

## 1 GENERAL PROVISIONS

1.1 Contract shall mean the separate contract document, the purchase order or order confirmation (if applicable), these General conditions for purchase of services and any appendices, agreed amendments or variations to said documents.

Service shall mean all services to be performed by Contractor pursuant to the Contract.

1.2 In the event of any conflict between the provisions of the Contract, the various contract documents shall be given priority in the following order:

- the separate contract document
- the purchase order or order confirmation (if applicable)
- these General conditions for purchase of services
- all appendices in the order they are listed

1.3 Notices, claims, etc. which the Contract requires to be presented in writing, may unless otherwise agreed be sent by electronic mail to the e-mail address the other party has stated or previously used..

## 2 GENERAL OBLIGATIONS OF CONTRACTOR

2.1 Contractor shall perform the Services with that degree of skill, care, diligence and good judgement normally exercised by recognised professional firms performing work of the same or similar nature. The Services shall in all respects meet the specifications of the Contract, and shall in addition be of high quality, incorporating first class workmanship as well as fit for its intended purpose.

2.2 Contractor shall perform the Service in compliance with applicable laws and regulations. Contractor shall obtain and maintain all official permits necessary to perform the Service, and shall whenever requested by Buyer produce documentation showing that necessary permits have been obtained.

2.3 Contractor shall not assign parts of the Service to subcontractors without Buyer's written consent. Such consent does not exonerate Contractor from any obligations pursuant to the Contract.

2.4 Contractor shall have a satisfactory system for HES assurance and quality assurance suitable for the Service. Buyer is at any time entitled to carry out, and Contractor shall assist in carrying out, audits at Contractor's or any subcontractors' premises.

2.5 Buyer shall not be deemed to be the employer of Contractor's personnel, even if such personnel are to perform all or parts of the Service in co-operation with Buyer.

2.6 If the Contract appoints key personnel in Contractor's organisation, such personnel shall not be replaced without Buyer's prior written approval. Such approval shall not be unreasonably withheld.

2.7 Contractor shall, at his own expense, immediately replace personnel who in Buyer's sole opinion conduct themselves in an improper manner or are unsuitable to perform the Service.

2.8 When work is carried out at Buyer's premises Contractor shall comply with any rules in force relating to safety and working conditions. Buyer will, upon Contractor's request, inform of its own rules.

2.9 When Contractor considers the Service as completed, Contractor shall notify Buyer in writing as soon as possible. Within a reasonable time after receiving such notice, Buyer shall in writing either accept the Service as completed, or declare that the Service is not accepted as completed and the reason for this.

## 3 PROGRESS / DELIVERY

Seller shall deliver the Service in compliance with the agreed delivery date. If Contractor should have cause to believe that Contractor will be unable to perform the Service in accordance with the contract schedule, Contractor shall immediately notify Buyer in writing stating the reason for the delay, the effect on the contract schedule and furthermore include a proposal on how the delay can be minimised. Contractor shall bear own costs incurred to minimise the delay unless the delay is caused by Buyer.

Contractor is liable for losses suffered by Buyer which could have been avoided if Contractor had given notice of the delay in due time.

## 4 VARIATIONS, SUSPENSION AND CANCELLATION

### 4.1 Variations

Buyer may require variations with regard to the quality and/or the quantity of the Service as well as the contract schedule. When Buyer requires a variation, Contractor shall, without undue delay, submit a written confirmation describing the variation work together with an estimate of any effects on the contract price and the contract schedule.

4.2 If Contractor finds a variation is required, Buyer shall be notified, in writing, without undue delay. Contractor shall at the same time provide a written description of the variation work together with an estimate of any effects on the contract price and the work schedule.

Any variation shall be approved by Buyer by means of a written variation order before Contractor initiates the variation work.

Compensation for variation work shall be in accordance with the prices, norms and rates contained in the Contract, or otherwise in accordance with the original price level of the Contract. If a variation entails cost saving for Contractor, Buyer shall be credited accordingly.

