



Document title:

**General Conditions for Purchase of
Design or Engineering Services**

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GOV-02-P-PR-0005

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1. DEFINITIONS

BUYER:

The company stated as such in the Purchase Order Form or its successors or permitted assigns.

BUYER INFORMATION:

Drawings, documents, specifications, technical information, computer programs and other information owned or to which BUYER obtains ownership according to Article 16, or provided by BUYER to SELLER for performance of SERVICES under a PURCHASE ORDER.

BUYER GROUP:

BUYER and its parents, subsidiaries and affiliated companies, BUYER's other suppliers and contractors of any tier, to the extent they are involved in the project to which the PURCHASE ORDER relates, CLIENT, and the officers, directors, employees, agents, and representatives of such.

CLIENT:

A third party with whom BUYER has a contract to provide the SERVICES.

COMPLETION:

The date of issue of BUYER's written acceptance of the SERVICES, in which BUYER confirms that all and any SERVICES as described in the PURCHASE ORDER are complete and in accordance with the requirements of the PURCHASE ORDER. Such acceptance does not relieve SELLER of any guarantee or warranty obligations, or other obligations and liabilities in relation to the PURCHASE ORDER.

DOCUMENTS:

Drawings, documentation, calculations, certificates manuals, datasheets and all other technical, commercial and other documents and data to be supplied by SELLER under the PURCHASE ORDER on media specified therein.

FORCE MAJEURE:

As defined in Article 12.3.

MILESTONE DATE(S):


The required date(s) for SELLER's performance of the SERVICES or parts thereof according to the PURCHASE ORDER.

PARTY / PARTIES:

SELLER and BUYER or either of them as the context dictates.

PERMANENT WORKS:

The facilities to be constructed wholly or in part on the basis of the SERVICES.

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PURCHASE ORDER:

The separate contract document describing the SERVICES (“PURCHASE ORDER”) together with any SPECIAL CONDITIONS, these General Conditions for Purchases of Design or Engineering Services and any appendices and attachments thereto and any signed amendments and variations to said documents.

PURCHASE ORDER PRICE:

The total price specified in the PURCHASE ORDER which is subject to adjustment in accordance with Article 4 only and which shall constitute full compensation to the SELLER for the SERVICES, including all costs, expenses, TAXES, duties, fees or charges of any kind incurred by or levied on SELLER GROUP related to the performance of the PURCHASE ORDER and for fulfilling all of its obligations under the PURCHASE ORDER.

SELLER:

The company or person stated as such in the PURCHASE ORDER or its successors or permitted assigns.

SELLER GROUP:

SELLER and its parent, subsidiaries and affiliated companies, and SELLER’s suppliers and contractors of any tier, to the extent they are involved in the project to which the PURCHASE ORDER relates, and the officers, directors, employees, agents, and representatives of such SELLER parent, subsidiary, affiliate, supplier and contractor.

SERVICES:


The services to be performed by SELLER pursuant to the PURCHASE ORDER including the provision of DOCUMENTS.

SPECIAL CONDITIONS:

The document attached to the PURCHASE ORDER which expressly varies these General Conditions for Major Purchases of Goods and which is signed by a duly authorized member of BUYER and SELLER.

TAXES

Includes all compulsory charges imposed pursuant to the authority of a country, or political subdivision thereof, to levy taxes or fees on an entity or activity. Taxes include, but are not limited to, income taxes, employment taxes, franchise taxes, sales and use taxes, value added taxes (“VAT”), VAT applicable to non-residents, industry and commerce tax, property, ad valorem and excise taxes. Taxes do not include import/ export customs duties or fees and stamp duties unless specifically provided for.

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WARRANTY PERIOD:

48 months from COMPLETION of the SERVICES (or the satisfactory passing of any inspections and prescribed tests if later), or 30 days after the BUYER's warranty obligations expire towards its CLIENT, whichever is later in time.

2. INTERPRETATION

2.1 In the event of any conflict between the provisions of the PURCHASE ORDER, the various contract documents shall be given priority in the following order:

- (a) Any SPECIAL CONDITIONS agreed between the PARTIES and constituted in writing.
- (b) These General Conditions for Purchase of Design and Engineering Services.
- (c) The Purchase Order form.
- (d) Appendices to the PURCHASE ORDER in the order they are listed, unless stated otherwise.


