

These General Conditions are established for major or particular purchases by Höegh LNG Group affiliates and will apply to and supplement a separate agreement (supply contract or purchase order) entered into with the respective supplier. This document is confidential and proprietary information of Höegh LNG AS.

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

“AFFILIATE” means any other person or legal entity which controls, or is controlled by, or which is controlled by a person or entity which controls, a party, and, with respect to BUYER, Höegh LNG Partners LP and Höegh LNG Ltd. and their AFFILIATES shall always be considered as AFFILIATE of BUYER. For the purpose of this definition “control” means the direct or indirect ownership of, in aggregate, not less than 50% (fifty percent) of the issued share capital of a person or the power whether held directly or indirectly and by whatever means (and whether or not enforceable at law or in equity) to direct or cause the direction of the general management of person in question.

“BUYER” means the buying entity ordering the WORK from SELLER, stated as such in the CONTRACT (or its successors or permitted assignees).

“BUYER GROUP” means BUYER and its respective AFFILIATES, CLIENT, co-ventures and financiers and its and theirs subcontractors of (any tier), and the personnel and representatives of any entity here-mentioned, to the extent they are involved in the project, activities or operations to which the WORK (will) relate, excluding any member of SELLER GROUP.

“BUYER INFORMATION” means any specifications, drawings, documents or other information and computer programs provided by (or on behalf of) BUYER, including any documentation pertaining to BUYER PROVIDED ITEMS.

“BUYER PROVIDED ITEM” means any materials, tools or equipment provided by (or on behalf of) BUYER.

“BUYER SITE” means any location furnished by BUYER where SERVICES, or other parts of the WORK, are performed, including, as applicable, any office facility, construction site or vessel of BUYER GROUP.

“CLIENT” means a third party with whom BUYER, or an AFFILIATE of BUYER, has (or will have) a contract to provide works and/or services to which the WORK will relate.

“CONTRACT” means a written agreement and/or the ORDER for BUYER’s purchase of the GOODS and/or SERVICES from SELLER, describing the WORK and specifying the CONTRACT PRICE, including any exhibits and attachments thereto (such as but not limited to specifications), the Conditions of Contract (as defined in Article 2), and any signed amendments to said documents and any Variation Orders (as defined in Article 7).

“CONTRACT PRICE” means the remuneration due to SELLER under the CONTRACT, as defined in Article 5.

“COMPLETION” has the meaning assigned to it in Article 9.

“DEFAULT INTEREST RATE” means a rate per annum of 3% (three percent) above the 3 (three) month London Interbank Offered Rate (“LIBOR”) current on the date upon which the subject payment first becomes overdue adjusted to reflect any changes to the LIBOR rate during the period over which the payment remains overdue.

“DELIVERY” means the transfer of risk for the GOODS (and other part of the WORK) to BUYER as further defined in Articles 8 and 9.

“DELIVERY SCHEDULE” means the required date(s) of SELLER’s performance and DELIVERY of the WORK and COMPLETION according to and as specified in the CONTRACT, as such may be amended from time to time in accordance with the provisions of the CONTRACT.

“DOCUMENTS” means all documentation to be provided by SELLER to BUYER under the CONTRACT, including any documentation specified in the CONTRACT and as minimum all applicable drawings, specifications, certificates, instructions, manuals and other documentation necessary for correct installation, commissioning, operation, maintenance and use of the GOODS and reports of any SERVICES.

“GOODS” means all equipment, materials, parts and other deliverables (except DOCUMENTS) to be delivered to BUYER by SELLER pursuant to the CONTRACT.

“HSSE” means pertaining to health, safety, security and environment.

“ORDER” means an order, whether called purchase order or otherwise, issued by BUYER to SELLER for the purchase of the GOODS and/or SERVICES.

“PARTY” means either BUYER or SELLER, and “PARTIES” means both BUYER and SELLER.

“SELLER” means the company or person providing the WORK to BUYER, stated as such in the CONTRACT (or its successors or permitted assigns).

“SELLER GROUP” means SELLER and its AFFILIATES and its and theirs subcontractors (of any tier), and the personnel and representatives of any entity here-mentioned, to the extent they are involved in the WORK or otherwise in SELLER’S performance under the CONTRACT.

“SERVICES” means all activities to be performed by SELLER pursuant to the CONTRACT, which are not GOODS or DOCUMENTS.

“WARRANTY PERIOD” means the period expiring 24 (twenty-four) months after DELIVERY and COMPLETION, unless otherwise specified in the CONTRACT.

“WORK” means all activities and deliverables that SELLER is required to carry out under the CONTRACT, including the SERVICES, GOODS and DOCUMENTS, as well as everything necessary for the provision of the SERVICES, GOODS and DOCUMENTS to BUYER in accordance with the CONTRACT.

1.2 In this document;

The term “General Conditions” means the terms and conditions set out herein this document; headings herein are for convenience only and shall not affect the interpretation of provisions; and references herein to articles are, unless explicitly stated otherwise, to the articles of this document;

The “date of CONTRACT” means the date the CONTRACT is entered into between the PARTIES (with respect to an ORDER); the date of BUYER’s issue of such ORDER); any reference to “days” means calendar days (unless to the extent explicitly stated otherwise); and anything to be done “promptly” shall be done as soon as reasonably practicable and without undue delay;

The term “personnel and representatives” includes any officers, directors, employees, in-hired personnel and other representatives (including consultants, advisors, financing sources, accountants, counsel, invitees and agents); and the term “subcontractor” includes without limitation any vendor, supplier or third party supplying goods or services to a party;

The term “laws and regulations” means, without limitation, laws, rules, regulations, ordinances, judgements, orders, codes of practise, guidance and other official acts and requirements of any governmental authority or agency or regulatory body applicable;

The term “including” means including without limitation, and cognate terms shall be construed accordingly; and general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class or example of acts, matters or things; and unless otherwise stated or understood from the context, the use of singular includes the plural and vice versa.

2 APPLICATION. ORDER CONFIRMATION

2.1 SELLER accepts and will be bound by the CONTRACT either expressly by written statement (e.g. contract signing or order confirmation) or impliedly by fulfilling the CONTRACT in whole or in part (including invoicing thereunder).

2.2 These General Conditions, together with any special conditions (amendments or additions) agreed between the PARTIES, together herein referred to as the “Conditions of Contract”, shall govern the CONTRACT between BUYER and SELLER. Any such agreed special conditions will, provided such are expressly stated in the CONTRACT or otherwise agreed in writing between the PARTIES, have precedence over these General Conditions.

