

GENERAL TERMS AND CONDITIONS

General Terms and Conditions for Goods and Services

Definitions

- 1.1 "Affiliate" means any company or other entity controlled by, having control of or under common control with a party hereto. "Control" means the right to exercise directly or indirectly the vote of more than 50% of the voting shares.
- 1.2 "Agreement" means a contract between Buyer and Supplier for the provision of Goods and/or Services. The Agreement consists of the Purchase Order, these Conditions and the Specifications. Any term or conditions other than those in the Agreement shall not apply and any reference to such conditions shall be disregarded and considered void. In case of conflict between the documents of the Agreement, the conflict is to be resolved in accordance with the following order of precedence: (1) the Purchase Order, (2) these Conditions and (3) the Specification.
- 1.3 "Buyer" means the Saga Offshore company identified in the Purchase Order, and the Buyer's successors and assigns.
- 1.4 "Buyer Group" means (i) Buyer and its Affiliates receiving any Goods or Services pursuant to the Purchase Order, (ii) Buyer's Coventurers, (iii) Buyer's suppliers and contractors (other than Supplier) and their subcontractors who are engaged to provide Goods or Services to/for Buyer, and (iv) the respective employees, officers, directors and agents of all of the foregoing.
- 1.5 "Claim" means any claim, demand, cause of action, judgment, loss, cost, expense, proceeding, penalty, award of damage or liability (including, without limitation, reasonable legal costs and expenses and sums paid by way of settlement and compromise where such settlement or compromise was reasonable).
- 1.6 "Conditions" means these general terms and conditions.
- 1.7 "Coventurers" means the coventurers of Buyer from time to time (and their respective successors and assigns) having an interest in the project for which the Goods and/or Services are acquired.
- 1.8 "Goods" means the goods as described in the Purchase Order and shall include any materials, components, data, drawings, certificates, and any other documentation as required by Buyer.
- 1.9 "Purchase Order" means the purchase order form of Buyer to which the Conditions are annexed.
- 1.10 "Price" means the price of the Goods and/or Services appearing in the Purchase Order.
- 1.11 "Services" means the services, operations to be performed and the equipment (which may be by way of rental by Buyer from Supplier) and personnel to be provided by Supplier, as described in the Purchase Order.
- 1.12 "Specification" means the Buyer's specification, including a description of the deliverables, plans, drawings, data, scope of work, HSEQ and/or administrative documents, and other information relating to the Goods or Services supplied by the Buyer. Any description of the deliverables, plans, drawings, data, scope of work, HSEQ and/or administrative documents and/or other information relating to the Goods or Services delivered by the Supplier shall be in full compliance with the Buyer's Specification and not be part of the Agreement, provided always that Buyer is entitled to rely on any information provided by Supplier.
- 1.13 "Supplier" means the party so described in the Purchase Order.
- 1.14 "Supplier Group" means (i) Supplier and its Affiliates providing any Goods or Services pursuant to the Purchase Order, (ii) the participating companies in any joint venture with Supplier for providing part or all of the Goods and/or Services, (iii) Supplier's subcontractors, (iv) any of subcontractors' Affiliates involved in providing all or part of the Goods and/or Services, and (v) the employees, officers, directors and agents of all of the foregoing.

Basis of the Purchase

- 2.1 Buyer shall acquire and Supplier shall provide the Goods and/or Services in accordance with the Agreement. The Agreement is not an exclusive contract for Supplier for performance of the kind of Goods and/or Services covered by this Agreement.
- 2.2 Buyer makes the Agreement on behalf of itself and/or as agent and trustee for each of its Coventurers. Supplier agrees to look only to Buyer for the performance of the Agreement. Supplier may not commence any proceedings against any Coventurer. Buyer may enforce the Agreement against Supplier and Buyer shall be entitled to recover from Supplier on its own behalf and on the behalf of any Coventurer.