2.2 The governing language of the PURCHASE ORDER shall be the English language.

3. GENERAL OBLIGATIONS OF SELLER

3.1 SELLER shall perform the SERVICES according to high standards of engineering practice and the PURCHASE ORDER specifications or, if none are specified, in accordance with the latest applicable standards and codes of practice of the industry concerned.

SELLER represents and warrants it has examined the PURCHASE ORDER and will examine other BUYER INFORMATION supplied by BUYER from time to time. SELLER represents and warrants that it knows or, prior to accepting the PURCHASE ORDER, will determine i) the nature and scope of SERVICES, ii) the character of the PERMANENT WORKS, and iii) the general and local conditions of such facilities, and (iv) any other matters which could affect the SERVICES. SELLER's failure to examine the PURCHASE ORDER and/or BUYER INFORMATION or to become knowledgeable about or to discover matters which SELLER ought to have known or discovered in the performance of its examination and which affect the SERVICES shall not relieve SELLER from its obligations under this PURCHASE ORDER.


3.2 SELLER shall comply with all applicable laws, rules and regulations of any governmental, judicial or regulatory body having jurisdiction over the SERVICES or any site where the SERVICES are performed, including without limitation laws, rules and regulations pertaining to health, safety and the environment, non-discrimination of the workforce, organization of labour, engineering codes and standards and construction codes and standards. SELLER shall defend, indemnify and hold BUYER harmless from and against all claims, losses, damages, costs and expenses (including legal fees) arising out of SELLER's failure to comply with the aforesaid laws, rules and regulations.

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- 3.3 SELLER shall have and comply with a certified quality system as defined in the ISO 9000 series of standards, or a system of equal standard approved by BUYER, which is suitable for the SERVICES.
- 3.4 SELLER shall search for defects, discrepancies and inconsistencies (“Errors”) in the BUYER INFORMATION provided by BUYER. SELLER shall without undue delay notify BUYER of any such Errors discovered. If SELLER does not notify BUYER of any Errors that SELLER has discovered, or ought to have discovered, by such search and as a result BUYER incurs additional costs or is prejudiced as regards to warranties, guarantees or other rights, then all such costs incurred shall be borne by SELLER.
- 3.5 Actions taken by BUYER in checking, verifying, reviewing, consenting to, approving, testing, inspecting or accepting the SERVICES shall in no way relieve SELLER from its obligations or responsibilities as stated in the PURCHASE ORDER.
- 3.6 SELLER shall have a documented, implemented and auditable Health, Safety, Environment and Security (HSES) management system for the SERVICES ensuring safe performance according to applicable laws and regulations at any location where the SERVICES are performed. BUYER shall have the right to perform quality audits of the SELLER’s HSES management system. Any additional HSES requirements specified in the PURCHASE ORDER shall be complied with by SELLER.
- 3.7 In performing the SERVICES and other obligations under this PURCHASE ORDER, SELLER shall be an independent contractor and not the agent or employee of BUYER. The relationship of employer and employee shall not exist between BUYER and SELLER or any of their employees. SELLER shall have no authority to make statements, representations or commitments of any kind or take any other action binding on BUYER. It is expressly agreed that it is not the purpose or intention of the PURCHASE ORDER to create, nor shall the same be construed as creating, any partnership or joint operation between BUYER and SELLER.
- 3.8 SELLER shall ensure that all subcontractors involved in the performance of the SERVICES are bound by terms that are no less stringent to those set out in the PURCHASE ORDER.

4. VARIATIONS

- 4.1 BUYER has the right to order such variations to the SERVICES as in BUYER’s opinion are desirable. Variations may include an increase or decrease in the quantity, character, quality, manner of execution of the SERVICES as well as changes to the MILESTONE DATE(S).
- 4.2 When BUYER requests a variation, SELLER shall as soon as possible and at latest within five (5) working days submit a written confirmation containing a description of the

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effects the variation will have on the PURCHASE ORDER PRICE, MILESTONE DATE(S) and technical specification. BUYER may require the submission of an estimate of the effects of a variation prior to ordering variations. SELLER shall not initiate the variation in the SERVICES until BUYER has instructed SELLER in writing.


