



**Nordic
Innovation**

GENERAL CONDITIONS FOR PURCHASE OF SERVICES

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1. Application

- 1.1 These General Conditions apply to purchase of services for Nordic Innovation, hereafter referred to as "Buyer".
- 1.2 The Supplier is the addressee of the order and/or the Party a Contract is entered into with.
- 1.3 Any deviating contract/delivery terms are ineffective concerning the delivery unless the Buyer has accepted these in writing.
- 1.4 The general Conditions in the Act of 13 May 1988 no. 27 on The Sale of Goods ("kjøpsloven") apply to the extent suitable, unless otherwise expressly stated.

2. Price and payment terms

- 2.1 The price is to be agreed in advance by the Parties. The price includes all costs and expenses. The price is quoted excl. VAT.
- 2.2 Invoicing shall be done with payment each 30 calendar days. The term of payment shall not accrue before delivery is made and approved invoice have been received.
- 2.3 Approved invoice is an invoice which shall be specified and documented, so that the Buyer can easily check whether the invoiced items have been received and conforms to the Contract. Invoice fees, late fees and other fees are not admitted. For invoicing based on accrued time, the time is to be specified.
- 2.4 If the Buyer fails to pay at the agreed time, the Supplier shall be entitled to claim interest on any overdue amount, pursuant to the Act of 17 December 1976 No. 100 relating to Interest on Overdue Payments, etc. (the Late Payment Interest Act).

- 2.5 The Supplier cannot transfer invoices to a third party without the prior consent of the Buyer.

3. Delivery

- 3.1 Delivery is considered done when the services have been completed in accordance with what has been agreed and the Buyer has approved the delivery.
- 3.2 If the services consist of research and/or development works, delivery is considered done when accompanying documents etc. are delivered to and approved by the Buyer.

4. Transfer of risk

Risks are transferred from the Supplier to the Buyer at delivery.

5. Suppliers contractual obligations

5.1 General obligations

- 5.1.1 The services shall be completed in accordance with the Contract, and shall be performed efficiently, effectively and to a high professional standard.
- 5.1.2 The Supplier shall cooperate with the Buyer in good faith, and shall attend to the interests of the Buyer.

5.2 Characteristics of the services

- 5.2.1 The Supplier shall perform the services in accordance with the requirements in the Contract and be appropriate for the intended purpose.
- 5.2.2 The Supplier is responsible that the performance of the services is done in accordance with applicable law, and otherwise in accordance with prevailing trade rules and any other rules that may influence on the performance of the services. The

Supplier shall obtain and maintain all necessary permissions and approvals for the performance of the services, and upon request from the Buyer document that necessary permissions and approvals exist.

5.3 Warranty

- 5.3.1 The Supplier undertakes liability for faults and defects of the delivery that are demonstrated within the first 24 months after the delivery. For partial deliveries, the warranty period starts to run from the time when the delivery is fully installed and ready for use. The Supplier must in this warranty period as soon as possible and for its own cost replace defective parts or repair the delivery so that it is free from faults and defects of any kind. The warranty period shall not be shorter than normal practise for the particular service or trade.
- 5.3.2 This provision does not limit the Buyer's right to claim remedies for faults and defects.

5.4 Right of ownership, defects in title

- 5.4.1 Rights of ownership, intellectual property rights and other relevant rights are transferred to the Buyer at payment, unless otherwise agreed in writing and subject to any limitations laid down by other agreements or by mandatory law.
- 5.4.2 The Supplier shall deliver the services free of any third party claims that are not described in the Contract and shall indemnify the Buyer from any form of third party claims relating to the services.
- 5.4.3 The Supplier shall retain the rights to its own tools and methods. Both Parties may also utilise general know-how that has been accumulated in connection with the Contract, provided that such know-how is not confidential.

5.5 Transfer of documents

Where the services are represented by documents, these shall be delivered together with the services.

5.6 Subcontractors

Unless otherwise agreed, the Supplier can use subcontractors to fulfil its obligations under this Contract. The Supplier is responsible for the fulfilment of the entire delivery. The Buyer is entitled to disallow the choice of subcontractors if there are justifiable grounds.

5.7 Insurance

The Supplier shall maintain insurance for the services until the risk is transferred to the Buyer.

5.8 Notification obligation

If the Supplier is hindered in fulfilling its obligations at the correct time, it shall without undue delay notify the Buyer of the impediment and its effect on fulfilling the Contract. The Supplier shall be able to document when and how such notifications was given.

6. Buyer's remedies for breach of contract

6.1 Limitation period

- 6.1.1 If the Buyer wishes to make a claim for breach of Contract, it must notify the Supplier in writing about the defect within a reasonable time after it discovered or should have discovered the defect.
- 6.1.2 If the Buyer does not submit a claim within 3 (three) years after delivery, it cannot later make a claim for that defect. This does not apply if the Supplier through a warranty or other agreement has assumed liability for defects for a longer period.
- 6.1.3 The Buyer may in any event make a claim on the defect, if the Supplier has shown gross negligence or otherwise

behaved contrary to integrity and good faith.

6.2 Breach of notification obligation

If the Buyer does not receive notification as stipulated in Clause 5.8 within a reasonable time after the Supplier knew or should have known about the impediment, the Buyer may demand damages for loss that could have been avoided if it had received notification within the time limit.

6.3 Withholding of payment

If the Buyer has claims resulting from the Supplier's breach of contract, the Buyer is entitled to withhold as much of the purchase price as the breach appears to constitute of the total compensation.

