

**WINTERSHALL NORGE AS  
GENERAL TERMS & CONDITIONS FOR HIRE OF PERSONNEL I**

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**1. DEFINITIONS**

- 1.1** AFFILIATED COMPANY means the parent company of one of the parties to the CONTRACT or any company which, according to the Norwegian Public Limited Company Act (Allmennaksjeloven) Section 1-3, shall be regarded as a subsidiary company of the parent company or of a party to the CONTRACT.
- 1.2** COMPANY GROUP means the LICENCE GROUP, each of the participants therein, their AFFILIATED COMPANIES, COMPANY's other contractors and their contractors and their subcontractors, and personnel employed in or engaged by the aforementioned corporate entities, and others whose services are used by COMPANY.
- 1.3** COMPANY's REPRESENTATIVE means the person who at any time is appointed in accordance with Article 4.1.
- 1.4** CONTRACT means these conditions of contract together with the PURCHASE ORDER.
- 1.5** CONTRACTOR's REPRESENTATIVE means the person who at any time is appointed in accordance with Article 4.1.
- 1.6** CONTRACTOR GROUP means CONTRACTOR, CONTRACTOR's AFFILIATED COMPANIES participating in the WORK, its SUBCONTRACTORS and their contractors and subcontractors, participants in a joint venture or similar partnership involved in the WORK and personnel employed in or engaged by the aforementioned cooperate entities.
- 1.7** DAY means a consecutive calendar day unless otherwise stated.
- 1.8** 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.
- 1.9** LICENCE GROUP(S) means the participants (at any time) in the actual production licence(s) operated by COMPANY for which CONTRACTOR is performing the WORK.
- 1.10** PERSONNEL means CONTRACTOR's personnel hired to COMPANY in accordance with the CONTRACT.
- 1.11** PURCHASE ORDER means the document or electronic order issued by COMPANY to order and initiate the WORK.
- 1.12** SUBCONTRACT means any contract between CONTRACTOR and any party, other than COMPANY or any employees of CONTRACTOR, for the performance of any part of the WORK.
- 1.13** SUBCONTRACTOR means any party (other than CONTRACTOR) to a SUBCONTRACT.
- 1.14** THIRD PARTY means any party, which is not a member of COMPANY GROUP or CONTRACTOR GROUP.
- 1.15** VARIATION means a variation to the WORK, made in accordance with the provisions of Article 7.
- 1.16** WEA means the Norwegian Working Environment Act of 17 June 2005 no. 62 with subsequent amendments.
- 1.17** WORK means the provision of personnel that CONTRACTOR is required to hire to COMPANY in accordance with the provisions of the CONTRACT, including all services associated with such hire.
- 1.18** WORKSITE means any site where COMPANY may assign the PERSONNEL.

## **2. PURCHASE ORDER**

- 2.1** COMPANY has by the PURCHASE ORDER ordered the WORK.
- 2.2** A PURCHASE ORDER shall be identified as such, written or issued in electronic format on a specified numbered form.
- 2.3** A valid PURCHASE ORDER must be issued by the COMPANY.
- 2.4** CONTRACTOR shall refer to the PURCHASE ORDER number in all correspondence with COMPANY and when invoicing in accordance with Article 9.2.2.

## **3. CONTRACTOR'S OBLIGATION TO DELIVER AND COMPANY'S OBLIGATION TO USE THE CONTRACT**

- 3.1** CONTRACTOR is obliged to perform the WORK, and hereunder to provide the PERSONNEL as described in the PURCHASE ORDER and in accordance with the terms and conditions contained within this CONTRACT..

## **4. REPRESENTATIVES OF THE PARTIES**

- 4.1** Each party shall appoint a representative with responsibility to administer the PURCHASE ORDER. A representative may delegate specific tasks to one or more persons appointed by him. In such case the other party's representative shall be notified in writing of the authority given to such appointed person or persons.

