

STANDARD TERMS AND CONDITIONS FOR PURCHASES OF MANUFACTURED GOODS FOR THE **AQUACULTURE** INDUSTRY



2023

PREAMBLE

Standard Terms and Conditions for Purchases of Manufactured Goods for the Aquaculture Industry 2023 (STH 23)

This standard contract was negotiated on behalf of the members of the Norwegian Seafood Federation (Sjømat Norge), a joint industry association for the fish farming companies and supplier companies in the seafood and aquaculture industry. The motive behind the drafting of the standard contract was to standardise and professionalise procurement processes in order to achieve and facilitate more cost-effective and resource-efficient implementation of projects and deliveries in the industry. The standard contract is intended to simplify contract work for sellers, buyers and others in the companies associated with the seafood and aquaculture industry, as well as contribute to improving the quality of the work and ensuring predictable distribution of risk.

At an industry group meeting in June 2021, the working committee for technology and service in the Norwegian Seafood Federation presented a proposal to standardise key procurement processes in the seafood and aquaculture industry. The Standard Terms and Conditions for Purchases of Manufactured Goods for the Aquaculture Industry 2023 were negotiated as part of these standardisation efforts and represent the first step in the work on standardising and professionalising delivery and procurement processes in the industry.

The negotiation committee consisted of six representatives from the Norwegian Seafood Federation, of whom three representatives were from the fish farming companies (the buyer side) and three representatives were from the technology and service companies (the contractor side).

The standard contract was negotiated with the goal of preparing a standard contract for purchases of manufactured goods in the aquaculture industry that can be used by both buyers and contractors, as well as larger and smaller operators. Since the industry is characterized by a broad spectrum of different contracts, including in the complexity and scope of the deliveries, the preparation of this standard contract has been based on the need to regulate the larger and more complex projects. However, the standard contract is also intended to be used for smaller deliveries, where the same needs may apply.

The Norwegian Seafood Federation recommends that this standard contract is used as a basis for contracts where the contractor will be responsible for the engineering, procurement, and construction (EPC) of a product or a complex system, and where the delivery is of such a nature or duration that there will often be a need to make variations or adjustments to the original contractual obligations during the contractual relationship. The standard contract is not intended to be used for contracts concerning research and development projects, where the contract presupposes that the parties jointly develop a new product or solution that the buyer is in need of and which

is not available on the market, and where the result of the project may be uncertain. Furthermore, standard products or off-the-shelf products, where the delivery is pre-defined through the contractor's standard product specifications are outside of the recommended area of application.

It is recommended that if the standard contract is used with amendments, the amendments should be clearly marked.

Articles 1.11 and 1.19 must be filled in by the parties in the individual contractual relationship. Furthermore, a number of the articles in the standard contract presuppose that the parties to the individual contract include certain procedures, regulations, forms and information in the appendices. To assist the users of the standard contract, several support documents have been prepared, with the intention to serve as an introduction to the practical application of the standard contract, including flowcharts (for the system for variation orders, delivery process and final settlement process), a guidance document for the design of the various appendices and various model forms.

Since the standard contract is the first of its kind as part of the effort to professionalise contracts in an industry where there has previously been no uniform contract law practice, the negotiation committee has had a strong focus on formulating a sufficiently clear and guiding wording for the users of the contract. For some deliveries, the wording and the contractual structure may therefore appear to be more extensive than strictly necessary. However, the negotiation committee was of the opinion that if the same contract is used for the greatest possible volume of procurements, it will enable the industry to achieve efficiency benefits through standardisation, including:

- Effective and correct pricing
- Deliveries of the right quality and at the right time
- Cost-effective procurement and management
- Increased focus on distribution of responsibilities and performance
- Development of industry practice
- Enabling standardised insurance products
- Easier project financing
- Improved competition with opportunities for small and large operators

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1. DEFINITIONS

- 1.1 The Work means all work which the Contractor shall perform or arrange to have performed in accordance with the Contract.
- 1.2 Confirmation of Mechanical Completion means the document that the Buyer shall create pursuant to Art. 19 when the Contract Object is Mechanically Completed and ready for delivery.
- 1.3 Construction Site means a place where the Work is being performed.
- 1.4 Day means a consecutive calendar day unless otherwise stated.
- 1.5 Variation to the Work means a variation to the Work, Scope of Work, Contract Schedule, the Buyer's Documents, the Buyer's Deliverables, and the Contractor's Specification in accordance with the provisions of Art. 12 to 16.
- 1.6 Variation Order means instruction of Variation to the Work issued in accordance with Art. 14.
- 1.7 Variation Order Request means a request submitted by the Contractor in accordance with Art. 16.1.
- 1.8 Completion Certificate means a document to be issued by the Buyer in accordance with Art. 19.4 when the Work, with the exception of guarantee works, is completed.
- 1.9 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 or overcome it or its consequences.
- 1.10 Guarantee Period means such period as stated in Art. 23.2.
- 1.11 The Buyer means
- 1.12 The Buyer's Representative means the person designated at all times pursuant to Art. 3.1 to act on the Buyer's behalf.
- 1.13 The Buyer Group means the Buyer, the Buyer's Affiliated Companies, the Buyer's other contractors and their contractors and subcontractors, to the extent the aforementioned parties are involved in the project which the Delivery is part of, and the employees of the aforementioned companies and others that the Buyer uses in connection with performance of the Contract or the project.
- 1.14 Buyer Materials means equipment and/or materials supplied by the Buyer and to be incorporated into the Contract Object. This constitutes part of the Buyer's Deliverables listed in Appendix F.
- 1.15 The Contract means these contract terms and conditions with appendices as stated in Art. 2, and a separate form of agreement if established.

- 1.16 The Contract Object means the item which the Contractor shall deliver pursuant to the Contract, together with all parts thereof, but does not include Buyer Materials until these are incorporated.
- 1.17 The Contract Price means the total sum payable to the Contractor in accordance with Appendix B, as that sum is increased or decreased in accordance with the provisions of the Contract.
- 1.18 The Delivery means the Contract Object and all documentation which Contractor is obliged to deliver under the Contract.
- 1.19 The Contractor means
- 1.20 The Contractor's Representative means the person designated at all times pursuant to Art. 3.1 to act on the Contractor's behalf.
- 1.21 The Contractor Group means the Contractor, Affiliated Companies participating in the Work, Subcontractors and their contractors and subcontractors, participating companies in an enterprise established for the performance of the Work, and the employees of the aforementioned corporate entities.
- 1.22 Delivery Date means the date of delivery of the Contract Object as set out in the Contract Schedule, or as varied in accordance with the provisions in Art. 12 to 16.
- 1.23 Materials means all equipment and materials required for the Work, other than Buyer Materials and working equipment.
- 1.24 Mechanical Completion means in respect of Art. 19.1, the level of completion which the Contract Object shall have achieved according to Art. 19.1, third paragraph.
- 1.25 Disputed Variation Order means a document issued in accordance with Art. 16.2.
- 1.26 Engineering Materials means commercial and technical information, including drawings, documents and computer programs, irrespective of method of storage, and copies thereof, prepared or presented by one of the parties either prior to entering into the Contract or during the performance of the Work.
- 1.27 Instructed Sub-supply means (a) Sub-supply that the Contractor is required to order from a specific Subcontractor designated by the Buyer in Appendix H, and (b) Sub-supplies from contractors for which the Buyer has set such requirements for the Delivery which entail that, in practice, there is only one provider of the part ordered, when the Buyer is made aware of this before the Contract is entered into and this is stated in Appendix H.
- 1.28 Sanction laws mean any laws, regulations, resolutions, decisions, embargoes and/or restrictive measures that are or may be implemented, adopted, imposed and/or enforced by any competent authority, including, but not limited to, the

Norwegian authorities, the United Nations (UN), the European Union (EU) and, unless specifically agreed otherwise, the United States of America (USA), that prohibit or restrict the right to trade with certain countries, territories, governments or specific persons or companies.

- 1.29 Final Settlement means the total statement of the final compensation for completion of the Work that shall be prepared in accordance with Art. 20.6, including all claims to be made by the Contractor, less any liquidated damages and other amounts due to the Buyer on the date the Work is completed. The statement shall include all claims the parties assert against the other until completion of the Work, irrespective of whether these have been previously presented, are disputed or not, and irrespective of whether or not they have already been settled. Any guarantee claims, defect claims or other claims arising after the Completion Certificate has been issued are not part of the Final Settlement.
- 1.30 Affiliated Company means the parent company of one of the parties to the Contract, or any company which, according to Section 1-3 of Act no. 45 of 13 June 1997 relating to Public Limited Liability Companies (Public Limited Liability Companies Act), shall be regarded as a subsidiary company of the parent company or of a party to the Contract.
- 1.31 Third Party means any party other than the Contractor and the Buyer.
- 1.32 Subcontractor means a Third Party who has entered into an agreement with the Contractor for the supply of goods or services in connection with the Work.
- 1.33 Sub-supply means the part of the Work to be performed by a Subcontractor.
- 1.34 Business Days means Days other than Saturdays, Sundays and public holidays in Norway.
- 1.35 When these contract terms refer to "location where the Contract Object is to be used in accordance with the Contract", this shall mean the first or immediate place of use specified in the Contract, or – if this is not specified – the place of delivery.

2. CONTRACT DOCUMENTS. RULES OF INTERPRETATION

2.1 The Contract Documents

The Contract consists of the following documents:

Separate form of agreement if established, these contract terms and the following appendices:

- Appendix A: Scope of Work
- Appendix B: Compensation
- Appendix C: Contract Schedule
- Appendix D: Guidelines for Ethics and Sustainability
- Appendix E: Buyer's Documents
- Appendix F: Buyer's Deliverables
- Appendix G: Insurances
- Appendix H: Subcontractors
- Appendix I: Administrative Provisions
- Appendix J: Contractor's Specification
- Appendix K: Standard Forms for Guarantees

2.2 References to the Contract's appendices

References made in the Contract to the appendices listed in Art. 2.1 are references to the content of the specific Appendix referred to, including any variations made in accordance with the provisions of Art. 12 to 16.

2.3 Priority in the event of conflict

In the event of any conflict between the provisions in the contract documents referred to in Art. 2.1, these shall apply in the following order of priority:

- a) separate form of agreement if established,
- b) these contract terms,
- c) all Appendices in the order they are listed in Art. 2.1.

3. REPRESENTATIVES AND PERSONNEL OF THE PARTIES

3.1 Representatives of the Parties

Prior to commencement of the Work, each party shall appoint a representative with authority to act on behalf of the party in all matters concerning the Contract and appoint a deputy to act in its stead. Subject to Art. 3.4, first paragraph, each party may, by giving 14 Days notice to the other party, appoint a new representative or deputy.

3.2 Delegated authority from representatives of the parties

A representative or its deputy may delegate specific tasks to one or more persons appointed by the representative or deputy. In such case, the other party's representative shall be notified of the authority given to such appointed person or persons.

3.3 The Buyer's access to the Construction Site, etc.

The Contractor shall grant the Buyer's Representative access to the Construction Site(s) and the Work during working hours. The same access shall be granted to persons authorised by the Buyer's Representative, provided that notification of such authorisation has been given in reasonable time.

If, in the opinion of the Contractor, the progress of the Work is being impeded by the presence of the Buyer's Representative or persons authorised by the Buyer, the Contractor shall, without undue delay, but no later than 21 Days after the Contractor became aware of the circumstances, submit a request in accordance with Art. 16.1.

3.4 Replacement of the Contractor's key personnel

Appointment, transfer or replacement of personnel categorized as key personnel in Appendix I, shall be approved by the Buyer. Approval cannot be denied without reasonable grounds.

4. OBLIGATIONS OF THE CONTRACTOR AND THE BUYER – MAIN RULES

4.1 Performance of the Work

The Contractor shall perform the Work in a professional and careful manner and otherwise in accordance with the Contract, including:

- a) giving high priority to safety conditions in order to protect life, health, environment and property; and
- b) loyally cooperating with the Buyer's Representative and persons appointed by it in accordance with Art. 3.

Unless otherwise agreed in the Contract, engineering and design work, including calculations, constructions, technical refinement, drawings and descriptions that are necessary for the performance, testing, assembly, start-up, maintenance and operation of the Contract Object shall be included in the Delivery.

The Contractor shall prepare the drawings, calculations and material specifications, as well as other documentation, including the declaration of conformity, as specified in the Contract and which are otherwise necessary to complete the Contract Object and verify that the Delivery is in accordance with the Contract.

If requested, the Contractor shall prepare a detailed document plan, which shall specify the documents that will be presented to the Buyer. More detailed provisions relating to this may be stated in Appendix I.

All documentation shall be provided electronically and in Norwegian, or in English when the documentation is only available in English and there is no legal requirement that it must be in Norwegian. Final documentation shall be provided compiled and electronically as agreed in Appendix I and, unless otherwise agreed, no later than when the Completion Certificate has been issued.

The Contract Object shall meet all requirements stated in the Contract, including the requirements that follow from industry standards and corresponding general specifications stated in Appendix E.

