

## **GENERAL TERMS AND CONDITIONS FOR GOODS AND SERVICES, NORWAY**

Revised December 2018

### **1 Definitions**

**"Affiliate"** means any entity, including any corporation, limited liability company, partnership, or joint venture, controlled by, under common control with, or controlling the entity in relation to which the term "Affiliate" is used, with "control" being defined as owning, directly or indirectly, fifty percent (50%) or more of the assets or of the outstanding shares having voting rights, or otherwise having the right, by contract or otherwise, to control the operation, management, or policy of an entity.

**"Agreement"** means the contract between the Parties for the supply of Goods and/or Services, which includes these general terms and conditions, any additional terms and conditions in accordance with Article 21.7 hereof, and any amendments pursuant to Article 21.6.

**"Claim"** means any of the following, including any combination thereof: causes of action, claims, assertions, demands, allegations, proceedings, suits, losses, liabilities, fines, penalties, costs, damages, judgments, awards, and expenses, including court costs and attorneys' fees, and sums paid by way of settlement and compromise.

**"Company"** means ConocoPhillips Skandinavia AS or such other entity identified as "Company" in the Agreement, and its successors and assigns.

**"Company Group"** means any or all of: (i) Company and its Affiliates; (ii) Coventurers in relation to the Goods and/ or Services addressed in the Agreement and their Affiliates; (iii) Company's other contractors (other than members of Contractor Group), and their respective Affiliates and their subcontractors of any tier, who are engaged directly or indirectly by Company to perform work or services for the project to which the Goods and/ or Services relate or are performing unrelated work or services at premises of members of Company Group where Goods and/ or Services are being provided; and (iv) the respective agents of any of the entities addressed in (i) through (iii) above; all the foregoing being "members of Company Group".

**"Consequential Loss"** means any or all of the following: (i) loss or deferment of revenue or profit; (ii) loss of use, loss of production, or business interruption, (iii) loss of business opportunity or goodwill; and (iv) to the extent not included in any of the foregoing, any consequential or indirect losses; whether or not any of the foregoing were (a) a natural result of the breach or matter giving rise to such loss or damages; or (b) contemplated by the Parties at the time of execution of the Agreement as a probable result of such a breach or matter.

**"Contractor"** means the entity identified as "Contractor" in the Agreement, and its successors and assigns.

**"Contractor Group"** means any or all of: (i) Contractor and its Affiliates; (ii) its subcontractors of any tier and their Affiliates; and (iii) the respective agents of any of the entities addressed in (i) through (ii) above; all the foregoing being "members of Contractor Group".

**"Coventurer"** means any entity having an interest in a joint venture, consortium, or other joint association with Company (and being a party to the related joint operating agreement, unit operating agreement, joint venture agreement, production sharing agreement, or other agreement governing operations), on behalf of which the Goods and/ or Services are being acquired; and the successors and assigns of such entity.

**"Day"** means a consecutive calendar day.

**"Force Majeure"** means an event or occurrence, or condition resulting therefrom, that: (i) delays or renders impossible the affected Party's performance of its obligations under the Agreement; (ii) is beyond the reasonable control of the affected Party and not due to its Legal Fault; and (iii) was not reasonably foreseeable, or if foreseeable could not have been prevented or avoided by the affected Party through the exercise of due diligence. To the extent that (i) through (iii) above are satisfied, Force Majeure includes, but is not limited to, catastrophic storms or floods, earthquakes, and other acts of God; wars (declared or undeclared); civil disturbances; terrorist attacks; revolts; insurrections; sabotage; national or industry-wide strikes or lock-outs; commercial embargoes; epidemics; fires; explosions; and actions of a governmental authority that were not requested, promoted, caused by, or imposed as a result of actions or failures to act of, the affected Party.

**"Goods"** means the goods as described in the Agreement, including any materials or components thereof; and also including any relevant data, drawings, and documentation pertaining thereto.

“**Indemnify**” means defend, indemnify, release, and hold harmless; and cognate terms such as “**Indemnified**”, “**Indemnifying**”, “**Indemnification**”, “**Indemnity**”, “**Indemnitor**”, and “**Indemnitee**” are to be construed accordingly.

“**Legal Fault**” means sole negligence, joint negligence, concurrent negligence, and gross negligence (whether active or passive in all cases); tort liability; breach of warranty; product liability; or strict liability.

“**Parties**” means both of the entities identified as “Company” and “Contractor” in the Agreement, and “**Party**” means either of them, according to the context.

“**Personal Injury**” means any injury suffered by a natural person, including death, sickness, ill health, disease, mental anguish, and mental distress.

