

General terms and conditions of Services

1 Background

- 1.1 Cegal AS (hereinafter "**Cegal**") is a private limited company registered in the Norwegian Register of Business Enterprises with business register number 996 221 423.
- 1.2 These General terms and conditions for purchase of services (hereinafter the "**General Terms and Conditions**") governs the provision of services relating to the delivery of IT solutions as specified in the purchase order (hereinafter "**Purchase Order**") entered into between Cegal and the client (hereinafter "**the Client**").
- 1.3 "**Contract**" shall mean the Purchase Order, these General Terms and Conditions and any appendices, including any agreed amendments and variations to said documents. "**Services**" shall mean all services to be performed by Cegal pursuant to the Contract.
- 1.4 In the event of any conflict between the provisions of the Contract, the various contract documents shall be given priority in the following order:
 - the Purchase Order with appendices
 - these General Terms and Conditions with appendices
- 1.5 The Client will order Services to be performed by Cegal by providing a Purchase Order. The Purchase Order shall be in writing, and Cegal's acceptance of such shall be in writing without undue delay thereafter.

2 General provisions

- 2.1 General provisions regarding the Services etc.
 - 2.1.1 The Services from Cegal shall, in an integrated manner, serve the functions and meet the requirements specified in the Contract. Cegal shall perform the Services in a professional manner and in compliance with applicable laws and regulations.
 - 2.1.2 Cegal may assign the Services or parts of the Services to subcontractors. Such assignment to subcontractors does not exonerate Cegal from any obligations pursuant to the Contract.
 - 2.1.3 If the Services include the use of cloud services or other standard services (including software) from third parties which Cegal has concluded separate agreements with, Cegal's responsibility is limited to the agreement with the third-party contractor, including compliance with applicable requirements with respect to information security. Copies of the relevant standard terms and conditions shall be provided by Cegal upon request by the Client, and may be attached as **Appendix 1** hereto.
 - 2.1.4 If the Client purchases or leases any hardware from Cegal, the terms and conditions of the relevant Cegal vendor shall be given equivalent application between Cegal and the Client. Cegal shall submit such terms and conditions to the Client, if requested.
 - 2.1.5 If any Services require Cegal personnel to be present, or the Client requests assistance at Client premises, such services shall be subject to a separate hire of personnel agreement.
 - 2.1.6 When Services is carried out at Client's premises Cegal shall comply with Client's rules in force relating to safety and working conditions. Client will inform Cegal of these rules.
 - 2.1.7 The Client shall facilitate Cegal's performance of the Services, by e.g. granting Cegal the necessary access, physically and/or electronically.
 - 2.1.8 All notices, demands or other communications relating to the Contract shall be submitted in writing to the postal address or electronic address stated in the Purchase Order.
- 2.2 Progress of the Services etc.

- 2.2.1 Cegal shall provide the Services effectively and within the schedule that is agreed between the parties in the Purchase Order (hereinafter the "**Agreed Schedule**").
 - 2.2.2 Cegal shall give a written notice to the Client when the Services are ready for more detailed checks by the Client during an approval period, cf. clause 2.2.3. The day after the message has been sent shall be called the "**Commencement Date**" and the Client may start using the Services for its ordinary activities.
 - 2.2.3 A two (2) month approval period (hereinafter "**Approval Period**") commences on the Commencement Date. The purpose of the Approval Period is to check that the Services functions in accordance with the Contract in ordinary operations.
 - 2.2.4 The Client shall, during the Approval Period, check that the Services are in conformity with the Contract. During the Approval Period the Client shall, on an ongoing basis and without undue delay, report any errors to Cegal in writing, which shall include a description of the errors.
 - 2.2.5 Cegal shall rectify the errors as soon as possible. Unless otherwise agreed in the Contract, any errors shall be rectified, at the latest, by the end of the Approval Period.
 - 2.2.6 The Client shall, prior to the end of the Approval Period, give Cegal written notice as to the outcome of the checks, and confirming whether or not the Services are deemed to be in conformity with the Contract and, consequently, whether or not they can be approved. If such notice has not been sent by the end of the Approval Period, the Services shall nevertheless be deemed to be approved (through laches).
 - 2.2.7 The Client shall have the right to reject the Approval Period if, during the final five (5) working days of the Approval Period, one or more critical incidents exist or have occurred, or if three or more serious incidents have occurred. If the Client rejects the Approval Period, the Approval Period shall be extended until the terms and conditions for approval have been met. By "critical incidents" means that all or material parts of the Services are unavailable. By "serious incidents" means that certain critical functions do not work, or work with response times that are material inferior compared to what is agreed in the Contract.
 - 2.2.8 The first working day after the Services are, or are deemed to be, approved, is referred to as the "**Delivery Date**". After the Delivery Date, Cegal is, if agreed between Cegal and the Client in the Purchase Order, responsible for that the Services conform with the service level requirements set out in the Service-Level Agreement attached hereto as **Appendix 2**. Cegal is not responsible for the inadequate performance of the service level if this is caused by 1) errors or stoppages in the Client's applications, or 2) if they are caused by errors in standard software that is licensed from a third party that Cegal depends on to deliver the Services, assuming that Cegal can document that it has taken reasonable precautions.
- ### 3 Variations, duration, suspension and cancellation
- 3.1 Variations
 - 3.1.1 Within the scope of what the parties could reasonably have expected at the time the Contract was entered into, Client may require variations with regard to the quality and/or the quantity of the Services as well as the Agreed Schedule (hereinafter "**Variations**").
 - 3.1.2 Cegal shall, within a maximum of ten (10) working days from receipt of a written request for Variations, submit a study of potential risk and change consequences, as well as a price estimate. Documented costs in connection with the preparation of change estimates are carried by the Client.