- 2.3 No contractual terms or conditions contained in SELLER's quotations, order confirmation, acknowledgements, acceptance, specifications or similar documents will form part of the CONTRACT and SELLER waives any right which it might have to rely on such terms or conditions, unless to the extent such terms or conditions are accepted by BUYER in writing.
- 2.4 With respect to an ORDER issued by BUYER to SELLER (with no separate CONTRACT document signed between PARTIES);
- a) The General Conditions edition effective at the date when the ORDER was issued by BUYER shall, together with any special conditions stated in the ORDER, be applicable for the Conditions of Contract of the respective ORDER.
- b) SELLER shall promptly upon receipt of an ORDER return an order confirmation to BUYER, confirming the ORDER and the WORK to be delivered, the DELIVERY SCHEDULE and the CONTRACT PRICE. If such order confirmation does not comply with the ORDER (including the Conditions of Contract) or what is otherwise accepted in writing by BUYER, BUYER reserves the right to cancel the ORDER without cost and/or obligation.
- ### 3 GENERAL OBLIGATIONS
- 3.1 SELLER shall ensure that the WORK is performed and delivered in accordance with the CONTRACT and BUYER's instructions, with high standards of workmanship, in full compliance with applicable laws and regulations, and with that degree of skill, care and diligence as normally exercised by recognized professional firms performing work of similar nature.
- 3.2 SELLER shall ensure that an adequate number of personnel are assigned for the WORK to be provided and that all SELLER GROUP personnel and representatives have the necessary and required training, qualifications and experience for their job and the respective SERVICES they are to perform.
- 3.3 The WORK shall in all respects meet the specifications of the CONTRACT, and SELLER shall ensure that the GOODS, SERVICES and DOCUMENTS are of satisfactory quality and fit for their particular purpose (such quality and purpose as stated in the CONTRACT specifications, or as derived from SELLER's marketing, tendering or acknowledgements in relation to the CONTRACT or, in absence thereof, such purpose for which the GOODS, SERVICES and DOCUMENTS would ordinarily be used). Materials, parts and equipment incorporated into GOODS shall be unused.
- 3.4 The WORK shall comply with the latest issue (at the date of CONTRACT) of regulations, standards and codes specified in the CONTRACT and, unless otherwise agreed, the applicable regulations, standards and codes of the industry concerned. Where new revisions of applicable regulations, standards and codes are released after the date of the CONTRACT, such new revisions shall be implemented in the WORK if so requested by BUYER. SELLER shall promptly notify BUYER in the event SELLER becomes aware of any such new revisions affecting the WORK, and BUYER instructed implementation of such change will constitute a Variation to the WORK pursuant to Article 7.
- 3.5 SELLER shall have a certified quality system as defined in the ISO 9001 and 14001 standards, or a system of equal standard, suitable for the WORK to be performed.
- 3.6 SELLER shall, at its own cost, carry out such tests and inspections (including calibrations and factory acceptance tests, as applicable) as required and customary in accordance with the latest applicable standards and codes of practice of the industry concerned and, without limitation, all tests and inspections detailed in the CONTRACT, to confirm that the requirements of the CONTRACT are met. BUYER has the right, but not the obligation, to witness any test or inspection, and SELLER shall notify BUYER in writing of any test or inspection in adequate time for BUYER to be able to exercise this right.
- 3.7 If BUYER becomes aware of any aspect of the WORK not complying with the CONTRACT, SELLER is obliged to remedy such non-conformity promptly upon receipt of BUYER's notice.
- 3.8 The PARTIES will in all aspects related to the performance of the WORK give priority to safety and working environment in order to avoid loss or harm to any person, property or environment. SELLER shall exercise all diligence to conduct its operations in a manner that will prevent pollution.
- In the event any of the WORK involves hazardous material or substances, SELLER shall take all necessary precautions to ensure safe and lawful handling, use or storage or transport of such WORK. SELLER will strive to control and limit the use of non-recyclable natural resources, in particular for spare parts and consumables.
- 3.9 SELLER shall have a documented, implemented and auditable HSSE management system for the WORK to be performed according to applicable laws and regulations where the WORK is performed. SELLER's HSSE management system shall have a level of standard that enables SELLER to seek the fulfilment of its own and BUYER's policies with respect to HSSE and corporate social responsibility.
- 3.10 Except for any pre-approved subcontractors (as may be specified in the CONTRACT by a makers' list or otherwise) and for standard purchases or limited use of hired labour, SELLER shall not subcontract any part of the WORK unless BUYER has given prior approval in writing (such approval not to be unreasonably withheld).
- 3.11 SELLER is responsible for the control and management of its personnel and representatives and subcontractors (and any other members of SELLER GROUP) under the CONTRACT, and for their acts or omissions, defaults or neglects as fully as if they were the acts, defaults and neglects of SELLER. Subcontracting, whether approved or not by BUYER, shall not relieve SELLER from any of its obligations or liabilities under the CONTRACT.
- 3.12 Right to Information and Access to the Work
- a) SELLER shall, in an orderly fashion and in specified intervals (minimum on a monthly basis), report to BUYER on the progress and other aspects of the WORK. SELLER shall immediately and not later than 24 hours, notify BUYER of any fatal or severe safety incidents occurring and directly related to the performance of the WORK.
- b) SELLER shall cooperate with BUYER GROUP in all matters relating to the CONTRACT. BUYER and its appointed representatives shall (i) have full and free access at all reasonable times to SELLER's facilities, drawings, technical specifications and other associated documents and data to the extent such relate to the WORK, (ii) have the right to carry out such audits and inspections as BUYER deems to be necessary to verify compliance to the CONTRACT (including inspection of facilities, materials and products, making tests of the GOODS and review of drawings, technical specifications and other data and records in connection with the WORK) and (iii) be entitled to give advice or directions to SELLER, and any person in charge of personnel and representatives of SELLER GROUP, as regards the performance of the WORK.
- SELLER shall ensure that SELLER and BUYER have similar rights to access and inspect SELLER's subcontractors.
- c) Upon request, BUYER shall be entitled to audit and/or promptly obtain necessary information from SELLER which BUYER considers relevant to verify compliance to the CONTRACT, including with regards to compliance with the provisions of Articles 3, 5.3, 5.4, 8.4, 15.5, 18 and 21. SELLER shall maintain records and BUYER is entitled to perform such audit during the period up to 2 (two) years after the end of the year of COMPLETION. However, all records pertaining to tax claims asserted on SELLER for which BUYER GROUP can be made jointly responsible shall be eligible for BUYER GROUP's audit until the particular claim can be declared finally resolved.
- d) SELLER shall have a document control system for filing and retrieving information of all documentation and DOCUMENTS related to the CONTRACT. SELLER shall produce, index, format and handover all DOCUMENTS to be delivered to BUYER pursuant to the CONTRACT. SELLER will submit DOCUMENTS for review and comments by BUYER as agreed between the PARTIES for the respective WORK.
- 3.13 SELLER GROUP, and the performance of the WORK under the CONTRACT, shall comply with any further administrative and/or quality and/or HSSE requirements instructed by BUYER, to the extent such BUYER requirements are set out in the CONTRACT or otherwise agreed between the PARTIES.
- 3.14 Further obligations and provisions with respect to performance of SERVICES at BUYER SITE are set forth in Article 21.

4 BUYER PROVIDED ITEMS AND INFORMATION

- 4.1 BUYER is responsible for providing to SELLER such BUYER INFORMATION and BUYER PROVIDED ITEMS, if any, as stated in the CONTRACT (and, upon SELLER's request, such other information as may be reasonably expected to be available from BUYER in relation to the WORK), in a timely manner as required for the performance of the WORK.
- 4.2 SELLER represents and warrants it has examined the CONTRACT, and BUYER INFORMATION supplied in relation to the CONTRACT, and that it knows or, prior to commencing performance of the WORK, will determine the nature and scope of the WORK and any related requirements, conditions and peculiarities and other matters which could affect the WORK. SELLER's failure to examine the CONTRACT or BUYER INFORMATION or to become knowledgeable about or to discover matters which SELLER, as a professional supplier, ought to have known or discovered in the performance of its examination and which affect the WORK shall not relieve SELLER from its obligations under this CONTRACT. Notwithstanding the foregoing, SELLER may, subject to Article 4.3, rely upon the correctness of BUYER INFORMATION.
- 4.3 SELLER shall, to the extent relevant to the performance of the WORK, search for defects, damages, discrepancies and inconsistencies ("Errors") in BUYER INFORMATION and BUYER PROVIDED ITEMS furnished to it from time to time, and promptly 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 (as a professional supplier), by such search (and/or through its use of any BUYER INFORMATION or BUYER PROVIDED ITEMS in relation to the WORK) and as a result BUYER incurs additional costs or is prejudiced as regards to warranties, guarantees or other rights, then the costs incurred by BUYER as a result thereof - but limited to such costs that could have been avoided or minimized if SELLER had fulfilled its obligations - shall be borne by SELLER.
- 4.4 Title to all BUYER INFORMATION and BUYER PROVIDED ITEMS, and any other item owned by any member of BUYER GROUP, shall, as between BUYER and SELLER, at all times vest in BUYER. SELLER shall use BUYER INFORMATION and BUYER PROVIDED ITEMS solely in connection with performance of the WORK under the CONTRACT.
- 4.5 SELLER shall confirm receipt of any BUYER PROVIDED ITEMS by written notice within 24 hours of receipt from BUYER. Upon receipt of any BUYER PROVIDED ITEMS, SELLER shall immediately perform a visual examination and thereafter, not later than one week after receipt, perform a detailed inspection as required in respect of SELLER's use or incorporation of the BUYER PROVIDED ITEMS. SELLER shall promptly notify BUYER of any damages, defects or discrepancies discovered by such examination. If SELLER fails to promptly notify BUYER of any such damages, defects or discrepancies that SELLER has discovered, or reasonably ought to have discovered (as a professional supplier), and as a result, BUYER incurs direct additional costs, or loses rights, warranties or guarantees, then all such costs incurred shall be borne by SELLER.
- 4.6 SELLER shall have care and custody of, and shall protect, insure, store and maintain (in good order and condition and in accordance with given preservation requirements), any BUYER PROVIDED ITEMS furnished to it, until such has been redelivered to (or as instructed by) BUYER. SELLER shall be solely responsible for loss or damage to any BUYER PROVIDED ITEMS or BUYER INFORMATION in the possession or custody of SELLER GROUP and shall promptly at BUYER's instruction replace such at its own cost or refund its value.
- 4.7 Upon completion of the relevant WORK and in any event at the latest upon COMPLETION or expiry or termination of the CONTRACT, SELLER shall be responsible to redeliver to (or as instructed by) BUYER all BUYER PROVIDED ITEMS and, upon BUYER's request, all BUYER INFORMATION. Notwithstanding the foregoing or any other provision to the contrary, SELLER shall, for archival purposes, be allowed to maintain a copy of such BUYER INFORMATION as is (has been) directly relevant for SELLER's performance of the WORK or as may be otherwise required in connection with the execution of the CONTRACT.