Specifications of the Goods and Conduct of the Services

- 3.1 The quantity, quality and description of the Goods and the Services shall be as specified in the Purchase Order, the applicable Specifications and to the satisfaction of the Buyer. The Buyer may reject any Goods and/or Services which are not in accordance with the Purchase Order, the Specifications or to the satisfaction of the Buyer. Supplier shall perform any installation and commissioning of the Goods as required by Buyer. Supplier shall deliver the Goods and/or complete the Services within the specified time or within a reasonable time if no time is specified.
- 3.2. All Goods shall be delivered with certificates in accordance with the EU Marine Equipment Directive 2014/90/EU (MED - wheelmark)

Inspection and Testing of Goods

4.1 Buyer may inspect, review and/or test the Goods and the Services at all reasonable times during manufacture, processing, storage or otherwise and Supplier shall provide Buyer with all facilities and assistance reasonably required for such inspection and testing. Notwithstanding any such inspection or testing, the Supplier shall remain fully responsible for the Goods and/or Services and such inspection or testing shall not diminish or affect the Buyer's rights under or pursuant to the Agreement. Buyer shall inform Supplier if the Goods and/or Services, or any parts thereof, do not comply with the Agreement.

4.2 If Buyer is not satisfied that the Goods and/or Services, in whole or in part, comply in all respects with the Agreement, Supplier shall forthwith take all steps as are necessary as directed by Buyer to ensure compliance, without prejudice to any other rights of the Buyer (including the rights the Buyer is entitled to exercise pursuant to paragraph 9.2 of the Conditions).

4.3 Failure of Buyer to inspect, test or bring to the attention of Supplier any defect or non-conformance of the Goods or Services shall in no way relieve Supplier of his obligations hereunder.

Delivery of Goods

5.1 Supplier shall deliver the Goods to the address shown in the Purchase Order on the date or within the period stated in the Agreement, during the usual business hours of Buyer. A packing note quoting the number of the Purchase Order must accompany each delivery.

5.2 Delivery shall be in accordance with the instructions of Buyer. Supplier shall be responsible for providing suitable protection and packing for Goods to ensure their safe arrival at the delivery address in an undamaged condition. Buyer shall not be obliged to return to Supplier any packaging or packing materials.

5.3 To the extent that any Goods contain toxic, corrosive or other materials hazardous to health or property, a prominently displayed notice to that effect must accompany each delivery of the Goods.

5.4 Title and interest in the Goods shall pass from Supplier to Buyer upon the earlier of (i) their proper delivery to Buyer or (ii) as the Goods are paid for by Buyer. If Buyer rejects the Goods pursuant to paragraph 3.1 of the Conditions, Supplier shall reimburse Buyer for any amounts that Buyer may have paid for such rejected Goods and title in the rejected Goods shall revert to Supplier. Risk of loss or damage to the Goods shall pass from Supplier to Buyer upon acceptance of the Goods by Buyer following their proper delivery. In no event shall Buyer be deemed to have accepted any Goods until Buyer has had a reasonable time to inspect them following delivery.

Price

6.1 The Price shall be as stated in the Purchase Order and, unless otherwise so stated, shall be exclusive of any applicable Value Added Tax (which shall be payable by Buyer subject to receipt of a VAT invoice) but inclusive of any charges for packaging, packing, shipping, carriage, insurance and delivery to the delivery address of Buyer stated on the Purchase Order and any duties, imposts or levies other than Value Added Tax and shall constitute full and final compensation to Supplier for all Supplier's expenses, overheads and profits related to supply of the Goods, performance of the Services and compliance with this Agreement.

6.2 No increase in the Price (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) or variation may be made to the Agreement without the prior written consent of Buyer.

6.3 Buyer shall be entitled to any discount for prompt payment, bulk purchase or volume of purchase customarily granted by Supplier.

Terms of Payment

7.1 Unless otherwise agreed in the Purchase Order, Supplier may invoice Buyer for the Price on or at any time after the delivery and acceptance of the Goods or satisfactory completion of the Services, as the case may be. Each such invoice shall be submitted to the address specified for such purpose in the Purchase Order and shall quote the number of the Purchase Order and include supporting back up documentation. Supplier shall show cash discount terms on all invoices. Terms of payment and discount will be computed from date received in Buyer's office.

7.2 Payment of such sums as are properly invoiced in accordance with this provision shall be made in full 30 (thirty) days after receipt by Buyer of a correct invoice. Payment shall constitute full and final compensation to Supplier, and shall be Supplier's sole basis for remuneration for performance of the Services or supply of the Goods. Payment shall be in the currency identified in the Purchase Order with no allowance for variation due to currency fluctuations. No invoice received by Buyer more than 90 days following completion of the delivery of the relevant Goods or completion of the relevant Services shall be eligible for payment unless Buyer at its sole discretion decides otherwise.

7.3 If Buyer disputes any invoice in whole or in part, Buyer shall notify Supplier of the dispute. Upon being notified, the Supplier shall issue a credit note for the dispute amount in order to allow for payment of the undisputed portion. Buyer may also set-off against the Price any sums owed to Buyer by Supplier whether under this Agreement or otherwise.