- 3.1.3 If the study shows that the implementation of the Variations will result in delays relative to the Agreed Schedule, Cegal may require the plan be adjusted.
- 3.1.4 If the Client accepts the study and the price submitted by Cegal, the Client shall inform Cegal that the Client wishes the changes in the Services to be implemented by issuing a written variation order. Thereafter, Cegal shall, within ten (10) working days ensure that the variation order is incorporated in the initial Purchase Order, with changes to specifications, the Agreed Schedule, the technical platform, tests, required contributions from the Client, changes to the agreed price, etc. The changes shall be presented to the Client for its approval.
- 3.1.5 If Cegal finds that a variation order is required, Cegal shall request the Client to issue a variation order without undue delay. Together with the variation order request, Cegal shall provide the Client with a study of relevant risk and change consequences, as well as a price estimate pursuant to clause 3.1.2. The costs associated with the preparation of change estimates shall be paid by the Client if Cegal's request for a variation order is accepted. If Cegal fails to make such request within a reasonable period of time, the work shall be deemed to form part of Cegal's obligations pursuant to the Contract, and Cegal waives its right to invoke such work as ground for extending the Agreed Schedule, additional consideration or damages up to the date the request for a change order was presented. Such request must in any circumstance be presented no later than six (6) months after the work commences.
- 3.1.6 If Cegal has requested that the Client send a variation order pursuant to clause 3.1.5, the Client shall, within a reasonable period of time, issue a variation order pursuant to clause 3.1.4, or issue a written waiver of the request.
- 3.1.7 If the Client deems the work to form part of the Services, it shall be explicitly stated that the variation order is disputed (disputed variation order). The variation order shall include an explanation as to why the Client deems the variation order to be disputed.
- 3.1.8 Even if the variation order is disputed, Cegal shall perform what has been ordered in return for the Client paying a provisional consideration corresponding to half of the amount to which Cegal believes he is entitled. If Cegal has received a disputed variation order, Cegal shall, within six (6) months institute legal proceedings in order to have its claim resolved with final effect. If Cegal fails to do so, the work shall be deemed to fall within the scope of Cegal's duties under the Contract.
- 3.2 Duration**
- 3.2.1 The Contract enters into force on the date on which the Purchase Order is signed by the parties.
- 3.2.2 Unless a different duration period is agreed in the Purchase Order, the Contract shall be valid for a term of three (3) years. The Contract shall thereafter be automatically renewed for a term of one (1) year at a time, unless the Contract is terminated without cause by the Client giving six (6) months notice or Cegal giving twelve (12) months notice prior to the renewal date.
- 3.3 Suspension**
- 3.3.1 Client may temporarily suspend the Services or parts thereof, by written notification to Cegal. Following such notification Cegal shall, without undue delay, inform the Client of the effects the suspension will have on the performance of the Services. Cegal shall resume the Services immediately after notification by the Client.
- 3.3.2 If the suspension period exceeds ten (10) working days, Cegal is entitled to cancel the Contract by notice in writing to the Client.