## **5. PERFORMANCE OF THE WORK**

### **5.1 General obligations**

- 5.1.1** CONTRACTOR shall perform the WORK and organise the supply of PERSONNEL that are qualified, skilled and competent in a professional and careful manner and in accordance with the CONTRACT and with all due care and diligence and with the skill to be expected of a reputable and experienced contractor.
- 5.1.2** CONTRACTOR shall be deemed to have satisfied itself, before commencing the WORK, as to the extent and nature of the WORK including the necessary qualifications, skills and competencies required of the PERSONNEL.

### **5.2 Authority requirements**

- 5.2.1** CONTRACTOR shall keep itself informed of and shall comply with all applicable laws and regulations of any governmental or regulatory body having jurisdiction over the WORK.
- 5.2.2** 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 CONTRACTOR. COMPANY shall upon CONTRACTOR's request, provide any necessary assistance in this respect.
- 5.2.3** COMPANY may require that CONTRACTOR submits to COMPANY such information about the performance of the WORK and about CONTRACTOR GROUP as COMPANY is obliged to submit to the public authorities.

### **5.3 Subcontracting**

- 5.3.1** CONTRACTOR shall not use personnel hired in from SUBCONTRACTORS as PERSONNEL under the PURCHASE ORDER. CONTRACTOR shall not in any other way subcontract any part of the WORK without the prior written approval of COMPANY, which shall not be unreasonably withheld.

#### **5.4 The PERSONNEL**

- 5.4.1** All PERSONNEL shall, for the work which they are required to perform, be competent, properly qualified, skilled and competent. CONTRACTOR shall verify all relevant qualifications of such PERSONNEL. CONTRACTOR shall at its own cost ensure that PERSONNEL performing work offshore have passed a safety course and medical examinations, in accordance with existing laws and regulations. For safety reasons, all personnel shall have a minimum command of the English language so that they are at least capable of receiving orders/instructions and warnings in spoken and written English.
- 5.4.2** CONTRACTOR shall ensure that the PERSONNEL provided under the PURCHASE ORDER are employed by CONTRACTOR on a permanent contract of employment. CONTRACTOR shall pay all remuneration and employment benefits whatsoever due to the PERSONNEL.
- 5.4.3** CONTRACTOR shall be deemed to be an independent contractor, and shall in all respects ensure that COMPANY shall not be regarded as the employer of the PERSONNEL, even though the PERSONNEL are to work upon the instruction of COMPANY as an integrated part of COMPANY's organisation and/or at COMPANY's place of business.
- 5.4.4** CONTRACTOR shall be solely liable for all payments of salary and other economic benefits due to its PERSONNEL, payment of tax deduction and employers' contribution tax in respect of the PERSONNEL and shall strictly comply with the requirements set out in Article10.
- 5.4.5** All PERSONNEL shall be approved by COMPANY prior to mobilisation and CONTRACTOR shall not replace or remove any PERSONNEL without COMPANY's prior written approval. Any replacement PERSONNEL shall work with the person to be transferred or replaced for a reasonable handover period to the satisfaction of COMPANY at CONTRACTOR's own cost.
- 5.4.6** If any PERSONNEL conduct themselves in an unsatisfactory manner or in the reasonable opinion of COMPANY are unfit for the work they are to perform, CONTRACTOR shall upon COMPANY's request, replace said personnel at CONTRACTOR's own cost within a reasonable period of time.
- 5.4.7** CONTRACTOR shall ensure that all PERSONNEL comply with applicable laws including immigration laws and, where required, are in possession of a valid work permit for the period they are to work under the PURCHASE ORDER. Details of such work permits shall be submitted to COMPANY prior to the employee being engaged in the WORK.
- 5.4.8** CONTRACTOR shall ensure that the PERSONNEL comply with COMPANY's procedures and instructions, observe any rules in force at the places where the PERSONNEL are to carry out their work, including rules relating to health, safety and environment, working conditions, working hours, etc., and that the PERSONNEL comply with the obligations which follow from the PURCHASE ORDER.

