

HILLEVÅG ELEKTRO-DIESEL AS

SALE-SERVICE-RENTAL

CONDITIONS OF SALE

The following conditions of sale apply unless otherwise agreed in writing.

Drawing.

Drawings which are handed over by one party to the other must not be used contrary to the owner's interests, and must not be copied or made available to a third party without the written consent of the owner. All drawings must be returned to the owner if requested.

Delivery and transfer of risk.

The place of delivery is to be the seller's warehouse if no other location is agreed upon. The risk is transferred to the purchaser when the object is loaded up for transport from the seller's warehouse.

Chattels mortgage.

The seller reserves the right to retain a chattels mortgage in the object of sale for the amount owing him until this has been paid in full. Acceptances, cheques or promissory notes will not be considered as constituting payment until they are redeemed in full.

Estimated price.

Prices quoted do not include Value Added Tax. If no definite price has been agreed upon, the price on the date of delivery is to apply. If a definite price has been agreed upon, in the case of imported goods the right is reserved to make an extra charge if the currency exchange rate on the date of delivery exceeds by 2 % the rate which applied at the time when the price was agreed.

Complaints in relation to the invoice must be made in writing and submitted to the company no later than 10 days after the invoice has been received.

Conditions of payment.

Payment is to be made no later than 30 days after the invoice has been received, unless other arrangements for payment are confirmed. Interest shall be payable after due date in accordance to law of interest.

Delivery.

The stated date of delivery is only intended to be approximate, unless a guaranteed delivery date is expressly stated in the agreement. In the case of goods which are in stock, the delivery date is subject to intermediate sales occurring.

Compensation for delays in delivery.

In the event of a failure to comply with an approximate delivery date, no form of compensation will be paid. In the event of a failure to comply with a guaranteed delivery date, compensation will be paid at the rate of 0,5 % of the purchasing sum per seven days. The seller's liability will in all events be limited to 5 % of the purchasing sum. If the delay affects only part of the sales object, the basis for calculation will be limited accordingly.

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Compensation does not apply if the purchaser suffers no loss. Compensation beyond what here is described can not be claimed.

If the delay is considerable, the purchaser has the right to cancel the purchase.

Force majeure.

The seller is no longer considered to be liable if the delay is due to circumstances of force majeure beyond the seller's control.

If such hindrances to delivery occur, the delivery period will be extended by the period of delay caused by the hindrance. If the delay is very considerable, the agreement may be cancelled by one of the parties if it seems that a continued obligation to the agreement would be unreasonable.

Safety rules.

The sales object is to be delivered with the necessary safety equipment which is required by law per official regulation. The cost of safety equipment required by law which comes into effect after the agreement has been signed, is to be born by the purchaser.

Notification of defects.

The purchaser is bound to examine the sales object for defects immediately after delivery. Any defects which are discovered, or which ought to have been discovered at the time, can then only be pleaded if the complaint arrives in the hands of the seller within 14 days of the date of delivery.

Defects which are first discovered when the sales object has been assembled and test driven, may be pleaded if the complaint is made immediately after the discovery of the defect. This is providing that the defect has become evident after correct use of the object, and on condition that the necessary periodical maintenance has been carried out according to the appropriate check lists or instruction manuals.

The right of the purchaser to plead defects will in any event no longer apply at the expiry of the following terms reckoned from the date of delivery: after the object has been used in shift work for 6 months, for 1500 metered hours or one year, whichever comes first. In the case of spare parts, exchange components and repairservices, the following terms apply: after the object has been used in the shift for 3 months, for 1000 metered hours or 6 months, whichever comes first.

The right of the purchaser to plead defects will likewise no longer apply in the event of a defect being repaired, or the sales object being altered by persons other than the seller, without the consent of the seller.

Corrections of defects.

As long as a valid notification of defects has been made, the purchaser can demand that the seller correct the defects within a reasonable period of time.

If the defect is of such nature that it can be repaired without difficulty by the purchaser himself, the seller is considered to have fulfilled his obligations by sending the purchaser the

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part(s) necessary for repair. Defect parts are to be sent to the seller (f.o.b.) as soon as the defect has been discovered.

If the defect can be corrected most economically by the seller, the seller can demand that the purchaser arrange to have the sales object transported to the seller's workshop. The necessary transport costs are to be born by the seller.

In all events, the seller will be deemed to have fulfilled his obligations to the purchaser if he, by his own choice, and at his own expense, arranges for the delivery of a new sales object which is free from defect.

The right of the purchaser to cancel the purchase in the event of failure to deliver goods.

If the seller remedies a defect within a reasonable period of time, the purchaser cannot cancel the purchase unless he has put forward a valid complaint, and the defect is a considerable one. A demand for the cancellation of the purchase must be submitted as soon as it is ascertained that the defect cannot be remedied within a reasonable period of time.

If the purchaser cancels the purchase, he can demand the reimbursement of the purchasing price without the addition of interest, as long as he puts the sales object at the disposal of the seller on the seller's premises. If the sales object has been in use, the seller is to be credited with the amount of the normal rental charge.

Limitation of liability to pay compensation for defects.

The seller is not liable to pay any form of compensation, or to reduce the sales price if a defect which comes under the terms of the agreement can be remedied (cf.section 12), or if the purchaser has forfeited his right to cancel the purchase.

The seller is in no case liable to compensate directly or indirectly for any loss in production which may result.

Demands for compensation are in all cases limited to 5% of the price of the sales object, up to the sum of NOK 100.000,- and 2,5% of the exceeded amount.

Compensation cannot be made for any expenses the purchaser incurs by allowing persons other than the seller to make repair etc. to the sold object.

Product liability.

If, whilst using the sales object, the user causes injury to persons, the seller will be liable *only* if the injury appears to be due to negligence on the part of the seller.

If damages are caused by the sales object itself, or whilst it is being used, to any personal property, including raw materials or semi-manufactured goods which have been worked by the sales object, the seller is not liable to pay compensation.

Return

Any return of the sales object, or payment of credit to the purchaser is to be made in accordance with the seller's conditions of return.

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CONDITIONS OF RETURN

Goods may only be returned by previous agreement.

Returned goods must be:

in the same condition in which they were delivered from the seller.
saleable.

in their original packaging, if used.

Goods of the same type are to be ordered and packaged in the same way as on delivery from the seller; a charge will otherwise be made for any extra work the seller is obligated to carry out.

All freight charges in connection with return goods are to be paid by the customer.

Credit.

Approved return goods are to be credited with a sum equivalent to the price which is current on the day of return (less discount, if applicable), less 20% of the return charge.

Return goods having a total value of less than NOK 400,- according to the calculated return price, are not to be credited. If goods are returned due to fault for which the seller is liable, the invoiced sum will be credited without deductions.