“**Personnel**” in relation to an entity means such entity’s permanent, part-time, special, seconded, contract, and temporary staff; and its officers and directors.

“**Price**” means the price of the Goods and/ or Services set out in the Agreement.

“**Regulations**” means all laws, rules, regulations, statutes, orders, decrees, and by-laws applicable to the Goods and/ or Services, as from time to time amended, modified, or re-enacted; and including all instruments, orders, regulations, permissions, and directions for the time being made, given, or issued thereunder or deriving validity therefrom.

“**Services**” means all elements of the activities to be performed by or on behalf of Contractor under the Agreement, whether or not specifically described therein, including everything that may be reasonably inferred from the Agreement as needing to be done by or on behalf of Contractor in order for Contractor to fulfill all its duties, obligations, and responsibilities under the Agreement.

“**Specifications**” means any plans, drawings, documents, specifications, data, industry standards, or other information relating to the Goods and/ or Services attached to or referred to in the Agreement.

“**Taxes**” means all taxes and governmental and municipal levies of every kind, in any jurisdiction, to which the members of Contractor Group or any of their respective Personnel are subject, including state profit share, royalty, corporate income tax, hydrocarbon tax, NOx duty, value added tax, property tax, import and excise duties, European Union charges, wage and personal income taxes, capital tax, customs duties, retributions, and social security premiums.

## **2 Basis of the Purchase**

- 2.1 Company will acquire and Contractor shall provide the Goods and/ or Services in accordance with the Agreement. The Agreement is not an exclusive contract for provision by Contractor of goods and/ or services similar in nature to those Goods and/ or Services covered by the Agreement.
- 2.2 Company enters into the Agreement on behalf of itself and on behalf of Coventurers. Contractor agrees to look only to Company for the due performance of the Agreement. Contractor shall not commence any proceedings against any Coventurer in relation to the Agreement. Company may enforce the Agreement against Contractor, and in so doing Company is entitled to recover from Contractor on its own behalf and on behalf of any Coventurer.

## **3 General Obligations of Contractor**

- 3.1 Contractor shall perform its obligations under the Agreement to the highest standards of skill, care, expertise, and knowledge as pertain to first class reputable contractors experienced in performance of work of a similar nature. The quantity, quality, and description of the Goods and/ or Services will be as specified in the Agreement and/ or in the applicable Specifications and to the satisfaction of Company, who may reject any Goods or Services which are not in accordance with the Agreement or the Specifications.
- 3.2 Contractor shall use sound engineering and technical principles that are generally accepted in the offshore oil and gas industry.
- 3.3 Contractor shall provide all materials, equipment, supplies, and suitably skilled and experienced Personnel necessary for the proper and timely provision to Company of the Goods and/ or Services described in the Agreement. Contractor is responsible for training and verifying that the Personnel of members of Contractor Group are properly prepared to perform the Services.
- 3.4 Personnel of members of Contractor Group traveling offshore are to (i) hold current medical/

survival certificates that are to be provided to Company upon request; and (ii) be adequately trained in offshore safety and survival, in accordance with Regulations, Company's HSE policy, and industry guidelines and norms.

- 3.5 Contractor shall use or furnish materials, equipment, and supplies that are fit and new (unless otherwise agreed in writing).
- 3.6 All Goods and Services are to be of satisfactory quality and fit for their intended purpose.
- 3.7 Contractor shall deliver the Goods and complete the Services within the time specified in the Agreement, or within a reasonable time if no time is specified. It is an essential condition of the Agreement that Contractor strictly complies with all time-requirements set out or referred to in the Agreement in performing its obligations.
- 3.8 Contractor shall comply, and shall ensure that its Personnel and the other members of Contractor Group and their respective Personnel comply, with Regulations, policies, and guidelines set forth by relevant authorities, and all applicable exhibits, policies, and guidelines set forth by Company, as amended from time to time, including those relating to matters of health, safety, and the environment (including support of Company's zero accident/ incident HSE culture), corporate ethics, substance abuse, and offshore requirements. Contractor confirms, by entering into the Agreement and commencing the work, that it has been given a copy of or access to Company's policies and guidelines which are applicable to the performance of the Agreement. Company policies and guidelines can be found on Company's website: [www.conocophillips.no](http://www.conocophillips.no).
- 3.9 Contractor shall review the Specifications and other information that Company supplies, and is responsible for, as soon as possible, identifying and obtaining clarification of any discrepancies or errors in, or omissions from, the Specifications or other information. Contractor is liable for all costs arising from its failure to timely obtain such clarification.
- 3.10 Contractor shall keep Goods free of any liens or other encumbrances in favor of the members of Contractor Group or any other person or entity acting through or under any of them. Contractor shall Indemnify the members of Company Group from and against any and all Claims arising out of such liens or encumbrances in relation to the Agreement.