If the parties disagree as to the amount to be added to or deducted from the contract price or any other consequences due to a variation, Contractor shall implement the variation without awaiting the final outcome of the dispute.

### 4.3 Suspension

Buyer may temporarily suspend the Service or parts thereof by written notification to Contractor. Following such notification Contractor shall, without undue delay, inform Buyer of the effects the suspension will have on the performance of the Service. Contractor shall resume the Service immediately after notification by Buyer.

If the suspension period exceeds 90 days, Contractor is entitled to cancel the Contract by notice in writing to Buyer.

During the suspension period, Buyer shall only compensate Contractor for documented and necessary expenses in connection with demobilisation and mobilisation of personnel.

### 4.4 Cancellation

Buyer may cancel the Service or parts thereof with immediate effect, by written notification to Contractor.

Following cancellation Buyer shall only pay the unpaid balance due to Contractor for that part of the Service already performed, and cover documented and necessary expenses incurred as a direct result of the cancellation.

## 5 PAYMENT AND INVOICING

5.1 Unless otherwise agreed, payment is free month + 62 days after receipt of a correct invoice.

5.2 The contract number and other agreed references shall be quoted on all invoices. All invoices shall also clearly indicate what the invoiced amount relates to and in addition meet the statutory requirements for sales documentation. Buyer is entitled to return invoices that do not meet these requirements.

5.3 If it has been agreed that Contractor shall provide a bank guarantee, Buyer shall not be obliged to make any payments prior to receipt of such guarantee.

5.4 Buyer is entitled to deduct any prepayments and accrued liquidated damages against Contractor's invoices. Furthermore, any disputed or insufficiently documented amounts, as well as any amounts owed by Contractor to Buyer or Buyer's affiliated companies may be set-off against Contractor's invoices.

5.5 Contractor shall submit a final invoice within 45 days after Buyer has accepted the Service as completed. The final invoice shall include all claims to be made by Contractor pursuant to the Contract. Claims not included in the final invoice cannot be submitted later.

**5.6** Failure evidencing that payment of tax and other levies have been paid in accordance with law entitles Buyer to withhold payment until Contractor either produces such documentation, or provides satisfactory security for payment of such taxes and levies. Buyer may recover from Contractor at any time any liability incurred by Buyer as a consequence of Contractor failing to pay in the required taxes and levies.

**5.7** Buyer is entitled to audit at Contractor's premises all payments for reimbursable work for up to two years after receipt of the final invoice.

## **6 BREACH OF CONTRACT**

### **6.1 Delay**

Delay exists when Seller fails to comply with the delivery time limits stated in the Contract, unless the delay is caused by Buyer.

If Contractor's performance of the Service has such defects that Buyer's intended purpose with the Service is substantially unsuccessful, Buyer may consider this as delay.

Contractor is liable for delay pursuant to Article 6.2.

### **6.2 Effects of delay**

In the event of delay, Buyer may claim liquidated damages or compensation for loss.

Unless otherwise agreed, Contractor may claim liquidated damages with 0.3 % of the total contract price per day for each day started by which the Service or any part thereof is delayed. Liquidated damages shall, however, not exceed 15 % of the total contract price.

In the event that Buyer's loss exceeds incurred liquidated damages, Buyer may claim compensation for the excess loss. Buyer may also choose to claim compensation only for the entire loss.

In the event of material delay, Buyer may terminate the Contract with immediate effect. If the maximum total amount for liquidated damages accrues, this always constitutes material delay.

Buyer is entitled to claim compensation for all loss suffered due to delays.

### **6.3 Defects**

The Deliverables shall meet the requirements of the Contract.

Buyer shall issue a written notice of defect within two months following discovery of any defect, and in no event later than 24 months after Buyer has accepted the Service as completed. The same time limit applies in respect of rectification work, calculated from the time the rectification work was completed. The time limit for making a notice of defect does not commence as long as rectification work or other activities necessary to comply with the contractual requirements are performed.

