

## NORRØNA'S GENERAL CONDITIONS FOR DISTRIBUTION AND SALES

Through their order the Retailer accepts the terms stated in this document, for this, and future orders.

### 1 MAIN CRITERIA FOR NORRØNA'S DISTRIBUTION

Norrøna's distribution is based on the following criteria, which are normative for Norrøna's choice of and requirements to Retailers:

**Knowledge and competence;** Norrøna wishes to build knowledge among sales clerks in order for them to present Norrøna's products in the correct manner. The Retailer's operations shall have a high degree of professionalism and the Retailer shall offer the customers a broad and attractive concept.

**Presentation in the store;** Norrøna seeks a presentation in the store that presents the brand in a professional, explanatory and attractive manner. This requires breadth within Norrøna's concept, products and product colors.

**The right customers;** Norrøna attracts a special type of consumer. Norrøna wishes to ensure that the Retailer has these consumers as customers.

**Distribution strategy;** To be able to offer Norrøna's customers high quality service, Norrøna wishes to work with few Retailers through a selective distribution strategy.

**Long time perspective;** Norrøna builds long term and predictable partnerships.

#### 1.1 Resale to third parties and sale outside EEA

The Retailer cannot resell Norrøna products to other Retailers that are not authorized by Norrøna. Prior to a possible resale, the Retailer is obliged to confer with Norrøna about whether the receiver is authorized.

It is not allowed to sell Norrøna's products in or to countries outside EEA without prior written approval from Norrøna.

#### 1.2 Specifically on Norrøna's requirements to stores, competence, service, marketing etc.

Norrøna's products are designed to fit the weather and climate they are to be used in, and to the activity they are to be used for, including particularly extreme sports during the winter season. If Norrøna's products are used improperly, it can result in the consumer experiencing the activity as not optimal. In addition to this, wrong use can have serious consequences, as for example frostbite. Since the Retailer shall sell Norrøna products to consumers it is necessary that the Retailer meets relevant conditions, both relating to sale in stores and through a web shop.

Norrøna shall only be sold in stores with sports / outdoor life as the main product. The store shall be open during regular opening hours. If the Retailer wishes to sell Norrøna's products in more stores than initially agreed upon, it requires written approval from Norrøna.

That Norrøna's products are to be presented in a professional, explanatory and attractive manner, implies among other things that the products shall be displayed with a large degree of visibility, tidiness and availability, mainly placed close to other products of similar quality and esteem. The products shall appear unified with a clear and good Norrøna exposure with a good breadth within Norrøna's concept, products and the products sizes and colors.

The Retailer shall have good knowledge about sports equipment and outdoor equipment in general and thorough knowledge about Norrøna's products in particular, including knowledge about areas of application,

types of materials, product technology, maintenance, differentiation from other products etc.

The consumer shall always have the opportunity of receiving good product guidance from a salesperson when purchasing a Norrøna product within regular opening hours. The Retailer shall at all times have a good overview of their stock. This ensures predictability for the customer and is a sign of good service, which Norrøna wishes its products to be associated with.

Within 30 days before the Retailer launches promotions with Norrøna products in store or online, the Retailer must inform Norrøna about such plans, including the affected product types, volume, campaign prices and the form and duration of the campaign.

With sale of expired products the Retailer shall clearly state in all customer communication that the products in question are expired.

#### 1.3 Specifically about Norrøna's conditions for sale over the Internet within EEA

Sale over the Internet can only occur through the same legal entity that is party to the Agreement with Norrøna. Sale over the Internet is only allowed under the conditions set out in this Agreement.

The Retailer's web page containing Norrøna's products, including any web shop, shall at all time be in accordance with Norrøna's criteria for distribution, requirements for presentation in store and other conditions specified. The Retailer shall among other things ensure that the web page presents Norrøna's products in an explanatory and attractive manner. The qualitative requirements are:

- **Web design:** The web shop shall appear attractive and of high quality and the concept and products of Norrøna shall be presented as "Shop-in-shop" with approved Norrøna design. Norrøna sells high quality luxury products, in order to ensure the quality of the entire customer experience, Norrøna will not accept that the Retailer actively registers and/or routes the sale of the products through third party platforms (such as prisjakt.no, eBay, Amazon, finn.no or similar) as the display of the goods on third party platform can give the consumer a misleading impression in terms of color, model, price and general comparability of goods. If products are presented on the Internet, only Norrøna's and, if relevant, the Retailer's logo shall show. With the exception of trademarks delivering technology to Norrøna's products (e.g. Gore-Tex® and Polartec®), third party's logo and/or trademarks shall not be on the web page or in the product presentation. Norrøna's products shall be presented with pictures of excellent quality. The web page speed should rate minimum 50/50 on Google PageSpeed for desktop and mobile respectively. The web page shall have a system for customer rating of the products.
- **Range of products:** The web shop shall offer a good range of products (model, size and color) reflecting the Retailer's activity profile (alpine, climbing, etc.). The web store shall show its stock status of each individual product (model, size and color) on the web page. The specifications of the products shall be presented on the product site (e.g. weight, material composition and other main qualities such as water proof, wind proof, etc.). In the event a web shop no longer has the product in stock, the web shop must remove the possibility to order it from the web page, until the web shop gets the product in stock again. When the Retailer has a product being a part of the NOOS (Never out of stock)-program, the Retailer is obliged to place a supplemental order on products/sizes to ensure that the Retailer at all times has complete series of sizes available (provided that the product is available at Norrøna). Discontinued products should be labelled as this (e.g. as "outlet" or "discontinued").