4.2 The Contractor's duty of care

The Contractor shall take good care of the Contract Object, Buyer Materials and Materials and shall ensure that these are kept in good order and condition. Unless specifically agreed to by the Buyer, the Contractor shall not be entitled to make use of Buyer Materials and Materials to be incorporated into the Contract Object, other than for fulfilling the Contract.

4.3 Duty to cooperate and coordinate

The Contractor shall cooperate and coordinate with the Buyer and other project parties and shall accommodate these parties in such a way that no party is delayed or restricted in carrying out its work.

Unless otherwise stated in Appendix I, the Buyer is responsible for coordinating the cooperation and interface between the Contractor and other project parties who are not members of the Contractor Group.

4.4 General duties of the Buyer

The Buyer shall provide such deliverables, including documents which the Buyer may prepare and present in accordance with Appendix E, and make such decisions as it is obliged to under the Contract within the time-limits set out in the Contract and otherwise within a reasonable time if no such time-limits have been provided.

4.5 The Buyer's approvals, etc.

The Buyer's approvals, comments, reviews, tests, inspections, etc. shall not release the Contractor from any obligations under the Contract, unless otherwise clearly set out in the Contract.

5. AUTHORITY REQUIREMENTS. PERMITS

5.1 The Contractor's duty to comply with laws, regulations, etc.

The Contractor shall keep informed of and comply with:

- a) laws and regulations which apply on any Construction Site and the place where the Contract Object is to be used according to the Contract, and
- b) requirements and orders of public authorities or classification societies, and
- c) current trade union and wage agreements that are binding on the Contractor Group.

5.2 Right to adjust the Contract Price and the Contract Schedule in the event of changes in laws, regulations, etc.

Where laws and regulations as stated in Art. 5.1, first paragraph, litra a) have been adopted and requirements or orders as stated in Art. 5.1, first paragraph, litra b) are issued, after the signature of the Contract and this delays the progress or results in changes to the Contractor's costs of performing the Work, either party may demand a change in the Contract Price or Contract Schedule reflecting the effect of such decisions, requirements or orders. Changes in the way in which public authorities apply laws and regulations mentioned in Art. 5.1, first paragraph, litra a) above shall be dealt with in the same way. The same shall also apply in the event of changes in or adoption of new Sanction Laws following the signing of the Contract and which the Contractor is required to comply with in accordance with Art. 10. The provisions in Art. 12 to 16 apply accordingly, so that the time-limit for presenting a Variation Order Request is 21 Days from the time the Contractor became or should have become aware of the circumstances giving rise to the request.

5.3 Government approvals and permits

The Contractor shall, in due time, obtain and maintain such approvals and permits as are necessary for the performance of the Work and which must or can be obtained in the name of the Contractor. The Buyer shall provide any necessary assistance in this respect.

The Buyer shall, in due time, obtain and maintain all other approvals and permits. The Contractor shall provide the necessary assistance, as well as provide the necessary information that the Buyer may reasonably require to obtain or maintain such approvals and permits concerning the Work and the right to use the Contract Object for its purpose.

6. THE BUYER'S DOCUMENTS AND BUYER MATERIALS

6.1 The Contractor's duty to investigate the Buyer's Documents

The Contractor shall search for defects, discrepancies and inconsistencies in the Buyer's Documents, including when they are delivered after the Contract was entered into.

The Contractor shall without undue delay notify the Buyer of any defects, discrepancies or inconsistencies discovered.

The Buyer is responsible for defects, discrepancies and inconsistencies which are discovered in the Buyer's Documents, unless otherwise stated in Art. 6.3.

6.2 The Contractor's duty to examine the Buyer Materials

Upon receipt of Buyer Materials, the Contractor shall make an immediate visual inspection, and within 48 hours of its receipt, give notice to the Buyer of any defect discovered by such inspection.

Within a reasonable time thereafter, and before the Buyer Materials are further processed by the Contractor or incorporated into the Contract Object, the Contractor shall carry out such examinations as a conscientious buyer would carry out. The Contractor shall notify the Buyer immediately of any defects discovered.

6.3 Consequences of the Contractor's failure to provide notice

If the Contractor has not notified the Buyer in accordance with Art. 6.1 or 6.2 of any defects, discrepancies and inconsistencies discovered, and as a result, the Buyer incurs direct extra costs in connection with the Work which are not covered by insurance, or loses rights or guarantees, then all such costs incurred shall be borne by the Contractor. The same shall apply if such defects, discrepancies and inconsistencies clearly ought to have been discovered through the Contractor's quality management system or by such inspections as stated in Art. 6.2.

6.4 The Buyer's duty to rectify, etc.

Upon receipt of notice from the Contractor in accordance with Art. 6.1 or 6.2, the Buyer shall, without undue delay, either have the necessary corrections made, or give the Contractor instructions on how to proceed. The provisions of Art. 12 to 16 shall apply accordingly.

7. THE CONTRACTOR'S SPECIFICATION

7.1 The Contractor's duty to notify in the event of discrepancies in the Contractor's Specification

The Contractor shall comply with all requirements following from Appendix J.

The Contractor shall notify the Buyer without undue delay of any defects, discrepancies and inconsistencies discovered in Appendix J. The Contractor shall immediately correct these, unless the Buyer provides other instructions in accordance with Art. 12 to 16 or the Buyer's Representative has approved the Contractor's request to deviate from specified requirements in Appendix J in writing. The Contractor's correction of defects, discrepancies and inconsistencies in Appendix J shall not be considered a Variation to the Work.

8. SUB-SUPPLIES

8.1 The Contractor's use of Subcontractors

The Contractor shall not enter into any contracts for Sub-supplies concerning parts of the Work without the prior consent of the Buyer. Such consent shall not be withheld without reasonable grounds. The Buyer shall notify the Contractor of its decision within 7 Days after having been asked by the Contractor. However, such consent is not required for contractors listed in Appendix H, minor purchases or use of hired labour.

If Appendix H lists alternative contractors for the same Sub-supply, the Contractor may freely select the Subcontractor from among these alternatives.

8.2 The Contractor's liability for Sub-supplies – Main rule

Contractor is responsible according to the Contract for Sub-supplies. This also applies to Instructed Sub-supplies, unless otherwise clearly set out in Appendix H or stated in Art. 8.3.

8.3 The Contractor's liability for Instructed Sub-supplies - Exceptions

For Instructed Sub-supplies, the Buyer shall indemnify the Contractor for direct consequences incurred by the Contractor as a result of:

- a) The Buyer instructing the Subcontractor to give other deliveries higher priority at the expense of the relevant Sub-supply, or
- b) The Buyer intervening in a similar manner in matters concerning the Sub-supply in question, or
- c) The Subcontractor going bankrupt or otherwise is taken under bankruptcy protection and unable to deliver in accordance with the agreement entered into.

The Buyer shall issue a Variation Order pursuant to the provisions in Art. 12 to 16 as the result of such circumstances referred to in the first paragraph. If the Contractor has not submitted a Variation Order Request within 21 Days after having discovered such circumstances, the Contractor shall lose the right to invoke the circumstances.

The Contractor's liability for defects and delays which are solely due to circumstances for which Subcontractors of Instructed Sub-supplies are responsible for, is limited to the liability the Subcontractor has towards the Contractor.

8.4 Requirements for contracts on Sub-supplies

Contracts on Sub-supplies shall include the provisions that are necessary for the Contractor to be able to fulfil its obligations under the Contract.

Unless otherwise specified in Appendix H, contracts on Sub-supplies shall, at a minimum, state:

- a) that the Subcontractor is included in the Contractor Group with regard to the provisions of Art. 30, and
- b) that Art. 22 concerning title to the Contract Object, etc., shall apply correspondingly in the relationship between the Contractor and Subcontractor, and
- c) that the Buyer shall have the rights to information, technology and inventions stated in Art. 33, and
- d) requirements for compliance with (1) equivalent requirements for ethics, anti-corruption and human rights as stated in Appendix D and which the Contractor is obligated to comply with pursuant to Art. 10.2, and (2) corresponding trade sanctions that the Contractor is obligated to comply with pursuant to Art. 10.3.

The Contractor shall further seek to achieve, but does not guarantee, that contracts on Sub-supplies (a) state that they can be transferred to the Buyer without the Subcontractor's consent, and (b) that the Buyer, on specific terms and without a special transport document issued by the Contractor, shall be entitled to enter into the Contractor's contractual position in such contracts.

When requested by the Buyer, the Contractor shall, prior to entering into a contract concerning Sub-supplies which is an important part of the Delivery, provide the Buyer with copies of the parts of the contract documents concerning the Sub-supply and any other information necessary for the Buyer to confirm that the requirements in the first paragraph have been met. Correspondingly, the Buyer may request the presentation of contract documents and information relating to Instructed Sub-supplies before entering into a contract with the Subcontractor. If the Buyer does not object to a Sub-supply contract not meeting the requirements in the first paragraph within 5 Business Days after the Contractor has submitted the documentation referred to, the contract is deemed to have been accepted by the Buyer.

However, the Buyer is only entitled to request copies showing provisions of price and payment, when the Buyer shall pay for the Sub-supply on a reimbursable basis.

8.5 The Buyer's right to enter into the Contractor's position vis-à-vis Subcontractors

The Buyer is entitled to enter into the Contractor's contractual position in contracts on Sub-supplies by notice to the Contractor and the relevant Subcontractor, if:

- a) The Buyer has the right to terminate the Contract in accordance with Art. 26.1; or
- b) the relevant Subcontractor has the right to stop the work or terminate the contract between the Contractor and the Subcontractor in accordance with the contract between the Contractor and the relevant Subcontractor; or
- c) The Contractor is prevented from fulfilling its contractual obligations to the Subcontractor due to Force Majeure and this will result in the Work being delayed for more than 45 Days, provided that an equivalent obstacle will not apply to the Buyer.

If the Contractor receives a genuine notice of termination from a significant Subcontractor, the Contractor shall immediately notify the Buyer thereof so that the Buyer, where relevant, can assess any entry into the contractual relationship pursuant to the first paragraph, *litra* b) before termination is effectuated.

If the Buyer enters into the Contractor's contractual position in contracts on Sub-supplies pursuant to the first paragraph, *litra* b) or c), the Buyer has the right to request that the Contract Price is adjusted for:

- (i) costs for which the Buyer becomes liable in accordance with the contract with the Subcontractor and which are not due to variations ordered by the Buyer or breach of contract on the part of the Buyer after the Buyer entered into this; and
- (ii) specific savings the Contractor attains by the Buyer entering into the Contractor's contractual position in the contract with the Subcontractor, or as a result of the Work being reduced.

If the Buyer requests that the Contract Price is adjusted in accordance with the third paragraph, the Buyer shall issue a Variation Order in accordance with Art. 14. The Contractor cannot request that the Contract Schedule is adjusted for the effect of delays with Sub-supplies which the Buyer has entered into, if such delays are caused by circumstances relating to the period prior to the Buyer's request for entering into the Contractor's contractual position in accordance with the first paragraph. Adjustment of the Contract Price in accordance with this provision shall not be included in the calculation of whether the net effect of all Variations to the Work entails that the Contract Price will be less than the original Contract Price pursuant to Art. 13.3.

9. QUALITY MANAGEMENT

9.1 The Contractor's quality management system

The Contractor shall have an implemented and documented quality management system. Further requirements for and regulation of the quality management system may be stated in Appendix I.

9.2 The Buyer's right to conduct investigations

The Buyer's Representative, and persons authorised by the Buyer, shall be entitled to conduct a physical inspection of the Contractor's work and to conduct quality controls of the Work. The same group of people shall be entitled to audit and verify the Contractor's and Subcontractors' quality management systems.

If discrepancies are discovered by the Buyer's investigations, audit or verification referred to in the first paragraph, the Contractor shall, as soon as possible and at its own expense, make necessary corrections or adjustments, and arrange a new inspection and quality control, or audit and verification.

The Contractor shall assist with the performance of the Buyer's investigations, etc., as referred to in the first paragraph. The parties shall cover their own costs associated with investigations, etc., and corrections/adjustments as referred to in the first and second paragraphs. The Contractor shall, with at least 14 Days written notice, inform the Buyer of when the tests and trials that have been agreed to in the Contract are to be held, to enable the Buyer to be present at or participate in the trials.

9.3 Test prior to delivery (delivery test)

Unless otherwise agreed, if a delivery test has been agreed to, this shall be carried out where the Contract Object is manufactured. If technical requirements for the test have not been agreed, the test shall be carried out in accordance with standard practices for equivalent products at the location where the Contract Object is to be used in accordance with the Contract.

A delivery test may be conducted even if the Buyer is not represented when this is taking place, provided that the Buyer has received notice in accordance with the deadline in Art. 9.2.

The Contractor shall compile a record of the delivery test. The test record shall be sent to the Buyer. Unless the Buyer documents otherwise, the record shall be deemed to provide a correct description of the performance and result of the delivery test.