- 4.8 SELLER shall make every effort to prevent oil spill or other damages that can have a polluting impact on the environment. Products and services involving any danger of oil spill or other polluting damages shall in their shipment always include all necessary equipment that can prevent and gather possible oil spill or other relevant tools needed for avoiding environmental impacts in general

5 CONTRACT PRICE AND TAXES

- 5.1 In full and final consideration of the due and proper performance of the WORK and of SELLER's fulfilment of its obligations under the CONTRACT, BUYER shall pay or cause to be paid to SELLER the remuneration as stated in the CONTRACT (the "CONTRACT PRICE", as may be adjusted from time to time in accordance with the provisions of the CONTRACT).
- 5.2 Unless otherwise specified in the CONTRACT, the CONTRACT PRICE (and any agreed rates, fees or prices) shall be considered fixed and not subject to escalation for the term of the CONTRACT, be deemed to cover the fulfilment by SELLER of all its obligations under the CONTRACT and be all-inclusive of any and all costs and expenses and liabilities of any kind incurred by SELLER GROUP related to the performance of the WORK, including any costs and liabilities related taxes (including as per Article 5.3 below). Value added tax (VAT) or general sales tax (GST), or similar, shall, to the extent applicable but not included in the quoted CONTRACT PRICE (or rates, fees or prices), be expressly stated in the CONTRACT as excluded and further be identified, documented and invoiced by SELLER in accordance with applicable law. No additional sums shall be payable in respect of variations to the CONTRACT, unless to the extent that the same are the subject to a CONTRACT amendment or Variation Order confirmed in writing by BUYER.
- 5.3 Taxes
- a) SELLER shall be responsible for all taxes incurred by or imposed on SELLER (and SELLER GROUP) and ensure correct reporting and payment of such in accordance with applicable laws and regulations. For the avoidance of doubt; with respect to delivery and shipment the PARTIES will be responsible for taxes as defined by the agreed delivery trade term (see Article 8).
- b) In this document, the term "taxes" means without limitation all forms of taxation (whether direct or indirect) and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, charges, contributions and levies, in each case, in the nature of taxation, including corporation tax, supplementary charge, revenue tax, income taxes, sales taxes, use taxes, stamp duty, transfer taxes, gross income taxes, value added taxes, social contribution taxes, employment taxes, government royalties, customs duties, excise duties and environmental taxes and levies and withholding taxes together with all penalties and interest relating thereto and any penalties and surcharges in respect of the associated reporting requirements relating to the delivery of goods and provision of services, wherever or whenever imposed.
- c) SELLER shall defend, indemnify, and hold BUYER GROUP harmless from liability to any governmental or other competent authority resulting from the failure of any member of SELLER GROUP or their respective personnel and representatives to make timely payment of, or timely filings with respect to, any obligations to pay any taxes incurred with respect to the WORK or the CONTRACT, including taxes levied on the CONTRACT PRICE or other remuneration under the CONTRACT. This indemnity shall include all penalties and interest imposed in addition to the taxes due as a result of the failure of any member of SELLER GROUP or their respective personnel and representatives to comply with reporting, filing, payment, or procedural requirements. Interest, penalties, or other liabilities arising from such failures shall be for SELLER's account
- d) BUYER may withhold any taxes required by any government, authority or legislation, national or local, in any place where WORK is performed. BUYER shall duly notify SELLER of such event and, upon request, supply SELLER with relevant withholding certificates or other sufficient evidence.
- 5.4 In case the WORK or parts thereof are agreed to be compensated on a reimbursable basis:

- a) SELLER shall control the accumulated costs of any provisional sums and reimbursable items agreed and shall every month make a cost forecast, and report to BUYER, on the expected provisional sums (or other reimbursable budgets agreed between the PARTIES). SELLER shall duly notify BUYER in the event SELLER has reason to believe that any provisional sums (or other reimbursable budgets agreed) will be exceeded.
- b) If SELLER by negligence does not identify and duly report expected overruns, BUYER reserves the right to hold SELLER responsible for the costs that exceed the respective agreed provisional sums (or other reimbursable budgets agreed between the PARTIES).
- c) SELLER shall ensure that any invoicing of reimbursable elements include sufficient supporting documentation required for BUYER to verify the respective WORK.

6 TERMS OF PAYMENT

- 6.1 SELLER shall invoice BUYER in accordance with the invoicing and payment instructions specified in the CONTRACT, and if none are specified the entire CONTRACT PRICE shall be invoiced after DELIVERY of all the WORK and COMPLETION. Invoices shall be in the currency specified in the CONTRACT and must be issued to the addressee and address stated in the CONTRACT and shall be clearly marked with invoice date, BUYER's CONTRACT reference (e.g. purchase order number) and specification of the goods and services supplied.
- 6.2 If advance payments are agreed upon, SELLER shall at its own cost provide an on-demand refund guarantee issued by a bank acceptable to BUYER for a corresponding amount valid until COMPLETION (or repayment of the advance payment). SELLER is responsible for extending the validity of such guarantee(s) in the event of suspension or delays affecting the time to actual COMPLETION.
- 6.3 SELLER shall, within 30 (thirty) days after DELIVERY of all the WORK and COMPLETION (or, as the case may be, after termination or expiry of the CONTRACT), submit a final invoice including all amounts which in the opinion of SELLER are due and outstanding as per the provisions of the CONTRACT and SELLER shall under no circumstances have any rights thereafter to claim any other amounts under the CONTRACT, with respect to Variations or otherwise.
- 6.4 BUYER shall make payment within 60 (sixty) days, or such other payment term as may be agreed in the CONTRACT, following the receipt of correct invoice, provided SELLER's obligations under the CONTRACT have been fulfilled. BUYER may withhold any disputed or insufficiently documented amounts, and BUYER shall duly notify SELLER if exercising such right.
- 6.5 Interest on overdue payments under the CONTRACT shall, unless otherwise specified in the CONTRACT, accrue on the overdue amount from the due date and up to the date of actual payment at the rate of DEFAULT INTEREST RATE.
- 6.6 No payment of the CONTRACT PRICE, or any set-offs against due and owing debt, nor any use of the GOODS or SERVICES provided under the CONTRACT shall constitute any admission by BUYER as to the performance by SELLER under the CONTRACT and shall not prejudice any rights or remedies of BUYER in contract or otherwise at law. If any payments are proven incorrect, by audit or otherwise, SELLER shall promptly submit corrected invoice(s) and repay to BUYER any incorrect amount plus interest at the rate of DEFAULT INTEREST RATE.
- 6.7 Without prejudice to any other rights or remedies under the CONTRACT, BUYER is entitled to deduct or set-off any amount due to it from SELLER against any amount due from it to SELLER, or to recover such amount as a debt or to draw such amount from any applicable guarantee (if any) furnished by SELLER. BUYER shall notify SELLER if exercising such right.
- 6.8 In the event the CONTRACT specify that certain security shall be furnished by SELLER (e.g. advance payment guarantee, or performance bond or parent company guarantee), SELLER shall furnish such to BUYER at its own cost and any such securities in the form of bank guarantee or letter of credit shall be issued by an internationally recognized financial institution, in a format and under a jurisdiction acceptable to BUYER.

7 VARIATIONS. SUSPENSION

- 7.1 Within the scope of what the PARTIES could reasonably have expected at the time of entering into the CONTRACT, BUYER may at any time instruct variations to the WORK (a "Variation"), including increase or decrease in the quantity, character, quality, kind or execution of the WORK, revisions to WORK already performed, as well as requesting changes to the DELIVERY SCHEDULE (including suspension as described below). Changes to applicable regulations, codes or standards may also constitute a Variation, as set out in Article 3.4. Subject to this Article 7, SELLER shall implement Variation Orders and the respective Variations will form part of the WORK.
- 7.2 SELLER shall not commence implementation of a Variation before having received BUYER's written instruction expressly in respect of such Variation (a "Variation Order"). SELLER shall promptly implement a Variation Order when such has been instructed by BUYER, even if the PARTIES have not reached final agreement on the adjustment to the CONTRACT PRICE and/or DELIVERY SCHEDULE.
- 7.3 If any Variation Order causes an increase in the cost and/or time required for SELLER's performance of the WORK, and provided SELLER has notified BUYER in accordance with Article 7.5, SELLER shall be entitled to an equitable adjustment to the CONTRACT PRICE and/or DELIVERY SCHEDULE.

