

## **1 GENERAL PROVISIONS**

### **1.1 Definitions**

In these General Terms and Conditions, words and expressions shall have the same meaning as is respectively assigned to them in the Form of Agreement.

- Affiliated Company means:
  - i) any company who owns or control, directly or indirectly, 50% or more of the voting shares or parts of a Contract party or
  - ii) any company where a Contract party or a company defined in i) above owns or controls, direct or indirectly, 50% or more of the voting shares or parts.
- Company means the company defined as such in the Form of Agreement.
- Company Group means Company, their Affiliated Companies, their contractors and sub-contractors of any tier, customer group included in Company's superior contract, together with their employees to the extent they or the other aforementioned are involved in the project were the Deliverables shall be used.
- Contractor means the company defined as such in the Form of Agreement.
- Contractor Group means Contractor and his Affiliated Companies, their contractors and subcontractors of any tier, together with their employees to the extent they or the other aforementioned are participating in the Work.
- Contract means the Form of Agreement, these General Terms and Conditions and appendices, as stated in the Form of Agreement.
- Contract Object means the object which Contractor, according to the Contract, shall deliver, together with all parts thereof.
- Contract Price means the total sum payable to Contractor in accordance with the Form of Agreement and appendices attached thereto, as that sum is increased or decreased in accordance with the provisions of the Contract.
- Deliverables means the Contract Object and all the documentation which Contractor shall deliver.
- Disputed Variation Order means a written instruction in accordance with the provisions in Art. 3.2.
- Form of Agreement means the document describing the Deliverables and the special requirements and conditions for the individual delivery.
- Term of Contract means such period as stated in the Form of Agreement.
- Third Party means any party other than Contractor Group and Company Group.

## General Terms and Conditions – Rental and Services

### Onsite Treatment services AS

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- Variation Order means written instruction in accordance with the provisions in Art. 3.1.
- Variation Order Request means a request submitted in accordance with Art. 3.2.
- Work means all work which Contractor shall perform or cause to be performed in accordance with the Contract.

#### 1.2 Contract Documents

The Contract consists of the documents listed below. In the event of any conflict between the documents, they shall be given priority in the following order:

- a) Form of Agreement
- b) General Terms and Conditions – Rental and Services (this document)
- c) Appendices stated in the Form of Agreement.

#### 1.3 Representatives

Each party shall appoint a representative with authority to act on its behalf in all matters concerning the Contract. All notifications, claims, etc. in accordance with the Contract shall be submitted in writing to the relevant party's representative.

## 2 GENERAL OBLIGATIONS OF THE PARTIES

### 2.1 Performance of the Work

Contractor shall perform the Work in a professional, ethical, and careful manner and in accordance with the Contract. As part of such performance, Contractor shall give priority to safety in order to protect life, health, property, and environment, and to achieve the overriding goal of 'zero harm'. Contractor shall comply with Company's policies on quality, social responsibility, and ethics; health, safety, and environment (HSE); drugs and alcohol; anti-bribery and corruption; and anti-slavery and human trafficking.

If Contractor is of the opinion that Company's representative or person(s) authorised by Company who, by their presence, is hampering the progress of the Works, he may demand adjustments to the Contract Price and the contract schedule for such consequences.

### 2.2 Laws and Regulations

Contractor shall keep himself informed of and comply with existing laws and regulations, together with requirements and orders of relevance for the Deliverables and the Work, as prescribed by public authorities. If such laws and regulations together with requirements or orders are given or changed after the signature of the Contract, and this necessitates variations to the Deliverables and Work that affects Contractor's costs or progress, Contractor can demand a change in the Contract Price and contract schedule reflecting the effects thereof. Changes in the way in which public authorities apply laws and regulations mentioned shall be dealt with in the same way.

### 2.3 Approvals and Permits

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

Company shall in due time obtain and maintain all other approvals and permits. Following Company's request, Contractor shall provide assistance related to obtaining such approvals and permits which concern the Work and which only can be obtained in the name of Company.

### **3 VARIATIONS**

#### **3.1 Company's Right to Order Variations**

Company has by Variation Orders the right to order variations to the Work and the Deliverables, provided that these changes do not exceed that which Contractor could reasonably have expected when the Contract was entered into.

On receipt of a Variation Order, Contractor has no obligation to implement it before the Variation Order's effect on the Contract Price, contract schedule, and/or other conditions in the Contract is determined.