If, when a delivery test is carried out, the Contract Object is found to not be in accordance with the Contract, the Contractor shall ensure, as soon as possible, that it is brought into compliance with the Contract and immediately notify the Buyer once this has been done. If requested by the Buyer, a new test shall then be carried out as soon as possible, unless the discrepancy is insignificant.

10. GUIDELINES AND REQUIREMENTS FOR ETHICS, HSE, EXTERNAL ENVIRONMENT AND SUSTAINABILITY

10.1 The Contractor's duty to comply with requirements for HSE, external environment, sustainability, and pay and working conditions

The Contractor shall:

- a) have guidelines for HSE (Health, Safety, and Environment) that apply to its business activities and that as a minimum comply with the applicable HSE regulations and standards at any given time; and
- b) through its environmental work, contribute to an increased focus on sustainability and the external environment and as a minimum comply with the Buyer's requirements and guidelines for protecting the environment and sustainability when such guidelines are included in Appendix D.

The Contractor shall have documented systems for managing and monitoring health, safety and the working environment as specified in the first paragraph, litra a). The systems shall meet the requirements set by the Buyer in Appendix I.

All labour employed by the Contractor Group shall have proper wages and working conditions and be treated in such a way that national rules in the country where the work is being performed, as well as internationally recognised principles and guidelines relating to human rights, labour rights, child labour, working environment, etc., are respected.

For those parts of the Work which are performed in Norway, the Contractor shall ensure that opportunities exist for trade union activity among the Contractor's employees, Subcontractor's employees and hired-in labour, in accordance with Norwegian practice.

10.2 The parties' duty to comply with requirements for ethics, anti-corruption and human rights

The parties shall comply with the requirements for ethics, anti-corruption and human rights which are described in Appendix D in connection with the performance of the Contract.

The Contractor shall, in connection with the Work, have a management system that is in accordance with the OECD Guidelines for Multinational Enterprises, and that is sufficient for adequately monitoring that Subcontractors are also complying with the ethical requirements that have been agreed to.

The Contractor shall provide the Buyer with the necessary information and documentation as a basis for the Buyer's reporting and duty to provide information on sustainable development and corporate social responsibility, including the requirements applicable at any given time in Act no. 56 of 17 July 1998 relating to annual accounts etc. (Accounting Act) and Act no. 99 of 18 June 2021 relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act) etc. With regard to the information required from Subcontractors in order for the Contractor to be able to fulfil its obligation to provide information and documentation to the Buyer, the Contractor is nevertheless only obliged to do what is reasonable to obtain such documentation.

The Contractor shall carry out risk-based due diligence assessments in the supply chain in line with the OECD Guidelines for Multinational Enterprises in connection with the performance of the Work. In the due diligence assessments, the Contractor shall, among other things, identify and assess the risks of negative impact and damage in connection with performance of the Work, as well as describe what measures will be initiated to prevent, stop or reduce the identified risk of negative impact and/or damage.

10.3 Duty of the parties to ensure compliance with sanction legislation

The parties shall continuously ensure that they themselves, their contractors, subcontractors and Affiliated Companies, including the general manager, chair of the board and other executive employees at the parties and in the aforementioned companies:

- a) are not placed on a list of entities, persons or companies subject to sanctions pursuant to any Sanction Laws, and
- b) are not owned, controlled by or acting on behalf of entities, persons or companies that have been placed on a list of entities, persons or companies subject to sanctions pursuant to any Sanction Laws; and
- c) are not acting in violation of any Sanction Laws.

The parties shall at all times keep the other party informed and updated on matters of significance to the above.

10.4 The parties' assurance that they are in compliance with requirements relating to the environment, ethics, etc.

The parties confirm that they were not in breach of the provisions in Art. 10.1 to 10.3 on the date the Contract was entered into. The Contractor also confirms that it has done or, when contracts on Sub-supplies are entered into after the date the Contract was entered into, that the Contractor shall do what can reasonably be expected, based on a risk assessment, to uncover any potential breaches on the part of Subcontractors.

10.5 The parties' non-compliance with requirements relating to the environment, ethics, etc.

In the event of non-compliance with the obligations in Art. 10.1, 10.2 or 10.3 in connection with performance of the Contract, the party violating the obligations shall notify the other party thereof and remedy the situation without undue delay. Either party may stop all or parts of the Work until the situation has been remedied by the party violating the obligations. Such stoppage of the Work does not entitle the Contractor to an adjustment of the Contract Schedule or Contract Price if it is the Contractor that has violated the obligations. Furthermore, the parties shall indemnify each other for any loss or damage suffered by the other party as a result of such non-compliance, including penalties, fines and claims from Third Parties.

If a party is in violation of Art. 10.1, 10.2 or 10.3, as mentioned in the first paragraph, the other party may terminate the Contract in accordance with Art. 26 and 27.4 if the situation cannot be rectified or is not rectified within a reasonable time from when the violation was discovered, and the violation must otherwise be considered material.

In the event of material violation by a Subcontractor that is not rectified within a reasonable time from the date the situation was discovered, the Buyer may also demand that the Subcontract is replaced at the Contractor's expense and risk.

The Buyer's right to stop the Work at the Contractor's expense and risk, the Contractor's obligation to indemnify the Buyer in accordance with the first paragraph and the Buyer's potential right to terminate the Contract in accordance with the second paragraph in the event of violation on the part of the Contractor, shall nevertheless not apply if such violation was due to instructions from the Buyer or applies to circumstances solely related to Instructed Sub-supplies. Unless covered by the Subcontractor, the Buyer shall in such events indemnify the Contractor for penalties, fines and claims from Third Parties, as well as for additional costs incurred by the Contractor as a result of the violation by the Subcontractor. The Contractor also has the right to request an adjustment of the Contract Schedule due to the impact caused by the violation by the Subcontractor. The Buyer shall issue a Variation Order in accordance with the rules in Art. 12 to 16 as a result of such circumstances. If the Contractor has not submitted a Variation Order Request within 21 Days of discovering such circumstances, the Contractor loses the right to assert claims for additional costs and adjustment of the Contract Schedule.

11. CONTRACT SCHEDULE. DELAYED PROGRESS

11.1 The Contractor's obligation to comply with agreed schedule

The Contractor shall perform the Work in accordance with the Contract Schedule in Appendix C.

The Contractor shall prepare a detailed contract schedule in accordance with the requirements set out in Appendix I and in compliance with Appendix C. The detailed contract schedule shall present the main activities and the activities these are dependent on, including work performed by the Buyer's other contractors, Subcontractors and any other parties involved in the performance of the Contract.

Unless otherwise agreed in Appendix I, the Contractor shall, of its own accord and at regular intervals, inform the Buyer of progress based on the detailed contract schedule which is established in accordance with this provision and Appendix I.

If the Contractor should have cause to believe that the Work cannot be carried out in accordance with the milestones set out in Appendix C, the Contractor shall without undue delay notify the Buyer accordingly. If the Contractor fails to give such notice in a timely manner, the Buyer may, without regard to the provisions in Art. 24, demand that the Contractor compensates the Buyer for the additional costs the Buyer thereby incurs and which the Buyer otherwise would have avoided.

The Buyer may demand that the detailed contract schedule is revised if the actual progress deviates from the applicable contract schedule to such an extent that the plan no longer constitutes an appropriate basis for reporting. Such revision of the plan shall only involve a change in the basis for reporting and notification. Milestones established in the Contract Schedule can only be changed in accordance with the rules in Art. 12 to 16.

11.2 Delay due to circumstances for which the Buyer carries the risk

If, in the Contractor's opinion, the Work cannot be performed according to Appendix C owing to circumstances for which the Buyer is to indemnify the Contractor, the provisions in Art. 16 apply accordingly. A Variation Order Request shall be presented before the expiry of the time-limits set forth in Art. 16.1 or the time-limit set forth in Art. 3.3, 5.2, 8.3, 18.3, 27.2 and 28.3 respectively.

11.3 Notification in the event of delay for which the Contractor carries the risk

If, in the Contractor's opinion, the Work cannot be performed according to Appendix C for reasons for which the Contractor is responsible, the Contractor shall, as soon as possible but no later than within 14 Days after notification according to Art. 11.1, communicate:

- a) the cause of the delay,
- b) its estimated effect on the Contract Schedule and other parts of the Work, and
- c) the measures which the Contractor considers appropriate to avoid, recover or limit the delay.

The Buyer shall, without undue delay, notify the Contractor of its view on the information provided by the Contractor in accordance with the first paragraph, litra a), b) and c). Such notification shall not release the Contractor from any of its obligations under Art. 11.1.

11.4 The Buyer's orders for necessary measures

If the measures proposed or implemented by the Contractor are insufficient to avoid or recover the delay, then the Buyer may require the Contractor to take such measures as the Buyer considers necessary. If the Contractor maintains that it has no obligation to implement the measures required by the Buyer, the provisions in Art. 12 to 16 apply accordingly.

12. RIGHT TO VARY THE WORK

12.1 The Buyer's right to order Variations

The Buyer has the right to order such Variations to the Work as in the Buyer's opinion are desirable.

Variations to the Work may include an increase or decrease in the quantity, or a change in the character, quality, kind or execution of the Work or any part thereof, as well as changes to Appendix C.

Nevertheless, the Buyer has no right to order Variations to the Work which cumulatively exceeds that which the parties could reasonably have expected when the Contract was entered into.

12.2 The Contractor's obligation to prepare estimates for Variation Orders

When the Buyer issues a Variation Order, the Contractor shall without undue delay submit an estimate to the Buyer. The Buyer may require the submission of such estimate prior to issuing a Variation Order. The estimate shall contain:

- a) a description of the Variation to the Work in question, any effects this will have on the Contractor's ability to fulfil the Contract requirements for the Contract Object and the Work, as well as the impact on future operation and maintenance of the Contract Object, and
- b) a detailed schedule for the execution of the Variation to the Work showing the required resources, significant milestones, altered requirements for the Buyer's Deliverables, changes in test plans and test criteria; and
- c) the effect on the Contract Price, with an explanation of how it is calculated in accordance with Art. 13.2, and

- d) the effect on the Contract Schedule, as far as it is possible in the specific case, and
- e) the costs of the preparation of the estimate.

The Buyer shall pay the Contractor's costs stated under the first paragraph, litra e), even if a Variation to the Work is not ordered.

12.3 The Contractor's right to propose and demand Variation

The Contractor may propose a Variation to the Work.

According to the provisions in Art. 3.3, 5.2, 6.4, 8.3, 11.2, 11.4, 16.1, 18.3, 27.1, 28.3 and 28.5, the Contractor has the right to request variation in the Contract Price and/or the Contract Schedule.

13. EFFECTS OF VARIATION TO THE WORK

13.1 General

All of the Contractor's obligations under the Contract also apply to Variations to the Work, unless otherwise agreed.

13.2 Calculation of compensation for Variations

Unless otherwise agreed between the parties, the price for Variations to the Work shall be determined according to the Contract's prices, norms and rates, and otherwise in accordance with the Contract's original price level. Changes that result in savings shall be credited to the Buyer.

If the general price level in Appendix B does not provide guidance, the price level shall be in accordance with the price level in the market.

If a variation work has consequences for other work operations in the form of demolition, removal, reconstruction of previously started or completed work, compensation shall also be provided for such effects.

If a variation work has consequences for other work operations or extends the completion time for the Work, such consequences shall be compensated separately.

13.3 Compensation in the event of negative Variations

If the net effect of all Variations to the Work is such that the Contract Price becomes less than the original Contract Price, then the Buyer shall pay a supplement to the Contract price equal to 8 % of the difference.

13.4 Adjustment of the Contract Schedule in the event of variation works

The effects of Variations to the Work on the Contract Schedule shall be agreed upon the accumulated net effect of the individual variation, with reasonable consideration to the accumulated effects on the Contract Schedule of previous variation works. Extensions of deadlines for milestones included in Appendix C shall correspond to the delay that is a necessary consequence of the Variations to the Work. The effect on the Contract Schedule shall be agreed in the individual Variation Order to the extent possible in the specific case.

Subject to the limitations which follow from Art. 12.1, the Buyer may, regardless of whether the Contractor has submitted a Variation Order Request or not, require the Contractor to undertake special measures to avoid variation work affecting the Contract Schedule, or to limit the consequences of the Buyer's variations. The provision of Art. 12 to 16 shall apply accordingly.

13.5 Acceleration in the event of unjustified rejection of a request for extension of time

If the Buyer rejects a valid request for adjustment of the Contract Schedule, the Contractor has the right, irrespective of whether the Buyer has required it, to initiate specific measures at the Buyer's expense and risk to avoid effects to the Contract Schedule, unless the costs of such specific measures would be disproportionately high.

Before such specific measures can be initiated at the Buyer's expense and risk, the Contractor shall provide written notification to the Buyer stating the estimated cost of the measures. If such notice is not issued before measures are initiated and the Buyer subsequently instructs the Contractor not to initiate specific measures, the Contractor will lose the right to compensation for expenses already incurred for measures initiated before such notice was issued. If the Contractor sees that the notified cost estimate for the measures will be exceeded, the Contractor must notify the Buyer of this in writing without undue delay to avoid losing the right to compensation of the cost estimate being exceeded.