#### **6. QUALITY ASSURANCE AND HEALTH, ENVIRONMENT AND SAFETY**

- 6.1** CONTRACTOR shall have an implemented and documented system for quality assurance and a documented health, safety and environment (HSE) system appropriate for the WORK.
- 6.2** COMPANY has the right to audit the quality assurance system and HSE system of CONTRACTOR GROUP. CONTRACTOR shall give the necessary assistance during such audits,

#### **7. VARIATIONS**

- 7.1** COMPANY has the right to order such VARIATIONS as in COMPANY's opinion are desirable, and CONTRACTOR shall have an obligation to implement such variations.

VARIATIONS may include an increase or decrease in the scope of the WORK, a change in character, quality, kind or execution of the WORK or any part thereof, changes in work location and working time arrangements, suspension of the WORK or parts thereof, as well as changes to the agreed duration of the period(s) of hire of the PERSONNEL.

**7.2** All VARIATIONS shall be made in writing.

**7.3** If CONTRACTOR claims that VARIATIONS ordered by COMPANY result in changes to the agreed rates of compensation, COMPANY shall be notified in writing thereof within 30 DAYS after COMPANY has ordered the VARIATION and in any case before the VARIATION is implemented. If CONTRACTOR fails to so notify COMPANY, then he loses the right later to claim adjustment of the rates and compensation as a result of the VARIATION.

## **8. CANCELLATION**

### **8.1 COMPANY's right to cancel**

COMPANY shall have the right to cancel the PURCHASE ORDER or parts thereof at its sole discretion by giving written notice to CONTRACTOR. To the extent practical, COMPANY will give at least thirty (30) DAYS written notice

### **8.2 Effects of cancellation**

**8.2.1** In the event of cancellation CONTRACTOR shall demobilize the affected PERSONNEL as of the effective date of the cancellation stated in the notice from COMPANY and shall forthwith take all necessary steps in order to avoid unnecessary additional costs after the notice of cancellation has been received.

**8.2.2** In the event of cancellation CONTRACTOR shall be entitled to compensation in the PURCHASE ORDER for the affected PERSONNEL until the effective date of cancellation and – if cancellation is made by less than thirty (30) DAYS notice - any documented and necessary expenses incurred by CONTRACTOR as a direct result of the cancellation. CONTRACTOR shall not be entitled to any other compensation as a result of such cancellation. All payments shall be made in accordance with the provisions in Article 9.

## **9. INVOICING, PAYMENTS, AUDIT**

### **9.1 Compensation**

COMPANY shall compensate CONTRACTOR in accordance with the provisions and rates of hire stated in the PURCHASE ORDER. Unless otherwise explicitly agreed, the rates of hire are all-inclusive rates and apply to actual work performed during ordinary working hours, overtime, weekends and public holidays. Hourly rates of hire are not payable for meal breaks. The rates of hire are exclusive of value added tax.

## **9.2 Invoicing**

**9.2.1** CONTRACTOR shall within 14 DAYS after each calendar month submit to COMPANY a specified invoice covering PERSONNEL hired by COMPANY in the preceding month.

All amounts due to CONTRACTOR shall be invoiced at the latest within 3 months after the actual month of hire. If CONTRACTOR fails to do so, COMPANY will not be obliged to remunerate the invoice.

**9.2.2** Invoices shall refer to the PURCHASE ORDER numbers, and other references specified in the PURCHASE ORDER, and shall be accompanied by all documentation necessary to verify the invoiced amount.

## **9.3 Payments**

**9.3.1** COMPANY shall within 30 DAYS after receipt of a correct invoice, pay the amount due to CONTRACTOR.

**9.3.2** COMPANY is entitled to return invoices that do not meet the requirements set out in Article 9 or elsewhere in the CONTRACT. COMPANY will give notice before returning invoices.