Any adjustment to the CONTRACT PRICE due to Variation Orders shall be determined by using the rates, costs or prices described in the CONTRACT, or if no comparable rates, costs or prices have been set, the PARTIES shall agree on a price that reflects the general level of pricing described in the CONTRACT. If a change entails cost saving for SELLER, BUYER shall be credited accordingly
- 7.4 BUYER may require SELLER to submit an estimate of a Variation, in which case SELLER shall promptly revert with a written description of the (potential) Variation work together with estimates of any effects on the CONTRACT PRICE and/or DELIVERY SCHEDULE.
- 7.5 If SELLER believes it is entitled to a Variation Order, or if BUYER is in breach of any of its obligations under the CONTRACT, then SELLER shall promptly notify BUYER and issue a written request for a Variation Order in such respect. If SELLER has not presented such request promptly, and at the latest within 14 (fourteen) days after SELLER becomes aware or ought to have become aware such situation has occurred, then SELLER shall lose the right to adjustment of the CONTRACT PRICE and/or DELIVERY SCHEDULE with respect to such Variation or circumstance.
- 7.6 SELLER and its subcontractors may not change or upgrade any materials, parts or equipment incorporated into (or to be incorporated into) the WORK to be delivered to BUYER or otherwise change or deviate from specifications set out in the CONTRACT, without prior notice to BUYER and receipt of BUYER's written agreement to such change.
- 7.7 BUYER may, by written notification, instruct SELLER to suspend the WORK or parts thereof. SELLER shall promptly inform BUYER of the effects such suspension will have on the performance of the WORK. SELLER shall resume the WORK immediately after notification by BUYER.
- 7.8 During any suspension period, SELLER shall maintain, store and protect the WORK. SELLER shall be entitled to compensation for documented and necessary expenses in connection with storing and safeguarding the WORK (including any BUYER PROVIDED ITEMS), demobilization, re-mobilization or retention of personnel, subcontractors and plant (according to plans to be agreed between the PARTIES) and for other substantiated unavoidable costs reasonably incurred by SELLER as a direct consequence of a suspension ordered by BUYER and not arising as a result of SELLER's default or Force Majeure.
- 7.9 If a suspension period exceeds 30 (thirty) days, the PARTIES shall meet to discuss mutually acceptable schedule for resuming the WORK. If the PARTIES fail to find such mutually acceptable solution and the suspension period exceeds 60 (sixty) days, and provided such suspension is not arising as a result of SELLER's default or due to Force Majeure, SELLER shall be entitled to terminate the CONTRACT, and the relevant provisions of Article 12 will apply.

- 7.10 A suspension of the WORK, not arising as a result of SELLER's default, should be documented by a Variation Order in accordance with the provisions of Article 7, including any adjustment to the CONTRACT PRICE, payment schedule and DELIVERY SCHEDULE.
- 7.11 If the suspension results from SELLER's default, any additional costs reasonably incurred by BUYER thereby, shall be recoverable by BUYER from SELLER.
- 7.12 SELLER has no right to suspend performance except where ordered by BUYER or where deemed necessary to prevent breach of applicable HSSE regulations (or as a result of such breach) or where SELLER has right to suspend performance in accordance with Article 12.3 (with respect to overdue payments).

8 DELIVERY TERM. RISK AND TITLE

- 8.1 Unless otherwise specified in the CONTRACT or separately agreed in writing between the PARTIES, the agreed trade term shall be construed in accordance with the latest edition Incoterms at the date of CONTRACT and if no trade term is stated in the CONTRACT, DELIVERY shall be according to FCA Incoterms 2020 at the location stated in the CONTRACT or if not stated, SELLER's premises.
- 8.2 Without prejudice for BUYER's obligations for payment; title to the WORK, including the GOODS and all materials intended for incorporation into the GOODS, shall pass to BUYER as soon as such GOODS and materials have been prepared, incorporated into or used in the performance of the WORK, subject to rightful payment by BUYER under the CONTRACT. Title to DOCUMENTS, and results of SERVICES, shall pass to BUYER as soon as such has been prepared or performed under the CONTRACT.
- 8.3 SELLER shall store and protect all GOODS and any materials for incorporation into the GOODS, and the related DOCUMENTS, and any BUYER INFORMATION and BUYER PROVIDED ITEMS, and shall mark and label them as the property of BUYER.
- 8.4 SELLER warrants it shall not permit the creation of, and shall promptly discharge any lien, charge or other encumbrance created in or over, any part of the WORK or BUYER PROVIDED ITEMS or any other property of BUYER GROUP and shall not enter into any agreement with any third party which shall prevent BUYER maintaining or acquiring clean, full and unrestricted title in accordance with the CONTRACT. SELLER shall ensure that its subcontractors complies with this requirement. SELLER shall indemnify BUYER against any costs and expenses (including legal fees) incurred by it as a result of any breach of this Article 8.4 by SELLER GROUP.
- 8.5 BUYER shall have the right to take all actions BUYER deems necessary to protect BUYER's ownership to all materials, GOODS, DOCUMENTS and any BUYER INFORMATION and BUYER PROVIDED ITEMS as BUYER has title to in accordance with the CONTRACT.
- 8.6 Risk in all parts of the WORK shall pass to BUYER on respective DELIVERY in accordance with the agreed trade term. SELLER shall promptly at its own cost make good any defect, loss or damage, howsoever caused, to the WORK before the risk has passed to BUYER.
- 8.7 SELLER is responsible for the quality and correctness of SERVICES performed and DOCUMENTS supplied to BUYER (including documentation as set out in Article 9.9). Any additional cost incurred by BUYER as a result of any inaccuracy or insufficiency, or any prejudice with regards to its warranties, guarantees or other rights, shall be charged to SELLER and rightfully deducted from the CONTRACT PRICE.

9 DELIVERY. COMPLETION

- 9.1 SELLER's performance and DELIVERY of the WORK and COMPLETION shall be in accordance with the DELIVERY SCHEDULE.
- 9.2 "COMPLETION" means when the WORK, in all aspects, has been completed, including satisfactorily pre-delivery testing and DELIVERY of all GOODS, hand-over of all DOCUMENTS, redelivery of BUYER PROVIDED ITEMS, if any, and completion of all SERVICES and other obligations of SELLER (including, to the extent specified in the CONTRACT, the GOODS passing any

post-delivery acceptance tests) in accordance with the CONTRACT, with the exception of guarantee or warranty obligations. In the event the CONTRACT and DELIVERY SCHEDULE does not specify a date for COMPLETION, the latest DELIVERY date specified shall be also the latest date for COMPLETION.

- 9.3 SELLER shall notify BUYER when the GOODS (and other parts of the WORK, as applicable) has passed relevant (pre-delivery) testing and is ready for DELIVERY. SELLER will provide the related engineering, manufacturing and testing documentation to BUYER prior to, or together with, such notification. SELLER shall not deliver GOODS before receiving a release in writing from BUYER. Partial DELIVERY shall only be allowed to the extent specified in the CONTRACT or otherwise agreed in writing by BUYER.
- 9.4 DOCUMENTS related respective GOODS or SERVICES shall be provided to BUYER at the latest at the time of DELIVERY of such GOODS or SERVICES, unless otherwise agreed between the PARTIES (e.g. by approved document list). No DELIVERY shall be considered complete, including with respect to invoicing and payment, without the accommodating documentation, unless accepted in writing by BUYER.
- 9.5 Notwithstanding any other suspension rights under the CONTRACT, BUYER shall be entitled to instruct SELLER to suspend DELIVERY and store GOODS for a period of up to 30 (thirty) days commencing upon ready for DELIVERY at no charge for BUYER (unless otherwise stated in the CONTRACT). If BUYER requests further storage by SELLER, the PARTIES shall agree on the terms, including payments and storage fees, for such extended period. For any storage of GOODS by SELLER, risk of loss and damage to the GOODS will first pass to BUYER at the end of the storage period and DELIVERY of the GOODS to BUYER in accordance with Article 8.
- 9.6 SELLER shall not have the right to suspend or withhold the WORK, or any part thereof, except to the extent provided for in Articles 7.12 and 12.3.
- 9.7 BUYER is entitled to demand DELIVERY of the WORK or any part thereof at any time upon payment of the due and outstanding part of the CONTRACT PRICE under the CONTRACT.
- 9.8 Neither DELIVERY nor COMPLETION shall relieve SELLER from its obligations and liabilities under the CONTRACT. SELLER's obligations under the CONTRACT is not fulfilled prior to hand-over of all GOODS and DOCUMENTS to BUYER, redelivery of BUYER PROVIDED ITEMS, if any, and completion of all SERVICES and other obligations of SELLER, including guarantee and warranty obligations pursuant to the CONTRACT.
- 9.9 SHIPPING INSTRUCTIONS. CERTIFICATES
- a) SELLER shall submit advice note(s), with packing list(s) included inside and outside the packaging and draft invoice(s), to BUYER at least 7 (seven) days prior to dispatch of GOODS. Packing lists, invoices and other documents related delivery or transport shall relate only to one CONTRACT (one ORDER) and be duly marked with CONTRACT reference (ORDER number), and shall further include GOODS description, gross weights and dimensions, and other information as required by the CONTRACT or applicable laws and regulations.
- b) Unless otherwise specified in the CONTRACT or instructed by BUYER, any certificates, and other documentation defined in the CONTRACT or required by applicable laws and regulations shall be delivered together with the GOODS with copies to BUYER. As required for import or export of GOODS, a customs invoice, and any required certificates of origin (or similar documentation), shall be submitted to BUYER, or any other third party as instructed by BUYER for this purpose.
- c) SELLER shall comply with all applicable laws and regulations regarding the marking of hazardous material. GOODS supplied under the CONTRACT, which are contaminated beyond use at the time of DELIVERY, shall be regenerated or disposed of by SELLER and SELLER shall bear all related expenses.