13.6 Variations for which the Contractor carries the risk

A Variation to the Work caused by circumstances for which the Contractor is responsible shall not entail any variations to the Contract Price or the Contract Schedule in favour of the Contractor.

14. ISSUE OF VARIATION ORDERS

14.1 Variations to the Work by means of Variation Order

All Variations to the Work shall be made by means of a Variation Order issued by the Buyer in accordance with the provisions of Art. 14.2.

14.2 Variation Order requirements

A Variation Order shall be expressly identified as such and be submitted on a pre-scribed form. The original version of the Variation Order shall, as a minimum, contain a description of what the variation work consists of. The effects on time and price, as well as any other effects on the Contract Object or the Work, which are not set out in the original version, shall be stated in an updated version of the Variation Order.

15. CONSEQUENCES OF VARIATION ORDERS THAT HAVE BEEN ISSUED. DISPUTES RELATING TO CONSEQUENCES

15.1 The Contractor's duty to carry out instructions ("duty to act")

Upon receipt of a Variation Order or an instruction as set out in Art. 16.1, the Contractor shall implement it without undue delay, even if the effects of the Variation Order or the instruction are yet to be determined.

15.2 Disagreement on the effect of the variation on the Contract Price

If the parties agree that there is a Variation to the Work but disagree as to the effects on the Contract Price, the Buyer shall pay the Contractor the undisputed part as provisional compensation.

Payments in accordance with this Art. 15.2 shall be made in accordance with the provisions of Art. 20.

If a different price for the Variation to the Work is determined than the compensation paid in accordance with the first paragraph, correct settlement shall be carried out and interest shall be charged on wrongfully withheld amounts in accordance with Act no. 100 of 17 December 1976 relating to interest on overdue payments etc (Interest on Overdue Payments Act).

If a Variation Order Request is submitted, interest on amounts wrongfully withheld shall be calculated from the date that would have been the due date according to Art. 20 if the variation work had been part of the Work from the start. If the Buyer has submitted a Variation Order without a prior request being made, interest on amounts wrongfully withheld shall be calculated from the due date according to Art. 20.4, first paragraph. However, interest shall never accrue from a date earlier than 30 Days after the Buyer has received the Contractor's estimate in accordance with Art. 12.2 or, where the amounts wrongfully withheld relates to the Contractor's costs that incur later, 30 Days after the Contractor has provided the Buyer with the necessary written information about the amount of its claim related to such costs.

15.3 Disagreement on adjustment of the Contract Schedule as a result of Variation

If the parties disagree on the effect on the Contract Schedule and the right to extension

of time, then the views of both parties, including any reservations, shall be recorded on the Variation Order.

If, before the effects on the Contract Schedule have been finally decided by agreement or judgment, the Buyer requires implementation of measures stated in Art. 13.4, last paragraph, in order to avoid or limit the delay to the Contract Schedule which, in the Contractor's opinion, will be the result of the Variation to the Work in question, then the provisions of Art. 12 to 16 shall apply accordingly.

16. DISPUTE AS TO WHETHER A VARIATION TO THE WORK EXISTS. DISPUTED VARIATION ORDER

16.1 The Buyer's right to instruct and the Contractor's Variation Order Request

The Buyer's Representative may, by written instruction expressly stating that it is an instruction, require the performance of a specific piece of work. If the work so required in the opinion of Contractor is not part of its obligations under the Contract, then the Contractor shall submit a Variation Order Request to the Buyer, and as soon as possible thereafter, prepare an estimate in accordance with Art. 12.2.

If the Contractor has not presented a Variation Order Request within 21 Days after the Buyer has required such work to be performed in the manner prescribed in the first paragraph, then the Contractor loses the right to claim that the work is a Variation to the Work.

A Variation Order Request shall be expressly denoted as such and be presented on a prescribed form. It shall contain a specified description of the work the request concerns and a reference to the instruction or situation upon which the Contractor considers the request to be based.

16.2 The Buyer's position in relation to the Variation Order Request

If the Contractor within the time-limit has made a request as stated in Art. 16.1, the Buyer shall, within 21 Days after receiving the request, either issue a Variation Order in accordance with the provisions of Art. 14 or a Disputed Variation Order in accordance with this provision. If the Buyer is of the opinion that this work is a part of the Work, a Disputed Variation Order shall be issued. A Disputed Variation Order shall be expressly denoted as such and shall be presented on a prescribed form, which shall identify the work in dispute between the parties and state the Buyer's reason for regarding this as a part of the Work. If the Buyer will claim that the Contractor's request is submitted too late, this must be stated in the Disputed Variation Order and notified within 21 Days after receipt of the Variation Order Request. If the Buyer has not issued a Variation Order or Disputed Variation Order within 21 Days after receipt of a Variation Order Request, a Disputed Variation Order shall be deemed to have been issued.

Upon receiving a Disputed Variation Order, the Contractor shall, without undue delay, initiate the disputed work, unless this has already been carried out in accordance with the other provisions in the contract.

If it is finally decided that the disputed work is not part of the Work, Art. 15.2, third and fourth paragraph apply accordingly.

16.3 The Expert Procedure

Each of the parties may request that the question as to whether the work covered by a Disputed Variation Order is a part of the Work or whether the deadline in Art. 16.1 has been complied with, shall be provisionally decided by an expert. Request must be made within 60 Days after issue of the Disputed Variation Order. Unless the parties have agreed upon an expert within 14 Days of such a request, the expert shall be appointed in accordance with the provisions in Appendix I.

Each of the parties shall, within 7 Days after the expert is appointed, submit to the expert, with a copy to the other party, the relevant documentation together with a written argument. The parties have the right to submit one further written presentation to the expert, with a copy to the other party, within 7 Days following the deadline for the first submission. The expert's decision and reasons for reaching it shall be submitted within 30 Days of the expert's appointment.

The cost of the expert shall irrevocably be carried by the party that the expert did not decide in favour of. Each party shall irrevocably carry its own expenses connected with the provisional decision.

16.4 The Consequences of an expert decision

If the Contractor's views are accepted in the provisional decision made in accordance with Art. 16.3, the Disputed Variation Order shall be treated as a Variation Order in accordance with Art. 15 until the dispute has been resolved by agreement, judgment or in accordance with the provisions of Art. 16.4, third paragraph. If hereunder a preliminary payment is made in accordance with Art. 15.2, it shall not under any circumstances be considered as final until three months after the dispute is resolved.

If the expert has decided in favour of the Buyer in the provisional decision made in accordance with Art. 16.3, the work described in the Disputed Variation Order shall be treated as part of the Work until the dispute has been resolved by agreement, judgment or in accordance with the provisions of Art. 16.4, third paragraph.

The provisional decision in accordance with Art. 16.3 will be final if the parties have not agreed on out-of-court mediation in accordance with Art. 37.2 or a legal action is not brought within three months of the date of the provisional decision.

16.5 Deadline for responding to Disputed Variation Order

If neither of the parties have requested a decision pursuant to Art. 16.3, agreed to out-of-court mediation in accordance with Art. 37.2, nor brought a legal action within eight months after the Disputed Variation Order was issued, it shall be noted on the Disputed Variation Order that it is deemed to be a part of the Work.

17. CANCELLATION

17.1 The Buyer's right to cancel

The Buyer may by notice to the Contractor cancel the Contract in whole or in part with the consequence that the performance of the Work related to the cancelled part of the Delivery ceases (cancellation).

17.2 Payment in the event of cancellation

Following such cancellation, the Buyer shall pay:

- a) the unpaid balance due to the Contractor for the part of the Work already performed, and
- b) all costs incurred by the Contractor and Subcontractors in connection with Materials ordered prior to receipt of the notice of cancellation by the Contractor, and compensation for work performed on such Materials prior to the said date, provided that such costs are not covered by payment under litra a) above, and
- c) the Contractor's costs related to the copying of documents, and the preparation of an "as built" status in accordance with Art. 17.5, and
- d) all necessary cancellation charges or cancellation reimbursements and associated administration costs incurred by the Contractor in connection with the cancellation, and
- e) the Contractor's and Subcontractors' other expenses directly attributable to an orderly closeout of the Contract or the relevant part of the Work that has been cancelled, calculated as far as possible in accordance with the provisions of Art. 13.2.

Payment shall be made in accordance with the provisions of Art. 20.

17.3 The Buyer's cancellation fee

In addition to the amounts stated in Art. 17.2, the Buyer shall pay, within 30 Days after receiving an invoice, a cancellation fee equal to 8 % of the part of the Contract Price which is not paid on the date of cancellation and which shall also not be paid pursuant to Art. 17.2, litra a).

In the event of partial cancellation, the cancellation fee shall be calculated based upon the cancelled part's share of the Contract Price.

The Buyer shall not be entitled to deduct from the cancellation fee other claims than those that have been presented to the Contractor prior to the date of cancellation and that have been accepted by the Contractor.

17.4 Sub-supplies in the event of cancellation

The Contractor shall, in accordance with the Buyer's instructions, make its best efforts to cancel relevant contracts for Sub-supplies on terms acceptable to the Buyer. If the Buyer cannot accept the cancellation terms, then the Contractor shall, insofar as possible, assign such contracts for such Sub-supplies or rights and obligations pursuant to these, to the Buyer.

17.5 The Buyer's duty to issue Confirmation of Mechanical Completion

The Buyer shall issue a Confirmation of Mechanical Completion which specifies each party's understanding of the percentage of the Delivery that has been carried out, calculated upon the principles for calculation of progress as stated in the Contract. When the cancellation only applies to a part of the Delivery, the Buyer's Confirmation of Mechanical Completion shall correspondingly state each party's understanding of the percentage share of the part of the Delivery impacted by the cancellation that is already performed. The Buyer shall also issue a Completion Certificate which reflects the Confirmation of Mechanical Completion. The provisions of Art. 19 apply accordingly. The Contractor shall present copies of all design and procurement documentation prepared in relation to the affected part of the Delivery until cancellation, including such documents that have yet to be completed. The Contractor shall also present a set of drawings of the affected part of the Contract Object which reflect the actual "as built" status on the cancellation date.

The Contractor shall furthermore deliver copies of all plans, drawings, specifications and other documents which the Buyer has the right to use in accordance with Art. 33.

17.6 The Buyer's obligation to clear the Construction Site following cancellation

The Buyer shall, at its own cost, remove the relevant parts of the Delivery, Materials and Buyer Materials from the Construction Sites. If such removal is not done within a reasonable time, then the Contractor may, after first having given notice to the Buyer, remove them to a suitable location for storage at the Buyer's cost and risk. The Contractor shall, until the affected parts of the Delivery, Materials and Buyer Materials have been removed, keep them in a safe manner at the Buyer's cost and risk.

18. THE BUYER'S RIGHT TO TEMPORARY SUSPEND THE WORK

18.1 The Buyer's right to suspend the Work

The Buyer's Representative may, by written notice to the Contractor's Representative, request that performance of the Work or any part thereof is temporarily suspended. The notice shall specify which part of the Work that shall be suspended, the effective date of the suspension and the expected date for resumption of the Work. Furthermore, it shall state the mobilisation plan and any support functions which shall be maintained while the Work is suspended.

Upon receiving notice in accordance with the first paragraph, the Contractor shall suspend the Work as required by the Buyer. The Contractor shall then, within a reasonable time, present a plan which provides instructions on how the Contractor plans to implement the temporary suspension of the Work and ensure remobilisation in accordance with the Buyer's mobilisation plan. The Contractor shall, insofar as possible and to the extent reasonable, limit the costs incurred as a result of such a suspension of the Work.

The Contractor shall resume the Work after written notification by the Buyer. The date of resumption shall be determined with due consideration to the mobilisation plan and the support functions maintained during the suspension.

18.2 Coverage of costs in the event of suspension of Work

The Buyer shall compensate the Contractor for all necessary expenses the Contractor has incurred due to suspension of the Work, including as a result of:

- a) demobilisation of personnel, equipment and Construction Site(s), and
- b) safeguarding the Contract Object, Materials and Buyer Materials; and
- c) personnel, Subcontractors and equipment which must be kept available in accordance with the mobilisation plan; and
- d) moving the Contract Object, if necessary, to avoid unreasonable interference with the Contractor's other activities.

The Contractor's claim for the work performed shall be calculated as far as possible in accordance with the principles of Art. 13.2, and the Contract Price shall be adjusted accordingly.

18.3 Consequences for progress and compensation if Work is suspended

The Contract Price and the Contract Schedule shall be adjusted for the consequences of the suspension of the Work. Art. 12 to 16 shall apply accordingly. The Contractor shall submit a Variation Order Request within 21 Days after the Buyer has requested the Work to be resumed.

18.4 The Contractor's right to terminate in the event of lasting suspension of the Work

If the Work or parts thereof have been suspended continuously for a period exceeding 90 Days, the Contractor may cancel the Contract for that part of the Work which is suspended by giving 14 Days notice. If the Buyer has not ordered a resumption of the Work within 14 Days after receiving the notice, then the provisions of Art. 17 shall apply accordingly.