- 3.3.3 During the suspension period, the Client shall compensate Cegal for all documented and necessary expenses in connection with demobilization and mobilization of personnel.
- 3.4 Cancellation**
- 3.4.1 Client may cancel the Services or parts thereof with a 3 months' notice, by written notification to Cegal.
- 3.4.2 Unless otherwise stated in the Purchase Order, the Client shall, following such cancellation, pay: a) any amount due to Cegal in respect of the part of the Services that has already been performed, b) Cegal's necessary and documented direct costs in relation to the reassignment of personnel, c) other documented direct costs incurred by Cegal as the result of the cancellation, including disbursements and costs that have been incurred by Cegal prior to its receipt of the notice of cancellation, and which Cegal is unable to make use of for other purposes, and d) a cancellation fee equal to 4 per cent of the annual consideration as follows from the Purchase Order. In the event of partial cancellation, the cancellation penalty shall be calculated on the basis of the share of the Purchase Order price accounted for by the cancelled items.
- 3.5 Discharge of the Contract**
- 3.5.1 Upon ending of the Contract, Cegal shall assist the Client in connection with the preparations for the conclusion of any new operational services agreement, and provide such information as is necessary in connection with these preparations. The Client shall pay consideration for Cegal's assistance as mentioned above pursuant to Cegal's hourly rates as stipulated in the Purchase Order.
- 3.5.2 The Client shall return all documentation and other property belonging to Cegal.
- 4 Information Security**
- 4.1 Cegal shall take proportionate measures to safeguard information security in connection with the performance of the Services. This implies that Cegal shall take proportionate measures to ensure confidentiality of the Client's data as well as measures to ensure that data not go astray. Furthermore, Cegal shall take proportionate measures against accidental change and deletion of data as well as against attacks by viruses and other damaging software. Cegal shall also provide satisfactory information security regarding confidentiality, integrity, availability and robustness in the processing of personal data.
- 4.2 Cegal may not transfer personal data to others for storage, processing or deletion without the written consent of the Client. Cegal shall ensure that any subcontractors used by Cegal assume the same obligations as mentioned in clause 4.1 and 4.2.
- 4.3 Cegal shall ensure that its third party vendors make sufficient and necessary security of the Client's data.
- 5 Consideration and payment terms**
- 5.1 All prices and the detailed terms governing the consideration to be paid by the Client for the Services provided by Cegal are set out in the Purchase Order.
- 5.2 Unless otherwise agreed in the Purchase Order, payment shall be made within thirty (30) calendar days of the invoice date.
- 5.3 The contract number and other agreed references shall be quoted on all invoices which shall also clearly indicate what the invoiced amount relates to.
- 5.4 Client is entitled to deduct any prepayments against Cegal's invoices.
- 5.5 If the Client fails to make payment by the agreed time, Cegal shall be entitled to claim interest on any overdue amount, pursuant to the Act No. 100 of 17 December 1976 relating to interest on Overdue Payments, etc. (Late Payment Interest Act).
- 5.6 If overdue consideration, with the addition of late payment interest, has not been paid within thirty (30) calendar days of the due date, Cegal may send the Client a written notice