#### **4 Taxes**

- 4.1 Contractor is responsible and liable for all proper and timely reporting, filing, and payments with regard to any and all Taxes. Except for those Taxes addressed in Article 4.5, Contractor is deemed to have taken full account in the rates, prices, and mark-ups in the Agreement of all Taxes, including withholding Taxes, for which Contractor is liable under this Article 4. Company has no responsibility to reimburse Contractor separately for any such Taxes, nor for any subsequent changes to such Taxes.
- 4.2 Contractor shall Indemnify Company and Company's Affiliates and Coventurers from and against any and all Claims for payment of Taxes made directly or indirectly against Company or Company's Affiliates or Coventurers or against any of the members of Contractor Group by any taxing governmental authorities claiming jurisdiction over (i) any of the members of Contractor Group or any of their respective Personnel; or (ii) the Agreement.
- 4.3 Company has the right to withhold from sums otherwise due to Contractor, if it is directed by a governmental authority to do so, any Taxes or other amounts required by Regulations to be withheld, and Company will pay the same when due to the appropriate taxing governmental authorities. Company will use reasonable efforts to secure and provide Contractor with available governmental authority receipts evidencing payment of Taxes so withheld. Should Contractor claim exemption from such withholding, Contractor shall provide Company with all evidence from the applicable governmental authority as may be required by Regulations and Company to substantiate that Company is not required to withhold the applicable amounts from payments to Contractor. Contractor is solely liable for all Taxes or other amounts withheld pursuant to this Article 4.3, and Company has no obligation to reimburse Contractor for any such Taxes or other amounts withheld.
- 4.4 Contractor shall comply with the Norwegian Tax Assessment Act of May 27, 2016 (in Norwegian: "Skatteforvaltningsloven"), with appurtenant regulations passed by the Ministry of Finance, concerning the duty to report companies or self-employed persons resident abroad who are given assignments in Norway or on the Norwegian continental shelf (Regulation no.1360, 23 November 2016, as amended).

- 4.5 Subject to Article 4.6, invoiced amounts due by Company to Contractor will be subject to such value added, sales and use, goods and services, excise, and other similar taxes that Contractor is obligated by Regulations and duly authorized by applicable governmental authorities to charge. Contractor shall separately identify and clearly describe any such taxes on its applicable invoices, and Company will pay such amounts to Contractor in addition to the remuneration set out in the Agreement. Contractor shall make all reasonable efforts to minimize its liability to pay and to recover from Company any value added or other aforementioned taxes which may be assessed on payments under the Agreement. Contractor shall cooperate fully with Company in any reasonable and lawful effort by Company to reduce or eliminate any such valued added or other aforementioned taxes for which Company may be liable in relation to the Agreement.
- 4.6 Contractor shall not charge to Company, nor seek reimbursement from Company of, any value added, sales and use, goods and services, excise, or any similar taxes charged directly or indirectly to Contractor by any subcontractor, and no such taxes will be subject to remuneration by Company. Applicable Taxes with respect to all goods, services, and other items used by members of Contractor Group in, or incidental to, provision of the Goods or performance of the Services (i) are to be paid by Contractor either to the pertinent subcontractors or directly to the appropriate taxing governmental authorities; and (ii) are neither to be charged to nor subject to reimbursement by Company.

## **5 Inspection and Testing of Goods and Services**

- 5.1 Company may inspect and test the Goods and Services at all reasonable times during manufacture, processing, storage, or otherwise, and Contractor shall provide Company with all facilities and assistance reasonably required for such inspection and testing. Notwithstanding any such inspection and testing, Contractor remains fully responsible for the Goods and Services and such inspection or testing does not diminish or affect Company's rights pursuant to the Agreement. Company will inform Contractor in writing if Company determines that the Goods or Services do not conform to the Agreement.
- 5.2 If Company is not satisfied that the Goods and Services will conform in all respects to the Agreement, Contractor shall forthwith take all steps as are necessary to ensure conformance, including those directed by Company, without prejudice to any other rights of Company.
- 5.3 Failure of Company to inspect, test, or bring to the attention of Contractor any defect or non-conformance of the Goods or Services does not in any way relieve Contractor of its obligations under the Agreement.