7.4 No payment made by Buyer shall constitute a waiver by Buyer or prejudice the rights of Buyer to question or dispute any portion of any invoice, and any payment withheld by Buyer shall be without prejudice to any other rights or remedies of Buyer under contract or at law.

7.5 In the event of late payment, the Supplier shall notify the Buyer in writing of the delayed payment and be entitled to claim interest in accordance with the Norwegian Act relating to Interest on Overdue Payments. If the Buyer has not paid the undisputed amount of an invoice within three months after the Supplier's notice of late payment, the Supplier shall be entitled to terminate the Agreement. In the event of termination by the Supplier, the Buyer shall not be liable for any indirect or consequential losses which the Supplier may have. The Supplier shall have no other rights or remedies in the event of late payment.

Insurance

8.1 Supplier shall, at its own cost, effect and maintain during the term of the Agreement, all such insurances as may be required by law and general public liability insurance. The general public liability insurance shall be for not less than U.S. \$1 million per occurrence. Supplier's insurance shall, to the fullest extent possible, be written or endorsed such that the insurers waive all rights of subrogation and that they do not have any right of recovery against Buyer or any of its Affiliates or Coventurers.

8.2 If Supplier is performing services offshore, Supplier shall also carry and maintain, or cause to be carried and maintained, additional accident insurance on Supplier Group's employees to cover Supplier's legal and contractual liabilities, including those assumed under the Agreement, for personal injury to such employees in an amount of not less than 40 G per person per incident where G is the basic pension in Norwegian Social Security ("Grunnbeløpet i Norsk Folketrygd") at any particular time.

Warranties and Liability

9.1 For a period of two (2) years from delivery of the Goods and/or Services, Supplier undertakes and warrants and guarantees to Buyer that:

9.1.1 any Goods and/or Services are free of any defects, including latent defects or deficiencies, comply in all respects with the Purchase Order and the Specifications, and are in full compliance with any laws and regulations, including any amendment, extension, re-enactment or replacement of statutes or statutory provisions;

9.1.2 any Goods and/or Services shall be of satisfactory quality and be fit for their intended purpose;

9.1.3 neither the Goods nor the provision of any Services infringe, nor does the importation, use or resale of any Goods infringe the patent, copyright, design right, trademark or other intellectual property rights of any other person, and Supplier shall defend, indemnify and hold harmless Buyer from any intellectual property Claim (except to the extent that the Claim arises from compliance with any Specification supplied by Buyer);

9.1.4 it will hold in strict confidence the Specification, together with all data or other information that it receives from Buyer in connection with the Agreement;

9.1.5 copyright, design rights or any other intellectual property rights in or arising out of, or developed by the Supplier in connection herewith or related to the Specification or data or other information that it receives from Buyer shall vest exclusively in Buyer;

9.1.6 it will not disclose to any third party or use any such Specification or data or other information that it receives from Buyer except to the extent that it is or becomes public knowledge through no fault of Supplier;

9.1.7 it will not reproduce or use the Specification or data or other information that it receives from Buyer, its Affiliates or Coventurers for any purpose unrelated to the Agreement without the express written consent of Buyer, and will forthwith upon request at any time and without charge deliver to Buyer any and all such data or information then in its possession;

9.1.8 it will provide all necessary equipment, supplies and suitably skilled and experienced personnel, and supplies to carry out the Services and supply the Goods in a timely and efficient manner;

9.1.9 it will comply with the policies set forth by the government and the Buyer, as amended from time to time, including, without limitation, those relating to matters of health, safety and the environment (including support of Buyer's zero HSE incident mindset), corporate ethics, and substance abuse;

9.1.10 it will be responsible for training and verifying that its employees and subcontractors are properly prepared to perform the Services; and

9.1.11 it will be responsible for any payment, including interest, in respect of taxes assessed against Supplier, subcontractors, its and their employees and agents and will indemnify Buyer therefrom.

9.2 In the event of a breach of any of the warranties in Article 9.1, including if any Goods and/or Services, in whole or in part, are not supplied in accordance with the Purchase Order and the Specifications, Buyer shall, without prejudice to any other right or remedy at law or otherwise, have the right, at its option, to (1) require Supplier to supply replacement Goods or to re-perform the Services forthwith at no cost to Buyer, (2) to treat the Agreement as discharged by the breach of Supplier and require the repayment of any part of the Price which has been paid, or (3) to engage, at Supplier's cost, a third party to re-perform, replace or repair any part of the Goods and/or Services.