**9.3.3** The following deductions may be made from any payments:

a) Any previous payment on account to CONTRACTOR.

b) Such parts of the invoiced amounts as are insufficiently documented or otherwise disputed, provided COMPANY, as soon as possible specifies what documentation is considered insufficient and/or what the dispute concerns.

c) All amounts due to COMPANY from CONTRACTOR, provided that COMPANY is entitled to make such deductions according to applicable law.

**9.3.4** If it is later established that COMPANY had an obligation to pay the withheld amount, then COMPANY shall pay interest in accordance with "Forsinkelsesrenteloven" calculated from the due date for payment of the invoice.

**9.3.5** COMPANY's payment of an invoice shall not be construed as an acceptance of the WORK or of any goods, work or services delivered under the PURCHASE ORDER, nor shall it be construed as a waiver of COMPANY's rights under the PURCHASE ORDER.

**9.3.6** If it has been agreed that CONTRACTOR shall provide a guarantee, COMPANY shall not be obliged to make any payments until CONTRACTOR has provided such guarantee in accordance with the specified provisions.

#### **9.4 Audits**

**9.4.1** COMPANY is entitled to audit at CONTRACTOR's premises all books, records and documents of every kind relating to invoiced charges made by CONTRACTOR to COMPANY.

**9.4.2** In this respect COMPANY is not entitled to investigate the calculation of rates and lump sums included in the PURCHASE ORDER, except to the extent necessary for the proper evaluation of any VARIATIONS.

**9.4.3** COMPANY is entitled to audit during the period of the PURCHASE ORDER and for up to two years after the end of the year in which the PURCHASE ORDER expires or is cancelled or terminated.

**9.4.4** Payments shall not affect COMPANY's audit rights.

**9.4.5** If charges are proven incorrect, then an adjustment shall be made, whether or not this is in the favour of CONTRACTOR.

### **10. TAXES, TAX REPORTING ETC.**

#### **10.1 General requirements**

**10.1.1** The CONTRACTOR shall, except as may be otherwise provided in the PURCHASE ORDER, be responsible for:

- a) the payment of all taxes, duties, levies, charges and contributions (and any interest or penalties thereon) for which the CONTRACTOR is liable as imposed by any appropriate government authority whether of Norway or elsewhere, whether or not they are calculated by reference to the wages, salaries, benefits or expenses and other remuneration paid directly or indirectly to persons engaged or employed by the CONTRACTOR; and
- b) the payments of all taxes, duties, levies, charges and contributions (and any interest or penalties thereon) including but not limited to income, profits, corporation taxes and taxes on capital gains, turnover and added value taxes for which the CONTRACTOR is liable, whether arising in Norway, its territorial waters, its continental shelf or elsewhere, now or hereafter levied or imposed by any appropriate government authority whether of Norway or elsewhere, arising from, relating to or in connection with this PURCHASE ORDER; and

c) compliance with all statutory obligations to make deductions on account of and remit the required amounts to any appropriate government authority whether of Norway or elsewhere, including, but not limited to income tax, national insurance, employee taxes, charges, social security costs, levies and contributions whether or not they are measure by the wages, salaries or other remuneration or benefits paid to persons employed by the CONTRACTOR, or persons providing services in connection with the PURCHASE ORDER to the CONTRACTOR, and the imposition of a similar obligation upon any SUBCONTRACTOR or any other person employed by them or providing services to them in connection with the PURCHASE ORDER.

**10.1.2** CONTRACTOR shall supply to the COMPANY all such information, in connection with activities under the CONTRACT, as is necessary to enable the COMPANY to comply with the lawful demands for such information by any appropriate government authority whether of Norway or elsewhere.

**10.1.3** CONTRACTOR warrants that it is familiar with and shall comply with all reporting requirements to the authorities under applicable law relating to the WORK.

This reporting obligation includes applicable reporting requirements under the Tax Assessment Act and in particular information concerning contractors and employees as stipulated in § 6-10 of said law.

CONTRACTOR shall be responsible for and shall defend, indemnify and hold harmless COMPANY from any and all losses due to CONTRACTOR not fulfilling his reporting obligation under Norwegian Law.

