall not be responsible for any delay or failure to perform due to any cause beyond its reasonable control, including but not limited to acts of nature or governments; interruptions of telecommunications, power or transportation; failure of contractors or suppliers; or inability to obtain necessary labor or materials ("Force Majeure Event"). In the event of a Force Majeure Event, NSE reserves the right to cancel the applicable order without any liability to Customer.

18. EXPORT AND SANCTIONS LAWS AND COMPLIANCE. Product(s) (which, for purposes of this Section, shall include the software and technology incorporated in or supplied with a Product(s) and Service) purchased from NSE may be subject to export control regulations, in Europe or the United States of America or countries in which the Products are delivered or used. Product(s) may not be exported or re-exported to any country where sanctions are imposed by public authorities. Customer agrees it will comply with the export laws and trade sanctions of applicable countries and will not export, re-export or transfer Product(s) purchased from NSE without the required license(s), including an export or re-export license issued by the relevant authorities, or to any prohibited destination or for a prohibited end-use. Product(s) may also require export license(s) issued by the applicable authorities before being returned to NSE. The issuance of a Quote, a sales order acknowledgment, or an RMA by NSE is not an export license. Customer represents and warrants that it is not ineligible or otherwise restricted by any applicable law or regulation to receive Product(s) and that it will not export, re-export, or provide Product(s) to any person or entity on OFAC's List of Specially Designated Nationals or on BIS's Denied Persons List, Entity List or Unverified List or any other applicable restricted party list. NSE reserves the right to refuse and/or cancel any order if, at any time, NSE believes that any export controls or trade sanctions laws may be violated. The customer agrees to defend, indemnify and hold NSE harmless from any and all claims, losses, damages, actions, including, lawsuits, arbitrations, and/or administrative actions, and expenses (including reasonable attorneys' fees) incurred by NSE as a result of breach of this clause 17.

19. GOVERNING LAW. This Agreement shall be governed by Norwegian law, without regard to principles of conflicts of laws and the parties agree that the provisions of the United Nations Conventions on Contracts for the international sale of goods do not apply and that any special provisions in the sale of goods act regarding international sales shall not apply. The parties submit to the



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personal jurisdiction of Bergen court, Norway.

20. LIMITATION PERIOD. Any claim against NSE shall be made without undue delay. Under no circumstances shall NSE be liable for any claim arising under this agreement which are brought more than one year after the cause of action for such claim first arose.

21. UPDATES. NSE reserves the right to update this Agreement at any time, effective upon posting an updated version at <http://www.nse.no/support/>. However, the terms and conditions in effect at the time of purchase shall apply to that purchase of Products or Services.

22. GENERAL TERMS. This Agreement, and any terms incorporated herein by reference, constitutes the entire Agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings or agreements, whether written or oral, with respect to that subject matter. Customer acknowledges having read this Agreement, understands these terms, and agrees to be bound by them. This Agreement may not be altered, supplemented, or amended by the use of any other document unless otherwise agreed in writing by NSE. No delay or failure by NSE to exercise any right it has under this Agreement shall impair or be construed as a waiver of such right. A waiver of any provision of this Agreement must be in writing and shall not be construed as a waiver or modification of any other term hereof, or as a continuing waiver of any provision. The term 'including' as used in the Agreement should be construed as 'including without limitation'. If any part, term, or provision of this Agreement is held illegal, unenforceable, or in conflict with any applicable and enforceable law, the validity of the remaining portions or provisions of this Agreement shall not be affected. The doctrine that any ambiguity contained in a contract shall be construed against the party having drafted the contract is expressly waived by each of the parties with respect to this Agreement.