- *Customer service – help-desk:* The Retailer shall have a dedicated department handling customer inquiries regarding purchases online. The Retailer's customers shall have access to guidance equivalent to the guidance the customer receives in physical stores. The Retailer shall therefore provide a phone number and an electronic communication solution for the Retailer's customer to contact to receive product guidance, and encourage seeking guidance in the event the Retailer's customers has questions regarding the product. Inquiries by phone shall be answered within regular opening hours, and emails within the same business day, or, in the event the email is sent after regular opening hours, within the following business day. Customer service must be proficient in the necessary languages to reflect all jurisdictions where Norrøna's products are being sold and the marketing is directed at. Customer service in web stores shall receive the same training as to the Norrøna products as employees in physical stores, and shall take part in product training when Norrøna encourages to do so.
- *Customer service – delivery of goods:* From the time when the customer orders an article in the web shop, maximum one business day shall pass until the article is sent from the Retailer's stock. For orders to customers in Norway, the Retailer shall use a logistics system securing delivery to the Retailer's customer within three days of shipment within the Eastern parts of Norway (Nw: *Østlandet*) and central parts/cities in Norway, and within five days of shipment for other regions. The customer shall receive an order confirmation, a withdrawal form and other regular documentation when the order is being placed. After placing an order, the Retailer shall inform the customer continuously as to the status of the progress of the delivery (track & trace / tracking number etc.). These rights for the Retailer's customers shall be presented on the web page/web store. The Retailer shall offer several alternative payment methods, such as credit card, invoice, part payments and Klarna, Paypal or equivalent.
- *Customer service – complaints:* The Retailer's system for returns shall be efficient and fast, and complaints shall be handled in a manner ensuring an answer or a new product to be sent to the customer within two business days of receiving the complaint.

The Retailer cannot start sale and marketing of Norrøna's products over the Internet until Norrøna has given its written approval that the above mentioned requirements to web page/web store and customer service are met. Norrøna's answer shall be provided within 30 days of receiving the notification.

For sales over the web store, the Retailer must place a Pre-order in accordance with the due dates and delivery windows as communicated by Norrøna.

Norrøna's products shall not be sold through auction.

All rights to domain names that are linked to Norrøna's name shall stay with Norrøna, even though the registration is carried out in the Retailer's name.

## 2 PURCHASE ORDERS AND ORDER CONFIRMATIONS

### 2.1 General terms for submitting a purchase order

An "order" as applied herein, is an order issued from the Retailer to Norrøna to order products.

### 2.2 Pre-order

Prior to every season, Norrøna will, per email or in another way, provide an overview of order closing dates and assumed delivery periods that apply to the season. The closing date for placing advance orders for a season will normally be set to more than six months before expected delivery ("Pre-order").

### Minimum ordering value

In order for a retailer to carry products from Norrøna, the retailer in question must place a pre-order for products from Norrøna for minimum NOK 200 000 per year (net amount after discount). Each Pre-order must exceed a value of NOK 100 000 per season. (net amount after discount). Norrøna operates with two sales seasons annually, autumn/winter and spring/summer.

If the retailer operates additional/multiple channels ( i.e Norrøna approved e-commerce) this is considered a separate channel and the minimum ordering requirement is applied equally.(separate pre-orders per channel) The retailer is required to operate with separate Norrøna customer numbers linked to the respective channel.

The products that are sold by the retailer in the separate channel should correspond with the pre-orders placed for the respective channel.

An order is binding for the Retailer when the Supplier has received the order. Upon reception of an order, Norrøna will in writing confirm the reception of the order as soon as possible ("**Order reception confirmation**"). This is not a final confirmation of delivery date or quantities, merely a copy of what has been registered by Norrøna.

Unless Norrøna indicates other closing dates before the season, Norrøna will normally send out an order confirmation indicating the planned delivery date and order quantities ("**Order confirmation**") as follows:

- Estimated October 15 for the Spring/Summer season.
- Estimated April 15 for the Autumn/Winter season.

Norrøna will up to 6 weeks before planned delivery pursuant to the Order confirmation be able to make an adjustment to the planned delivery, stating a binding delivery date with binding order quantities ("**Adjusted delivery plan**").

If an order contains campaign articles that are subject to special agreement between the Parties, Norrøna shall be provided specific information about this simultaneously with the placing of the order, at the latest.

### 2.3 Supplementary order

The right to order products after the closing date for Pre-orders has expired ("**Supplementary order**"), is given to Retailers that already have submitted a Pre-order in line with Norrøna's order provisions.