19. DELIVERY AND COMPLETION OF THE WORK

19.1 Material conditions for delivery

The Contractor shall deliver the Contract Object and all other parts of the Delivery at the place(s) of delivery specified in the Contract and in accordance with the Contract Schedule.

When the Contractor is of the opinion that the Contract Object is Mechanically Completed and otherwise ready for delivery, the Contractor shall notify the Buyer of this in accordance with Art. 19.2.

Mechanical Completion is deemed to have been achieved when the Contractor has built, inspected and documented the Contract Object, and it is found to be in compliance with the Contract. Mechanical Completion shall be deemed to have been achieved even if smaller parts of the Work remain, provided that these are not of practical significance to the Buyer's assembly and installation, testing or use of the Contract Object or for subsequent work to be performed by other contractors.

The delivery shall take place in accordance with the agreed INCOTERMS® delivery clause. The delivery clause shall be interpreted in accordance with the version of INCOTERMS® in force on the date the Contract was entered into. If no separate delivery clause has been agreed to, delivery shall take place FCA (Free Carrier) at the location determined by the Contractor. Prior to delivery, the Buyer shall issue a document confirming that the Contract Object is Mechanically Completed and ready for delivery in accordance with Art. 19.2 (Confirmation of Mechanical Completion). However, the parties may agree that documentation shall be completed and submitted to the Buyer after delivery in accordance with this provision. Such subsequent submission of documentation shall not be considered a defect in accordance with Art. 23. In the event of such agreed subsequent delivery of documentation, the risk associated with the documents shall not be transferred to the Buyer until the date on which the Buyer receives the documents.

Unless otherwise specifically agreed, or the Buyer confirms otherwise in writing, the Contractor does not have the right to deliver the Contract Object before the Delivery Date.

If there is any conflict between Art. 29, 30 and 31 and what may be stated in INCOTERMS® regarding the risk of damage to the Delivery or liability for insurance, Art. 29, 30 and 31 shall take precedence over the INCOTERMS® provisions.

19.2 Procedural conditions for delivery. Duty to issue Confirmation of Mechanical Completion

The Contractor's notice pursuant to Art. 19.1 shall be issued on a standardised form and confirm that the tests, quality controls, etc. that the parties to the Contract have agreed to be carried out, have been conducted, and shall state any parts of the Work that may remain. If the Buyer disagrees that the Contract Object is Mechanically Completed, the Buyer must, within 3 Business Days after the Contractor's notice is received, submit (a) written objection(s) to the Contractor initiating the delivery and also instruct the Contractor on how the Contractor shall act and what the Contractor should do. The Buyer's objection(s) shall be specified. Unless the Buyer approves otherwise, the Contractor may not initiate delivery until the Buyer has issued Confirmation of Mechanical Completion or the Buyer's deadline for submitting objections has expired. If the Buyer has exceeded the deadline for submitting objections, Confirmation of Mechanical Completion shall be deemed to have been issued. Any objections that may be received after the deadline shall be treated as notices of defects discovered after delivery and any associated work shall be considered as guarantee works.

The Buyer shall issue Confirmation of Mechanical Completion to the Contractor when the Contract Object is Mechanically Completed and otherwise ready for delivery in accordance with Art. 19.1. This shall state that the Buyer confirms that the Contract Object is Mechanically Completed and otherwise ready for delivery and shall specify any remaining parts of the Work to be performed after delivery and information concerning the completion of this.

Confirmation of Mechanical Completion shall be dated with the point in time at which the confirmation is issued or shall be deemed to have been issued.

19.3 Agreement on deviating delivery terms

If deviating delivery terms have been agreed, these shall take precedence over the provisions in Art. 19.1 and 19.2. In any event, a document shall be issued confirming that the Contract Object and any other parts of the Delivery have been delivered to the Buyer, and the date on which this document was issued shall apply as the date the guarantee period will commence in accordance with Art. 23.2.

19.4 The Buyer's duty to issue Completion Certificate

The Buyer shall issue the Completion Certificate at its own initiative when all Work, with the exception of guarantee works, has been completed in accordance with the Contract and the entire Delivery has been delivered to the Buyer.

The Completion Certificate shall be issued at the same time as the delivery of the Contract Object if the other parts of the Delivery are completed and delivered on this date.

19.5 Partial deliveries

If the Contract states that the Contract Object shall be divided into partial deliveries, then the provisions of Art. 19.1, 19.2 and 19.3 apply accordingly to each part delivery.

20. PAYMENT, INVOICING AND AUDIT

20.1 Main rule for payment

Unless otherwise stated in Appendix B or the Contract in general, the prices in the Contract are not subject to adjustment.

The Buyer shall pay the Contractor in accordance with the payment plan in Appendix B, provided that the contractual obligation that constitutes the basis for payment is met. Payment of instalments does not entail approval of the basis for the invoice or amount of the claim.

When it is agreed that the Contractor shall provide a guarantee, the Buyer shall not be obliged to pay until the Contractor has provided a guarantee as set forth in Art. 21.1.

20.2 Formal requirements for invoices

The invoice shall be prepared in accordance with the rules in Appendix B. Necessary documentation for control of the invoiced amount shall be attached.

20.3 Invoicing and payment

Invoices shall be settled in accordance with the deadlines agreed to in Appendix B. Unless otherwise stated therein, the Buyer shall within 30 Days pay the amount owing to the Contractor according to the invoice, and which is not disputed or which the Buyer is otherwise entitled to deduct or withhold in accordance with the second paragraph below.

Unless otherwise stated in the Contract, the following deductions may be made from the payment of the Contract Price:

- a) any previous payments made on account to the Contractor which relate to, or directly concern, the work covered by the invoice,
- b) the parts of the invoiced amount that are insufficiently documented or otherwise disputed, provided that the Buyer, as soon as possible and no later than within 7 Days before payment is due, raises an objection concerning this and, if so, specifies the documentation that is lacking or what the dispute concerns, and

- c) all documented and specified amounts relating to the Contract that the Buyer may be owed by the Contractor, provided that the Buyer is entitled to offset such amounts in accordance with applicable law.

20.4 Delayed payment

In the event of delayed payment on the part of the Buyer, the Contractor has the right to claim interest in accordance with the Interest on Overdue Payments Act. The same applies if it is later established that the Buyer had an obligation to pay a deducted amount. Interest on overdue payments shall be calculated from the due date for payment of the invoice.

If the Buyer has not paid overdue and undisputed parts of the Contract Price or other amounts which the Contractor is entitled to pursuant to the Contract within 7 Business Days after the due date, the Contractor shall also, after having given the Buyer written notice to make payment within a final reasonable deadline that cannot be less than 7 Business Days, be entitled to temporarily suspend performance of the Work or parts thereof, until correct payment is received. Art. 18.2 and Art. 18.3 shall apply correspondingly to the Contractor's suspension of the Work or parts thereof. Variation Order Requests must be submitted within 21 Days after correct payment is received.

In addition, the Contractor may be entitled to terminate the Contract in accordance with Art. 27.4.

20.5 The Contractor's right to claim provisional payment in connection with disagreements relating to Variation Orders

If the Contractor so requests, the Buyer shall make one or more provisional payment(s) equivalent to 50 % of the specified amount(s) which the Contractor claims for Disputed Variation Orders, or equivalent to 50 % of the disputed amount(s) related to the effect of the Variation Order on the Contract Price, provided that the Contractor requests this prior to the Delivery Date.

The Contractor's right to claim provisional payment(s) in accordance with the first paragraph is limited to 70 % of the amount to be invoiced under the Contract on the Delivery Date or later.

If it is finally established that the Buyer had the right to withhold whole or parts of the provisional compensation paid in accordance with this provision, correct settlement shall be effectuated, and interest shall be charged on the wrongfully received amount pursuant to the Interest on Overdue Payments Act. If the parties do not agree on the disputed amounts within the Delivery Date, this will become part of the final settlement process in Art. 20.6 and Art. 20.7. The Buyer will then be entitled to withhold an equivalent amount to what has been temporarily paid in the Contractor's other claims that fall

due on or after the Delivery Date. However, the Buyer may not offset or withhold payments if, prior to delivery, the Contractor provides a guarantee for the same amount.

Art. 21.1 applies accordingly when the Contractor provides a guarantee pursuant to this provision. The guarantee shall be valid for its full amount until it is finally determined whether the Buyer had the right to withhold whole or parts of the provisional compensation paid, and the Contractor has settled any outstanding amounts, including interest, which the Buyer is entitled to.

20.6 Final Settlement

The Contractor shall submit a proposed Final Settlement when the Contractor is of the view that the Work has been completed. Proposed Final Settlement shall be presented no later than 30 Days after the Completion Certificate has been issued. The proposal shall contain a breakdown of the total compensation for the Work, including all claims to be made by the Contractor, less any liquidated damages and other amounts the Contractor considers the Buyer to be entitled to on the date the Work is completed. The proposal shall contain documentation relating to each item in the breakdown that have not already been accepted and paid for by the Buyer. If the Contractor does not submit a proposal for Final Settlement by the deadline, a proposal for Final Settlement based on already issued invoices shall be deemed to have been issued.

Amounts stated by the Contractor in the proposal for the Final Settlement as due to the Buyer shall be paid forthwith.

The Contractor's proposed Final Settlement pursuant to the first paragraph is binding. Claims that are not included in the proposed Final Settlement cannot be submitted later by the Contractor. If the Contractor does not submit a proposed Final Settlement in accordance with the first paragraph, the Contractor may only claim payment for the invoices already issued to the Buyer. However, this does not prevent the Contractor from making objections to claims that the Buyer presents in its response to the Contractor's proposed Final Settlement.

Within 30 Days after the Buyer has received the proposed Final Settlement or the proposed Final Settlement is deemed to have been issued, the Buyer must notify the Contractor of and assert its objections, including any counterclaims, if the Buyer has objections to the proposal. Any claims relating to guarantees, defects or other claims the Buyer may have, and which have arisen after the Completion Certificate was issued, shall not be included in the Final Settlement. The Buyer shall describe what the objections regard and state the amount that the Buyer considers to be the correct Final Settlement. If the deadline is exceeded, the Contractor's proposal or proposal considered to have been issued shall be deemed to have been accepted, and the proposed Final Settlement will be final. Objections or counterclaims that the Buyer has not notified within the deadline cannot later be asserted by the Buyer. However, this does not prevent the Buyer from asserting the right to withhold or offset claims that have arisen

after the Completion Certificate was issued, when the Buyer is entitled to do this in accordance with otherwise applicable rules.

Amounts that the Contractor has owing, and which are not disputed, shall be paid immediately after the deadline for the Buyer to assert objections to the Contractor's proposed Final Settlement has expired.

20.7 Disagreement relating to the Final Settlement. Alternative dispute resolution

If the parties do not agree on the Final Settlement, either of them may, no later than three months after the Contractor has received the Buyer's reply under Art. 20.6, fourth paragraph, request that out-of-court mediation be tried. The parties shall, within 14 Days of such a request having been submitted, agree on the procedure for such out-of-court mediation. Art. 37.2 applies accordingly when either party has demanded out-of-court mediation. The parties shall contribute to the execution of such out-of-court mediation within six months of receipt by the Contractor of the Buyer's reply under Art. 20.6, fourth paragraph.

If the parties have not reached agreement by out-of-court mediation as set out in the first paragraph, or if they do not agree on the procedure for such alternative dispute resolution or they refrain from such procedure, the party claiming to have an amount owing from the other party must bring a legal action concerning the Final Settlement within 6 months after the Contractor received the Buyer's response pursuant to Art. 20.6, fourth paragraph.

If the time-limit in the second paragraph is exceeded, the party in question loses the right to take legal action and thereby the right to assert the disputed amount owing.

20.8 Audit of settlement

The Buyer is entitled to audit at the Contractor's and Subcontractors' premises all payments for reimbursable work. The Buyer's right to audit does not apply to a Subcontractor when the Sub-supply entails minor purchases and limited use of hired labour.

The Contractor may require the audit to be performed by a neutral auditor to the extent it shows that there is a probability of confidential information, or information which is not relevant for the purposes of the audit, being disclosed to the wrong parties.

The Buyer is entitled to audit until the parties agree on the Final Settlement or, if this occurs earlier, until either party takes legal action concerning the Final Settlement in accordance with Art. 20.7.

The Buyer's previous payment of invoice claims shall not affect the Buyer's audit rights. If charges are proven incorrect, then an adjustment shall be made, whether or not this is in the favour of the Contractor.

21. SECURITY

21.1 The Contractor's duty to provide security to the Buyer

When agreed, the Contractor shall, at its own expense, provide the Buyer with a guarantee from a bank or an insurance company as security for the correct fulfilment of the Contract. The guarantee shall also cover interest on overdue payments and collection costs. The guarantee shall be issued to the Buyer within the deadline that the parties have agreed to. Claims for payment that fall due after the date the guarantee should have been provided, will nevertheless not fall due until the Contractor has provided security as agreed. The content of the guarantee shall essentially be the same as in the guarantee document for the Contractor's security included in Appendix K.

