

General Terms and Conditions for Software License

1 Background

- 1.1 Cegal AS (hereinafter "**Licensor**") is a private limited company registered in the Norwegian Register of Business Enterprises with business registration number 996 221 423. The Licensor has developed and exclusively owns the Software and the Related IPR (as defined below).
- 1.2 These General terms and conditions for software license (hereinafter the "**General Terms and Conditions for Software License**") set forth the terms and conditions for the License as specified in the quote ("**Quote**") and purchase order ("**Purchase Order**") between Licensor and the customer (the "**Licensee**"). Licensor and Licensee are hereinafter collectively referred to as the "**Parties**" and individually a "**Party**".

2 Definitions and appendices

Unless expressly otherwise stated or evident in the context, the following terms shall have the following meaning:

- 2.1 **Confidential Information** means any and all information and/or data in any form of or about a Party including all information relating to any technology, product, process or intellectual property of such Party (including, but not limited to, owned or licensed intellectual property rights, data, source codes, software, know-how, samples, technical and non-technical materials and specifications) as well as any financial information or other commercial information of or about such Party. Confidential Information shall include the terms of this Contract.

Notwithstanding the foregoing, information of or about a Party shall not be deemed as Confidential Information if the other Party can demonstrate that:

- (i) such information was lawfully in its possession or control prior to the time such information was disclosed by the disclosing Party;
- (ii) such information was developed by the receiving Party independently of and without reference to Confidential Information;
- (iii) such information was lawfully obtained by the receiving Party from a third party under no obligation of confidentiality to the party to whom such information relates; or
- (iv) such information was at the time it was disclosed or obtained by the receiving Party, or thereafter became, publicly known otherwise than through a breach by the receiving Party of its obligations to the disclosing Party.

- 2.2 **Contract** shall mean the Quote, the Purchase Order from the Licensee, these General Terms and

Conditions for Software License and any appendices, including any agreed amendments and variations to said documents.

- 2.3 **Delivery Date** shall have the meaning ascribed to such term in clause 6.
- 2.4 **License** shall have the meaning ascribed to such term in clause 4.
- 2.5 **Related IPR** shall mean any intellectual property right, including without limitation, invention(s), patent application(s), patent(s), idea(s), method(s), concept(s), design(s), copyright(s), trademark(s), business secret(s), know-how, drawing(s), source code(s), technical data, handbook(s), presentation(s), marketing material(s) and/or manual(s) related to the Software, regardless of form and/or method of storage, and regardless of registration
- 2.6 **Software** shall mean the object code version of the computer program owned exclusively by Licensor as further described in the Quote and/or the Purchase Order which is subject to the License under this Contract.

3 Priority

- 3.1 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 for Software License with appendices

4 License

4.1 Grant of License

Licensor hereby grants to Licensee, and Licensee hereby accepts, a non-exclusive, non-transferable, non-assignable License to use the Software from the Delivery Date in accordance with the terms set forth in the Contract (the "**License**").

Licensor shall provide the Licensee with the number of copies of the Software as specified in the Purchase Order.

Licensee acknowledges that the Software is the property of Licensor, and that Licensee will use the Software only under the terms and conditions of the Contract. Licensee acknowledges that Licensee will acquire no ownership or proprietary rights in or to the Software.

4.2 Conditions for granting the License

Licensee acknowledges and agrees that no third party shall be authorized by Licensee to use the Software.

The Software is solely for the Licensee's internal business use. Licensee may copy the Software for backup/disaster recovery purposes only.

Licensee may not reverse engineer and/or compile or disassemble the Software. Under no circumstances shall the Software be used by the Licensee to generate or tune alternative models, correlations or numerical solutions to the Software. The Licensee is not entitled to make any modifications to the Software, unless otherwise is agreed between the Parties.

4.3 Transfer and/or sublicense of the License

The Licensee shall not in any way sell, transfer, and/or sublicense the Software and/or the License or in any other way make the Software available to any party not covered by the Contract without the express written consent of the Licensor, which shall not be unreasonably withheld.

The Licensee shall not transfer the Contract to a third party without the written approval of Licensor. The Software shall not be moved to a different site without the prior written approval of Licensor.