stating that the Contract will be terminated for breach, unless settlement has taken place within sixty (60) calendar days of receipt of the notice. Termination for breach may not take place if the Client settles the overdue consideration, with the addition of late payment interest, prior to the expiry of the deadline.

- 5.7 Prices for the Services and hourly rates may be adjusted at the beginning of every calendar year by an amount equivalent to the increase in the retail price index (the main index) of Statistics Norway, with the initial reference index value being the index value for the month in which the Contract was formed. The prices may also be adjusted to the extent that rules or administrative decisions pertaining to indirect taxes are amended in a way that affects the consideration or costs of Cegal. If subcontractors of Cegal increase or reduce their license costs, Cegal may increase or reduce the costs towards the Client from the date of the implementation for the increased or reduced costs.

6 Right of ownership and right of disposal

- 6.1 All title and copyrights and other intellectual property rights in and to the Services and the accompanying software, computer programs, materials, reports, drawings, specifications, etc. are and shall remain owned fully and solely by Cegal.
- 6.2 The Contract shall not affect the copyright, rights of disposal or rights of ownership held by the parties prior to the Contract, which the relevant party shall retain unless otherwise is explicitly agreed in writing.
- 6.3 The Client shall have a limited right of disposal in respect of all software and equipment that Cegal makes available to the Client in connection with the Services. Such a right comprises all rights which are necessary to use the Services in accordance with the purpose for the Contract.
- 6.4 Each party is responsible for ensuring that it holds necessary authorisations and rights, etc., in respect of hardware, infrastructure, software and documentation it uses in the contractual relationship. If one of the parties wishes to make use of equipment or software, etc., that such party does not own or hold rights to, said party shall ensure that the necessary approval in the form of an underlying agreement with the owner or rightsholder is in place before such equipment or software, etc. is used for operations pursuant to the Contract.
- 6.5 If any changes, improvements, etc., are made in connection with the Services under the Contract, Cegal is responsible for ensuring that the Client is granted such right of disposal as is necessary for purposes of the continued use of the equipment and software without infringement of the copyright or other rights of any third parties.
- 6.6 The Client (and its assignors) shall retain the right of ownership of all data that are handed over to Cegal for processing, and which are stored or processed by way of deliverables under the Contract. The same shall apply to the output from Cegal's processing of such data. Cegal has access to data as mentioned above only to the extent necessary to enable Cegal to perform its obligations pursuant to the Contract. Cegal shall under no circumstance have the right to withhold the Client's data.

7 Confidentiality

- 7.1 All information exchanged between the parties shall be treated as confidential and shall not be disclosed to any third parties without the written consent of the other party. A party may nevertheless make such information available to third parties provided that the information was already known to that party at the time the information was received, that the information is or becomes part of public domain other than through a fault of either of the parties, or is rightfully received from a third party without an obligation of confidentiality. Information may also be disclosed to third

parties to the extent necessary for execution of the Contract, provided, however, that the receiver of such information shall be bound by a confidentiality obligation similar to this clause 7.1. Cegal is entitled to make it publicly known that Cegal has entered into this contract with the Client.

8 Breach of Contract on the part of Cegal

- 8.1 There is a breach of Contract on the part of Cegal if the Services do not conform to the agreed functions, requirements or Agreed Schedule. There is also a breach of Contract if Cegal fails to perform other duties under the Contract. Nevertheless, there is no breach of Contract if the situation is caused by circumstances related to the Client or by force majeure.
- 8.2 The Client shall submit a written complaint without undue delay after the breach of Contract has been discovered or ought to have been discovered.
- 8.3 If Cegal should have cause to believe that he will be unable to perform the Services in accordance with the Agreed Schedule, he shall immediately notify Client in writing stating the reason for the delay, the effect on the Agreed Schedule and furthermore include a proposal on how the delay can be minimized.
- 8.4 Cegal may request an extension of the Agreed Schedule, which extension must have the written approval of the Client in order to apply. The Client may impose conditions to agree to an extension of the Agreed Schedule. If extension is not granted, Cegal shall bear all costs incurred to minimize the delay unless the delay is caused by the Client.
- 8.5 Cegal shall commence and complete the remedy work without undue delay. Remedy may e.g. take form of repair, redelivery or supplementary delivery.
- 8.6 If Cegal has failed to remedy the breach of Contract within the stipulated or agreed deadline, or if the conditions of termination for breach are met, Cegal shall pay all expenses incurred by the Client in obtaining a remedy from a third party. The Client shall give written notice to Cegal prior to appointing a third party.
- 8.7 In the event of breach of the Contract, the Client may withhold payment, although the amount withheld shall not be obviously higher than what is necessary to secure the Client's claim resulting from the breach of Contract.
- 8.8 If there is a material breach of Contract, the Client may, after having given Cegal a written notice and granted Cegal a reasonable deadline for remedying the breach, terminate all or part of the Contract with immediate effect.
- 8.9 The Client may terminate all or part of the Contract for breach with immediate effect if the deliverables are materially delayed.
- 8.10 The Client may claim damages in respect of any direct loss, including additional costs the Client incurs due to substitute purchases, any loss caused by additional work and other direct costs in connection with delays, deficiencies or other breaches of Contract pursuant to clause 8.1.
- 8.11 No damages may be claimed in respect of indirect loss. Indirect loss includes, but is not limited to, lost earnings of any kind, loss of production, lost savings, and claims from third parties.
- 8.12 Overall damages are limited to an amount corresponding to the Purchase Order price, excluding VAT.
- 8.13 Overall damages per calendar year for any loss occurring after the Delivery Date are limited to an amount corresponding to the overall annual consideration in respect of the Services, excluding VAT.
- 8.14 The abovementioned limitations of damages shall not apply in the case of gross negligence or wilful misconduct on the part of Cegal or anyone for whom Cegal is responsible.

