GENERAL CONDITIONS FOR HIRE OF PERSONNEL



1 GENERAL PROVISIONS

1.2

1.1 Contract shall mean the separate contract document, these General conditions for hire of personnel and any appendices, agreed amendments or variations to said documents.

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

- In the event of any conflict between the provisions of the Contract, the various contract documents shall be given priority in the following order:
 - the separate contract document
 - these General conditions for hire of personnel
 - all appendices in the order they are listed
- 1.3 Notices, claims, etc. which the Contract requires to be presented in writing, shall be sent by letter, fax or confirmed electronic mail to the other party's appointed representative.

2 GENERAL OBLIGATIONS OF CONTRACTOR

- 2.1 The Services shall in all respects meet the specifications of the Contract, and hereunder supply personnel able to ensure professional and efficient execution of the Services. Such personnel shall have necessary work permits, visas, certificates, etc.
- 2.2 Contractor shall perform the Service in compliance with applicable laws and regulations. When work is carried out at Buyer's premises Contractor shall comply with any rules in force relating to safety and working conditions. Buyer will, upon Contractor's request, inform of its own rules.
- 2.3 Contractor shall not assign parts of the Service to subcontractors without Buyer's written consent. Such consent does not exonerate Contractor from any obligations pursuant to the Contract. Non-compliance with this provision shall be considered as substantial breach of contract.
- 2.4 Buyer shall not be deemed to be the employer of Contractor's personnel, even if such personnel are to perform all or parts of the Service upon the instructions of Buyer.

Unless otherwise agreed, Contractor shall bear all costs related to the hire-out of personnel, such as salary, social and welfare contributions, taxes, insurance, work permits, visas and certificates, as well as transportation to and from the place of work.

- 2.5 Contractor's personnel shall not be replaced without Buyer's prior written approval.
- 2.6 Contractor shall, at his own expense, immediately replace personnel who in Buyer's sole opinion conduct themselves in an improper manner or are unsuitable to perform the Service.

3 PROGRESS

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

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

4 EXTENSION, SUSPENSION AND CANCELLATION

4.1 Extension

Unless otherwise agreed, Buyer may require extension of the Service, in whole or in part, by written notification to Contractor.

Compensation for the extended contract period shall be in accordance with the prices, norms and rates contained in the Contract, or otherwise the original price level of the Contract.

4.2 Suspension

Buyer may temporarily suspend the Service or parts thereof, by written notification to Contractor. Contractor shall resume the Service immediately after notification by Buyer.

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

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

4.3 Cancellation

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

Following cancellation Buyer shall only pay the unpaid balance due to Contractor for that part of the Service already performed, and cover documented and necessary expenses incurred as a direct result of the cancellation. If Buyer has cancelled the Service subject to 14 days notice, no such expenses shall be deemed incurred.

5 PAYMENT DETAILS

- 5.1 Unless otherwise agreed, all payments to the Contractor by the Buyer will be made within 60 days after receipt of a correct invoice.
- 5.2 The invoices shall set out the contract name; contract number, Services provided and other agreed references shall be quoted on all invoices which shall also clearly indicate what the invoiced amount relates to in reasonable detail, as well as any payments received and shall be addressed to the invoicing address specified by the Buyer. All payments to the Contractor by the Buyer will be made by wire transfer to a bank account in the Contractor's name in the country where the Services are to be provided under the Contract or in the country of the Contractor's main (registered) business seat. Buyer is entitled to return invoices that do not meet these requirements.
- 5.3 If it has been agreed that Contractor shall provide a bank guarantee, Buyer shall not be obliged to make any payments prior to receipt of such guarantee.
- 5.4 Buyer is entitled to deduct any prepayments and accrued liquidated damages against Contractor's invoices. Furthermore, any disputed or insufficiently documented amounts, as well as any amounts owed by Contractor to Buyer or Buyer's affiliated companies may be set-off against Contractor's invoices. Affiliated companies shall in this respect mean any company where Bilfinger Engineering & Maintenance Nordics AS directly or indirectly controls 50 % or more of the share capital.
- 5.5 Contractor shall submit a final invoice within 45 days after the Service has been completed. The final invoice shall include all claims to be made by Contractor pursuant to the Contract. Claims not included in the final invoice cannot be submitted later.
- **5.6** Failure evidencing that payment of tax and other levies have been paid in accordance with law entitles Buyer to withhold payment until Contractor either produces such documentation, or provides satisfactory security for payment of such taxes and levies. Buyer may recover from Contractor at any time any liability incurred by Buyer as a consequence of Contractor failing to pay in the required taxes and levies.

