

# General Purchase conditions for Munck Cranes AS

## 1 INTRODUCTION.

- 1.1 These general purchase conditions shall apply unless other conditions are agreed upon in writing between the parties.
- 1.2 Definitions  
BUYER: Munck Cranes AS  
SELLER: The firm or person specified as such in the purchase order.

## 2 OFFERS / TENDERS.

- 2.1 Costs related to bid preparation and submission shall be born by the tenderer. Deviations from the enquiry documents shall be clearly specified in writing.

## 3 PURCHASE ORDER.

- 3.1 The purchase order constitutes the entire agreement between the parties, and shall have precedence over the enquiry, bid and agreements previously made between the parties.
- 3.2 Other conditions shall not apply to the purchase order unless BUYER has accepted these in writing.
- 3.3 Only purchase orders in writing shall be considered as binding.

## 4. PURCHASE ORDER CONFIRMATION.

- 4.1 SELLER shall confirm the order by signing BUYER's purchase order confirmation form. If the purchase order confirmation is received by BUYER later than 14 days after the purchase order date, BUYER may cancel the purchase order.

## 5. PRICE.

- 5.1 The price stated in the purchase order shall be considered as fixed unless expressly agreed to be contrary.
- 5.2 In the case of deliveries charged for on a reimbursable basis, payment will become due according to clause 6 only when the BUYER has had a reasonable time to control and accept all documentation on which the account is based.

## 6. TERMS OF PAYMENT.

- 6.1 BUYER shall make payment within 60 days following the receipt of a correct invoice, provided that all SELLER's obligations according to the purchase order have been fulfilled and that a complete delivery has taken place. BUYER may withhold disputed amounts.
- 6.2 If delivery takes place earlier than agreed, the starting point for calculations of the payment date shall be agreed delivery date.
- 6.3 Interest on overdue payment shall be payable according to the Norwegian Delayed Payments Act ("Morarenteloven").
- 6.4 If advance payments are agreed upon, SELLER shall provide an on demand guarantee issued by a bank acceptable to the BUYER in corresponding amount.

## 7. TERMS OF DELIVERY / SHIPPING INSTRUCTIONS.

- 7.1 The provision of incoterms latest edition shall apply to the delivery.
- 7.2 If the BUYER is responsible for the transportation, the SELLER shall in good time prior to despatch, request despatch instructions from the BUYER. If SELLER is responsible for the transportation, he shall as soon as possible, and not later than the date of despatch, send an advice note advising of despatch so that BUYER may make preparation for receipt of the goods.

## 8. PACKING LIST / ADVICE NOTE / INVOICE.

- 8.1 Packing lists / advise notes / invoices etc. shall only relate to one purchase order and shall be duly marked according to specification stated in the purchase order. Packing lists / advise notes and invoices shall be completed so that each item corresponds with the purchase order with respect to item no, goods description and specification.
- 8.2 All goods shall be duly marked in accordance with packing lists and instructions stated in the purchase order. If the consignment consists of more than one package, each package shall contain a detailed list of contents.
- 8.3 In the case of delivery by a domestic supplier, SELLER shall submit to BUYER one original invoice and one copy and in the case of none Norwegian deliveries SELLER shall submit to BUYER one original and 3 copies. Invoices which do not comply with these purchase conditions will be returned by BUYER.
- 8.4 For all deliveries, the goods and packing lists / advise notes shall be duly marked with the gross weight.
- 8.5 Any certificates and other documents specified in the purchase order shall be delivered together with the goods. These documents are considered to be part of the delivery and invoices shall not be paid until they have been received.

## 9. CERTIFICATE OF ORIGIN / CUSTOMS INVOICES.

- 9.1 In the case of goods of EU or EFTA origin, BUYER or any third party specified by BUYER shall be supplied with a certificate of origin and custom invoices.
- 9.2 Costs incurred by BUYER due to lack of certificate of origin or customs invoices shall be charged to SELLER and deducted from the purchase price.

