



GENERAL PURCHASING CONDITIONS FOR AHLSELL NORGE AS

1. Introduction

These general purchasing conditions apply to the relationship between Ahlsell Norge AS (the Buyer) and the Seller, unless otherwise agreed in writing between the Parties.

Any standard terms of the Seller apply only if this is confirmed in writing by the Buyer no later than at the time of entry into an agreement.

Joint sales and delivery terms and conditions for the Water, Heating and Sanitation, and Water Supply and Sewage industries (FL-VVS 2001) will apply in addition to these conditions unless otherwise agreed. NL 01 will apply to electrical and refrigeration installations in addition to these conditions unless otherwise specified in writing.

In the event of conflict, the Buyer's general purchasing terms shall take precedence.

2. Order Confirmation

The Seller shall issue an order confirmation immediately after an order is placed. If an order confirmation is not received within three days, the Buyer reserves the right to cancel the order.

3. Prices

The prices are fixed, unless otherwise agreed in writing. Any necessary packaging, fees, customs and other duties are included in the prices unless otherwise agreed in writing.

4. Packing slips

One packing slip shall be issued for each individual order. The packing slip shall be shipped with the goods. All goods must be clearly labelled in accordance with the packing slip and bear the Buyer's purchase order number and the instructions specified in the order. If several orders are shipped together, separate packing slips shall be sent for each individual order.

5. Certificates

The following certificates mentioned in the Buyer's order shall be sent by the Seller:

- One set accompanying the goods
- One set to the Buyer's department issuing the order.

The certificates are part of the consignment and the agreed credit period commences at the time at which the entire consignment, including the certificates, has been received by the Buyer.

6. Inspection

The Buyer and the Buyer's customer shall be entitled to inspect and check the ordered goods on the Seller's premises both during and after completion of manufacture. The Seller is obliged to assist in such inspection and to advise in plenty of time as to when it may take place.

The Seller shall without delay remedy any conditions as required by the Buyer as a result of the inspection. The completed inspection and any remedied faults do not release the Seller from liability for deficiencies.

7. Delivery

Delivery shall take place at the agreed time.

Delivery will not be deemed to have taken place until the goods and any items which should naturally accompany them, including packaging, certificates, drawings and any other required documentation, have been delivered. Partial delivery or delivery before the agreed time shall be subject to the Buyer's consent in each case.

If the Seller, according to agreement, shall carry out assembly, or if functional tests or similar procedures are to be carried out in connection with delivery, delivery shall not be deemed to have taken place until such assembly and testing has been completed and the Buyer has confirmed that the delivery has been accepted.

Unless otherwise agreed, the delivery shall be Delivered Duty Paid (DDP) to the location specified in the order. If transportation instructions are not specified in the order, they must be obtained from the Buyer before shipping takes place. Delivery terms shall be interpreted according to the current version of Incoterms at the time of agreement.

8. The Buyer's duty of inspection

The Buyer shall inspect the consignment within a reasonable space of time after delivery. The Buyer's duty of inspection applies in the same way in cases where the Seller has modified the consignment or remedied deficiencies.



9. Delay

If delivery does not take place on time, the Buyer may choose to uphold the contract and demand delivery.

In the event of delayed delivery, the buyer is entitled to impose a daily penalty amounting to 0.2 % of the total order amount per calendar day until delivery takes place, unless otherwise agreed. The Seller's total liability for daily penalty is limited to 10 % of the total order amount. The Buyer may not demand a daily penalty if the delay is caused by the Buyer or a party for whom the Buyer is responsible.

In the event of delivery delay, the Buyer is entitled to cancel the agreement. In the case of consignments which the Seller is to manufacture especially for the Buyer according to the Buyer's specifications, and which the Seller is unable to dispose of in any other way without significant financial loss, the Buyer shall be entitled to cancel the agreement only if the delay constitutes a significant breach of agreement. The Buyer shall always be entitled to cancel when the maximum daily penalty has been reached, pursuant to paragraph 2 above.

If the delay or loss is the result of error or negligence on the part of the Seller, or of a party for whom the Seller is responsible, the Buyer may choose between a daily penalty and financial compensation.

10. Defects

A discrepancy is deemed to exist if the goods do not satisfy the agreement or generally accepted industry standards and prevailing Norwegian legislation and regulations. Unless otherwise agreed in writing, the Seller shall ensure that the delivery fulfils the purpose for which it is intended.

The Seller has an obligation to correct deficiencies without delay at any cost to the Buyer. If the Seller fails to correct deficiencies without delay, the Buyer is entitled, either himself or by means of third parties, to carry out the necessary corrections at the expense and risk of the Seller. The same applies if waiting for the Seller's correction would result in significant inconvenience for the Buyer. The Seller shall be notified without delay if the Buyer permits any party other than the Seller to correct deficiencies.

A price reduction may be demanded if deficiencies in a consignment are not satisfactorily corrected as specified above. The Buyer is entitled to cancel the purchase if the consignment has significant shortcomings whose nature makes immediate correction impossible.

The Buyer is entitled to compensation for direct losses resulting from deficiencies, unless the deficiencies are the result of circumstances beyond the control of the Seller and which the Seller cannot reasonably be expected to avoid or correct. If the deficiency is the result of error or negligence on the part of the Seller, or of a party for whom the Seller is responsible, the Buyer may also be entitled to demand compensation for indirect losses.

11. Complaints

The Buyer shall submit a written complaint in reasonable time after the discovery of a deficiency. The Buyer forfeits the right to make claims if a complaint is not submitted at the correct time.

The Seller cannot be held responsible for defects claimed later than two years after delivery.

12. Payment terms

An invoice shall be sent to the Buyer when delivery has taken place according to agreement. Only one invoice shall be issued for each individual order. Each invoice shall clearly indicate what the invoiced amount applies to and shall include the purchase order number and any other references required by the Buyer.

Payment is due 30 days after the invoice date.

All invoices shall be sent to the Buyer's head office at the following address:

**Ahlsell Norge AS
P.O. Box 184 Forus
N-4065 Stavanger
Norway**

The Buyer is entitled to withhold disputed amounts pending a final agreement or decision regarding any dispute.

13. Factoring

Any claims of the Seller against the Buyer may not be transferred or assigned to third parties without the written consent of the Buyer.

14. Choice of Law and Legal Venue

The contractual relationship shall be governed by Norwegian law.

The parties accept Stavanger Municipal Court as the agreed legal venue for any disputes arising from the contractual relationship.