### **6.4 Liability for defects**

In the event of a defect, Contractor can claim rectification, redelivery and compensation for loss.

Contractor has a right of redelivery or rectification of the defect provided that this can be done without material disadvantage for Buyer. Rectification or redelivery must result in the Deliverables being made available for Buyer in contractual condition as soon as possible. If Contractor fails to remedy the defect within reasonable time, Buyer is, after prior written notice, entitled to remedy the defect himself for Contractor's risk and account, or to reduce the contract price accordingly.

Buyer may terminate the Contract if a defect constitutes a material breach of Contract.

Buyer is entitled to claim compensation for all loss suffered due to defects.

### **6.5 Indemnification**

Contractor shall indemnify Buyer if the performance or result of the Service constitute an infringement of third party patent rights or other intellectual property rights, except when this is necessary due to Buyer's specifications and Contractor did not know or ought to have known that such an infringement would occur.

## **7 FORCE MAJEURE**

**7.1** Force majeure means an occurrence beyond the control of the party affected, provided that such party could not reasonably have foreseen such occurrence at the time of entering into the Contract and could not reasonably have avoided it or overcome its consequences.

**7.2** A party shall not be considered in breach of the Contract to the extent it is proven that he was unable to fulfil his contractual obligations due to force majeure. Each party shall cover its own costs resulting from force majeure.

**7.3** The party invoking force majeure shall notify the other party thereof without undue delay. Such notice shall also include the cause of the delay and the presumed duration thereof.

**7.4** Each party is entitled to cancel the Contract if the force majeure situation continues, or it is obvious that it will continue, for more than 60 days.

## **8 INSURANCE**

Contractor shall procure and maintain at his own expense liability insurance adapted to Contractor's operations and the nature of the Service.

Whenever requested by Buyer, Contractor shall provide an insurance certificate documenting that such condition is fulfilled.

## **9 PROPRIETARY RIGHTS / CONFIDENTIALITY**

### **9.1 Proprietary rights**

Unless otherwise agreed, the results of the Service as and when it is performed are the sole property of Buyer. All reports, drawings, specifications and similar documents, including computer programs, that are prepared in connection with the Service constitute part of the results of the Service.

Unless otherwise agreed, this provision does not give Buyer proprietary rights to Contractor's designs, technology, know-how, patents, etc. developed independently of the Contract. Buyer shall be granted irrevocable, royalty-free and non-exclusive right of use to those rights which are necessary for the completion, operation, maintenance, repair and modification of the results of the Service, or of the product to which the Service is related.

### **9.2 Confidentiality**

All information exchanged or otherwise transferred between the parties shall be treated as confidential and shall not be disclosed to any third parties without the written consent of the other party.

A party may nevertheless make such information available to third parties provided that the information was already known to that party at the time the information was received, or that the information is or becomes part of public domain other than through a fault of either of the parties, or is rightfully received from a third party without an obligation of confidentiality or it is necessary due to applicable laws and regulations.

Information may also be disclosed to third parties to the extent necessary for execution of the Contract or utilization of the results of the Service or of the product to which the Service is related, provided that the receiver of such information shall be bound by a confidentiality obligation similar to this Article 9.2.

Without Buyer's written consent, Seller shall not issue any press release or otherwise advertise that this Contract has been entered into.

## **10 ASSIGNMENT OF THE CONTRACT**

Buyer is entitled to assign his rights and obligations pursuant to the Contract, fully or partly, to any third party. Contractor may not assign his rights and obligations pursuant to the Contract without Buyer's written consent. Change of a controlling stake in Contractor counts as assignment of the Contract.

## **11 APPLICABLE LAW AND LEGAL VENUE**

The Contract shall be governed by Norwegian law. Disputes shall be resolved by the Norwegian courts with Oslo tingrett (Oslo District Court) as exclusive venue in the first instance.