10 DELAY

- 10.1 If SELLER believes, or has grounds to believe, that performance of WORK or DELIVERY or COMPLETION will be delayed, SELLER shall promptly notify BUYER in writing of the delay and

- the cause thereof and, if possible, the time when DELIVERY and COMPLETION can be expected. If SELLER fails to give such notice, BUYER shall be entitled to recover from SELLER any additional costs incurred by BUYER and which could have been avoided had such notice been promptly provided. Time shall be of the essence with respect to SELLER's performance of the WORK and, unless SELLER in accordance with the provisions of the CONTRACT is entitled to an extension of time and adjustment of the DELIVERY SCHEDULE in respect of the subject delay, SELLER shall make due and implement all actions necessary and bear all costs incurred to minimise the delay.
- 10.2 If a delay is caused by a Force Majeure situation (pursuant to Article 17) or by an act or omission or other circumstance attributable to BUYER, including Variation Orders, and provided SELLER has notified BUYER in accordance with Articles 10.1 and 7.5, SELLER shall be entitled to an extension of time by adjustment of the DELIVERY SCHEDULE by a period which is reasonably necessary having regard to the circumstances of the case.
- 10.3 In the event SELLER's performance is delayed and DELIVERY and/or COMPLETION deviates from the DELIVERY SCHEDULE (as may be amended according to the provisions of the CONTRACT, including Articles 7 and 10.2); BUYER shall be entitled to liquidated damages for delay of the amount as specified in the CONTRACT or, if not specified, 0.333 % (three tenths of one percent) of the total CONTRACT PRICE for each commenced calendar day of delay up to a maximum (cap) of 15 % (fifteen percent) of the total CONTRACT PRICE. SELLER's payment of liquidated damages shall become due at BUYER's written demand, but not before the respective date for DELIVERY or COMPLETION, as set out in the DELIVERY SCHEDULE, has passed (or upon CONTRACT expiry or termination, if earlier). The payment of any liquidated damages shall not release SELLER from its obligation to otherwise fully perform its obligations under the CONTRACT.
- 10.4 If SELLER's delay is such that BUYER is entitled to a maximum amount (cap) of liquidated damages for delay, then such delay shall be considered an event of default and BUYER will be entitled to terminate the CONTRACT pursuant to Article 12.1. If the CONTRACT specifies, or the PARTIES have otherwise agreed, that there shall be no liquidated damages for delay, any delay in DELIVERY beyond the DELIVERY SCHEDULE shall be considered such event of default.
- 10.5 Except as follows from an event of termination by BUYER due to SELLER's default in accordance with Article 12.1 (or any other liabilities specifically set forth in the CONTRACT), the liabilities set forth in this Article 10 shall be SELLER's sole liability to BUYER in respect of delayed DELIVERY.
- 11 WARRANTY. DEFECTS**
- 11.1 SELLER warrants and guarantees that; (i) it has performed and shall perform the WORK in accordance with the provisions of the CONTRACT and in compliance with all applicable laws and regulations, (ii) the WORK in all aspects meet the requirements of the CONTRACT specifications, including, as applicable, being capable to achieve any specified performance standards, (iii) the WORK is free of any liens or legal charges and that BUYER will get free and clean title to the same, and (iv) the WORK will be free from any defects until expiry of the WARRANTY PERIOD.
- 11.2 If within the WARRANTY PERIOD any part of the WORK is found in BUYER's sole reasonable opinion to be defective, inadequate or otherwise fails to meet the requirements of the CONTRACT, then SELLER shall forthwith, on written notice from the BUYER, promptly rectify such defect and carry out all necessary work associated with such rectification or replacement at SELLER's sole cost. Such warranty work and costs shall include but not be limited to inspections, removal, engineering, procurement, repair, transportation and reinstallation of the defective WORK or that affected by the deficiencies and/or rectification or replacement. The basic WARRANTY PERIOD shall be extended by the period of non-availability of the GOODS under any substantiated warranty claim. Furthermore, that part of the WORK affected by the deficiencies and/or rectification or replacement under any substantiated warranty claim shall be subject to the same warranty obligations as the original WORK, starting from the date of completed rectification, replacement or re-performance.
- 11.3 If SELLER fails to promptly rectify a defect under any substantiated warranty claim, such shall be considered a material breach of the CONTRACT and BUYER may, at its option and without prejudice to any other rights or remedies it may have under the CONTRACT, itself undertake (or procure a third party to undertake) such rectification, and SELLER shall bear all costs reasonably incurred by BUYER in connection therewith.
- 11.4 Notwithstanding any other provisions of this Article 11;
- a) BUYER shall duly notify SELLER of any defects which BUYER has discovered promptly, and at the latest within 30 (thirty days) after the expiry of the WARRANTY PERIOD.
- b) Subject to SELLER having delivered the required DOCUMENTS for the GOODS (including as-built, installation, operation and maintenance documentation), SELLER's liability under this Article 11 does not cover defects that are caused by incorrect erection or faulty use, maintenance or repair, unless such fault or defect arise as a consequence of defects, errors, omissions or neglects in the WORK performed by SELLER.
- c) Costs incurred for rectification of defects that are not SELLER's liability under the CONTRACT, shall be borne by BUYER.
- 11.5 Unless otherwise provided for in the CONTRACT (e.g. by agreed liquidated damages for inferior technical performance of the WORK delivered), the remedies set forth herein are BUYER's sole remedy against SELLER for any defects and are in lieu of any rights BUYER may have in equity or at law.
- 12 DEFAULT. TERMINATION**
- 12.1 BUYER shall be entitled to terminate the CONTRACT, or any part of the WORK thereof, for default with immediate effect by written notice to SELLER in the event (each an event of default) (i) SELLER is in breach of any of the requirements of the CONTRACT or fails in any way to fulfil, or evidences an intention not to fulfil, its material obligations pursuant to the CONTRACT (including if SELLER without any right under the CONTRACT stops the performance of the WORK or if SELLER attempts to transfer or assign its rights or duties hereunder without the written consent of BUYER) and fails to remedy and cure such non-compliance within 14 (fourteen) days of having been notified thereof by BUYER; or (ii) any material adverse change occurs in the financial condition of SELLER which adversely affect SELLER's ability to perform its obligations under the CONTRACT, including in the event BUYER has the right to terminate the CONTRACT according to Article 12.2 below; or (iii) SELLER is liable for the maximum amount of any limitation of liability under the CONTRACT (including with respect to liquidated damages under Article 10), then BUYER may choose one or more of the following alternatives: (a) demand a new performance of the WORK and/or DELIVERY (partially or wholly); (b) demand DELIVERY of the wholly or partially completed WORK (and SELLER shall ensure that BUYER receives full and unrestricted title and use of all such WORK delivered to BUYER); (c) refuse any subsequent delivery of GOODS or provision of SERVICES; (d) demand a price reduction in respect of any inferior performance of the WORK; (e) terminate the CONTRACT for default, in its entirety or for the outstanding part of the WORK; and/or (f) claim compensation for damage and losses directly related to the default and termination.
- For the avoidance of doubt, BUYER's exercise of one or more of the alternatives listed above in (a) – (f) shall be at SELLER's cost and does not entitle SELLER to any additional compensation by BUYER. Furthermore, if BUYER terminates the CONTRACT (partially or wholly) pursuant to this Article 12.1 (and/or 12.2), then (i) BUYER may immediately draw upon any performance bond or parent company guarantee (if applicable/available), and (ii) SELLER shall indemnify BUYER in respect of all losses incurred as a result of termination, and BUYER shall be entitled to deduct the amount of all losses reasonably incurred by BUYER as a result of termination (including any additional costs reasonably incurred by BUYER in obtaining GOODS and/or SERVICES in substitution from another supplier) from any payment due to SELLER, or recover such from SELLER as a debt. It is noted that SELLER's liability is limited to the extent set forth in Articles 15 and 16.
- 12.2 Either PARTY has the right to terminate the CONTRACT with immediate effect by written notice in the event of gross

negligence or wilful misconduct on part of the other PARTY or if the other PARTY is declared bankrupt or is otherwise insolvent and noticed to be in such condition that it is unable to fulfil its payment obligations, or if an order is made, or any resolution is passed, or any proceedings are issued, or other step taken for the winding up or dissolution or bankruptcy of the other PARTY.