## **1 Delivery of Goods**

- 1.1 Contractor shall deliver Goods and any Contractor Group equipment to the address shown in the Agreement on the date or within the period stated in the Agreement, during the usual business hours of Company. A packing note quoting the number of the Agreement, and a description of the items included, must accompany each delivery.
- 1.2 Delivery is to be in accordance with the instructions of Company. Contractor is responsible for providing suitable protection and packing for Goods and Contractor Group equipment to ensure their safe arrival at the delivery address (and the offshore location, as applicable) in an undamaged condition. Company is not obliged to return to Contractor any packaging or packing materials.
- 1.3 To the extent that any Goods or Contractor Group equipment contain toxic, corrosive, or other materials hazardous to health or property, a prominently displayed notice to that effect and a safety data sheet must accompany each delivery of Goods and Contractor Group equipment. Such Goods must be approved for use in Company's chemical management system prior to delivery to Company's onshore base for shipment offshore. At Company's request Contractor shall register an application for use of such Goods in Company's electronic application system <https://pcms.proactima.com/Login.aspx?ReturnUrl=%2fEnviRisk%2fdefault.aspx>, at least fourteen (14) Days prior to the scheduled shipping date. Contractor shall evaluate and recommend for Company approval the alternatives with the lowest inherent health and environmental hazards prior to submitting such application.
- 1.4 Title and interest in the Goods, and materials and equipment intended for incorporation into the Goods, will pass from Contractor to Company upon the earlier of (i) their proper delivery to Company; or (ii) as they are paid for by Company; or (iii) start of their manufacture or preparation; or (iv) their receipt by Contractor. Contractor shall clearly mark the Goods, and materials and

equipment intended for incorporation into the Goods, as soon as possible, as the property of Company with Company's name and address, and separate same from Contractor's other stock. If Company rejects the Goods pursuant to Article 3.1, Contractor shall reimburse Company for any amounts that Company may have paid for such rejected Goods, and title to and risk in the rejected Goods will immediately revert to Contractor.

- 1.5 Unless the Parties specifically agree otherwise in writing, risk of loss of or damage to the Goods will pass from Contractor to Company upon acceptance of the Goods by Company at the agreed delivery address. In no event will Company be deemed to have accepted any Goods until Company has had a reasonable time to inspect them following delivery, and acceptance will always be conditional upon no latent defect or nonconformity in the Goods having become apparent to Company.

## **2 Price**

- 2.1 The Price is as stated in the Agreement and, unless stated otherwise, is exclusive of any applicable Value Added Tax (if VAT is not recoverable, VAT will be payable by Company subject to receipt of a VAT invoice). Unless the Parties specifically agree otherwise in writing, the Price is (i) inclusive of any charges for packaging, packing, shipping, carriage, insurance, and delivery to the delivery address of Company stated in the Agreement, and any taxes, duties, imposts, or levies other than Value Added Tax; and (ii) constitute full and final remuneration due to Contractor for all Contractor's costs, expenses, overheads, and profit related to supply of the Goods, performance of the Services, and compliance with the Agreement.
- 2.2 Unless otherwise agreed in writing, and subject to Articles 16 and 21.6, the Price is fixed and firm throughout the term of the Agreement, and no increase in the Price for any reason (including increased material, labour, or transport costs; fluctuation in rates of exchange; or otherwise) or other variation may be made to the Agreement.

## **3 Terms of Payment**

- 3.1 Unless the Parties specifically agree otherwise in writing, Contractor may invoice Company for the Price on or at any time after the delivery of the Goods and acceptance thereof by Company; or satisfactory completion of the Services and acceptance thereof by Company; as the case may be. Each such invoice is to be submitted to the address specified for such purpose in the Agreement and is to quote the number of the Agreement and include supporting documentation. Contractor shall show cash discount terms on all invoices. Terms of payment and discount will be computed from the date a correct and duly substantiated invoice is received at Company's office.
- 3.2 Payment of such sums as are properly invoiced in accordance with this Article 8 will be made in full thirty (30) Days after receipt by Company of a correct invoice and will constitute full and final payment to Contractor and be Contractor's sole basis for remuneration for performance of the Services and/ or supply of the Goods. Invoicing and payment are to be in the currency identified in the Agreement. No invoice received by Company more than ninety (90) Days, or any longer period when mandatory Regulations so require, after completion of the delivery of the relevant Goods or completion of the relevant Services will be eligible for payment unless Company at its sole discretion decides otherwise.
- 3.3 If Company disputes any invoice in whole or in part, Company will promptly notify Contractor in writing of the dispute and request a credit note or a new invoice to allow payment of the undisputed portion. Company and Contractor are to endeavor to settle and adjust any disputed amount forthwith. Company may also set off against the Price any sums owed to Company by Contractor, whether under the Agreement or otherwise.
- 3.4 Any payment made by Company does not constitute a waiver by Company of any breach by Contractor of any of Contractor's obligations to Company under the Agreement or prejudice the rights of Company to question or dispute any portion of any invoice. Any payment withheld by Company will be without prejudice to any other rights or remedies of Company under contract or pursuant to Regulations.