5 Installation

Licensee shall be responsible for the installation of the Software, and shall notify Licensor when the installation is completed.

6 Delivery and approval of the Software

A period of twenty (20) calendar days approval period ("**Approval Period**") commences after the day the installation is completed. The purpose of the Approval Period is to check that the Software functions in accordance with the Contract in ordinary operations.

During the Approval Period, Licensee shall immediately report any errors to Licensor in writing, which shall include a description of the error(s).

Licensor 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.

Licensee shall, prior to the end of the Approval Period, give Licensor a written notice as to the outcome of the checks, and confirming whether or not the Software is deemed to be in conformity with the Contract and, consequently, whether or not the Software can be approved. If such notice has not been sent by the end of the Approval Period, the Software shall nevertheless be deemed to be approved (through laches).

Licensee shall have the right to reject the Approval Period if, during the final three (3) days of the Approval Period, one or more critical incidents exist or have occurred, or if three or more serious incidents have occurred. If Licensee 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 Software is 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.

If Licensor rejects the Approval Period, or if the errors can not be remedied within a reasonable time, either Party may by written notice to the other Party cancel the Contract and no Party shall have any claims towards the other Party.

The first working day after the Software is, or is deemed to be, approved, is referred to as the "**Delivery Date**".

7 Consideration and payment terms

All prices and the detailed terms governing the consideration to be paid by the Licensee for the License are set out in the Purchase Order.

Unless otherwise agreed in the Purchase Order, payment shall be made within thirty (30) calendar days of the invoice date.

If Licensee fails to make payment by the agreed time, Licensor shall be entitled to interest on late payments at one (1) per cent per month on the amount due.

If overdue consideration, with the addition of late payment interest, has not been paid within thirty (30) calendar days of the due date, Licensor may send the Licensee a written notice stating that the Contract will be terminated for breach, unless settlement has taken place within thirty (30) calendar days of receipt of the notice. Termination for breach may not take place if the Licensee settles the overdue consideration, with the addition of late payment interest, prior to the expiry of the deadline.

Prices for the License 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 Licensor.

8 New versions of the Software and support

The Software included in the License may by subject to new versions during the term of this Contract. Licensee is entitled to new versions of the Software as they become available. Such new versions of the Software shall, upon the Licensee's request, be installed by Licensee in accordance with the provisions of this Contract, and shall be included in the consideration for the License.

Licensee is further entitled to a reasonable amount of application support in relation to the Software via e-mail of phone during normal business hours. Normal business hours are defined as Monday to Friday (except for bank holidays in Norway), between 08:00-16:00 CET.

Licensor's helpdesk shall be available to the Licensee in normal business hours (as defined above) on the following telephone number and e-mail address:

Telephone: +47 52 04 00 40

E-mail address: servicedesk@cegal.com

9 Ownership to the Software and Related IPR

The Software and the Related IPR, including any improvements, amendments, developments and/or modifications made by any Party to the Software and/or the Related IPR shall remain the sole property of the Licensor.

Nothing herein shall be construed or interpreted as a transfer or assignment of any ownership right or title to the Software and/or the Related IPR. Licensee undertakes to recognise fully and respect Licensor's Software and Related IPR, and Licensee undertakes not, in any

circumstances, to challenge the Software and/or the Related IPR. Licensee further undertakes not to do anything to jeopardize the Software and/or the Related IPR or other potential rights, including, without limitation, disclosing the Software or the Related IPR to any third parties.

10 Warranties

Licensor warrants that it has all necessary rights to grant the License granted under this Contract.

Licensor warrants that, to the best of Licensor's knowledge, the Software does not infringe upon the intellectual property rights of any third parties.

The Software is provided to the Licensee "as is", without any warranties or representations other than what is expressly stated in the Contract. The Licensor does not warrant that the Software will work without interruptions or errors.

11 Breach of Contract on the part of Licensor

The Licensee shall submit a written complaint immediately after a breach of Contract on the part of Licensor has been discovered or ought to have been discovered.

Licensor shall commence and complete the remedy work without undue delay. Remedy may e.g. take form of repair, redelivery or supplementary delivery. When a new version of the Software is available which contains correction of the error(s), the Licensee can not demand remedy work to be made in the Software currently installed, provided that Licensor makes available the new version of the Software within a reasonable time.