**10.1.4** CONTRACTOR shall save, indemnify the COMPANY against all levies, charges, contributions and taxes of the type referred to in this Article 10 and any interest or penalty thereon which may be assessed, by any appropriate government authority whether of Norway or elsewhere, on CONTRACTOR in connection with the PURCHASE ORDER and from all reasonable costs incurred in connection therewith.

**10.1.5** If COMPANY receives a notice requiring it to pay any levies, charges, contributions or taxes of the types referred to in this Article 10 and /or any interest or penalty thereon whether with respect to CONTRACTOR, any SUBCONTRACTOR or any other person employed by them or providing any services to them on or in connection with the PURCHASE ORDER, COMPANY shall forthwith notify CONTRACTOR who shall work with COMPANY to make all reasonable endeavours to make any valid appeal against such payment. In the event that COMPANY is ultimately required to make such payment, COMPANY may recover from CONTRACTOR any such sums and all reasonable costs incurred in connection therewith and CONTRACTOR shall within fourteen (14) days of receiving written notice from COMPANY pay to COMPANY any such sum or COMPANY shall be entitled to deduct such sums from any monies due, or which may become due, to CONTRACTOR.

**10.2** Special requirements - section 4-1(2) of the Tax Payment Act

**10.2.1** CONTRACTOR shall be solely liable for all payment of tax deduction and employers' contribution tax in respect of the PERSONNEL and shall obtain from the tax authorities written confirmation that COMPANY is exempt from any obligations pursuant to section 4-1(2) of the Norwegian Tax Payment Act of 17 June 2005.

Copy of the tax authorities' confirmation shall be submitted to COMPANY as soon as possible after formation of the PURCHASE ORDER and before any payment to CONTRACTOR takes place.

**10.2.2** In the event that CONTRACTOR does not obtain written confirmation from the tax authorities as set forth in Article 10.2.1, he shall at his own cost provide adequate security for his obligations in the form of a guarantee from a bank or insurance company before he submits his first invoice.



The guarantee shall be valid for an amount corresponding to 20 % of the estimated total value of the PURCHASE ORDER, but not less than NOK 50.000 and be valid until the first occurring of the following times:

- a) four (4) years after the end of the calendar year in which the PURCHASE ORDER expired or was terminated, provided that no potential claims have been notified due to CONTRACTOR's insufficient payment of taxes etc.;
- b) on the issuance of a written confirmation from the authorities that no claims will be made against COMPANY due to CONTRACTOR's insufficient payment of taxes etc. in connection with the WORK.

**10.2.3** If confirmation pursuant to Article 10.2.1 is not presented in time, and CONTRACTOR has not provided security in accordance with Article 10.2.2, COMPANY shall be entitled to withhold an adequate amount from payment until such confirmation or security is in place.

**10.2.4** CONTRACTOR shall indemnify COMPANY from and against any claim resulting from insufficient payment of taxes.

## **11. THE WORK IN RELATION TO THE WORKING ENVIRONMENT ACT**

**11.1** CONTRACTOR warrants that it is a business whose purpose is not the hiring-out of labour as this term is defined in section 14-13(1) of the WEA and that the hiring-out of the PERSONNEL in all respects fulfils the conditions stipulated in the said section 14-13(1).

**11.2** CONTRACTOR shall indemnify COMPANY from and against any claim for permanent employment with COMPANY brought by any of the PERSONNEL pursuant to section 14-14 of the WEA as a consequence of a finding by any court or competent authority that CONTRACTOR, in breach of its warranty, is a business whose purpose is the hiring-out of labour, cf. section 14-12 of the WEA, and from and against any and all other costs or claim resulting from CONTRACTOR not complying with section 14-13(1) or any other provisions related to the hiring-out of personnel in the WEA or other applicable legislation. CONTRACTOR's liability shall include, but not be limited to, all salary, additional economic benefits, holiday pay, penalties, sanctions, actions and measures claimed, alleged, asserted or imposed against COMPANY, as well as any and all other costs incurred by COMPANY.