- 4.3 If SELLER is of the opinion that it is entitled to a variation order, or if BUYER is in breach of any of its obligations according to the PURCHASE ORDER, then SELLER shall issue a written request for a VARIATION ORDER without delay and at the latest within ten (10) working days after SELLER has become aware or should have become aware of the situation. If SELLER fails to present a request for a variation order within the aforesaid period, SELLER shall lose the right to a variation order.
- 4.4 Disagreement as to compensation payable in respect of a variation order shall not entitle SELLER to delay the SERVICES and SELLER shall implement the variation without awaiting the final outcome of the dispute.

5. CANCELLATION AND SUSPENSION

- 5.1 BUYER reserves the right to suspend performance of or cancel the PURCHASE ORDER or any part thereof with immediate effect by written notification to SELLER.
- 5.2 Except in case of suspension or cancellation due to SELLER's breach of the PURCHASE ORDER, BUYER shall pay the unpaid balance due to SELLER for that part of the SERVICES already performed and shall pay substantiated costs reasonably incurred by SELLER and approved in advance by BUYER as a direct consequence of the suspension or cancellation.
- 5.3 In the event of cancellation, SELLER shall return all BUYER INFORMATION and handover all DOCUMENTS at their current state at the time of cancellation.

6. PURCHASE ORDER PRICE

- 6.1 The PURCHASE ORDER PRICE stated in the PURCHASE ORDER shall be considered as fixed unless otherwise stated in the PURCHASE ORDER.
- 6.2 In the event the PURCHASE ORDER PRICE is stated to be reimbursed according to agreed rates and prices, the rates and prices shall cover all the expenses that SELLER incurs in connection with the SERVICES, and no additional amounts may be invoiced unless agreed in writing between BUYER and SELLER.
- 6.3 The PURCHASE ORDER PRICE shall, unless otherwise specified in the PURCHASE ORDER, include without limitation:
 - (a) All wages, including overtime payments, special supplements, subsistence and other compensation, and all personal taxes, social security contributions and

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other government levies payable with respect to such remuneration and allowances;


- (b) Mobilization, demobilization and home travels;
- (c) Public holidays;
- (d) Holiday pay;
- (e) Wage during illness, military service and other leaves of absence;
- (f) Insurance premiums and voluntary or obligatory pension contributions
- (g) Employer's contributions and other applicable taxes and levies payable to public authorities;
- (h) All fees to employer/employee organizations;
- (i) Establishment and renewal of residence and immigration permits, work permits, certificates, licenses, health/vaccination certificates, etc.;
- (j) Training in computer programs relevant for the SERVICES;
- (k) All overhead or management fees;
- (l) Risk and profit.

Unless otherwise stated in the PURCHASE ORDER, hourly rates shall apply both to normal time and overtime.

- 6.4 The PURCHASE ORDER PRICE shall not be subject to escalation unless otherwise stated in the PURCHASE ORDER.

7. TERMS OF PAYMENT AND AUDIT

- 7.1 SELLER shall invoice BUYER in accordance with the invoicing instructions in the PURCHASE ORDER. Invoices must be sent to the address stated in the PURCHASE ORDER and shall be marked with BUYER's name, the project name and PURCHASE ORDER number.
- 7.2 BUYER shall make payment within 60 days following the receipt of a correct invoice, provided that SELLER's obligations under the PURCHASE ORDER have been fulfilled. BUYER may withhold any disputed or insufficiently documented amounts.
- 7.3 SELLER shall submit a final invoice within 45 days after SELLER's COMPLETION of the SERVICES.
- 7.4 SELLER shall permit BUYER GROUP and CLIENT to carry out such audits and inspections as BUYER deems to be necessary including review of all data and records in connection with the SERVICES and all transactions related thereto and BUYER and/or its CLIENT shall have access to all information relating to the rates and prices as may reasonably be required to verify payments made to or by SELLER under or pursuant to the

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PURCHASE ORDER. SELLER shall ensure that BUYER shall have similar rights to audit and inspect SELLER's subcontractors.