## **4 Warranties**

- 4.1 Contractor undertakes and warrants and guarantees to Company that:
  - a. it shall perform its obligations under the Agreement to the high standards of skill, care,

- expertise, and knowledge as pertain to first class reputable contractors experienced in performance of work of a similar nature;
- b. it shall use sound engineering and technical principles that are generally accepted in the industry;
  - c. all Goods and Services will conform in all respects to the Agreement, the Specifications, and Regulations;
  - d. it shall use or furnish materials, equipment, and supplies that are fit and new (unless otherwise agreed in writing); and
  - e. all Goods and Services are to be of satisfactory quality and be fit for their intended purpose and free from defects and nonconformities in engineering, design, material, equipment, and workmanship.
- 4.2 Without prejudice to any other remedy of Company under contract or pursuant to Regulations, if it is discovered, after delivery of the Goods and acceptance thereof by Company or satisfactory completion of the Services and acceptance thereof by Company, that any Goods or Services are defective or otherwise not supplied in conformance with the Agreement, including the undertakings, warranties, and guarantees set out in Article 9.1, Company has the right, at its option: (i) to require Contractor to replace or repair the Goods or to re-perform the Services without delay and at no cost to Company; or (ii) to reduce the Price appropriately, and perhaps fully, if replacement or repair is not practicable or would not be cost-effective; or (iii), at Contractor's cost, either itself undertake or engage a third party to replace or repair the Goods or re-perform the Services. Company will be obliged to notify Contractor in writing of any defect or nonconformance with the Agreement in respect of the Goods or Services within thirty-six (36) months of the date of delivery of the Goods and acceptance thereof by Company, or satisfactory completion of the Services and acceptance thereof by Company, whichever is applicable. The same time limit is to apply from any replacement, repair, or re-performance, calculated from the date of delivery of the replacement or repaired Goods and acceptance thereof by Company, or satisfactory completion of re-performance of the Services and acceptance thereof by Company.
- 4.3 Contractor shall Indemnify the members of Company Group from and against any and all Claims suffered by any of the members of Company Group as a result of or in connection with breach of any warranty or guarantee given by Contractor under this Article 9 or otherwise in the Agreement, and against any Claims arising from failure of members of Contractor Group or their respective Personnel to comply with any Regulations.

## **5 Risk Structure**

- 5.1 Contractor shall Indemnify the members of Company Group from and against any and all Claims with respect to (i) Personal Injury of any Personnel of any of the members of Contractor Group; (ii) loss or destruction of or damage to property of any of the members of Contractor Group or of their respective Personnel; (iii) loss or destruction of or damage to Goods until risk therein has passed to Company in accordance with Article 6.5; and (iv) loss or destruction of or damage to any other property of Company or of Company's Affiliates or of Coventurers (a) whilst such property is in the care, custody, or control of members of Contractor Group or their respective Personnel; or (b) resulting from or arising out of the Legal Fault of any of the members of Contractor Group or their respective Personnel. Provided, however, that Contractor's maximum liability for such loss, destruction, or damage addressed in (iv) above is not to exceed One Million United States Dollars (US\$ 1,000,000) per occurrence; and subject to Contractor fulfilling such Indemnification obligation, Company shall Indemnify the members of Contractor Group from and against Claims in respect of such loss, destruction, or damage to the extent they exceed One Million United States Dollars (US\$ 1,000,000) per occurrence.
- 5.2 Company shall Indemnify the members of Contractor Group from and against any and all Claims with respect to (i) Personal Injury of the Personnel of any of the members of Company Group and (ii) loss or destruction of or damage to property of any of the members of Company Group or of their respective Personnel, other than as provided in Article 10.1(iv).
- 5.3 Articles 10.1 and 10.2 apply to any Personal Injury, loss, destruction, or damage which arises out of or in connection with the performance of the Agreement, without regard to the cause thereof, and irrespective of (i) whether caused by breach of duty (statutory or otherwise) or the negligence of the Indemnified Party or of any of the members of its group, whether Contractor Group or Company Group, or of their respective Personnel, and whether such negligence be sole, joint, or

concurrent, active or passive; and (ii) whether the basis for any Claim is in tort, under contract, or otherwise pursuant to Regulations.