6.4 Penalties

6.4.1 If the Supplier does not meet deadlines as agreed, the delay constitutes grounds for daily fines. Daily fines will start to accrue automatically in the event of overdue delivery.

6.4.2 Daily fines constitute 1 % of the compensation excl. VAT for the part of the delivery that is affected by the delay per work day, limited to 20 (twenty) work days. The daily fine constitutes in any event a minimum of NOK 1000 per day.

6.4.3 The Buyer cannot discharge the Contract while a daily fine is running. This does not apply if the Supplier or someone it is liable for has shown gross negligence or otherwise behaved contrary to integrity and good faith.

6.4.4 If the daily fine does not cover the Buyer's documented direct losses incurred by the delay, the Buyer can claim damages for the excess amount.

6.5 Substitute purchase at discharge

At discharge, the Buyer has the right to conduct a substitute purchase in a reasonable manner and within a reasonable time after the discharge. In the event of a claim for damages, the Buyer is entitled to damages for the difference between the agreed price and the substitute transaction, in addition to other damages pursuant to this Contract.

6.6 Other remedies

Other remedies follow from the Act of 13 May 1988 no. 27 on The Sale of Goods ("kjøpsloven"), to the extent suitable.

7. Buyer's contractual obligations

7.1 General obligations

The Buyer shall contribute in good faith to the performance of the Contract.

7.2 Notification obligation

If the Buyer is prevented in meeting its obligations at the correct time, it shall without undue delay notify the Supplier of the impediment and its potential effect on fulfilling the Contract. The Buyer shall be able to document when and how such notification was given.

8. Supplier's remedies for breach of contract

8.1 Breach of notification obligation

If the Supplier does not receive notification as stipulated in Clause 7.2 within a reasonable time after the Buyer knew or should have known about the impediment, the Supplier may demand damages for loss that could have been avoided if it had received notification within the time limit.

8.2 Supplier's right to withhold

The Supplier is not entitled to withhold performances as a consequence of the

Buyer's breach of contract. This does not apply if the breach is material.

8.3 Other remedies

Other remedies follow from the Act of 13 May 1988 no. 27 on The Sale of Goods ("kjøpsloven").

9. Suspension regulations (force majeure)

9.1 The Parties' obligations under this Contract may be suspended in cases in which impediments occur outside the control of the affected Party, which it could not reasonably be expected to have considered at the time of signing the Contract or avoided or overcoming the consequences of in relation to fulfilling one or more of the contractual obligations.

9.2 Suspension is conditional on the affected Party without undue delay notifying the other Party of the impediment and that the obligations thereof are suspended.

10. Transfer of rights and obligations

The Supplier cannot transfer the rights or obligations governed by this Contract to a third party without the prior written consent of the Buyer. Consent cannot be unreasonably withheld. If the Supplier merges or demerges the Buyer has the right to discharge the Contract immediately.

11. Amendments, stopping and cancellation

11.1 If the Buyer after signing this Contract finds it necessary to amend the requirements for the service or other conditions of the Contract in such a way that the nature or scope of the service is different than agreed, the Buyer may request for an amendment contract.

With demands for amendments the Supplier may require adjustments in compensation, or time schedules, if it substantiates a ground for such

adjustments. A claim for adjusted compensation or time schedule must be submitted no later than simultaneously with the Supplier's response to the Buyer's request for amendment contract.

The Buyer may demand the service performance reduced or increased up to the corresponding 20 per cent of the compensation for the entire service performance. The price shall in such case be changed corresponding to the decrease or increase. The Supplier may not claim compensation for such reduction.

If the Parties disagree about the amount to be added or deducted from the compensation or other consequences as a result of the amendment, the Supplier shall still implement the amendment without awaiting the final resolution of the dispute.

11.2 The Buyer may demand that the implementation of the service is temporary stopped. The demand must be proposed in writing. It must inform when the service shall stop and when it will be resumed.

By temporary stoppage the Buyer must compensate:

- a. The Supplier's documented and direct costs in connection to redeployment of personnel.
- b. Other direct costs that the Supplier suffers as a result of the stoppage.

11.3 The service can be cancelled by the Buyer with 30 (thirty) calendar days prior written notice. Reduction of the service up to 20 per cent of the compensation for the entire service is considered amendment and not cancellation, c.f. Clause 18.

By cancellation before the service is fulfilled the Buyer must pay:

- a. The Supplier's outstanding amount for already performed work.
- b. The Supplier's documented and direct costs in connection to redeployment of personnel
- c. Other direct costs that the Supplier suffers as a result of the cancellation.

12. Advertisements

The Supplier must obtain prior approval from the Buyer if the Supplier for advertisement purpose or in other way wishes to give the public information about the Contract beyond using the delivery as general reference.

13. Disputes

If disputes are to occur over the interpretation or legal effects of these general terms, the dispute shall be endeavoured resolved through negotiations. If negotiations have not produced a result within four - 4 - weeks, after the first negotiation meeting, the dispute shall be decided by the normal courts of law. The Buyer's court of domicile is the court of law for disputes arising from this Contract. The same applies to underwriters. Disputes are to be solved in accordance with Norwegian law.

Buyer:		Supplier:	
Name: Nordic Innovation Address: Stensberggata 27, 1157 Oslo, Norway VAT identification number: 971 516 577		Name: Address: VAT identification number:	
Date:	Signature:	Date:	Signature:
Name and position:		Name and position:	
Svein Berg Managing Director		Managing Director	