- 7.5 BUYER GROUP is entitled to perform such audit during the period of the PURCHASE ORDER and for up to 2 years after the end of the year of COMPLETION. However, all records pertaining to tax claims asserted on SELLER for which BUYER can be made jointly responsible shall be eligible for BUYER's audit until the particular claim can be declared finally resolved. No payment from BUYER shall affect BUYER's right to audit and inspect pursuant to Articles 7.4 and 7.5. If payments are proven incorrect, SELLER shall promptly submit the corrected invoice.

8. TITLE

- 8.1 Title to the DOCUMENTS and the PERMANENT WORKS shall pass to BUYER progressively as the SERVICES are performed by SELLER.
- 8.2 Equipment and materials paid for by BUYER which are purchased or produced in connection with the SERVICES are the property of BUYER. Such equipment and materials are not to be used by SELLER for other services without BUYER's written consent. SELLER shall mark such equipment and/or materials "Property of AKSO" and ensure that it is maintained in proper condition. Unless otherwise agreed amongst the parties, SELLER shall return such equipment and materials within three months from COMPLETION.

9. DELAY

- 9.1 Performance of the SERVICES shall take place strictly according to the MILESTONE DATE(s).
- 9.2 As soon as SELLER believes, or has grounds for believing, that its performance will be delayed, SELLER shall immediately notify BUYER in writing of the delay, the cause thereof and the measures SELLER will initiate in order to minimize the delay. SELLER shall implement all necessary actions and bear all costs incurred to minimize the delay unless the delay is caused solely by BUYER. If SELLER fails to notify BUYER or fails to provide such information as required in this Article 9.2, SELLER shall pay all direct costs incurred by BUYER as a result of such failure.
- 9.3 If the SERVICES or any part thereof are not ready for delivery on the MILESTONE DATE(S) or it is evident that the SERVICES or any part thereof will not be ready on the MILESTONE DATE(S), otherwise than to the extent that any delay is caused solely by BUYER, BUYER shall be entitled to require the SELLER to take measures at its expense to accelerate performance or to handover the incomplete SERVICES for completion by BUYER or a third party engaged by BUYER at SELLER's risk and cost. SELLER shall indemnify BUYER with respect to all additional costs resulting from the delivery in an


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incomplete state, including without limitation, the costs to complete the SERVICES. SELLER shall, at BUYER's request, provide any manpower or other resources required for the completion of the SERVICES.

- 9.4 In addition to BUYER's remedies in Articles 9.2 and 9.3, if SELLER is delayed and deviates from any of the MILESTONE DATE(S), BUYER is entitled to liquidated damages amounting to 0.5% of the total PURCHASE ORDER PRICE, per commenced calendar day. Such liquidated damages shall not exceed a cumulative amount of 20 % of the total PURCHASE ORDER PRICE.
- 9.5 BUYER AND SELLER hereby agrees that the liquidated damages are a genuine reasonable pre-estimate of the losses which may be sustained by BUYER in the event that SELLER fails in its respective obligations under the PURCHASE ORDER and shall not be claimed or construed as a penalty or other unenforceable sum.
- 9.6 The payment of any damages in this Article 9 shall not release SELLER from its obligation to otherwise fully perform its obligations under the PURCHASE ORDER or limit any other remedy of BUYER in contract, law or equity.

10. WARRANTY AND GUARANTEE

- 10.1 SELLER warrants and guarantees that, for the duration of the WARRANTY PERIOD, (i) it has performed and shall perform the SERVICES in accordance with the provisions of the PURCHASE ORDER, (ii) that the SERVICES shall be capable of achieving any performance standards set forth in the PURCHASE ORDER. In the event that within the WARRANTY PERIOD, the SERVICES are found to be defective, inadequate or otherwise fail to meet the requirements of the PURCHASE ORDER, then SELLER shall forthwith, on written notice from the BUYER, rectify the SERVICES at SELLER's sole cost. If SELLER fails to correct defective SERVICES within reasonable time or BUYER declines to allow SELLER to perform the rectification of the SERVICES, then SELLER shall pay to BUYER the reasonable costs incurred by BUYER for the corrective work.
- 10.2 If, pursuant to Article 10.1, SELLER makes rectifications according to Article 10.1, the provision of this Article 10 shall apply to said rectifications for twenty four (24) months from the completion of such corrections or the end of the basic WARRANTY PERIOD, whichever is later in time.
- 10.3 BUYER is entitled to claim compensation for any damages and losses suffered due to defects in the SERVICES.
- 10.4 The provisions of this Article 10 shall not limit SELLER's liability under any provision of this PURCHASE ORDER and shall be in addition to any rights BUYER may have in contract, equity or law.