21.2 The Buyer's duty to provide security to the Contractor

When agreed, the Buyer shall, at its own expense, provide the Contractor with a guarantee from a bank or an insurance company as security for the correct fulfilment of the Contract. The guarantee shall also cover interest on overdue payments and collection costs. The guarantee shall be issued to the Contractor within the deadline that the parties have agreed to. The Contractor is not obligated to start performing the Work or continue the Work when this has already been started, before the Buyer has provided security as agreed. The delays and additional costs that may arise as a result of such failure to provide security are the Buyer's risk. The content of the security shall essentially be the same as in the guarantee document for the Buyer's security included in Appendix K.

21.3 Requirements for guarantee and security

Unless otherwise agreed, the Contractor's guarantee pursuant to Art. 21.1 shall be valid for its full amount until the Completion Certificate has been issued and shall thereafter be valid for half the amount. From the expiration of the Guarantee Period, the guarantee shall be valid for an amount equal to the costs of any remaining guarantee works. The guarantee will no longer be valid once the Guarantee Period has expired and all guarantee works have been carried out.

If the Completion Certificate has not been issued or not all guarantee works have been carried out within the dates stated in the guarantee, and this is not due to circumstances on the part of the Buyer, the Contractor shall ensure that the validity of the guarantee is extended so that it is always valid for the amount claimed in accordance with these rules.

Unless otherwise agreed, the Buyer's security pursuant to Art. 21.2 shall be valid for its full amount until the Contractor's proposed Final Settlement is in place in accordance with Art. 20.6, and is thereafter reduced to an amount equal to the amount the Contractor believes to be outstanding in accordance with its proposed Final Settlement, if this amount is less than the amount specified in the Buyer's security. The guarantee shall be valid until the Final Settlement is finally concluded in accordance with Art. 20.7.

22. RIGHT TO TITLE TO THE CONTRACT OBJECT. RIGHT TO DEMAND DELIVERY

22.1 Right to title to the Contract Object, etc.

Title to the Delivery shall pass to the Buyer progressively as the Work is being performed at the Contractor's Construction Site. Title to Materials passes to the Buyer when they have arrived at the Contractor's Construction Site or when paid for by the Buyer, if payment has been made earlier.

As soon as Materials and Buyer Materials arrive at the Contractor's Construction Site, the Contractor shall mark them with an identification number and the Buyer's name, and, as far as possible, keep them separate from other items and take all other measures that are necessary for safeguarding the Buyer's right to title and rights as secured creditor to the Delivery, Materials and Buyer Materials.

22.2 Requirement for freedom of liens

The Delivery and Materials owned by the Buyer shall be free of liens other than those for which the Buyer is responsible.

22.3 The Buyer's claim for delivery if the Contractor refuses to deliver

If the Contractor claims that it is entitled to refuse to deliver the Contract Object, Materials, or other items to which the Buyer is entitled under the Contract, then the Buyer may in all cases demand delivery in return for:

- a) payment of the outstanding amount due to the Contractor under the Contract, insofar as the amount is not in dispute, and
- b) a guarantee, with contents as described in Appendix K, for any further amounts which the Contractor maintains to be entitled to under the Contract, but which the Buyer considers it has no obligation to pay.

23. CONTRACTOR GUARANTEE

23.1 The Contractor's guarantee

The Contractor guarantees:

- a) that the Delivery will conform to the Buyer's Documents and the Contractor's Specification during the Guarantee Period;
- b) that the Contract Object will conform to the final result of the Contractor's engineering during the Guarantee Period;

- c) that the Contractor's Specification and the Contractor's engineering are suitable for the purpose and use for which, according to the Contract, they are intended:
- d) that Materials delivered by the Contractor for incorporation into the Contract Object are new, and
- e) the performance of the Work.

This guarantee does not apply to the Buyer's Documents and Buyer Materials, unless contrary follows from Art. 6.3.

The Contractor's liability for breach of the above-mentioned guarantees is regulated by the provisions on liability for defects under Art. 25.

23.2 Duration of the Guarantee Period

The Guarantee Period commences when delivery has taken place and expires at the earliest point in time of either 12 months after the Contract Object was put into use by the Buyer or 24 months after the Completion Certificate was created.

23.3 Guarantee liability for guarantee work

In case the Contractor performs guarantee work during the Guarantee Period, the Contractor guarantees according to Art. 23.1 those parts of the Work affected by the guarantee work. This guarantee applies for 12 months after the date of completion of the first rectification of the defective part of the Work, unless the remaining part of the Guarantee Period is longer.

23.4 The Buyer's guarantee rights in relation to Subcontractors

The Buyer shall be entitled to enforce the guarantees given by Subcontractors to the Contractor.

24. DELAY ON THE PART OF THE CONTRACTOR

24.1 Delay

Save what is stated in Art. 11 concerning delayed progress, delay occurs when the Work prescribed in Appendix C has not been completed in accordance with the Contract within a milestone stated in the Contract Schedule.

Delivery shall be deemed to have occurred on the date when the delivery process pursuant to Art. 19 has been completed.

24.2 Liquidated damages

If the Work is delayed in relation to the Delivery Date set forth in Appendix C, then the Contractor shall pay liquidated damages to the Buyer as set out in Appendix B.

The Contractor's cumulative liability for liquidated damages under the Contract is limited to 10 % of the original Contract Price.

Accrued liquidated damages shall be settled in connection with the Final Settlement, cf. Art. 20.6.

24.3 Incomplete delivery

If the Contract Object is not ready for delivery on the Delivery Date or if it is clear that the Contractor will not achieve completion on the Delivery Date, the Buyer is entitled to require the delivery of the Contract Object and what is otherwise to be included in the Delivery for completion with the assistance of another contractor. Prior to such delivery, the Buyer shall issue Confirmation of Mechanical Completion stating:

- a) that the Contract Object, in the opinion of the Buyer, was not completed by the Delivery Date;
- b) each party's opinion as to the percentage of the Delivery that has been completed by the Delivery Date, calculated in accordance with the progress reporting principles set forth in the Contract; and
- c) each party's opinion concerning which parts of the Contract Object are incomplete or unsatisfactorily performed; and
- d) the date and time of delivery.

If the Buyer has required such delivery, then the Buyer is not obliged to pay that part of the Contract Price which relates to the unfinished part of the Work. The Buyer is entitled to be paid liquidated damages in accordance with Art. 24.2, calculated on the number of Days by which the Delivery Date would have been exceeded had the Contractor completed the Contract Object. The Buyer shall otherwise have no other claims based on delay in respect of the part of Work not performed by the Contractor.

The Buyer shall also issue a Completion Certificate reflecting the Confirmation of Mechanical Completion. The provisions of Art. 19 apply accordingly.

24.4 The Buyer's sole remedies against delay on the part of the Contractor

The Buyer may terminate the Contract in accordance with Art. 26 due to delay. The provisions set out in Art. 11, 24 and 26 are the Buyer's sole remedies against the Contractor's delay.

25. THE CONTRACTOR'S DEFECTS AND GUARANTEE LIABILITY

25.1 Defects and complaints

If the Contract Object has a defect when delivered to the Buyer, or if a defect arises for which the Contractor is liable under its guarantee in accordance with Art. 23, then the Contractor is responsible for the defect in accordance with the provisions of this Art. 25.

The Contractor is, however, liable for a defect only if the Buyer has given notice of the defect, without undue delay after the Buyer discovered the defect, or after the Buyer ought to have discovered it. Such notice must be given at the latest before the expiry of the Guarantee Period.

If the notice concerns defects in guarantee work, then it must be given before the expiry of the specified guarantee period set forth in Art. 23.3.

The notice to the Contractor shall contain a specific description of the defect or how it appears.

The Contractor's liability for defects does not include breach of the guarantees provided in Art. 23 due to circumstances arising after the risk has passed to the Buyer. Liability does not include, for example, defects that arise as a result of the operating conditions deviating from the prerequisites in the Contract or as a result of incorrect use of the Contract Object. It also does not include defects due to inadequate maintenance, incorrect installation on the part of the Buyer or variations made to the Contract Object after delivery without the Contractor's written consent. Finally, liability does not include normal wear and tear and deterioration.

25.2 Duty to rectify

If the Contractor is responsible for a defect, the Contractor shall rectify it as soon as possible at its own cost. The same applies to damage to other parts of the Contract Object caused by such a defect, irrespective of what may otherwise be stated in Art. 29.

The Contractor shall notify the Buyer of the measures the Contractor intends to carry out, as well as the time of the rectification. The Buyer shall notify the Contractor of its views on the rectification plans without undue delay. The Buyer shall not unreasonably prevent the Contractor from performing the planned rectification.

The rectification work shall be carried out where the Contract Object is located, unless the parties agree that it would be more appropriate for the Contract Object or the defective part of the Contract Object to be sent to the Contractor or to a location designated by the Contractor.

If rectification can take place by replacing or repairing a defective part, and the disassembly and installation of the part can be carried out without specialist expertise, the Contractor may request that the defective part is sent to the party in question or to a location designated by the Contractor for repair or replacement. In such an event, the Contractor's obligation related to the defect will be fulfilled when the Contractor delivers a repaired part or a replacement part to the Buyer that satisfies the requirements in the Contract.

Any transport and freight in connection with the repair of defects to and from the location where the Contract Object is to be used pursuant to the Contract, shall take place at the Contractor's expense and risk. The Buyer shall follow the Contractor's instructions regarding the method of freight.

The Buyer shall enable the Contractor to rectify the defect and shall, at its own expense, ensure that the Contractor has access to the Contract Object. To the extent necessary for the Contractor to be able to remedy the defect, the Buyer shall also intervene in other equipment and property than the Contract Object.

In the event of a dispute as to whether there is a defect pursuant to this provision, the provisions relating to Disputed Variation Orders in Art. 12 to 16 apply accordingly, including the provisions relating to the Buyer's right of instruction in Art. 16.1.

25.3 Failure to rectify on the part of the Contractor

If the Contractor cannot rectify a defect or damage to the Contract Object caused by a defect within a reasonable time after being notified of it, then the Buyer may provide the Contractor with one final, reasonable deadline for rectification that cannot be less than 7 Days. If the obligations are not fulfilled by such deadline, the Buyer may, at its own discretion, choose:

- a) to rectify the defect itself or to engage a Third Party to do so and demand that the Contractor pay the necessary costs associated with the rectification, provided that the Buyer acts in a reasonable manner; or
- b) claim a proportionate reduction in the Contract Price equivalent to the reduction in the value of the Contract Object caused by the defect, and which, as a minimum, constitutes the savings made by the Contractor as a result of the Delivery not being in accordance with the Contract.

In both cases, the Contractor's liability pursuant to the first paragraph is limited to 15 % of the original Contract Price.

If the defect entails an immediate risk of the Buyer suffering a loss, the Buyer may remedy the defect itself or allow a Third Party to do so at the Contractor's expense. In such an event, the Contractor's liability is limited to the necessary costs that the

Contractor would have incurred if the Contractor itself had rectified the defect in accordance with the Contract.

25.4 Compensation for expenses associated with the rectification

In addition, the Buyer may claim damages for expenses incurred in providing access to the defect, expenses incurred in ascertaining the defect, and related expenses directly connected to the defect, unless the contrary follows from Art. 25.5, 26.3 and 32.

If the rectification work is performed by parties other than the Contractor or if the rectification work is left undone, all in accordance with Art. 25.3 first and second paragraph, the Contractor is not liable for the rectification work, or for rectification not performed, and the consequences thereof.

25.5 Limitations of Liability

The Contractor's liability for rectification work after delivery has taken place in accordance with Art. 19.1 and 19.2, as well as for damages under Art. 25.4, shall under no circumstances include costs relating to:

- a) dismantling of other objects than the Contract Object to provide access to the Contract Object; or
- b) where the Contract Object is located offshore: board and lodging offshore, transport of personnel or equipment to and from land, offshore lifting operations with maritime vessels or extra costs associated with work performed below the water line.

25.6 The Buyer's sole remedies against the Contractor's defects

The Buyer is entitled to terminate the Contract in accordance with the provisions of Art. 26 due to defects. The remedies set forth in Art. 25 and 26 are the sole remedies available to the Buyer against the Contractor for defects.

26. TERMINATION DUE TO CONTRACTOR'S BREACH OF CONTRACT

26.1 The Buyer's right of termination

The Buyer is entitled to terminate the Contract with immediate effect by notifying the Contractor if:

- a) the Buyer has become entitled to be paid maximum liquidated damages in accordance with Art. 24.2 and the Contractor, after receiving written notice from the Buyer to complete and deliver the Contract Object by a final, reasonable deadline that cannot be less than 30 Days, has still not completed and delivered the Contract Object; or

- b) it is evident that delivery of the Contract Object will be subject to such a delay that the Buyer's purpose for acquiring the Contract Object will be significantly impaired; or
- c) the Contractor is in substantial breach of the Contract and the Contractor has not rectified the matter after receiving written notice from the Buyer to rectify the matter within a reasonable deadline, or
- d) the Contractor becomes insolvent or suspends its payments; or
- e) there is a right of termination pursuant to the provision in Art. 10.5.