#### **3.2 Contractor's Right to Request Variations**

Contractor may propose a variation to the Work and the Deliverables. According to the provisions in Art. 2.1, 2.2, 3.2, 9, 10, Contractor has the right to request variation in the Contract Price, the contract schedule, and other conditions in the Contract.

If Company requests work to be performed which in Contractor's opinion is not a part of his obligations according to the Contract, Contractor shall issue a Variation Order Request. In the Variation Order Request, Contractor shall identify the situation that is the basis for the Variation Order Request, describe the work that in his opinion is not a part of his obligations and state the effects that in Contractor's opinion it will have on the Contract Price, contract schedule and/or other conditions in the Contract.

When Contractor has made a Variation Order Request, Company shall within a reasonable time issue a Variation Order. If Company is of the opinion that this work is a part of Contractor's obligations according to the Contract, a Disputed Variation Order shall be issued instead, which shall identify the work in dispute and contain the reasons for not issuing a Variation Order.

Contractor shall have no obligation to implement a Disputed Variation Order.

### **4 DELIVERY, TESTS, AND PAYMENT**

#### **4.1 Delivery**

Before delivery occurs, the Contract Object shall fulfil the requirements in the Contract, and all tests specified in the Form of Agreement shall be completed.

If the parties have not agreed otherwise, delivery of the Contract Object occurs in accordance with those INCOTERMS that existed when the Contract was entered into. If there is not specified any delivery clause, then delivery "Ex Works" (EXW) is considered to be agreed.

#### **4.2 Tests**

If the Contract specifies that tests shall be arranged before delivery, Company shall within appropriate time be notified so that he may have the opportunity to be present. If Company has been notified in accordance with the first sentence, but stays away, Contractor shall prepare and submit test reports from such tests. Test reports prepared by Contractor shall be considered to give a correct description of the tests, unless Company can prove otherwise.

#### **4.3 Payment**

Company shall pay the Contract Price to Contractor in accordance with the provisions in the Form of Agreement and appendices attached thereto.

Unless otherwise agreed, all costs and expenses accrued in connection with the Contract shall be paid by Company in addition to the Contract Price. This includes, but is not limited to, expenses for insurance, registration fees, registration costs, costs relating to dismantling of other objects than the Contract Object to provide access to the Contract Object, transport from the base on the mainland to offshore and return, stay offshore, heavy-lift operations offshore and additional costs due to work performed under water, operation, delivery, installation, maintenance, redelivery and collection of the Deliverables, penalties, fines and charges imposed (if any), as well as Contractor's costs/charges in respect of such expenses.

Company shall within 30 days after receipt of an invoice, pay the part of the invoice that is not disputed. Company must at the latest at the end of this time limit notify Contractor if parts of the invoiced amount are disputed and the reason for it.

In the event of late payment, interest on late payment shall be paid pursuant to the Act of 17 December 1976, no. 100, Act Relating to Interest on Overdue Payments (Arrears Act) (Norwegian: "*Forsinkelsesrenteloven*") or any act that may replace this Act.

If Company fails to pay by the due date, Contractor may also suspend performance of its contractual obligations until payment is made.

### **5 TITLE**

The Deliverables, including parts that are joined to or replace parts of the Deliverables, are the property of Contractor. Contractor has the right to have his title registered in the Register of Movable Property or in any other public register. Contractor may also mark the Deliverables in a manner indicating his ownership.

Company may not sell, pledge, sublease, lend, or in any other manner legally dispose of the Deliverables without Contractor's prior written consent.

The Deliverables shall not be processed, rebuilt, changed, joined, or mixed with Company Group's or a Third Party's property, nor be placed in a such way, for instance together with similar objects intended for sale, as may result in Contractor losing his title to the Deliverables.

Contractor or his appointee has the right to inspect the Deliverables wherever they are located.

Contractor's right to information, technology and inventions provided, developed and made in connection with the Work is set out in Art. 12.1.

## **6 USE AND MAINTENANCE OF THE DELIVERABLES**

Unless otherwise agreed, the Deliverables may only be used in normal operation and shall be operated by Contractor. Contractor shall provide for necessary maintenance of the Deliverables.

The Deliverables may not be brought out of the country without Contractor's prior written consent. Objects that are not meant to be moved may not be moved from the original location. Type designations, manufacturing numbers, etc. serving to identify the Deliverables, shall not be removed. Company shall under no circumstances alter, open, or dismantle the Deliverables, and any attempt to do so shall be deemed to constitute intentional damage on the part of Company.