## **12. DEFAULT**

### **12.1 CONTRACTOR's default**

**12.1.1** If CONTRACTOR fails to provide PERSONNEL in accordance with the agreed time limits, or if CONTRACTOR's PERSONNEL stay away from the work without lawful absence, CONTRACTOR shall pay liquidated damages to COMPANY.

Unless otherwise agreed, liquidated damages shall amount to 7,5 x the hourly rate, alternatively 1 x the daily rate, per person per commenced working day by which CONTRACTOR is delayed or PERSONNEL are absent. Liquidated damages under the PURCHASE ORDER shall, however, not exceed 15 % of the estimated total PURCHASE ORDER value.

**12.1.2** If the delay or absence is caused by gross negligence or wilful misconduct on the part of CONTRACTOR or someone for whom CONTRACTOR is responsible, COMPANY may, instead of the liquidated damages claim compensation for the losses suffered due to the delay or absence.

**12.1.3** If PERSONNEL are not qualified or competent to perform their work, work unethically or fail to comply with applicable laws and regulations, CONTRACTOR shall be notified thereof in writing. CONTRACTOR shall, at his own expense, immediately replace the PERSONNEL, and COMPANY shall not be under any obligation to compensate CONTRACTOR for the hire of the rejected PERSONNEL.

**12.1.4** COMPANY is entitled to claim damages according to law for losses suffered as a result of circumstances stipulated in Article 12.1.3.

## **12.2 Termination due to CONTRACTOR's default etc.**

COMPANY is entitled to terminate the CONTRACT and/or a PURCHASE ORDER with immediate effect, if CONTRACTOR is in substantial breach of its obligations according to the CONTRACT, or if COMPANY is entitled to be paid maximum liquidated damages in accordance with Article 12.1.1.

The same applies if CONTRACTOR becomes insolvent, files for bankruptcy, makes an arrangement with its creditors, commences proceedings for winding up, or stops its payments.

## **12.3 Effects of termination due to breach of CONTRACT**

When the CONTRACT or a PURCHASE ORDER is terminated, COMPANY shall also be entitled to present claims pursuant to Article 12.1 and claim damages according to law for other breaches of CONTRACT,

## **12.4 COMPANY's default**

If COMPANY is late in making payments in accordance with Article 9, then COMPANY shall pay interest according to the Norwegian Act on Interest on Overdue Payment unless the delay is caused by insufficient invoice documentation from CONTRACTOR, and COMPANY has notified CONTRACTOR of this without undue delay.

## **13. FORCE MAJEURE**

### **13.1 Effects of FORCE MAJEURE**

Neither of the parties shall be considered in breach of an obligation under the PURCHASE ORDER to the extent the party can establish that fulfilment of the obligation has been prevented by FORCE MAJEURE. Each party shall cover its own costs resulting from FORCE MAJEURE.

Payment for the hire of PERSONNEL will be suspended if such hire is hindered due to FORCE MAJEURE.

### **13.2 Notification**

The party invoking FORCE MAJEURE shall as soon as possible notify the other party of the FORCE MAJEURE situation. Such notice shall also include the cause of the delay and the presumed duration thereof.

## **14. LIABILITY AND INSURANCE**

### **14.1 CONTRACTOR's indemnity**

CONTRACTOR shall indemnify COMPANY GROUP from and against any claims, losses, damages, costs (including legal costs), and liabilities concerning:

- a) personal injury to or loss of life of any personnel of CONTRACTOR GROUP,
  - b) loss of or damage to any property of CONTRACTOR GROUP
- arising out of or in connection with the CONTRACT.

This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of COMPANY GROUP.