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11. DEFAULT


- 11.1 An “Event of Default” shall occur when SELLER fails in any way to fulfil its obligations pursuant to the PURCHASE ORDER, is liable for the maximum of any limitation of liability hereunder, becomes insolvent or otherwise stops its payments.
- 11.2 If an Event of Default occurs, BUYER may choose one or more of the following alternatives:
- (a) Demand a new performance of the SERVICES (partially or wholly),
 - (b) Demand a price reduction,
 - (c) Suspend SELLER’s performance of the PURCHASE ORDER,
 - (d) Terminate the PURCHASE ORDER for default,
 - (e) Claim compensation for losses directly related to the breach.
- 11.3 SELLER is only entitled to be credited that part of the PURCHASE ORDER PRICE which relates to SERVICES completed in compliance with the PURCHASE ORDER. In the event of termination, SELLER shall return all BUYER INFORMATION and handover all DOCUMENTS at their current state at the time of termination and shall ensure that BUYER has the full unrestricted title and use of all DOCUMENTS. All costs related to the aforementioned termination shall be borne by the SELLER, and any amount so credited to SELLER shall be set off against BUYER’s costs related to the termination.
- 11.4 BUYER’s rights pursuant to this Article 11 are without prejudice to any other rights or remedies BUYER may have in contract or at law.

12. FORCE MAJEURE

- 12.1 Neither of the PARTIES shall be considered in breach of an obligation to the other under the PURCHASE ORDER to the extent that the PARTY can establish that fulfilment of the obligation has been prevented by FORCE MAJEURE.

The PARTY invoking FORCE MAJEURE shall, as soon as possible, notify the other PARTY in writing of the FORCE MAJEURE situation, the cause of delay and the presumed duration thereof.

- 12.2 For the purposes of the PURCHASE ORDER, a FORCE MAJEURE situation shall include, but not be limited to
- (a) Riot, war, invasion, acts of foreign enemies, acts of terrorism, acts of piracy, civil war, rebellion, revolution, insurrection of military or usurped power,
 - (b) Ionizing radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or radio-active,

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toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component hereof,

- (c) Unusually severe natural physical disasters that could not be reasonably anticipated, including earthquakes, floods, fires, explosions, hurricanes, typhoons, but excluding weather conditions less severe than the aforementioned,
- (d) Strikes or industrial disputes at a national or regional level, excluding strikes and industrial disputes related to the activity of SELLER GROUP,
- (e) Maritime or aviation disasters.

Provided always that the FORCE MAJEURE occurrence is beyond the control of the PARTY affected and that such PARTY could not reasonably have foreseen such occurrence at the time of entering into the PURCHASE ORDER and could not reasonably have avoided or overcome it or its consequences.

12.3 Each PARTY is entitled to terminate the PURCHASE ORDER by written notice to the other PARTY if the FORCE MAJEURE situation continues, or it is obvious that it will continue, for more than 60 days. In such case SELLER shall return all BUYER INFORMATION and handover all DOCUMENTS at their current state at the time of termination. SELLER is entitled to the unpaid balance due to SELLER for that part of the SERVICES already performed prior to the occurrence of the FORCE MAJEURE situation and SELLER shall ensure that BUYER has full unrestricted title for the same.

12.4 In the case of FORCE MAJEURE, each PARTY shall cover its own costs resulting from the FORCE MAJEURE situation.

13. LIABILITY


13.1 SELLER shall defend, indemnify and hold BUYER GROUP harmless from and against any claim, howsoever arising, concerning:

- (a) Personal injury to or loss of life of any employee or personnel of SELLER GROUP,
- (b) Loss of or damage to any property of SELLER GROUP.