- 12.3 In addition to any right SELLER may have to terminate the CONTRACT; if BUYER fails to pay any amount rightfully owed to SELLER under the CONTRACT which is not the subject of a bona fide dispute within 30 (thirty) days after it is due, SELLER may while such amount remains unpaid issue a notice to BUYER informing of its intention to terminate the CONTRACT and if BUYER does not pay the subject overdue amount within 30 (thirty) days of the date of that notice, then SELLER may while that amount remains due and unpaid to it, by written notice to BUYER suspend the WORK or terminate the CONTRACT.
- 12.4 BUYER may at any time and for any reason terminate (cancel) the unperformed parts of the CONTRACT in whole or in part by 30 (thirty) days prior written notification to SELLER.
- 12.5 In the event of termination of the CONTRACT, BUYER shall, except in the case of BUYER's termination for default pursuant to Article 12.1 (and/or 12.2), be obliged to make payment (pro-rata the CONTRACT PRICE) for the part of the WORK performed up to the date of termination, provided BUYER shall be entitled to demand DELIVERY of any such WORK performed, and for documented direct costs reasonably incurred on part of SELLER relating to the terminated WORK, however in no event in aggregate more than the CONTRACT PRICE.
- 12.6 BUYER's rights pursuant to this Article 12 are without prejudice to any other rights or remedies BUYER may have under the CONTRACT or at law. BUYER's sole liability to SELLER GROUP in the event of any termination shall be determined in accordance with the provisions of this Article 12 and except as provided herein BUYER shall not be liable to SELLER for any costs, damages or claims arising from or related to termination.

13 INTELLECTUAL PROPERTY RIGHTS

- 13.1 Any intellectual property rights created or owned by or licenced to SELLER (or other member of SELLER GROUP, as the case may be) prior to, or without relation to, the CONTRACT ("Pre-existing IPR") shall remain vested in SELLER (or respective third-party owner), provided that SELLER shall provide for and grant to BUYER such licence and user right as set forth in Article 13.3.
- 13.2 Subject to Article 13.1, and unless otherwise agreed in writing between the PARTIES; the results of the WORK, including the DOCUMENTS, and any intellectual property developed, conceived or acquired or otherwise obtained by SELLER GROUP as part of, or resulting from, the WORK under the CONTRACT ("Project IPR") shall be regarded as the sole property of BUYER. SELLER hereby assigns to BUYER full ownership right in any Project IPR, and further agrees, upon BUYER's request and at BUYER's cost, to take all further steps necessary to ensure BUYER's ownership in any such intellectual property rights.
- 13.3 SELLER shall provide for and grant to BUYER and its AFFILIATES and permitted assignees and transferees an irrevocable, royalty-free, non-exclusive license to use all documents, software and intellectual property (including Pre-existing IPR) which are under, or come under, the control of SELLER GROUP, to the extent such intellectual property are incorporated in, or necessary for the use, maintenance, repair or sale of, the GOODS, DOCUMENTS or SERVICES.
- 13.4 In the event the GOODS, DOCUMENTS or other results of the WORK, or BUYER's use, maintenance, repair or sale of same, require use of software or intellectual property that are not under SELLER's control, SELLER shall at the time of entering into the CONTRACT duly notify BUYER of such and procure that BUYER obtain a non-exclusive licence to use such software or intellectual property, under agreement with the owner (or provider) of such.
- 13.5 BUYER shall have the right to sub-licence, assign, or otherwise transfer, its rights under this Article 13, upon the same terms and at no further cost to BUYER.
- 13.6 SELLER shall ensure that neither the performance of the WORK nor the use, repair, maintenance or sale of the GOODS,

DOCUMENTS or SERVICES, will infringe any intellectual property rights and that the WORK is free from any liens, charges, encumbrances, claims, or the like.

- 13.7 SELLER undertakes to indemnify and hold BUYER GROUP harmless from and against any claims by third parties, and against all claims, losses, damages, costs and expenses (including legal fees) resulting therefrom, arising from infringement of patent or other intellectual property rights, in any jurisdiction, in connection with the WORK or the use, maintenance, repair or sale of the GOODS, DOCUMENTS and SERVICES. SELLER agrees to reimburse BUYER, CLIENT or other end-user (as the case requires) for any royalties, licensing fees or other similar payments that BUYER GROUP shall be obligated to pay by virtue of the use of any such protected rights.
- 13.8 In the event that use of the GOODS, or any other use of intellectual property for any activity contemplated under the CONTRACT, infringes any intellectual property right belonging to a third party, the SELLER shall at its own expense use its reasonable endeavours either to modify such intellectual property to be non-infringing or to obtain at its own expense a license for the use of such intellectual property. For the avoidance of doubt; infringement of intellectual property rights belonging to a third party is a breach of the CONTRACT and this Article 13.8 shall not in any way limit the BUYER's right to protect BUYER's interests by actions deemed – at BUYER's sole discretion – suitable.
- 13.9 For the avoidance of doubt; the indemnities to BUYER under this Article 13 shall not apply to the extent any infringement arising as a direct and unavoidable result of SELLER's use of BUYER INFORMATION or BUYER PROVIDED ITEMS.
- 13.10 No confidentiality or non-disclosure provisions, whether of Article 14 here-below or otherwise contained in any agreement related the WORK, shall limit BUYER's property rights or license or user rights, including rights to use and disclose information, as provided under the CONTRACT including this Article 13.

14 CONFIDENTIALITY

- 14.1 All BUYER INFORMATION, and any other documents and information received from BUYER GROUP, and the DOCUMENTS and other results of the WORK, shall be treated by SELLER as confidential and proprietary information of BUYER and may be used by SELLER (and SELLER GROUP) solely for the purpose of the WORK and performance under (or as otherwise stipulated by) the CONTRACT. SELLER shall not use, copy, reproduce or disclose, directly or indirectly, such confidential information of BUYER to anyone, other than to such AFFILIATES, subcontractors and personnel and representatives whose duties justify their need to know (for the above stated purpose) and who have agreed in writing to maintain the confidentiality of such information.
- 14.2 All documents and information, excluding the DOCUMENTS (and any other documentation or results of the WORK arising out of the CONTRACT to which BUYER has, or shall receive, title according to the provisions of the CONTRACT), received from SELLER and which is clearly marked as confidential information shall be treated by BUYER as confidential and proprietary information of SELLER and BUYER shall not disclose such confidential information of SELLER to any third parties except in relation to the project, activities or operations to which the WORK relate (or will relate) or otherwise in connection with (or as stipulated by) the CONTRACT.
- 14.3 Notwithstanding the above or any other confidentiality provisions, documents and information will not be considered confidential information to the extent such (i) was already in the possession of the receiving party at the time the information was received, and/or (ii) is or becomes part of the public domain (except by default on the part of the receiving party), and/or (iii) is lawfully received from a third party without an obligation of confidentiality, and/or (iv) is required to be disclosed by law.
- 14.4 The confidentiality obligations contained herein shall remain valid and in full force and effect for a period of 5 (five) years from the expiry or termination of the CONTRACT.
- 14.5 The PARTIES may, by written agreement, provide consent for specific disclosure of certain confidential information or otherwise amend the herein stated confidentiality obligations.

14.6 The CONTRACT, and its provisions, shall be regarded as confidential information. Unless to the extent accepted by BUYER in writing, SELLER shall not make public the existence or content of the CONTRACT.

15 INDEMNITIES. INSURANCES

15.1 SELLER shall defend, indemnify and hold BUYER GROUP harmless from and against any claim, howsoever arising, and regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of BUYER GROUP concerning; (i) personal injury, including disease to or loss of life of any employee of SELLER GROUP, and/or (ii) loss of or damage to the WORK prior to the passing of risk therein to BUYER, and loss or damage to the WORK occurring thereafter to the extent attributable to the acts or omissions of SELLER GROUP, and/or (iii) loss of or damage to any property of SELLER GROUP.