26.2 Consequences of termination

Upon termination of the Contract, the Buyer is entitled to take over the incomplete Delivery from the Contractor, including Materials, Buyer Materials, Sub-supplies, documents and other rights necessary to enable the Buyer to complete the Delivery, either by itself or with the assistance of others. The Buyer shall issue a Confirmation of Mechanical Completion and a Completion Certificate in accordance with Art. 24.3.

The Buyer is entitled, at Buyer's cost, either by itself or with the assistance of any Third Party, to use the Contractor's Construction Site(s), equipment, tools, drawings, etc. as necessary to complete the Delivery. This only applies when such use is of a limited duration, and provided further that business secrets, know-how and other information which the Buyer or such Third Party acquire shall be used only for completion of the Delivery.

The Contractor is entitled to be paid for the part of the Delivery performed and which is taken over in accordance with Art. 26.2 first paragraph, less any amounts due from the Contractor to the Buyer.

26.3 The Buyer's other claims in the event of termination

When the Contract is terminated, the Buyer shall also be entitled to present the following claims:

- a) Damages for delay in the form of liquidated damages, calculated on the basis of the number of Days by which the Delivery Date would have been exceeded if the Contractor had completed the Contract Object. The limitation in Art. 24.2 second paragraph shall apply accordingly.
- b) Damages for defects, subject to the limitations of Art. 25.
- c) Damages or indemnification for breach of contract pursuant to the Contract's other provisions.
- d) Damages for the additional costs incurred by the Buyer as a result of the termination and to complete the Delivery.

27. THE BUYER'S BREACH OF CONTRACT

27.1 The Buyer's breach of anything other than the obligation to pay

If the Buyer is late in providing deliverables, in making decisions or in performing other of its obligations under the Contract, then the Contractor shall be entitled to an adjustment of the Contract Schedule and/or Contract Price in accordance with the provisions of Art. 12 to 16. Such adjustment shall reflect the consequences of the delay caused to the Contractor by the Buyer's delay.

The Contractor has a corresponding right to adjustment of the Contract Schedule and an increase in the Contract Price with respect to delays and increased costs caused by defective fulfilment of the Buyer's obligations under the Contract. Nevertheless, such adjustment shall not be made to the extent that such delay or increased costs are due to the Contractor's non-fulfilment of its obligations under Art. 6.

27.2 Variation Order in the event of breach of contract on the part of the Buyer

The Buyer shall issue a Variation Order in accordance with the provisions of Art. 12 to 16 in respect of adjustments to the Contract Schedule and/or increase in the Contract Price resulting from the Buyer's breach of contract. The Contractor loses its right to make a Variation Order Request if the Contractor has not done so within 21 Days after discovery of the breach of contract.

27.3 Delayed payment on the part of the Buyer

If the Buyer is late in making payments in accordance with Art. 20, then Art. 20.4 applies.

27.4 The Contractor's right to terminate

The Contractor has the right to terminate the Contract with immediate effect by notice to the Buyer if:

- a) the Buyer has not paid any overdue and undisputed parts of the Contract Price or other amounts the Contractor is entitled to under the Contract within 75 Days of the due date, and, after written notice from the Contractor to pay within a final, reasonable deadline, which cannot be less than 7 Business Days, still has not paid the overdue amount or provided a satisfactory settlement guarantee from a bank or an insurance company for the same amount; or
- b) there is substantial breach of contract on the part of the Buyer and, after having received written notice from the Contractor to rectify the matter by a reasonable deadline, the Buyer has not rectified the matter; or
- c) the Buyer becomes insolvent or suspends its payments; or
- d) there is a right of termination pursuant to the provision in Art. 10.5.

In the event of such termination, the provisions of Art. 17 apply accordingly. In addition, the Contractor is entitled to the same indemnification or interest on delayed payment as the Contractor is otherwise entitled to pursuant to the Contract.

28. EFFECTS OF FORCE MAJEURE

28.1 Main rule for the consequences of Force Majeure

Neither of the parties shall be considered in breach of an obligation under the Contract to the extent the party in question can establish that fulfilment of the obligation has been prevented or has been made unreasonably burdensome by Force Majeure.

28.2 Notice of Force Majeure

The party invoking Force Majeure shall, as soon as possible, notify the other party of the Force Majeure situation.

28.3 Costs and delay as a result of Force Majeure

Except as set out below and in Art. 28.4, each party shall cover its own costs caused by a Force Majeure situation.

If the Buyer invokes Force Majeure, Art. 18.1 and Art. 18.2 shall apply accordingly.

Within 21 Days after the Force Majeure situation has ceased, the Contractor shall present its claim, if any, for adjustment of penalty milestones stated in the Contract Schedule in accordance with the provisions of Art. 12 to 16. Any adjustments to the milestones shall be made with due regard to the delay caused to the Contractor by the Force Majeure situation.

28.4 The parties' right to cancel in the event of continued Force Majeure

If a Force Majeure situation continues, without interruption, to prevent or make it unreasonably burdensome to fulfil the Contract or significant parts thereof for 180 Days or more, or it is evident that it will do so, and the situation also makes it unreasonably burdensome for a party to fulfil its other obligations under the Contract, then each party shall have the right to cancel the Contract by notice to the other party. The provisions of Art. 17.2, 17.4, 17.5 and 17.6 apply accordingly.

28.5 Incomplete delivery due to Force Majeure

If the Delivery Date that would have applied in the absence of Force majeure is reached and Force Majeure still continues, the Buyer is entitled to demand delivery of the Contract Object. In such case, the Buyer shall issue a Confirmation of Mechanical Completion and a Completion Certificate as specified in Art. 24.3. In addition, the Buyer shall issue a Variation Order in accordance with Art. 12 to 16.

29. LOSS OF OR DAMAGE TO THE DELIVERY OR BUYER MATERIALS

29.1 The Contractor's duty to rectify

In the event of loss of or damage to the Contract Object between the start of the Work until delivery has taken place in accordance with Art. 19, the Contractor shall carry out necessary measures to ensure that the Work is completed in accordance with the Contract. The same applies if any loss of or damage to Materials or Buyer Materials occurs while they are under the Contractor Group's safekeeping and control.

If any loss or damage to other parts of the Delivery than the Contract Object occurs between the start of the Work until such documentation has been physically delivered to the Buyer, then the Contractor shall carry out the necessary measures to ensure that the Work is completed in accordance with the Contract.

The Contractor's obligation to carry out measures stated herein applies regardless of whether negligence in any form has been shown by the Buyer Group.

29.2 Costs associated with the Contractor's rectification

The costs of carrying out such measures as are stated in Art. 29.1 shall be borne by the Contractor unless the damage is a result of circumstances that the Buyer Group is liable for pursuant to applicable general rules of tort law, or the damage is due to war, nuclear damage or terror.

30. DISTRIBUTION OF LIABILITY IN THE EVENT OF DAMAGE. INDEMNIFICATION

30.1 The Contractor's indemnification of the Buyer Group

The Contractor shall indemnify the Buyer Group from and against any claim concerning

- a) personal injury to or loss of life of any employee of the Contractor Group, and
- b) loss of or damage to any property of the Contractor Group, and which might arise in connection with the Work or be caused by the Delivery in its lifetime This applies regardless of any form of liability, whether strict or by negligence, in whether form, on the part of the Buyer Group.

The Contractor shall, as far as practicable, ensure that other companies in the Contractor Group waive their right to make any claim against the Buyer Group when such claims are covered by the Contractor's obligation under the provisions of this Art. 30.1.

30.2 The Buyer's indemnification of the Contractor Group

The Buyer shall indemnify the Contractor Group from and against any claim concerning

- a) personal injury or loss of life of any employee of the Buyer Group, and
- b) loss of or damage to any property of the Buyer Group, with the exceptions set out in Art. 25.2, 29, 30.3 and 30.4,

and which might arise in connection with the Work or be caused by the Delivery in their lifetime. This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of the Contractor Group.

The Buyer shall, as far as practicable, ensure that other companies in the Buyer Group waive their right to make any claim against the Contractor Group when such claims are covered by the Buyer's obligation pursuant to the provisions of this Art. 30.2.

30.3 Loss or damage caused to the Buyer's biomass and Third Parties

The Contractor shall indemnify the Buyer Group from claims relating to loss of or damage to the Buyer's biomass and refined products manufactured by the Buyer, which are due to circumstances that can be traced back to a defect in the Delivery for which the Contractor is liable under the Contract. The Contractor shall correspondingly indemnify the Buyer Group for claims relating to personal injury and property damage suffered by parties other than the Contractor Group and the Buyer Group in connection with the Work or caused by the Delivery during its lifetime. The Contractor's liability pursuant to this first paragraph shall, however, only apply to the extent that the loss or damage is due to negligence on the part of the Contractor Group and the Contractor Group is liable for damages for this in accordance with general rules of tort law.

The Contractor's liability for indemnifying the Buyer Group for claims in accordance with the first paragraph and which is related to loss or damage incurred after delivery, is limited to the liability and amounts covered under the Contractor's corporate and product liability insurance in accordance with Art. 31.2, second paragraph, litra c). In addition, the Contractor shall pay the deductible under the insurance. If the Contractor has breached its obligation to take out or maintain such insurance, the Contractor will still be liable as if the insurance had been taken out or maintained.

The Buyer shall indemnify the Contractor Group for such liability as referred to in the first paragraph when this exceeds the Contractor's liability under the first paragraph or the Contractor's limitation of liability in the second paragraph, unless the loss or damage is due to gross negligence or intent on the part of the Contractor Group.

30.4 Liability for pollution or other environmental damage caused by the Work or the Delivery

The distribution of liability between the Contractor and the Buyer, and the mutual indemnification specified in Art. 30.3 for any loss or damage suffered by all parties other than the Contractor Group and the Buyer Group shall apply accordingly to claims from governmental authorities relating to pollution or environmental damage, including requirements for clean-up and requirements related to the escape of fish.

The Contractor's limitation of liability pursuant to Art. 30.3, second paragraph, applies collectively for liability pursuant to Art. 30.3 and liability pursuant to this provision.

30.5 Liability for infringement of patent rights, etc.

The Contractor shall, irrespective of the provision in Art. 30.3, indemnify the Buyer Group from claims resulting from infringement of patent or other industrial property rights in connection with the Work or the Buyer's use of the Delivery. However, this does not apply where such an infringement is due to:

- a) use of the Buyer's Documents, Buyer Materials, Third Party process licenses nominated by the Buyer, or Instructed Sub-supplies; or
- b) the Buyer's use of the Delivery for a purpose other than what is reasonably stated in the Contract, or the Buyer's use of the Delivery together with equipment or software that is not part of the Delivery, or
- c) compliance with an instruction from the Buyer or that the Buyer has made changes in the Delivery after delivery has taken place in accordance with Art. 19.

In such cases as those referred to in the first paragraph, litra a), b) and c), the Buyer shall correspondingly indemnify the Contractor Group.

If infringements of patent or other industrial property rights that the Contractor is to indemnify the Buyer from are discovered, then the Contractor shall, for its own account and without undue delay, provide the necessary licence rights to enable the Buyer to use the Delivery for the purpose for which it was intended. If the Contractor does not provide such licence rights at the latest 30 Days after the Contractor was notified of such infringements, the Contractor shall, without undue delay and for its own account, make the necessary modifications of the Delivery to ensure that the Buyer's continued use is not in contravention of the rights of a Third Party.

The Contractor's liability pursuant to paragraph one to three above shall be limited to infringements in the country in which the Delivery, in accordance with the Contract, are to be used, and in the countries in which the Construction Sites are located.

30.6 Notice in the event of claim for indemnification

A party shall promptly notify the other party if it receives a claim that the other party is obliged to indemnify. Whenever possible, the other party shall take over the handling of the claim.

The parties shall give each other information and other assistance needed for handling the claim. A party shall not, without the other party's consent, accept claims that the other party shall cover in whole or in part.

31. INSURANCES

31.1 The Buyer's insurances

The Buyer shall provide and maintain the insurances described below and in Appendix G:

- a) Corporate and product liability insurance which shall cover the Buyer's liability for injury or damage to Third Party personnel and property in accordance with Article 30.3, with an insurance sum per claim and collectively per year sufficient to adequately cover the risk the Buyer has in connection with the project, and
- b) occupational injury insurance in accordance with applicable legislation that shall cover loss in connection with illness, personal injury or accidental death at the Buyer Group.

The insurance policy for coverage listed in the first paragraph, litra a) shall state that the Buyer Group and Contractor Group are co-insured. All of the Buyer's insurers shall waive any right of recourse against the Contractor Group in accordance with the Buyer's liability under the Contract.

31.2 The Contractor's insurances

The Contractor shall provide and maintain all necessary insurances, including, but not limited to, insurances as mentioned in the second paragraph.