#### **14.2 COMPANY's indemnity**

COMPANY shall indemnify CONTRACTOR GROUP from and against any claims, losses, damages, costs (including legal costs), and liabilities concerning:

- a) personal injury to or loss of life of any personnel of COMPANY GROUP,
- b) loss of or damage to any property of COMPANY GROUP, except as stated in Art. 14.4, arising out of or in connection with the CONTRACT.

This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of CONTRACTOR GROUP.

#### **14.3 THIRD PARTY liability**

CONTRACTOR shall indemnify COMPANY GROUP from and against any claim arising out of loss or damage suffered by a THIRD PARTY in connection with the PURCHASE ORDER, to the extent that any such loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of CONTRACTOR GROUP.

COMPANY shall indemnify CONTRACTOR GROUP from and against any claim arising out of loss or damage suffered by a THIRD PARTY in connection with the PURCHASE ORDER, to the extent that any such loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of COMPANY GROUPCOMPANY GROUP.

#### **14.4 Theft, embezzlement etc.**

CONTRACTOR is responsible for and shall indemnify COMPANY GROUP from and against any loss or damage caused by theft or embezzlement committed or contributed to by the PERSONNEL and arising out of or in connection with the PURCHASE ORDER.

#### **14.5 Indirect losses**

Notwithstanding any provisions to the contrary elsewhere in the PURCHASE ORDER, and except to the extent of any liquidated damages or termination fees provided for in the PURCHASE ORDER, COMPANY shall indemnify CONTRACTOR GROUP from COMPANY GROUP's own indirect losses and CONTRACTOR shall indemnify COMPANY GROUP from CONTRACTOR GROUP's own indirect losses.

This applies regardless of any form of 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 production, loss of earnings, loss of revenue, loss of profit or anticipated profit.

#### **14.6 Notice of received claims**

The parties shall immediately notify each other of claims, which involve the other party. The party being liable for settlement of a claim, shall, if possible, handle the claim.

The parties shall give each other information and other assistance needed for handling the claim.

#### **14.7 Insurance**

CONTRACTOR shall at its own expense procure and maintain insurance to cover its liabilities under this CONTRACT, as well as all other insurances required by law. In addition, CONTRACTOR shall procure and maintain at his own expense professional liability insurance adapted to the nature of the WORK.

In the event that PERSONNEL are engaged offshore, CONTRACTOR's personnel insurance shall include coverage for accidental death or long-lasting disablement occurring during work offshore or during transportation between the onshore and offshore site in the amount of forty-five (45) G at any particular time and for each person, where G is the basic pension in the Norwegian Social Security Scheme ("Grunnbeløpet i Norsk Folketrygd").

CONTRACTOR's insurance policies shall be taken out with first class insurers and according to the best insurance terms available on the market.

The insurances shall be in force upon commencement of the WORK and shall remain in force during the term of the CONTRACT.

COMPANY GROUP shall be included in CONTRACTOR's insurances as protected additional insured to the extent of the liability assumed by CONTRACTOR under this PURCHASE ORDER.

CONTRACTOR shall ensure that all insurance policies include a clause requiring the insurer to notify COMPANY in writing at least 30 – thirty - DAYS prior to variations, cancellation or expiry of the insurance policies.

CONTRACTOR shall cause its insurers to waive all rights of subrogation against COMPANY GROUP to the extent of liabilities assumed hereunder by CONTRACTOR.

CONTRACTOR shall on COMPANY's request, submit to COMPANY evidence that all insurance required have been duly effected.

CONTRACTOR shall, upon COMPANY's request, verify that all policy terms and insured amounts are meeting said requirements.

If CONTRACTOR fails to take out insurance according to its obligations under this Article 14.7, COMPANY is entitled to take out such insurance and claim a refund of the costs from CONTRACTOR.

## **15. PROPRIETARY RIGHTS, CONFIDENTIALITY AND LIENS**

### **15.1 Rights to information, technology and Inventions**

Commercial and technical information, including drawings, documents and computer programs regardless of method of storage, and copies thereof, developed by the PERSONNEL for COMPANY shall be the property of COMPANY. The same applies to information provided by COMPANY to CONTRACTOR.