9.3 Supplier shall defend, indemnify and hold harmless Buyer against all liability, loss, damages, costs and expenses (including legal costs and expenses) awarded against or incurred or paid by Buyer as a result of or in connection with breach of any warranty given by Supplier and against any fines, costs, or expenses arising from Supplier Group's failure to comply with any applicable laws, rules, or regulations.

Risk Structure

10.1 Supplier shall defend, indemnify and hold harmless Buyer Group from and against any and all Claims with respect to (i) the death or illness of or injury to any of the personnel of Supplier Group; (ii) the loss or destruction of or damage to any property of Supplier Group; and (iii) the loss or destruction of or damage to any property of Buyer Group whilst the same is in the care, custody or control of Supplier Group.

10.2 Buyer shall defend, indemnify and hold harmless Supplier Group from and against any and all Claims with respect to (i) the death or illness of or injury to any of the personnel of Buyer Group and (ii) the loss or destruction of or damage to any property of Buyer Group, other than as provided in sub-paragraph 10.1(iii).

10.3 Paragraphs 10.1 and 10.2 apply regardless of any form of liability, whether strict or by negligence, in whatever form and howsoever caused.

10.4 Supplier shall ensure that it has effective insurances covering its indemnification obligations in Article 10.1. The policies shall state that the insurers waive all rights of subrogation against Buyer, its Affiliates and any Coventurers.

Transportation Offshore

11.1 Subject to the releases and indemnities set forth in these Conditions, Buyer will furnish the following without charge: (i) transportation by helicopter to and from Buyer's designated helicopter base and the offshore location(s) at the start of the Services and at the end of the Services and (ii) meals, lodging, laundry and customary medical attention offshore. Supplier will be responsible for all costs of transportation and meals and lodging before departure from Buyer's helicopter base and after return to Buyer's helicopter base. In the event of rectification work, Supplier reserve the right to claim payment for transport, meals, lodging, laundry and any medical attention. Supplier shall at all times comply with Buyer's procedures regarding transportation, including for reservation of helicopter seats, as well as any applicable procedures offshore.

11.2 Supplier shall furnish at no extra cost all equipment and any other items necessary to perform Services. All equipment for work offshore shall be delivered by Supplier to Buyer's specified base at Supplier's cost in due time for the Services to be performed, properly packed and marked for transportation. The equipment will be transported from Buyer's specified base to the offshore work location(s) and back to Buyer's specified base at no cost to Supplier; provided, however, that as set forth more fully under paragraph 10.1, the risk of damage to or loss of such property shall always be with Supplier including but not limited to the time of loading, unloading, and transportation.

11.3 All of the employees, subcontractors and agents of Supplier travelling offshore shall hold current medical/survival certificates that shall be provided to Buyer upon request, and shall, in accordance with Buyer's HSE Policy and any governmental requirements, be adequately trained in offshore safety and survival.

Termination

12.1 Buyer shall be entitled to cancel the entire Agreement, or only part of the Goods or Services, by giving written notice to Supplier. In the event of such cancellation, the sole liability of Buyer shall be to pay to Supplier the part of the Price for any Goods and/or Services performed in accordance with the Agreement, less the net saving of cost to Supplier arising from cancellation.

12.2 Buyer shall be entitled to terminate the entire Agreement, or only part of the Goods or Services, without liability to Supplier, by giving written notice to Supplier at any time if Supplier:

- (i) fails or refuses to supply competent supervision or sufficient, properly skilled workers or proper materials; or
- (ii) does not make proper or timely performance of the Agreement; or
- (iii) Supplier goes into liquidation or receivership; or
- (iv) otherwise prejudices or fails to carry out his obligations in accordance with the Agreement, including in the event of a breach of any of the warranties in Article 9.

12.3 Buyer shall not be liable to pay Supplier any further monies in respect of the Agreement and Supplier shall be liable for and shall pay Buyer any costs, expenses or damages in the event of said termination.

Audit Rights

13.1 Buyer and its authorised representatives may at any time during the term of the Agreement and for four (4) years thereafter, on reasonable prior notice, have access to and audit all relevant books and records of Supplier Group for the purpose of confirming compliance by Supplier with the requirements of the Agreement.