- 5.4 Under no circumstances whatsoever, whether by reason of any negligence, breach of duty (statutory or otherwise), or strict liability, are any of the members of Company Group to be liable to any of the members of Contractor Group for Consequential Loss suffered by any of the members of Contractor Group resulting from or arising out of the performance of the Agreement. Contractor shall Indemnify the members of Company Group from any and all Claims resulting from such Consequential Loss.
- 5.5 Under no circumstances whatsoever, whether by reason of any negligence, breach of duty (statutory or otherwise), or strict liability, are any of the members of Contractor Group to be liable to any of the members of Company Group for Consequential Loss suffered by any of the members of Company Group resulting from or arising out of the performance of the Agreement. Company shall Indemnify the members of Contractor Group from any and all Claims resulting from such Consequential Loss.
- 5.6 The Indemnifications by Company in favor of the members of Contractor Group in the Agreement include Indemnification against Claims made against any of the Personnel of the members of Contractor Group when such persons are acting within the course and scope of their employment or engagement with and on behalf of any of the members of Contractor Group. The Indemnifications by Contractor in favor of the members of Company Group in the Agreement include Indemnification against Claims made against any of the Personnel of the members of Company Group when such persons are acting within the course and scope of their employment or engagement with and on behalf of any of the members of Company Group.

## **6 Insurance**

- 6.1 Contractor shall effect and maintain during the term of the Agreement, at its own cost, all insurances required by Regulations, and general public liability insurance including contractual liability coverage. If offshore work will be performed under the Agreement, Contractor shall also carry and maintain, or cause to be carried and maintained, additional accident insurance for Personnel of members of Contractor Group to cover Contractor's legal and contractual liabilities, including liabilities assumed under the Agreement for Personal Injury to Personnel of members of Contractor Group, in an amount of not less than 40G per person per incident where G is the basic pension in Norwegian Social Security ("Grunnbeløpet i Norsk Folketrygd") at any particular time. The general public liability insurance is to be for not less than Five Million United States Dollars (US\$ 5,000,000) per occurrence. Contractor's insurance is to be written or endorsed such that the insurers have no right of recovery against any of the members of Company Group or their respective Personnel to the extent of any Indemnities granted by Contractor to members of Company Group under the Agreement. Contractor shall provide evidence of such insurance cover when requested by Company. All insurance required above is to be primary to any insurance coverage available to Company or its Affiliates or Coventurers. The above-stated minimum requirements are not intended to indicate the amounts or types of insurance that Contractor needs or may ultimately need and do not alter or affect Contractor's liability under the Agreement.

## **7 Confidentiality and Developments**

- 7.1 Contractor undertakes, warrants, and guarantees that neither the Goods nor the provision of any Services will infringe, nor will the importation or use or resale of any Goods infringe, the patent, copyright, design right, trademark, or other intellectual property rights of any other person or entity, and Contractor shall Indemnify the members of Company Group from any intellectual property Claim (except to the extent that the Claim arises from compliance with any written Specifications supplied by Company).
- 7.2 Copyright, design rights, or any other intellectual property rights arising out of, or developed by Contractor in connection with, the Goods or Services, or related to the Specifications or data or other information that it receives from Company Group, are to vest exclusively in Company.
- 7.3 Contractor shall, and shall ensure that the members of Contractor Group and their respective Personnel are to, hold in strict confidence and not disclose to any third party any Specifications or data or other information that it receives from any of the members of Company Group and their respective Personnel or of which it becomes aware as belonging to any of the members of Company Group, or relating to any of the members of Company Group or the Agreement, except to the extent that such Specifications or data are or become, or such other information is or

becomes, public knowledge through no fault of Contractor.

- 7.4 Contractor shall not reproduce or use, and shall ensure that its Personnel and the other members of Contractor Group and their respective Personnel do not reproduce or use, for any purpose unrelated to the Agreement without the express written consent of Company, the Specifications or data or other information that it receives from any of the members of Company Group or of which it becomes aware as belonging to any of the members of Company Group, or relating to any of the members of Company Group or the Agreement. Contractor shall forthwith upon Company's request at any time and without charge deliver to Company any and all such Specifications or data or information then in its possession.