Inventions made by the PERSONNEL in connection with work undertaken for COMPANY or mainly based on information owned by COMPANY as stated in the first paragraph shall also be the property of COMPANY to the extent permissible pursuant to applicable law, and CONTRACTOR shall provide the necessary assistance to enable COMPANY to acquire the patents to the inventions. COMPANY shall pay CONTRACTOR for all reasonable costs in connection with such assistance, including compensation for CONTRACTOR's employees or others in accordance with applicable law or general agreements concerning compensation for inventions.

### **15.2 Confidentiality**

All information exchanged between the parties shall be treated as confidential and shall not be disclosed to a anyone other than CONTRACTOR or COMPANY without the other party's written permission, unless such information:

- a) is already known to the party in question at the time the information was received other than through a fault of the PERSONNEL, or
- b) is or becomes part of the public domain other than through a fault of the PERSONNEL or COMPANY GROUP or CONTRACTOR GROUP, or
- c) is rightfully received from anyone other than CONTRACTOR or COMPANY without an obligation of confidentiality

CONTRACTOR shall not publish information concerning the WORK or the PURCHASE ORDER without COMPANY's written approval, which shall not be unreasonably withheld.

The provisions of this Article 15.2 shall not prevent a party from disclosing confidential information to the Ministry of Oil and Energy or the Petroleum Directorate or to anyone other than CONTRACTOR or COMPANY to the extent necessary, according to applicable law, nor shall they prevent COMPANY from disclosing confidential information to the LICENCE GROUP and/or its AFFILIATED COMPANIES.

Confidential information shall be treated in a secure manner, documentation shall be kept in locked files and electronically stored information shall be inaccessible to unauthorized personnel.

The obligation of confidentiality also applies after the PURCHASE ORDER expires or is terminated.

**16. OTHER PROVISIONS****16.1 Assignment of the PURCHASE ORDER**

COMPANY is entitled to assign its rights and obligations under the PURCHASE ORDER, fully or partly, provided that COMPANY can demonstrate that the assignee has the financial strength required to fulfil COMPANY's obligations under the PURCHASE ORDER.

CONTRACTOR may not assign or mortgage the CONTRACT, a part of or interest in it, without COMPANY's written approval. Such approval shall not be unreasonably withheld.

**16.2 Amendments**

N/A

**16.3 Notices and claims**

All notices and claims to be given in accordance with the provisions of the CONTRACT shall be submitted in writing to the relevant party's representative under Article 4 with such address as given in the PURCHASE ORDER or as changed by written notice.

E-mail communication shall be deemed to not be in writing unless it contains a scanned letter or other document duly signed by the party's appointed representative Any notice given by e-mail shall be sent by ordinary post.

**16.4 Business Ethics**

CONTRACTOR shall comply with applicable laws, rules and regulations and international conventions prohibiting the employment of child labour. CONTRACTOR shall take measures to ensure compliance by its SUBCONTRACTORS, and all SUBCONTRACTS executed by CONTRACTOR shall provide that violations of child labour laws shall be a ground for termination of the SUBCONTRACT. CONTRACTOR shall also comply with COMPANY's policies on ethics. COMPANY will provide CONTRACTOR access to upon request.

CONTRACTOR GROUP shall not make any payment or offer to pay any thing of value, directly or indirectly, to any government officials in connection with the PURCHASE ORDER for the purpose of influencing an act or decision in such government official's capacity or inducing such government official to influence the government in violation of any law applicable to any of CONTRACTOR, COMPANY or their AFFILIATED COMPANIES in the area of operation.

**17. GOVERNING LAW AND DISPUTES**

**17.1** This CONTRACT shall be governed by and interpreted in accordance with Norwegian law.

**17.2** Disputes arising in connection with or as a result of the CONTRACT, and which are not resolved by mutual agreement, shall be settled by court proceedings unless the parties agree otherwise. Any court proceeding shall be brought before Stavanger City court.