Miscellaneous

14.1 Supplier shall not assign or purport to assign or transfer to any other person any of its rights or subcontract any of its obligations under an Agreement without the prior written consent of Buyer. Said written consent shall not relieve Supplier from any of his responsibilities or obligations to Buyer under an Agreement.

14.2 Failure or delay by Buyer in the exercise of any rights or remedies under an Agreement or by law shall not release Supplier from any warranties or obligations contained or referred to in the Agreement. Any waiver by the Buyer of a breach of any requirement of an Agreement shall not be considered as a waiver of any subsequent breach of the same or any other requirement hereof.

14.3 Any Agreement between the parties shall be governed by and construed in accordance with Norwegian law. Disputes that may arise shall be subject to confidentiality and be referred to arbitration in Oslo in the English language and otherwise in accordance with the Act relating to Arbitration, 14 May 2004 no 25 as amended. The time limit to appoint arbitrators is 30 days after receiving written notice of the arbitration. The arbitrators in the award may not grant any relief that could not be granted by a court of law in the Kingdom of Norway. The award shall be in writing and shall be final and binding on the Parties, and judgment with respect thereto may be entered in any court having jurisdiction for judicial acceptance and/or an order of enforcement, as the case may be. Documents and statements in Norwegian and English shall be allowed in any arbitration procedure. Translation thereof shall be at the expense of the party requiring such translation.

14.4 The Agreement constitutes an entire agreement between Buyer and Supplier with regard to the Goods and/or Services, and supersedes all prior negotiations, representations or agreements, either written or oral. In particular, any terms or conditions that the Supplier may attach, refer to in any written material (including, without limitation, on any invoice or packing note) or any course of dealing between the Supplier and Buyer shall be of no effect.

14.5. The Supplier is solely responsible for and shall ensure that the Supplier's processing of personal data is in accordance with all relevant data protection laws, including EU General Data Protection Regulation 2016/679. The Supplier agrees that the Buyer may process personal data on behalf of the Supplier to the extent necessary in connection with the performance of an Agreement.

14.6 Supplier shall be responsible for obtaining clarification of any discrepancies, errors or omissions in the Specification or data or other information that Buyer supplies.

14.7 Supplier shall immediately notify Buyer of any delay, specifying cause, probable duration, and the measures Supplier will adopt.

14.8 Captions and headings used in the Conditions are inserted solely for convenience and shall not be taken into consideration in interpretation of the Agreement.

14.9 Where the context admits or requires words importing the singular shall include the plural and vice versa and references to a gender shall include every gender.

14.10 Any purported amendment of the terms, requirements or obligations of the Agreement shall be void and of no force unless it is (i) in writing, (ii) signed by duly authorised representatives of Buyer and Supplier, (iii) expressly refers to the specific article to be amended, and (iv) expressly indicates agreement of the Buyer and Supplier to amend such specific article referred to therein.

14.11 Supplier shall be an independent contractor and in no event shall Supplier nor any person in Supplier Group be considered employees or agents of Buyer.

14.12 If Supplier has entered into an OLF Security Agreement with another party, in accordance with OLF's Guideline 091 for securing oil industry supplies and equipment, the Supplier shall comply with the OLF Security Agreement also when performing the Services for Buyer. If such an OLF Security Agreement entered into with another party is terminated, the Supplier shall inform the Buyer without undue delay. The Supplier shall enter into an OLF Security Agreement with Buyer at Buyer's request.

14.13 Supplier, in performing its obligations under an Agreement, will comply with all laws, regulations, directives, and orders of the United States, the United Nations, the European Union, the European Free Trade Association, Norway, and any other applicable authority relating to economic sanctions, trade embargoes, and other restrictions on exports, re-exports, transfer, or resale of equipment, services, and technical data, including, without limitation, sanctions laws administered by the US Department of the Treasury, Office of Foreign Assets Control; the US Export Administration Regulations administered by the US Department of Commerce, Bureau of Industry and Security; the EU Dual Use Regulation (Council Regulation No. 428/2009, as amended); the UK Export Control Order 2008; and the export control laws, regulations, orders or directives in force from time to time in Norway (together "Sanctions and Export Control Laws"). When required by such laws or regulations, Supplier shall apply for the necessary and appropriate export authorizations. Supplier agrees to indemnify Buyer for any fines, penalties, claims, losses, damages, costs (including legal costs), expenses, and liabilities that may arise as a result of Supplier's breach of Sanctions and Export Control Laws.