## **8 Offshore Work**

- 8.1 When any Goods or Services are to be provided offshore, Company will provide at its expense (i) transportation, unless otherwise specifically agreed, for Goods and equipment, machinery, material, supplies, and Personnel of members of Contractor Group between Company's designated place of delivery and the offshore place for provision of the Goods or Services, using Company's scheduled transport (unscheduled or non-routine transport necessitated by failure of any of the members of Contractor Group to have Personnel or property at an embarkation point at the due time will be charged to Contractor); and (ii) accommodation and messing for Contractor Group Personnel at the offshore place of performance. Contractor shall comply, and shall ensure that its Personnel and the other members of Contractor Group and their respective Personnel comply, with Company's rules regarding accommodation and messing.
- 8.2 Contractor is responsible and liable for all costs of transportation and meals and lodging before departure from Company's designated place of delivery and after return to Company's designated place of return. Furthermore, all Goods, equipment, machinery, material, and supplies for work offshore are to be delivered by Contractor to Company's designated place of delivery at Contractor's cost in due time, properly packed and marked for transportation.

## **9 Termination**

- 9.1 Company is entitled to cancel the entire Agreement, or any part of the Goods and/or Services, by giving written notice to Contractor, in which event the sole liability of Company will be to pay to Contractor the part of the Price for any completed or partly completed Goods and Services performed in accordance with the Agreement, less the net saving of cost to Contractor arising from the cancellation.
- 9.2 Company is entitled to terminate the entire Agreement, or any part of the Goods and/or Services, without liability to Contractor, by giving written notice to Contractor at any time if Contractor: (i) fails or refuses to supply competent supervision or sufficient competent and properly skilled Personnel or proper materials; or (ii) does not make proper or timely performance of the Agreement; or (iii) goes into liquidation or receivership; or (iv) otherwise fails to carry out its obligations in conformance with the Agreement.
- 9.3 In case of termination as provided in Article 14.2, Company will not be liable to pay Contractor any further monies in respect of the Agreement and Contractor shall repay to Company any part of the Price paid for Goods and/or Services not performed and accepted at the date of termination. Furthermore, Contractor shall be liable for and shall reimburse Company for any costs, expenses, or damages incurred by Company as a result of termination, including the additional cost of Company providing the Goods and/or Services itself, or having the Goods and/or Services provided by others, if applicable.

## **10 Audit Rights**

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

## **11 Variations**

- 11.1 Company is entitled to instruct Contractor in writing to make changes to the Goods and/or Services. Contractor shall proceed immediately with any such instructions upon receipt of Company's notice. The Price will be equitably adjusted, increased or decreased, based on the net effect of the Variation using the same (or best comparable) prices, rates, norms, or other



cost/pricing principles set out in the Agreement, as applicable.

## **12 Force Majeure**

- 12.1 In the event either Party is prevented from performing any of its obligations by Force Majeure, that Party's obligations will be suspended during the period of such Force Majeure. Each Party shall bear its own costs due to the Force Majeure occurrence and no remuneration or compensation will be payable by Company for the period of Force Majeure. The Party prevented from performing by Force Majeure shall notify the other Party in writing as soon as possible of its inability to meet its obligations, specifying the cause of the Force Majeure and the estimated extent to which the event or condition will impact performance. If the Party claiming Force Majeure fails to give such written notice within seventy-two (72) hours of the occurrence of the event or condition, that Party may not claim Force Majeure as a defense under the Agreement. The Party claiming a Force Majeure event or condition shall act diligently to remove or remedy such event or condition; and shall notify the other Party in writing when the impact thereof ceases. When performance of the Agreement is halted by reason of Force Majeure, Company may terminate the Agreement immediately upon written notice to Contractor and Contractor will be entitled only to remuneration earned to time of notice plus any demobilization fee expressly provided for in the Agreement. For the avoidance of doubt, late delivery of services, purchased equipment, or rental equipment caused by any of the members of Contractor Group, or inefficiency on the part of any of the members of Contractor Group, do not constitute an event of Force Majeure.

## **13 Assignment and Subcontracting**

- 13.1 Contractor shall not assign or purport to assign or transfer to any other person or entity any of its rights or subcontract any of its obligations under the Agreement without the prior written consent of Company. Such written consent does not relieve Contractor from any of its responsibilities or obligations to Company under the Agreement. Notwithstanding the foregoing, reasonable utilization by Contractor of hired labor and purchases of minor quantities of materials and components are not to be considered subcontracts that require Company's consent.

## **14 Export Compliance**

- 14.1 Without prejudice to Contractor's obligations under any applicable master purchasing agreement or similar arrangement, Contractor shall abide by all Norwegian, U.S., and other applicable export Regulations, including those applicable to re-export or the transfer of controlled technology. If a license or other authorization is required by such Regulations for any product, service, technology, or software obtained under the Agreement, Contractor shall apply for the applicable licenses or authorizations and make copies available to Company. Contractor shall timely provide to Company the export compliance classification number of Goods and/or Services, technology, or software provided under the Agreement. Contractor undertakes and warrants and guarantees that no Goods or Services provided under the Agreement will originate from, or be transported on any vessel owned by or operating under the flag of, any country against which Norway or the U.S. has imposed comprehensive economic sanctions. Contractor shall Indemnify the members of Company Group from and against any and all Claims that may arise as a result of Contractor's breach of this Article.