A Supplementary order can be submitted in the following ways:

- Norrøna: B2B portal,
- Email: [business@norrøna.com](mailto:business@norrøna.com)
- Telephone customer service: +47 66 77 24 00

Special discount rates apply for Supplementary Orders submitted via the B2B portal.

The Supplementary order is binding for the Retailer when the Supplier has received the order. Norrøna will as soon as possible after having received a Supplementary order confirm through an Order Confirmation that the order is received and indicate a planned delivery date.

## 3 NORRØNA'S RIGHT TO CANCELLATION

Norrøna may, within the closing date of the Order confirmation, cancel colors or entire models. Such cancellations shall not give right to any sanctions. Cancellation may occur for example if sufficient order quantities for the model have not been obtained or sub-suppliers do not prove to be able to deliver.

#### **4 THE RETAILER'S RIGHT TO CANCELLATION**

If the Retailer for any reasons wishes to cancel the order, this can only be done after Norrøna has given its written consent. In the case of cancellation, a handling fee of 20% of the order amount will be payable.

#### **5 DELIVERY OF GOODS, PRICE AND PAYMENT OBLIGATIONS**

##### *5.1 Price, place of delivery, delivery precision and freight*

The Supplier can change prices based on changes in production prices, customs tariffs, tax- and foreign exchange quotations. Changes like this cannot happen after the delivery has been confirmed by the Supplier (sent Order Confirmation).

Norrøna delivers only to the Retailer's own delivery address, including agreed store address, unless a different address is agreed. Delivery precision is measured as 100% for delivery within the delivery window. For pre-orders, the delivery window is + / - 1 week. For supplementary orders (re-orders), the delivery window is + / - 2 days. Norrøna's standard freight and packaging conditions will apply at all times.

##### *5.2 Invoicing*

Norrøna will issue an invoice consecutively after each shipment with 30 days due date. In case of late payment an interest rate in accordance with the Norwegian Act on Overdue Payments of December 17, 1976 no. 100 shall apply. Debt collection notice will be sent 14 days after the due date. The Retailer is charged with the costs of debt collection. Conditions of pre-payment may apply to certain regions and customers.

#### **6 COMPLAINT**

Submission of complaints shall be carried out pursuant to Norrøna's standard instructions and conditions for complaints as indicated at all times at [Customer service](#) or [business@norrøna.com](mailto:business@norrøna.com). Norrøna has a five-year warranty against production and material defects.

All warranty claims and complaints for production defects must be submitted to Norrøna before they can be approved. In case of complaints, the item will be repaired where possible, or if not possible, replaced, or if all else fails a refund will be issued. For non-warranty claims and complaints, Norrøna may be able to repair the item for a fee.

#### **7 RETURN OF GOODS**

Return is not allowed.

Return of goods which is due to circumstances on Norrøna's side shall be carried out pursuant to Norrøna's standard instructions for return.

#### **8 INTELLECTUAL PROPERTY RIGHTS**

The Retailer cannot himself or by means of a third party develop, market or sell products fully or partially based on Norrøna's products and intellectual property rights pertaining thereto, or manufacture, market or sell products in such a way that they are suited to be confused with Norrøna's products.

The Retailer shall take all necessary measures to prevent unauthorized or unwanted access to or misuse of image files that the Reseller receives from Norrøna, including preventing crawling of third-party platforms on the Internet.

#### **9 ERRORS IN DELIVERIES**

The Retailer shall control and sign for the number of items received upon delivery from the carrier. Lack of items or visible damages due to transport shall be indicated on the freight document. The Retailer answers for his own costs relating to acceptance check and deviation reporting. Deviation from the delivery shall be notified to Norrøna in writing within two workdays on the following email address: [business@norrøna.com](mailto:business@norrøna.com). Where deviations are confirmed upon control of dispatch documents or stocktaking, the goods shall be forwarded immediately.

#### **10 BREACH**

It shall be considered a breach if a Party does not meet his obligations under these terms. Upon a breach, the other Party shall file a written complaint within a reasonable period of time after the breach is discovered or should have been discovered.

If a Party breaches these terms, the other Party can file a claim for compensation according to the general provisions for damages of the Norwegian Sale of Goods Act. Indirect losses are not covered. Indirect losses include, but are not limited to, loss of profit of any kind.

If the Retailer breaches these terms, and if such a breach is not remedied in accordance with instructions from Norrøna, Norrøna has the right to terminate the relationship with the Retailer. If the breach is related to the conditions for sale over the Internet, then Norrøna can choose to limit the sanction to prohibit the Retailer the right to online sales.

#### **11 FORCE MAJEURE**

If Norrøna is prevented from meeting its obligations due to an event, which according to common purchase law regulations is considered as Force Majeure, Norrøna's obligations will cease as long as the extraordinary situation continues. Force Majeure includes for example natural disasters, war, riots, fires, explosions, strikes, transport preventions or infringements from public authorities. Each of the Parties covers its own costs relating to the Force Majeure event. In the case of Force Majeure, the Parties shall without undue delay inform the other Party about circumstances that can be considered to be of importance to the other Party.