GENERAL CONDITIONS FOR HIRE OF PERSONNEL



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

6 BREACH OF CONTRACT

6.1 Delay

Delay exists when Contractor fails to comply with the time limits stated in the Contract, unless the delay is caused by Buyer. Contractor is liable for delay pursuant to Article 6.2.

6.2 Effects of delay

Unless otherwise agreed, liquidated damages shall accrue at 8 x the hourly rate per person per commenced day by which Contractor is delayed. Liquidated damages shall, however, not exceed 15 % of the estimated contract price.

If the delay is caused by gross negligence or wilful misconduct on the part of Contractor or someone for whom he is responsible, Buyer may, instead of the liquidated damages, claim compensation for the losses suffered due to the delay.

Buyer may terminate the Contract if the maximum of liquidated damages have incurred or the delay constitutes a substantial breach of Contract.

6.3 Defects

Contractor is liable for any defect in the Service pursuant to Article 6.4.

Buyer shall issue a written notice of defect within reasonable time following discovery of any defect, and in no event later than 24 months after the Service has been completed.

6.4 Liability for defects

Buyer shall not be obligated to compensate Contractor for hired-in personnel while defects exist. Buyer is entitled to claim compensation for any losses suffered due to defects. Such compensation is limited to cover direct losses unless Contractor, or someone Contractor is responsible for, has acted with gross negligence or wilful misconduct.

Buyer may terminate the Contract if defects entail a substantial breach of Contract.

6.5 Indemnification

Contractor is responsible for and shall indemnify Buyer for loss and/or damage caused by theft, embezzlement or other compensatory damages in tort contributed to by Contractor's personnel.

7 FORCE MAJEURE

- 7.1 Force majeure means an occurrence beyond the control of the party affected, provided that such party could not reasonably have foreseen such occurrence at the time of entering into the Contract and could not reasonably have avoided it or overcome its consequences.
- 7.2 A party shall not be considered in breach of the Contract to the extent it is proven that he was unable to fulfil his contractual obligations due to force majeure. Each party shall cover its own costs resulting from force majeure.
- 7.3 The party invoking force majeure shall notify the other party thereof without undue delay. Such notice shall also include the cause of the delay and the presumed duration thereof.
- 7.4 Each party is entitled to cancel the Contract if the force majeure situation continues, or it is obvious that it will continue, for more than 60 days.

8 INSURANCE

Contractor shall procure and maintain at his own expense insurances adapted to Contractor's operations and the nature of the Service. Whenever requested by Buyer, Contractor shall provide an insurance certificate documenting that such condition is fulfilled.

9 PROPRIETARY RIGHTS, CONFIDENTIALITY, VENDOR DECLARATION AND ASSOCIATED TERMINATION RIGHT

9.1 Proprietary rights

The results of the work performed in connection with the Service are the sole property of Buyer. All reports, drawings, specifications and similar documents, including computer programs, that are prepared in connection with the Service constitute part of the results of the work.

9.2 Confidentiality

All information which Contractor and/or its personnel are given access to in the performance of the work shall be treated as confidential and shall not be disclosed to any third parties without the written consent of Buyer.

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

9.3 Vendor Declaration and Associated Termination Right

<u>Vendor Declaration</u>: The Contractor is obliged to comply with the signed Vendor Declaration. The Vendor Declaration sets out the applicable minimum standards. If and to the extent compliance with the Vendor Declaration would violate applicable law, applicable law shall prevail. The Buyer shall have the right to amend the Vendor Declaration in the event of any changes in legal, administrative or institutional requirements, jurisprudence or ethical business principles. The Buyer shall inform the Contractor of any amendments to the Vendor Declaration.

Associated Termination Right: The Contractor acknowledges and agrees that any breach of this Clause 9.3 (Vendor Declaration and Associated Termination Right) will be deemed a material breach of contract entitling the Buyer to terminate the Contract at any time and with immediate effect, without any obligation to pay any outstanding fees or make any other payment. The Buyer shall not be obliged to compensate any damage or loss suffered by the Contractor as a result of a termination under this Clause 9.3 para. 2 (Associated Termination Right).

10 ASSIGNMENT OF THE CONTRACT

Buyer is entitled to assign his rights and obligations pursuant to the Contract, fully or partly, to any third party. Contractor may not assign his rights and obligations pursuant to the Contract without Buyer's written consent.

11 APPLICABLE LAW AND LEGAL VENUE

The Contract shall be governed by Norwegian law.

A party may only bring a dispute in connection with the Contract before the appropriate court of the other party's legal domicile. Contractor also agrees to have litigation brought before Oslo Tingrett/City Court.