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

13.2 BUYER shall defend, indemnify and hold SELLER GROUP harmless from and against any claim concerning:

- (a) Personal injury to or loss of life of any employee or personnel of BUYER GROUP, and/or
- (b) Loss of or damage to any property of BUYER GROUP in so far as the same are related to or used in connection with the PURCHASE ORDER.


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

- 13.3 SELLER shall defend, indemnify and hold BUYER GROUP harmless from and against any loss of or damage to the DOCUMENTS prior to COMPLETION unless attributable to the acts or omissions of the BUYER GROUP.
- 13.4 SELLER shall defend, indemnify, and hold BUYER GROUP harmless from any and all liability for death, disease or injury to any third party and loss of or damage to any third party property and against all claims, losses, damages, costs and expenses (including legal fees) resulting therefrom, arising out of the SERVICES.
- 13.5 BUYER shall defend, indemnify and hold SELLER GROUP harmless from BUYER GROUP's own indirect losses and damages, and SELLER shall defend, indemnify and hold BUYER GROUP harmless from SELLER GROUP's own indirect losses and damages. This applies regardless of any liability, whether strict or by negligence, in whatever form, on the part of either PARTY. Indirect losses and damages according to this provision include but are not limited to: loss of earnings, loss of business opportunity, loss of profit, and loss of production by the PERMANENT WORKS.
- 13.6 For the sake of clarity and the purpose of this Article 13, BUYER GROUP and SELLER GROUP shall also include the employees and agents of the companies included within the BUYER GROUP and the SELLER GROUP.

14. INSURANCE

- 14.1 SELLER shall procure and maintain at SELLER's expense, and for the duration of the PURCHASE ORDER until the end of the WARRANTY PERIOD, all necessary insurances required for and adapted to the operations for the performance of the SERVICES covering the liabilities assumed under the PURCHASE ORDER, hereunder including but not limited to:
- (a) Workers compensation and/or employer's liability insurance covering personal injury to or death of personnel of SELLER GROUP to the minimum value required by any applicable legislation or, if greater in sum, USD 2,000,000 per occurrence, including extended cover for working offshore in accordance with project requirements or such greater sum as is set out in the PURCHASE ORDER.
 - (b) General third party liability insurance covering all liabilities in respect of property damage and personal injury arising from the activities of SELLER GROUP in relation to the PURCHASE ORDER, with a minimum limit of not less than USD 3,000,000 per occurrence.
 - (c) Professional Indemnity insurance covering SELLER's legal arising out the SERVICES, with a minimum limit of not less than USD 5,000,000 per claim and in the annual aggregate.

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SELLER's liability is not limited to the cover under any insurance policy.

14.2

14.2.1 All insurances shall be placed with reputable insurers, acceptable to BUYER, and shall for all insurances (other than Employers Liability Insurance/ Workmen's Compensation) to the extent of the liabilities assumed by SELLER under the PURCHASE ORDER, include BUYER GROUP as additional insured.

14.2.2 All insurances shall be endorsed to provide that underwriters waive any rights of subrogation against BUYER GROUP to the extent of the liabilities assumed by SELLER under the PURCHASE ORDER.

14.2.3 Such insurances shall also where possible, provide that BUYER shall be given not less than thirty (30) calendar days prior written notice of cancellation of or material change to the insurance cover.

14.2.4 Within fifteen (15) calendar days of the date when both PARTIES have signed the PURCHASE ORDER, SELLER shall provide BUYER with insurance certificates, and thereafter renewals thereof, documenting that the relevant insurance requirements are procured and shall be maintained in accordance with this Article 14. The provision of the insurance certificates to BUYER shall not fix BUYER with the content thereof and shall not be a defence to any claim by BUYER against SELLER.

14.3 In the event that SELLER fails to provide any of its insurance set forth in this Article 14 or should any insurance be cancelled, terminated, BUYER may consider this an Event of Default and terminate the PURCHASE ORDER or have the right (not the obligation) procure the requisite insurance at SELLER's own cost.


14.4 The provisions of this Article 14 shall in no way limit the liability of SELLER under the PURCHASE ORDER.

14.5 For the sake of clarity and the purpose of this Article 14, BUYER GROUP and SELLER GROUP shall also include the employees and agents of the companies included within BUYER GROUP and SELLER GROUP.