The Contractor shall, as a minimum, take out and maintain the following insurances described below and in Appendix G:

- a) Transport insurance that covers the risk of physical damage to and loss of the Delivery, Materials and Buyer Materials during transport, including loading, unloading and temporary storage, until delivery has taken place in accordance with Art. 19.
- b) Property damage insurance (All Risk) that covers the Delivery, Materials, Buyer Materials, the Contractor's Construction Sites, and assets and production equipment used to perform the Work against all sudden and unforeseen physical damage. The insurance shall have coverage for operational disruptions that are a consequence of physical damage to the Contractor's Construction Sites, assets and production equipment.
- c) Corporate and product liability insurance that shall cover the Contractor's liability for injury or damage to Third Party personnel and property in accordance with Art. 30.3, with a sum insured of at least the amount specified in Appendix G, or 50 G ("G" is the Norwegian National Insurance base amount) when no amount is stated in Appendix G, per claim and collectively per year.

The insurance shall cover liability related to sudden and unforeseen pollution or other environmental damage for which the Contractor is liable in accordance with Art. 30.4.

- d) Occupational injury insurance in accordance with applicable legislation that shall cover loss in connection with illness, personal injury or accidental death at the Contractor.

Such insurance cover shall be effective no later than on the date the Work is commenced and, unless the insured risk expires earlier, shall not expire until the later of the end of the Guarantee Period in accordance with Art. 23 and the Contractor's completion of all potential guarantee works. For insurance referred to in the second paragraph, litra b), the insurance obligation will nevertheless cease when the Delivery has been delivered in accordance with Art. 19.

The insurance policies referred to in the second paragraph, litra a), b) and c) shall specify that the Buyer Group is co-insured. All of the Contractor's insurers shall waive any rights of recourse against the Buyer Group in accordance with the Contractor's liability under the Contract.

The insurance policy referred to in the second paragraph, litra b), shall contain a provision that the insurance company cannot invoke such circumstances referred to in Chapter 4 or Section 8-1 of Act no. 69 of 16 June 1989 relating to Insurance Contracts (the Insurance Contracts Act). The insurance policy shall not contain provisions that grant the Buyer fewer or inferior rights as co-insured than the ordinary rules concerning such rights pursuant to the Insurance Contracts Act or Norwegian insurance law in general. This applies even if these rules could otherwise be waived by agreement.

For the insurance policy referred to in the second paragraph, litra b), the Contractor may not, with binding effect for the Buyer, negotiate with the insurance company on the insurance settlement or payment of compensation to the policyholder. However, the Buyer cannot oppose that the whole or parts of the compensation is paid to the Contractor when the damage has been fully rectified, or adequate security has been provided to ensure that the compensation will be used to fully rectify the damage. Neither can the Buyer object to the amount of compensation for damage being deposited with a bank, when this is jointly administered by the policyholder and the Buyer. The Contractor shall notify the Buyer in appropriate time before the insurance is cancelled or lapses for any other reason.

31.3 The parties' duty to report on insurances. Intervened take-out of insurance

Each party shall, at the request of the other party, produce certified copies of insurance policies or insurance certificates with the necessary information, including the expiry date, relating to all insurances which it is obligated to provide and maintain in accordance with Art. 31.1 and Art. 31.2.

If one of the parties fails to provide insurance according to its obligations of this Art. 31, then the other party is entitled to procure and provide such insurance and claim refund from the party that has breached its insurance obligation.

31.4 Duty to report an insurance event

When any incident occurs for which a party will claim cover under the other party's insurances, then the party claiming such cover shall notify the other party without undue delay, enclosing a description of the incident that gives rise to the insurance claim. A Party shall at its own cost provide reasonable assistance to the other Party in handling such claims.

31.5 Liability for deductibles under the insurance

Deductibles are charged to the party that is liable for or carries the risk of the claim pursuant to Art. 29 or 30, and shall be limited to the amounts stated in Appendix G.

32. LIMITATION AND EXCLUSION OF LIABILITY

32.1 The parties' liability for indirect loss

The Buyer shall indemnify the Contractor Group from the Buyer Group's own indirect losses, and the Contractor shall indemnify the Buyer Group from the Contractor Group's own indirect losses. Except as stated in Art. 17.3, 24.2, 30.3 and 30.4, and notwithstanding any other provisions of the Contract, this applies regardless of any liability, whether strict or by negligence, in whatever form, on the part of either group.

Indirect losses according to this provision include, but are not limited to, loss of earnings, loss of profit and loss of production.

32.2 Limitation of the Contractor's total liability for breach of contract ("total limitation")

The Contractor's total liability for breach of contract, including liability in accordance with Art. 24, 25 and 26, and regardless of whether the Contract is terminated or not, shall be limited to 25 % of the original Contract Price.

The Contractor's liability pursuant to Art. 29.2 and liability for indemnifying the Buyer Group pursuant to Art. 10.5 or Article 30, is not included in the limitation of liability in the first paragraph.

33. RIGHT OF TITLE TO AND USE OF ENGINEERING MATERIALS, TECHNOLOGY, INVENTIONS AND DATA

33.1 The parties' right of title to own Engineering Materials

The right of title to Engineering Materials and copies thereof, which a party has provided to the other party or which each party brings into or adds to the project

during the course of the project, shall belong to the party that has contributed with these materials.

All such Engineering Materials as stated in the first paragraph may be used without restrictions by the parties in connection with the Work and the Delivery. Unless otherwise agreed, the Contractor shall return all Engineering Materials belonging to the Buyer when the Guarantee Period pursuant to Art. 23 has expired and the Contractor has completed all potential guarantee works.

The Buyer shall have an irrevocable, royalty-free, non-exclusive right of use to the Contractor's Engineering Materials referred to in the first paragraph to the extent this is necessary in connection with the operation, repair, modification, extension, rebuilding and maintenance of the Contract Object.

33.2 The parties' right of title to and use of new technology, new inventions and new information developed and acquired in connection with the project cooperation

Technology and inventions developed in the project by the Contractor, or that are a result of the parties' joint cooperation and Engineering Materials as mentioned in Art. 33.1, shall be the property of the Contractor. The same applies to data and other information collected during test runs of the system and similar proceedings prior to delivery.

The Buyer shall provide the Contractor with reasonable assistance necessary for the Contractor to apply for a patent for any inventions that may be produced during the project. The Contractor shall pay the Buyer for all reasonable costs in connection with such assistance, including compensation to the Buyer's employees or others, in accordance with applicable law or general agreements concerning compensation for inventions.

The Buyer shall have an irrevocable, royalty-free, non-exclusive right to use such technology or inventions mentioned in the first paragraph, to the extent this is necessary in connection with the use, operation, repair, modification, extension, rebuilding and maintenance of the Contract Object. This right of use may be transferred to a Third Party together with the Contract Object. The Buyer shall also have a royalty-free, non-exclusive right to use, modify and further develop such technology or inventions referred to in the first paragraph for its own use in equivalent new projects. This right to own further use may not be transferred to any Third Parties other than the Buyer's Affiliated Companies and does not grant any right to manufacture or supply products, goods or services based on the Contractor's technology or inventions for or to Third Parties.

The Buyer's right of use under this provision shall also include a corresponding right, on equivalent terms, for the Buyer to allow Third Parties to use such technology or inventions as mentioned in the first paragraph in connection with work for or deliveries to the Buyer.

33.3 Relationship to software developed by a Third Party

If the Contractor uses software developed by a Third Party in the Delivery, the Contractor shall inform the Buyer of this, including as to whether open-source software is used.

The Buyer is obligated to comply with the terms and conditions of the licence agreement between the Contractor and the Third Party that has developed the software in question, provided that a copy of the license agreement, or other clear information of the terms and conditions governing the use of such software was provided to the Buyer prior to entering into the Contract. The Contractor shall, in all cases, ensure that the Buyer has the necessary rights to the underlying software to enable the Buyer to

- a) use, operate, repair, modify, expand, rebuild and maintain the Contract Object; and
- b) otherwise exercise the rights transferred to the Buyer in this Contract.

The Buyer's duty to comply with the licence agreement between the Contractor and the Third Party that has developed the software shall not prevent the Buyer from acquiring right of title to data collected pursuant to Art. 33.4.

33.4 Right of title to and use of data collected during the operational phase

All data that is collected, including data stored, read or otherwise processed in software provided as part of the Contract Object following delivery, shall be the exclusive property of the Buyer. This applies irrespective of whether the data is read, stored in or otherwise processed by technology or software developed by a Third Party.

The Contractor shall have the right to use the data mentioned in the first paragraph to the extent this is necessary in connection with the operation, repair, modification, extension, rebuilding and maintenance of the Contract Object, with the limitations stated in Art. 34. The Contractor shall have the right to grant subcontractors an equivalent right to use data.

34. CONFIDENTIAL INFORMATION

34.1 The parties' duty to ensure confidentiality

All information exchanged between the parties shall be treated as confidential and shall not be disclosed to a Third Party without the other party's written consent, unless such information:

- a) may be disclosed to a Third Party in accordance with Art. 33; or
- b) is already known to the party in question at the time the information was received; or

- c) is or becomes common knowledge in a manner other than due to an error committed by the Buyer Group or the Contractor Group; or
- d) is received from a Third Party in a lawful manner without a duty of confidentiality.

34.2 Transfer of confidential Information

Each of the parties may, however, use or disclose confidential information to a Third Party to the extent necessary for the performance of and control of the Work and use of the Delivery. In such cases, the parties shall ensure that the Third Party signs a written confidentiality agreement in accordance with Art. 34.1.

34.3 Publication of Information

The Contractor shall not publish information concerning the Work or the Contract without the Buyer's written approval. Such approval cannot be denied or withheld without reasonable grounds.

34.4 Necessary use of confidential information

Nevertheless, the provisions of Art. 34 shall not prevent a party from disclosing confidential information to governmental authorities or to a Third Party if this is necessary in accordance with applicable laws, orders from governmental authorities or in accordance with mandatory stock exchange rules to which the parties are subject.

35. ASSIGNMENT OF THE CONTRACT, ETC.

35.1 The Buyer's right to assign the Contract to a Third Party

The Buyer may collectively assign its rights and obligations under the Contract to a Third Party, provided that the Buyer can demonstrate that the assignee has the financial strength required to fulfil the Buyer's obligations under the Contract. At the Contractor's request, the Buyer shall provide a satisfactory guarantee for the Third Party's performance.

In the event of an assignment by the Buyer to a Third Party pursuant to the first paragraph, the Buyer shall ensure that the assignee's practical and administrative ability to carry out the project is not inferior to that of the Buyer. The Buyer shall also ensure that the assignee either familiarises itself with the Contract and the project as such if the assignee itself shall administer the project, or that the Buyer will continue to administer the project on behalf of the assignee. If this is not possible, the Contractor may refuse to consent to the Buyer assigning its contractual position under the Contract to the Third Party proposed by the Buyer.

35.2 The Contractor's right to mortgage or assign the Contract to a Third Party

The Contractor may not assign or mortgage the Contract, a part of the Contract or interest in the Contract to a Third Party, without the Buyer's consent. However, such consent is not required for an assignment or mortgage to a bank or other financial enterprise. Such consent shall not be denied or withheld without reasonable grounds.

36. NOTICES, CLAIMS AND NOTIFICATIONS

36.1 Requirement for notices in writing

All notices, claims and other notifications to be given in accordance with the provisions of the Contract shall be submitted in writing to the relevant party's representative under Art. 3.1, with such address as given in Appendix I or as changed by written notice.

By "written" is meant any communication on paper or the equivalent, including communication using electronic communication aids such as e-mail and other electronic communication services used by the parties in the project. This also includes communication via electronic interaction platforms used by the parties in the project, including cloud-based storage solutions such as digital "document hotels" and the equivalent.

36.2 General rules for deadlines

When a deadline expressed in terms of days is to be calculated from the date an event occurs or an action takes place, the day on which the event occurs or the action takes place shall not be considered part of the deadline.

If a deadline ends on a Saturday or public holiday, it is extended to the next Business Day.

In order for the preclusive effects or other legal effects related to exceeding deadlines for notifications, claims and notices in Art. 16.1, 16.2, 16.5, 18.4, 19.2 and 20.4 to apply, the party that has sent the notice, claim or notification that initiates the deadline must state (a) the deadline that applies for the other party, and (b) the consequence of exceeding this deadline. If the applicable deadline or the consequences of exceeding this deadline is not specified in such notifications, claims and notices, the deadline shall be extended so that it is first calculated from when specific notification was given of the deadline and the consequences of exceeding this deadline.

37. NORWEGIAN LAW AND DISPUTES

37.1 Governing law

The Contract shall be governed by and interpreted in accordance with Norwegian law.

37.2 Disputes

Disputes arising in connection with or as a result of the Contract, and which are not resolved by mutual agreement or through out-of-court mediation, shall be settled by litigation unless the parties agree otherwise. In such an event, the legal action shall be brought before Trøndelag district court.

When the parties agree to attempt to resolve a dispute through out-of-court mediation, such mediation shall, unless otherwise agreed, take place in accordance with the rules on out-of-court mediation in Chapter 7 of Act no. 90 of 17 June 2005 relating to mediation and procedure in civil disputes (The Dispute Act).