## **7 CONTRACTOR'S BREACH OF CONTRACT**

### **7.1 Delay**

If Contractor is delayed in relation to delivery or a penalty milestone, if such is specified, Contractor shall pay liquidated damages to Company. This does not apply if the delay is caused by Company or someone Company is responsible for.

The liquidated damages shall be payable at a rate of 0.15% of the Contract Price for each day of delay. If the delay concerns only a part of the Deliverables and/or Work, the liquidated damages shall be calculated on the part of the Contract Price which is properly attributable to the part of the Deliverables and/or Work which is delayed.

Contractor's total liability for delay according to this Contract is limited to 10% of the Contract Price.

Beyond Company's termination right according to Art. 7.3, there can not be raised any other claims against Contractor, as a consequence of delay, than prescribed in this Art. 7.1.

### **7.2 Defects**

Contractor guarantees that the Deliverables are in accordance with the Contract.

If the Deliverables have a defect when delivered or a defect arises during the Term of Contract, the Contractor shall rectify it as soon as possible at his own cost. This does not apply if the defect is caused by Company or someone Company is responsible for.

Contractor is only liable for a defect if Company has given notice of the defect without undue delay after Company discovered the defect or after it ought to have been discovered. The notice to Contractor shall contain a specific description of the defect.

Contractor shall see to and pay for costs relating to dismantling of other objects than the Contract Object to provide access to the Contract Object, transport from the base on the mainland to offshore and return, stay offshore, heavy-lift operations offshore, and additional costs due to work performed under water.

Contractor's liability for defects is limited to 15% of the Contract Price.

Beyond Company's termination right according to Art. 7.3, Contractor is not liable for defects other than that prescribed in this Art. 7.2.

### **7.3 Termination**

Company is entitled to terminate the Contract, upon prior written notice to Contractor, if Contractor is in substantial breach of contract or it is clear that substantial breach of contract from Contractor will appear.

## **8 LIMITATION AND EXCLUSION OF LIABILITY**

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 liability, whether strict or by negligence, in whatever form, on the part of either group, and regardless of any other provisions of the Contract. Indirect losses according to this provision include, but are not limited to, loss of earnings, loss of profit or anticipated profit, loss of use, rig and vessel costs, loss of revenue, loss due to pollution, and loss of production.

Contractor's total liability for breach of contract, including liability in accordance with Art. 7.1, 7.2 and 7.3, and regardless of whether the Contract is terminated or not, shall be limited to 25% of the Contract Price.

## **9 COMPANY'S BREACH OF CONTRACT**

If Company is in breach of any of his obligations under the Contract, Contractor is entitled to adjustment of the Contract Price, the contract schedule, and other conditions in the Contract. The provisions in Art. 3.2 apply accordingly. Such adjustment shall reflect the consequences from the delays incurred to Contractor due to Company's breach of contract. Company shall issue a Variation Order, eventually a Disputed Variation Order without undue delay after having received Contractor's claim.

Contractor is entitled to terminate the Contract with immediate effect by notice to Company if Company is in substantial breach of contract or it is clear that substantial breach of contract from Contractor will appear or in the event that the Deliverables become a total loss (including a constructive, arranged, or compromised total loss).

## **10 FORCE MAJEURE**

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.

Neither of the parties shall be considered in breach of an obligation under the Contract to the extent the party can establish that fulfilment of the obligation has been prevented by Force Majeure. The party affected by Force Majeure shall, without undue delay, notify the other party of the Force Majeure situation.

Each party is entitled to terminate the Contract by written notice to the other party if a Force Majeure situation continues without interruption for a period of 60 days or more, or it is clear that this will be the situation.

In case of such termination, Company shall pay Contractor:

- a) the part of the Contract Price which corresponds to the part of the Work already performed, and
- b) all necessary direct costs incurred upon Contractor due to the termination, and
- c) a reasonable profit in proportion to the unfinished work at the date of termination.

Payment shall be made in accordance with the provisions of Art. 4.3.

## **11 LIABILITY AND INSURANCE**

### **11.1 Sharing of Liability and Risk**

#### **11.1.1 Contractor's Indemnity Obligations for People and Property**

Contractor shall indemnify Company Group from and against any claim concerning:

- a) personal injury to or loss of life of any employee of Contractor Group, and
- b) loss of or damage to any property of Contractor Group

which might arise in connection with fulfilment of the Contract. This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of Company Group.