15.2 BUYER shall defend, indemnify and hold SELLER GROUP harmless from and against any claim, howsoever arising and regardless of any form of liability whether strict or by negligence, in whatever form, on the part of SELLER GROUP, concerning; (i) personal injury, including disease, to or loss of life of any employee or other person of BUYER GROUP, and/or (ii) loss of or damage to any property of BUYER GROUP except as otherwise provided in Article 15.1 and in so far as the same are related to or used in connection with the CONTRACT.

15.3 SELLER shall save, defend, indemnify, and hold BUYER GROUP harmless, and BUYER shall save, defend, indemnify and hold SELLER 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 WORK or caused by the negligence or breach of duty of SELLER GROUP.

15.4 BUYER shall save, defend, indemnify and hold SELLER GROUP harmless from BUYER GROUP's own Consequential Losses, and SELLER shall save, defend, indemnify and hold BUYER harmless from SELLER GROUP's own Consequential Losses. This applies regardless of any liability, whether strict or by negligence, in whatever form, on the part of the other party. "Consequential Losses", whether direct or indirect, shall include but are not limited to; consequential or indirect loss under the applicable law of the CONTRACT, and loss of earnings, loss of business opportunity, loss of profit, loss of use and loss of production, and whether or not foreseeable at the time of entering into the CONTRACT.

15.5 SELLER shall maintain (and ensure that each member of SELLER GROUP, to the extent not covered by the insurances carried by SELLER, shall maintain), at its own expense, the insurances required for and adapted to its operations for the performance of the WORK, including as a minimum:

- a) Insurance(s) against all risk in respect of its properties, facilities, equipment and materials used in the performance of the WORK and loss of or damage to the GOODS or other parts of the WORK until DELIVERY and transfer of risk to BUYER;
- b) Appropriate workmen's compensation and employers' liability insurance(s), and travel insurances, fully compliant with any applicable laws and regulations for the execution of the CONTRACT;
- c) Public and third party liability insurance(s) in an adequate amount (and in minimum such amount as may be specified in the CONTRACT) covering SELLER's liability for damage to property and personal injury in all operations in relation to the WORK (including, as applicable, pollution insurance);
- d) Hull and machinery insurance and P&I insurance, including pollution insurance, for all vessels or other floating devices (if any) provided by SELLER GROUP in connection with the WORK; and
- e) Any other insurance coverage required for any WORK at BUYER SITE (reference also Article 21) or specified in the CONTRACT or required for compliance with laws and regulations applicable for the performance of the WORK.

All such insurances (i) shall be placed with reputable and substantial insurers, (ii) shall, unless otherwise agreed in writing

between the PARTIES, not seek contribution from or be in excess of any other insurance maintained by BUYER GROUP or include a cross liability clause. SELLER shall ensure that, as far as may be permissible, the insurers waive all rights of subrogation and/or contribution against BUYER GROUP to the extent of the indemnities undertaken and liabilities assumed by SELLER GROUP. SELLER shall, upon BUYER's request, provide insurance certificates or other proof documenting that the relevant insurance requirements are fulfilled. In the event SELLER has breached its obligation to insure as per this Article 15, BUYER may consider this an Event of Default or procure the requisite insurance at SELLER's cost.

15.6 BUYER is responsible for all necessary insurances required for and adapted to the operations of BUYER GROUP in relation to the CONTRACT and with respect to the liability assumed by BUYER GROUP under the CONTRACT. In respect of the liability assumed by BUYER GROUP under the CONTRACT, the insurance companies shall not have any rights of subrogation and/or contribution against SELLER GROUP.

15.7 For the sake of clarity and in relation to indemnities, liabilities and insurances, BUYER GROUP and SELLER GROUP include the personnel and representatives of the companies included within BUYER GROUP and SELLER GROUP to the extent they are involved in the project to which the CONTRACT relates.

15.8 SELLER's liabilities under the CONTRACT or otherwise related to the WORK are not limited by the cover under any insurance policy and nothing contained in this Article 15 shall relieve SELLER from any of its contractual or other legal liabilities.

16 LIMITATION OF LIABILITY

Unless to the extent stated otherwise in the CONTRACT:

16.1 Except for liability with respect to loss or damage arising out of or connected with fraud, gross negligence or wilful misconduct of either PARTY (or its AFFILIATES or its and theirs subcontractors and the here-mentioned entities' personnel and representatives), and subject to Article 16.2; either PARTY's maximum aggregate liability pursuant to the CONTRACT whether arising from tort, breach of contract or any other cause of action shall be limited to the total CONTRACT PRICE.

16.2 The limitation provisions of this Article 16 shall not apply to liability resulting from the indemnities provided under Articles 5.3, 8.4, 13, 15 and 18. Furthermore; interest on overdue payments (including pursuant to Article 6.3) and liquidated damages for delay (including pursuant to Article 10) paid or payable under the CONTRACT, shall not be considered in determining whether a PARTY's maximum aggregate liability has been reached.

17 FORCE MAJEURE

17.1 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 obligations has been prevented by Force Majeure. In the case of Force Majeure, each PARTY shall cover its own costs resulting from the Force Majeure situation.

17.2 For the purposes of these General Conditions, "Force Majeure" shall include, but not be limited to, (i) war, sabotage, civil commotion and insurrection, (ii) nuclear disaster, (iii) unusually severe natural disasters, including earthquakes, catastrophic floods, hurricanes and typhoons, (iv) organized strikes at a national level (excluding strikes associated to the activity of SELLER GROUP), (v) maritime or aviation disasters, (vi) fire or explosion (unless caused by the negligence of SELLER GROUP), (vii) governmental orders or edicts and arrests and restraints of rulers, and 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 CONTRACT and could not reasonably have avoided or overcome it or its consequences. For the avoidance of doubt; no force majeure under any subcontract shall be considered a Force Majeure under the CONTRACT unless to the extent such would be considered a Force Majeure according to this Article 17.

17.3 The PARTY invoking Force Majeure shall, as soon as possible, notify the other PARTY of the force majeure event, the cause of delay and the presumed duration thereof.

17.4 BUYER is entitled to terminate the CONTRACT by written notice if the FORCE MAJEURE situation continues, or it is obvious that it will continue, for more than 60 days. In case of such termination; (i) BUYER is entitled to require the DELIVERY of the wholly or partially completed WORKS, or any parts thereof, at their current state at the time of termination, upon paying a pro rata part of the CONTRACT PRICE; and (ii) BUYER is entitled to decide and perform completion of the WORK (by BUYER or a third party as determined by BUYER and at BUYER's option); and (iii) SELLER shall ensure that BUYER has the full unrestricted title and use of all parts of WORK delivered to BUYER.

18 COMPLIANCE WITH LAW. BUSINESS CONDUCT

18.1 SELLER and SELLER's performance of the WORK shall comply with all laws and regulations applicable to SELLER, the WORK or any site where WORK is performed. It is SELLER's sole responsibility to identify such relevant laws and regulations which are applicable to the WORK, including with respect to permits, and to comply in full at all times therewith. To the extent applicable regulations are advisory rather than mandatory, the standard of SELLER's compliance shall be in line with the generally accepted best practice of the relevant industry.

In this document the term "permits" means any permits and authorizations, including licenses, certificates, visas, approvals and permissions, as required by laws and regulations applicable to SELLER, SELLER's business, plant, equipment and/or materials and personnel and representatives engaged in the performance of the CONTRACT, or arising out of or incidental to such performance.

18.2 By entering into the CONTRACT each PARTY confirms that it will uphold high standards of business ethics and corporate code of conduct in the performance of the CONTRACT and (i) comply with all applicable privacy laws in respect of any personal information provided by the PARTIES to each other, (ii) act in compliance with applicable labour standards, anti-discrimination rights and fundamental human rights norms as described in the Universal Declaration of Human Rights, and (iii) act in accordance with all applicable anti-corruption laws and regulations, including the United States Foreign Corrupt Practices Act and the UK Bribery Act.

18.3 The PARTIES acknowledge that import and export control laws and regulations of any relevant country may apply to products or technical information to be delivered pursuant to the CONTRACT and each PARTY shall comply, and ensure that SELLER GROUP and BUYER GROUP, respectively, complies, with all reasonable requests for information in either PARTY's efforts to comply with these laws and regulations.

18.4 The SELLER warrants and agrees that it will comply with its obligations under applicable legislation regarding protection of personal data, including Regulation (EU) 2016/679 The General Data Protection Regulation (GDPR), any applicable national implementation of the GDPR, and/or any superseding legislation. The SELLER shall be able to demonstrate such appropriate measures to BUYER, and shall upon request from BUYER submit all documentation necessary to verify the SELLER's compliance with its obligations under the GDPR. The SELLER shall notify BUYER promptly of any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, personal data transmitted, stored or otherwise processed. If necessary, the Parties shall enter into a data processing agreement in accordance with article 28 of the GDPR.