## **15 Governing Law and Dispute Resolution**

- 15.1 The Agreement is governed by and to be construed in accordance with Norwegian law. Disputes that may arise and that cannot be resolved by negotiations will be subject to confidentiality and be referred to arbitration in Stavanger and otherwise in accordance with the Act relating to Arbitration, 14 May 2004 no 25 ("Voldgiftsloven"), as amended. The time limit to appoint arbitrators is thirty (30) Days after receiving written notice of the arbitration. The arbitrators in the award may not grant any relief that could not be granted by a court of law in the Kingdom of Norway. The award will be in writing and is to be final and binding on the Parties. Judgment with respect thereto may be entered in any court having jurisdiction for judicial acceptance and/ or an order of enforcement, as the case may be. Documents and statements in Norwegian and English will be allowed in any arbitration procedure. Translation thereof will be at the expense of the Party requiring such translation.

## **16 Miscellaneous**

- 16.1 Failure or delay by Company in the exercise of any rights or remedies under the Agreement or

pursuant to Regulations does not release Contractor from any warranties or obligations contained or referred to in the Agreement or pursuant to Regulations. Any waiver by either Party of a breach of any requirement of the Agreement (i) will be void and of no force unless set out in writing and signed by a duly authorized representative of the Party; and (ii) is not to be construed as a waiver of any subsequent breach of the same or any other requirement of the Agreement.

- 16.2 The Agreement constitutes the entire agreement between Company and Contractor with regard to the Goods and Services, and supersedes all prior negotiations, representations, or agreements relating to the subject matter of the Agreement, either written or oral. In particular, any terms or conditions that Contractor may proffer or refer to in any written material (including on any invoice or packing note) or any course of dealing between Contractor and Company are to be of no effect.
- 16.3 Captions and headings used in the Agreement are inserted solely for convenience and are not to be taken into consideration in interpretation of the Agreement.
- 16.4 The term “including” is to be deemed completed by the expression “without limitation”.
- 16.5 When the context admits or requires, words importing the singular include the plural and vice versa, and references to a gender include every gender.
- 16.6 Any purported amendment of the terms, requirements, or obligations of the Agreement will be void and of no force unless it (i) is in writing; (ii) is signed by duly authorized representatives of Company and Contractor; (iii) expressly refers to the specific Article to be amended; and (iv) expressly indicates agreement of Company and Contractor to amend such specific Article.
- 16.7 If the Agreement is issued pursuant to another existing agreement between Company and Contractor, the terms and conditions of the referenced agreement are to apply to the provision of the Goods and/ or Services and are to take priority in the event of any conflict with these general terms and conditions.
- 16.8 Contractor shall immediately notify Company in writing of any delay, specifying cause of and probable duration of the delay, and the measures Contractor will implement in order to avoid or reduce the delay. Contractor shall take at its own expense any further measures to mitigate delay as reasonably required by Company in writing.
- 16.9 Contractor shall provide the Goods and Services as an independent contractor and in no event is Contractor or any person in Contractor Group to be considered an employee or agent of Company.
- 16.10 If Contractor has entered into a Norwegian Oil and Gas (NOROG) Security Agreement with another party in accordance with NOROG's Guideline 091 for securing oil industry supplies and equipment, Contractor shall notify Company in writing and shall comply with the NOROG Security Agreement also when performing the Services for Company. If such an NOROG Security Agreement entered into with another party is terminated, Contractor shall inform Company in writing without undue delay. Contractor shall enter into a NOROG Security Agreement with Company at Company's written request.
- 16.11 If Services entail transfer of “personal data” that are subject to the General Data Protection Regulation (GDPR) or any corresponding Norwegian legislation, each of Company and Contractor is responsible for ensuring appropriate handling and security thereof in compliance with all applicable Regulations.

## **17 Health, Safety, Environment, Quality (HESQ)**

- 17.1 Responsibility for HSEQ lies with Contractor's line management and Contractor's top executives are to be personally involved in HSEQ management. Contractor's commitment to HSEQ is to be evident and auditable at all levels within its organization.
- 17.2 Company has the right to conduct HSE and quality system audits of Contractor and of any of Contractor's subcontractors.