15. NO WAIVER

15.1 No act or failure to act by BUYER in response to any breach of the PURCHASE ORDER shall be construed as a waiver of or acquiescence to that breach, or of any subsequent breach, unless made expressly in writing.

15.2 No failure or delay on the part of BUYER to exercise any power, right or remedy under this PURCHASE ORDER shall operate as a waiver thereof nor shall any single or partial

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exercise by the BUYER of any power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy.

16. INTELLECTUAL PROPERTY RIGHTS

- 16.1 Subject to 16.2 and 16.4, all INTELLECTUAL PROPERTY in and related to the SERVICES, including the DOCUMENTS, which is developed by SELLER GROUP in connection with the SERVICES or otherwise arising out of the SERVICES shall be the property of BUYER.
- 16.2 The PARTIES agree that all INTELLECTUAL PROPERTY owned by a PARTY prior to entering into the PURCHASE ORDER will remain the property of that PARTY.
- 16.3 All INTELLECTUAL PROPERTY in BUYER INFORMATION shall remain at all times the property of BUYER or CLIENT. BUYER INFORMATION shall not be used by SELLER other than for the purpose of the SERVICES and shall, upon written request by BUYER, be returned to BUYER when the SERVICES are completed.
- 16.4 SELLER shall maintain ownership of inventions, developments and enhancements of SELLER INTELLECTUAL PROPERTY, in addition to INTELLECTUAL PROPERTY produced independently of the PURCHASE ORDER, unless any of such are based in whole or in part on BUYER INFORMATION, in which event they shall be owned by BUYER
- 16.5 SELLER shall notify BUYER of any INTELLECTUAL PROPERTY which BUYER shall obtain ownership of, or rights to, hereunder, and SELLER shall provide the necessary assistance to enable BUYER to acquire such rights. BUYER shall pay SELLER for all reasonable costs in connection with such assistance in accordance with applicable law.
- 16.6 SELLER shall provide and grant to BUYER and CLIENT and to anyone authorized by BUYER and CLIENT an irrevocable, perpetual, transferable, royalty-free, world-wide, non-exclusive license to all INTELLECTUAL PROPERTY owned by SELLER hereunder to the extent necessary for BUYER, CLIENT or their transferees to utilize the SERVICES and the DOCUMENTS, including the engineering, procurement, construction, installation, operation, maintenance, modification, adaptation and repair of such. Said license may be freely assigned to any end user of the SERVICES.
- 16.7 SELLER shall indemnify and hold harmless BUYER GROUP against any actual or alleged claims and proceedings, including legal fees, by BUYER GROUP or third parties with regard to infringement or violation of any INTELLECTUAL PROPERTY rights, in any jurisdiction, in connection with the SERVICES.

17. CONFIDENTIALITY

- 17.1 SELLER shall keep confidential all BUYER INFORMATION and DOCUMENTS and all information arising out of the PURCHASE ORDER that by its nature is confidential,

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including the terms of the PURCHASE ORDER and shall only use it for the purpose of the performance of the SERVICES. SELLER shall not divulge to a third party the said information without the written consent of the BUYER, except to the extent such information:

- (a) Is already known to the SELLER at the time the information was received
- (b) Is or becomes part of the public domain (except by default of the SELLER)
- (c) Is rightfully received from a third party without an obligation of confidentiality, and/or
- (d) Is required to be disclosed by law.


If any portion of the information which is to be kept confidential as aforesaid falls within any one of the above exceptions, the remainder shall continue to be subject to the restrictions of this Article 17.

18. SUBCONTRACTING

- 18.1 SELLER shall not subcontract any part of the PURCHASE ORDER unless BUYER has given approval in writing. Subcontracting shall not relieve SELLER of SELLER's responsibility for the whole of the SERVICES and for the timely execution hereof and SELLER shall be responsible for the acts, defaults and neglects of its subcontractors as fully as if they were the acts, defaults and neglects of SELLER.
- 18.2 SELLER shall ensure that all subcontractors involved in the performance of the SERVICES are bound by terms that are no less stringent than the PURCHASE ORDER.
- 18.3 Subcontracts entered into by SELLER shall contain a provision under which BUYER is entitled to call for the subcontract to be assigned to it.