18.5 SELLER confirms to have read and understood BUYER's 'Supplier Code of Conduct' policy (the "Code of Conduct") outlining BUYER's ethical guidelines and has signed the "Compliance Certificate" of the Code of Conduct. SELLER further agrees and understands that any activities carried out during the term of the CONTRACT, in violation of the Code of Conduct and/or any applicable anti-corruption regulation will constitute a material breach of SELLER's obligations under this Article 18 whether or not these activities are related to the performance of SELLER's obligations under the CONTRACT.

18.6 SELLER shall defend, indemnify and hold BUYER GROUP harmless from and against any claims, losses, damages, costs and expenses (including legal fees) incurred due to or arising out

of SELLER GROUP's failure to comply with the aforesaid laws and regulations or otherwise as a consequence of SELLER GROUP's failure to comply with this Article 18.

19 MISCELLANEOUS

19.1 Unless otherwise agreed between the PARTIES, all communication and documentation related to the CONTRACT shall be in the English language. Any notice to be given under the CONTRACT shall be in writing and sent by either courier, registered mail or e-mail to the relevant PARTY at the address stated in the CONTRACT or such other address as such PARTY may have notified in writing. Notices by e-mail require confirmation of the receiving PARTY.

19.2 The CONTRACT will constitute the entire agreement between the PARTIES, and replace any prior agreement between them, regarding its subject. The terms of the CONTRACT, including these General Conditions, shall not be waived, altered, modified, amended, supplemented or terminated on any manner whatsoever except by written agreement between the PARTIES.

19.3 Neither PARTY may assign, novate or otherwise transfer the CONTRACT, nor any parts thereof, without the prior written approval of the other PARTY, except that BUYER may assign, novate or otherwise transfer its rights and obligations under the CONTRACT, fully or partly, to BUYER's AFFILIATES or the CLIENT, by written notice to SELLER.

19.4 Provisions which either are expressed to survive, or which from their nature or context it is contemplated that they are to survive, expiry or termination of the CONTRACT (including without limitation Articles 3.12(c), 5.3, 8.4, 11, 13, 14, 15 and 18), shall remain in full force and effect notwithstanding such expiry or termination.

19.5 SELLER is an independent contractor for BUYER in performing the WORK. Nothing in the CONTRACT shall be construed to form any kind of employment relationship between BUYER and SELLER or SELLER GROUP personnel and representatives. SELLER has no authority to make statements, representations or commitments of any kind, or take any other action, binding on BUYER, and it is not the purpose or intention of the CONTRACT to create, nor shall the same be construed as creating, any partnership or joint operation between BUYER and SELLER.

19.6 Except as expressly provided in these General Conditions, or otherwise in the CONTRACT, a person who is not a party to the CONTRACT shall have no right, under the Contracts (Rights of Third Parties) Act 1999 or otherwise, to enforce or to enjoy the benefit of any terms of the CONTRACT.

19.7 The invalidity or unenforceability of any provision or of any right arising pursuant to these General Conditions and/or the CONTRACT, shall not adversely affect the validity or enforceability of the remaining terms and rights, and the scope of such illegal, invalid or unenforceable provision shall be deemed modified or diminished to the extent necessary (and to the extent possible maintaining the similar commercial effect) to render such provision valid and enforceable.

The PARTIES agree that any liquidated damages agreed, including with respect to delayed DELIVERY and/or inferior performance of WORK delivered, if any, is a genuine reasonable pre-estimate of the losses which may be sustained by BUYER in the event SELLER fails in its respective obligations and shall not be claimed or construed as a penalty or other unenforceable sum. In a circumstance where any liquidated damages are successfully challenged by SELLER as constituting a penalty or otherwise cannot be enforced against SELLER, SELLER's liability to BUYER will instead be for general damages at law.

19.8 No waiver shall be valid unless made in writing and no waiver of any breach of any of the terms and conditions of the CONTRACT shall be construed as a waiver of any subsequent breach whether of the same or of any other term or condition hereof.

19.9 No failure or delay on the part of BUYER to exercise any right or remedy under the CONTRACT shall be construed as a waiver thereof, nor shall any single or partial exercise by BUYER of any right or remedy preclude any other or further exercise thereof or any other remedies available for BUYER. No review and commenting or approval by BUYER shall constitute (i) an

acceptance or instruction by BUYER (and any shortfalls, errors or omissions in SELLER's WORK shall forthwith be corrected at SELLER's cost, unless otherwise agreed by a Variation Order) or (ii) a waiver of any of BUYER's rights under the CONTRACT.

20 GOVERNING LAW AND DISPUTE RESOLUTION

Unless otherwise specified in the CONTRACT:

20.1 If SELLER is a Norwegian entity (an entity incorporated and registered in Norway or a person of Norwegian citizenship):

- a) The CONTRACT, and any non-contractual rights and obligations arising in relation thereto, shall be governed by and interpreted in accordance with the laws of Norway.
- b) All disputes arising out of or in connection with the CONTRACT shall, to the extent it cannot be resolved by the PARTIES at management level, be finally resolved by arbitration in Oslo pursuant to the Norwegian Arbitration Act and any statutory modification or re-enactments thereof for the time being in force at the time when such arbitration proceedings are commenced.

20.2 If SELLER is not a Norwegian entity:

- a) The CONTRACT, and any non-contractual rights and obligations arising in relation thereto, shall be governed by and interpreted in accordance with the laws of England and Wales.
- b) All disputes arising out of or in connection with the CONTRACT shall, to the extent it cannot be resolved by the PARTIES at management level, be finally resolved by arbitration in London in accordance with the rules and procedures of the London Court of International Arbitration (the LCIA Rules) in force at the time when such arbitration proceedings are commenced, which Rules are deemed to be incorporated by reference into this clause.

20.3 The language of any arbitration proceedings shall be English, the number of arbitrators shall be 3 (three), and any arbitration award shall be final and binding and be kept confidential.

21 WORK AT BUYER SITE

21.1 The provisions of this Article 21 apply in the event of, and only to the extent of, performance of SERVICES (or other part of WORK) at BUYER SITE. For the avoidance of doubt; all other Articles of these General Conditions (and any other part of the Conditions of Contract) apply also with respect to such SERVICES (or other part of WORK) at BUYER SITE.

21.2 SELLER shall ensure that an adequate number of personnel are assigned for the SERVICES and that all SELLER GROUP personnel and representatives performing SERVICES have the necessary and required training, qualifications and experience for their job and the performance of the respective SERVICES in accordance with the CONTRACT, as well as to comply with any applicable laws and regulations including having the required permits applicable for performance of the subject WORK.

BUYER will advise and assist with regards to the applicable requirements at any BUYER SITE, and be responsible for any permits, licenses or authorizations which, according to applicable laws and regulations (and/or as may be separately specified in the CONTRACT or otherwise agreed between the PARTIES), shall be obtained and provided BUYER.

21.3 Unless otherwise agreed, SELLER shall, prior to commencement of any SERVICES at BUYER SITE, submit to BUYER a list of the personnel and representatives involved in the performance of such SERVICES and their respective work descriptions. All personnel and representatives involved in SERVICES performed offshore shall fulfil applicable safety courses, have valid medical certificate for such offshore work, as applicable, and such other qualifications and experience as reasonably required by BUYER from time to time.

21.4 SELLER shall ensure that it, and its personnel and representatives, have in place appropriate and valid insurances required and customary in relation to such performance of SERVICES at BUYER SITE.

21.5 The performance of SERVICES shall at all times adhere to the regulations and requirements applicable for the respective BUYER SITE. BUYER will assist and inform SELLER of any BUYER SITE specific HSSE and other requirements, and

SELLER shall ensure that all its personnel and representatives are informed of such regulations and requirements and the obligations of SELLER under the CONTRACT and shall instruct such personnel and representatives to comply with HSSE and other requirements applicable at BUYER SITE, including applicable safety management systems (e.g. work permit system) and emergency evacuation procedures.

21.6 BUYER may instruct SELLER to remove from BUYER SITE any of SELLER's personnel and representatives who in BUYER's reasonable opinion is either; incompetent or negligent in the performance of his/her duties; engaged in activities which are contrary or detrimental to the interests of BUYER; or not conforming to relevant safety procedures described in the CONTRACT or applicable at BUYER SITE or persists in any way in conduct likely to be prejudicial to safety, health or the environment. Any such person shall be removed from BUYER SITE at SELLER's sole cost, shall not be re-engaged in any services to BUYER, and be replaced promptly by SELLER at SELLER's sole cost.

* END *