Contractor shall, as far as practicable, ensure that other companies in Contractor Group waive their right to make any claim when such claims are covered by Contractor's obligation according to the provisions of this Art. 11.1.1.

#### **11.1.2 Company's Indemnity Obligations for People and Property**

Company shall indemnify Contractor Group from and against any claim concerning:

- a) personal injury to or loss of life of any employee of Company Group, and
- b) loss of or damage to any property of Company Group

which might arise in connection with fulfilment of the Contract. This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of Contractor Group.

Notwithstanding the provisions in Art. 11.1.1 b), Contractor shall not be liable for loss of or damage to any property of Contractor Group which is in custody or control of Company Group and Company shall indemnify Contractor Group from loss of or damage to such property. This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of Contractor Group.

Company shall, as far as practicable, ensure that other companies in Company Group waive their right to make any claim when such claims are covered by Company's obligation to indemnify under the provisions of this Art. 11.1.2.

### **11.1.3 The Parties' Indemnity Obligations for Third-Party Claims**

During the Term of Contract, Contractor shall indemnify Company Group from claims arising out of loss or damage suffered by anyone other than Contractor Group and Company Group in connection with fulfilment of the Contract or by the Contract Object, even if the loss or damage is the result of any form of liability, whether strict or by negligence, in whatever form, by Company Group.

Contractor's liability for loss or damage arising out of each accident shall be limited to 2 MNOK.

Company shall indemnify Contractor Group from and against claims mentioned in Art. 11.1.3, first paragraph, to the extent that they exceed the limitations of liability mentioned above, regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of Contractor Group.

After the Term of Contract, Company shall indemnify Contractor Group from and against any claims of the kind mentioned in Art. 11.1.3, first paragraph, regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of Contractor Group.

### **11.1.4 Notification and Treatment of Claims**

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 treatment of the claim, provided always that Company shall handle all claims which may result in liability under Art. 11.1.3.

The parties shall give each other information and other assistance needed for handling the claim. Neither party shall, without the consent of the other party, approve of a claim which shall be indemnified, in whole or in part, by the other party.

## **11.2 Insurance**

Both parties shall each, at its own expense, procure and maintain insurance to cover its liabilities under the Contract. Such insurance coverage shall be effective at the time when the Contract is entered into and shall not expire until the expiration of the Term of Contract.

Company's insurances shall state that Company Group and Contractor Group are co-insured, and the insurers shall waive any right of subrogation against Contractor Group.

Contractor's insurances shall state that Contractor Group and Company Group are co-insured, and the insurers shall waive any right of subrogation against Company Group.

If one of the parties fails to provide insurance according to its obligations of this Art. 11.2, the other party is entitled to take out such insurance and claim a refund of the costs incurred from the party in default.



## **12 OTHER PROVISIONS**

### **12.1 Right to Information, Technology, and Inventions**

Commercial and technical information, including drawings, documents, and computer programs regardless of method of storage, and copies thereof, provided by Contractor to Company shall be the property of Contractor. The same applies to information developed by Contractor mainly on the basis of such information and all other information developed by Contractor Group in connection with the Work. Inventions made by Contractor during the performance of the Work shall be the property of Contractor.

### **12.2 Confidentiality**

All information the parties receive shall be treated as confidential and shall not be disclosed to a Third Party 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, or
- b) is or becomes part of the public domain other than through a fault of Company Group or Contractor Group, or
- c) is rightfully received from a Third Party, without an obligation of confidentiality.

Each of the parties may, however, transfer confidential information to a Third Party, to the extent necessary for the performance, use, modification, or control of the Deliverables. In such cases the parties shall ensure that the Third Party signs a written confidentiality agreement.

The provisions of this Art. 12.2 shall not prevent a party from disclosing confidential information to public authorities or Third Party to the extent necessary according to the applicable law.

### **12.3 Assignment**

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

Contractor may not assign or mortgage the Contract, a part of or interest in it, to a Third Party without Company's approval. Such approval is not required for an assignment or mortgage to a bank or other financial enterprise.

### **12.4 Applicable Law and Dispute Resolution**

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

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 District Court.

Disputes shall be settled in accordance with Norwegian law.

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