19. CORPORATE SOCIAL RESPONSIBILITY, ANTI-CORRUPTION AND FAIR COMPETITION

- 19.1 Each PARTY shall uphold the highest standards of business ethics and corporate code of conduct in the performance of this PURCHASE ORDER. Furthermore, each PARTY by entering into this PURCHASE ORDER confirms that it will act in compliance with applicable labour standards, anti-discrimination rights and fundamental human rights norms as described in the Universal Declaration of Human Rights.
- 19.2 Each PARTY agrees that they will not, directly or indirectly take part in any action that constitutes bribery, corruption or trading in influence pursuant to laws and regulations applicable to this PURCHASE ORDER, the SERVICES or either the BUYER GROUP or the SELLER GROUP. SELLER warrants and represents that, in connection with the SERVICES it has not made or offered and will not make or offer any payment, gift, promise or other advantage or anything of value, whether directly or through intermediaries, to or for the use of any public official, where such payment, gift, promise or advantage

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would violate the principles identified in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the Convention on the fight against corruption involving officials of the European Communities or officials of the Member States of the European Union, or that would violate any national anti-corruption laws that might apply to this PURCHASE ORDER, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act 2010, which includes bribery of private individuals.

- 19.3 Each PARTY agrees to act in a fair and ethically justifiable manner in accordance with applicable competition rules.
- 19.4 BUYER has prepared a Supplier Declaration reflecting BUYER's focus on ethics, human-rights and principles for anti-corruption. SELLER shall sign the Supplier Declaration and undertakes to fulfil the requirements set out therein.

20. DATA PROTECTION


- 20.1 The PARTIES shall, if not otherwise agreed by entering into a data processing agreement, be considered independent controllers with respect to the PURCHASE ORDER. If a data processing agreement is entered into between the PARTIES, Article 20.2 below shall not apply.
- 20.2 Each PARTY shall comply with its obligations as a controller under applicable data protection law including ensuring a legal basis for processing of personal data, making sure relevant and sufficient security measures are in place and complying with transparency obligations. Each PARTY shall only process personal data received from the other PARTY to the extent necessary to fulfill the purpose of the PURCHASE ORDER. Personal data shall be deleted when no longer necessary for the stated purpose.

21. MISCELLANEOUS

21.1 ENTIRE AGREEMENT

The PURCHASE ORDER constitutes the entire agreement and understanding between the PARTIES in respect of the matters dealt with in it and supersedes all prior agreements, promises, correspondence, discussions, representations and understandings relating to the SERVICES, except those expressly set forth herein.

Other conditions shall not apply to the PURCHASE ORDER unless BUYER has accepted these in writing. In the event that SELLER fails to return a signed PURCHASE ORDER to BUYER prior to or upon commencement of the SERVICES, said commencement of SERVICES by SELLER shall be deemed to constitute acceptance by SELLER of the PURCHASE ORDER issued by BUYER. The headings herein are included for reference only and shall not be used in the interpretation of this PURCHASE ORDER.

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21.2 ASSIGNMENT

BUYER is entitled to assign, novate or otherwise transfer his rights and obligations under the PURCHASE ORDER, fully or partly, to any affiliates or any third parties. SELLER may not assign, novate or otherwise transfer his rights and obligations under the PURCHASE ORDER without BUYER's prior written consent.

21.3 THIRD PARTY RIGHTS

Except as expressly provided in the PURCHASE ORDER it is agreed that the PURCHASE ORDER is not intended to and does not give any person who is not a PARTY to this PURCHASE ORDER any rights to enforce any provision contained herein.

22. APPLICABLE LAW AND RESOLUTION OF DISPUTES

22.1 Unless expressly agreed otherwise by the PARTIES, the PURCHASE ORDER shall be governed by and interpreted in accordance with Norwegian law.

22.2 Disputes arising in connection with or as a result of the PURCHASE ORDER, and which are not resolved by mutual agreement, shall be settled by court proceedings. Any court proceeding shall be brought before Oslo District Court. The PARTIES shall act and handle the dispute in an amicable manner.