## 10 TIME OF DELIVERY.

- 10.1 The delivery shall take place at the time of delivery agreed upon. SELLER shall be deemed to have fulfilled his obligation only when all items specified in the purchase order have been completely delivered.
- 10.2 If delivery is delayed, BUYER is entitled to liquidated damages amounting to 0,2% of the total purchase order price per commenced calendar day. The liquidated damages shall not exceed 15% of the total purchase order.
- 10.3 Partial deliveries shall not be accepted and cannot be considered as a partial fulfilment of SELLER's obligations unless accepted in writing in advance of BUYER.
- 10.4 As soon as SELLER believes, or has ground for believing, that the delivery will be delayed, he shall immediately notify BUYER in writing of the delay and the cause thereof. SELLER shall furthermore inform BUYER of the measures it will initiate in order to minimize the delay and also state a revised delivery date.

## 11 CHANGES IN THE PURCHASE ORDER SPECIFICATION.

- 11.1 The BUYER has the right to change the specifications at any time.
- 11.2 Changes agreed upon shall be confirmed by BUYER at the issue of a change order.  
This change order shall thereafter be confirmed by SELLER according to clause 4.1 above. SELLER shall as soon as possible within 14 days inform BUYER in writing of the effects the change order will have on the price, time of delivery and technical specification. If SELLER fails to provide such information, he shall lose his right to demand a change order.
- 11.3 Disagreement as to compensation payable in respect for such change order shall not entitle SELLER to withhold it's delivery.

## 12 LIABILITY FOR DEFAULT, INSOLVENCY.

- 12.1 SELLER shall ensure that the goods comply with standards of good workmanship, the purchase order specifications and applications and applicable laws and regulations. SELLER undertakes free of charge to repair all defects caused by faults in construction, materials or production, during a period of at least 18 mths from the date the goods are taken into use for their proper purpose.  
The maximum guarantee period is however limited to 24 mths from the time of delivery. In the event that the goods are out of function for a period owing to SELLER's default, the guarantee period shall be prolonged for a period corresponding to the time it has not been possible to use the goods for their proper purpose.
- 12.2 Parts which are replaced / repaired in accordance with the above guarantee provisions, shall have a renewed guarantee period equal to the original guarantee period
- 12.3 SELLER undertakes under the above guarantee that the goods shall be rectified to comply with the purchase order or replaced by the goods as soon as possible and free of charge.
- 12.4 If SELLER fail to fulfil his obligations in accordance with the purchase order, or becomes insolvent, BUYER may choose one or more of the following alternatives:
  - A - Cancel the order
  - B - Demand that SELLER immediately performs the necessary rectification work.
  - C - Retain an amount sufficient to ensure rectification of the goods.
  - D - Demand compensation for all losses incurred by BUYER but limited to the purchase order price.
  - E - Demand a new delivery.
  - F - After informing SELLER in writing, rectify the defects at SELLER's cost, either with own resources or by use of other suppliers.
  - G - Demand a price reduction.

## 13. FORCE MAJEURE.

- 13.1 The parties may be relieved from the respective obligations to the extent that they can prove that they have been prevented from keeping such obligations due to the force majeure.
- 13.2 The affected party shall immediately notify the other party of the force majeure situation. If a party fails to give such notice, it shall be precluded from claiming the right to be relieved of it's obligations.
- 13.3 In case of force majeure, each party shall be responsible for it's own costs resulting from the force majeure situation.

## 14. RIGHT TO INFORMATION.

- 14.1 Upon request, BUYER shall be entitled to obtain all necessary information from SELLER including satisfactory progress reports, information relating to sub-contractors etc.
- 14.2 SELLER shall permit BUYER or BUYER's clients or sub-contractors to carry out such inspections as BUYER deems to be necessary. Inspections carried out by BUYER shall not relieve SELLER of his contractual responsibilities.

## 15. OWNERSHIP.

- 15.1 Proprietary rights to the goods, or part of the goods, together with the technical documentation to be supplied by SELLER according to the purchase order passed to BUYER on payment.
- 15.2 All drawings, specifications and other technical documentation transmitted by BUYER to SELLER shall remain the property of BUYER and shall not be copied or disclosed to any third party without the prior written consent to BUYER.

## 16. PATENTS.

- 16.1 SELLER shall indemnify BUYER against any claims by third party in relation to any patent infringement by SELLER.

## 17. DISPUTES.

- 17.1 This purchase order is governed by Norwegian law, however Norwegian private international law shall not apply.
- 17.2 All disputes related to this purchase order shall be settled by the ordinary court of justice within the local jurisdiction of which BUYER's registered office is located.