9 Breach of Contract on the part of the Client

- 9.1 It is breach of Contract on the part of the Client if the Client fails to perform its duties under the Contract. Nevertheless, there is no breach of Contract if the situation is caused by circumstances related to Cegal, or by circumstances deemed to constitute force majeure.
- 9.2 Cegal shall give written notice without undue delay after the breach of Contract has been discovered or ought to have been discovered.
- 9.3 If the Client is unable to perform its duties under the Contract, including observing any deadlines, the Client shall notify Cegal in writing accordingly as soon as possible. The notice shall specify the reason for the problem and, to the extent possible, when the Client will again be able to perform the agreed duty.
- 9.4 Cegal shall not suspend any operational services as the result of breach of Contract on the part of the Client, unless the breach is material and as a consequence of this Cegal terminates the Contract for breach.
- 9.5 In the event of payment default, Cegal may terminate the Contract for breach if the Client has failed to settle overdue payments within sixty (60) calendar days of the Client having received Cegal's written notice pursuant to clause 5.6.
- 9.6 In the event of other material breach of Contract, Cegal may send written notice to the Client stating that the Contract will be terminated for breach unless the Client has discontinued the breach of Contract within sixty (60) calendar days after it received the notice.
- 9.7 Cegal may claim damages in respect of any direct loss that arises from breach of Contract pursuant to clause 9.1, unless the Client demonstrates that the breach of Contract or the cause of the breach of the Contract is not attributable to the Client. The limitation of damages provision of the Contract, as set out in clause 8.11-8.14 shall apply correspondingly.

10 Risk

- 10.1 The risk relating to hardware, infrastructure and software shall be borne by the party that has such equipment or software in its physical possession, or under its control.

11 Insurance

- 11.1 The Client shall have insurance covering any claims that Cegal may bring on the basis of the risks or responsibilities assumed by the Client pursuant to the Contract, within the limits defined by ordinary insurance terms and conditions.
- 11.2 Cegal shall hold insurance policies that are sufficient, within the limits defined by ordinary insurance terms and conditions, to meet such claims from the Client as may arise on the basis of the risks and responsibilities assumed by Cegal pursuant to the Contract. This obligation shall be deemed to be met if Cegal takes out third-party and business insurance on terms and conditions that are deemed to be ordinary within the Norwegian insurance industry.

12 Force majeure

- 12.1 If an extraordinary situation should arise which is outside the control of the parties which makes performance of the duties under the Contract impossible, and which under Norwegian law must be classified as force majeure, the other party shall be notified of this as soon as possible. The obligations of the affected party shall be suspended for as long as the extraordinary situation prevails. The corresponding obligations of the other party shall be suspended for the same period.
- 12.2 In force majeure situations, the other party may only terminate the Contract for breach with the consent of the affected party, or if the situation prevails or is expected to

prevail for more than ninety (90) calendar days as from the date on which such situation arose, and in such case only with fifteen (15) calendar days' notice. Each of the parties shall cover their own costs associated with the ending of Contract. The Client shall pay the agreed price for the part of the deliverables that was performed prior to the Contract coming to an end. The parties may not present other claims against each other due to the Contract coming to an end pursuant to this provision.

- 12.3 The parties shall, in connection with force majeure situations, have a mutual disclosure obligation towards each other concerning all matters that must be deemed relevant to the other party. Such information shall be disclosed as soon as possible.

13 Limitation of liability

- 13.1 Notwithstanding any provisions to the contrary, Cegal's total cumulative liability under the Contract, regardless of whether the Contract, or any Purchase Order, are terminated or not, and notwithstanding anything to the contrary in the Contract, shall be limited to 100 % of the Purchase Order price incurred at the time of the breach by Cegal.

14 Applicable law, disputes and legal venue

- 14.1 The Contract shall be governed by Norwegian law.
- 14.2 If a dispute is not resolved through negotiations, each party may require such dispute to be resolved with final effect before the Norwegian courts. The dispute shall be brought before the Stavanger District Court.