If there is a material breach of Contract, the Licensee may, after having given Licensor a written notice and granted Licensor a reasonable deadline for remedying the breach, terminate all or part of the Contract with immediate effect.

The Licensee may terminate all or part of the Contract for breach with immediate effect if the deliverables hereunder are materially delayed.

The Licensee may claim damages in respect of direct losses, including additional costs the Licensee incurs due to substitute purchases, any loss caused by additional work and other direct costs in connection with delays, deficiencies or other breaches of the Contract pursuant to clause 11. Overall damages are limited to an amount corresponding to the Purchase Order price, excluding VAT.

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 License, excluding VAT.

The abovementioned limitations of damages shall not apply in the case of gross negligence or wilful misconduct on the part of Licensor.

12 Breach of Contract on the part of the Licensee

It is breach of Contract on the part of the Licensee if the Licensee fails to perform its duties under the Contract.

Licensor shall give written notice immediately after the

breach of Contract has been discovered or ought to have been discovered.

If the Licensee is unable to perform its duties under the Contract, including observing any deadlines, the Licensee shall notify Licensor in writing accordingly as soon as possible. The notice shall specify the reason for the problem and, to the extent possible, when the Licensee will again be able to perform the agreed duty.

Licensor may suspend the License as the result of breach of Contract on the part of the Licensee.

In the event of payment default, Licensor may terminate the Contract for breach if the Licensee has failed to settle overdue payments within thirty (30) calendar days of the Licensee having received Licensor's written notice pursuant to the fourth paragraph of clause 7.

In the event of other material breach of Contract, Licensor may send written notice to the Licensee stating that the Contract will be terminated for breach unless the Licensee has discontinued the breach of Contract within thirty (30) calendar days after it received the notice.

Licensor may claim damages in respect of any direct loss that arises from breach of Contract, unless the Licensee demonstrates that the breach of Contract or the cause of the breach of the Contract is not attributable to the Licensee. The limitation of damages provision of the Contract, as set out in clause 11, shall apply correspondingly.

13 Indemnity

Licensor shall defend, indemnify and hold the Licensee harmless from any third-party claims stating that the Software is violating any third party copyright or patent enforceable in Norway.

If Licensor believes that the Software is likely to be subject of an infringement claim it may elect to replace or modify the Software to make it non-infringing or to terminate the Contract on six (6) months written notice to the Licensee.

Licensor and Licensee shall have no liability to each other for indirect or consequential damages of any kind under this Contract, including but not limited to, lost earning of any kind, loss of production, lost savings or investments, claims from third parties, loss of data or use, etc.

14 Infringement

The Parties will notify each other promptly of any infringement or possible infringement by or to the Software, as well as any facts which may affect the validity, scope or enforceability of the Software of which either Party becomes aware.

In the case of any infringement of the rights to the Software by any third party, the Licensor is responsible to cause such third party to cease such infringement and to otherwise enforce rights to the Software, provided the infringement directly affects the Licensee's use of the Software.

15 Term and termination

The License commences upon the Licensor's receipt of the Purchase Order and will remain in force as set out in

the Purchase Order.

The Contract may be terminated immediately upon material breach by one of the Parties as further set out in clause 11 and 12 respectively.

16 Effects of termination

Upon termination of the Contract for any reason, nothing herein shall be construed to release either Party from any obligation that matured prior to the date of the termination.

All rights to use the Software ceases with effect as of the date of termination. Upon termination, Licensee shall delete and/or return as instructed by Licensor, all tangible specifications and technical information relating to the Software, and all copies of the Software covered by the Contract, whether partial or complete, and whether or not merged into other materials.

17 Force Majeure

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 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.

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' written notice. Each of the Parties shall cover their own costs associated with the ending of the Contract. The Licensee shall pay the agreed price for the part of the License 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.

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.

18 Confidentiality

The Parties shall use the other Party's Confidential Information only for the purposes of and in performance of its rights and obligations under the Contract. Each Party shall maintain the Confidential Information of the other Party in confidence to the same extent that such Party maintains and protects its own Confidential Information, and shall not disclose, divulge or otherwise communicate such Confidential Information to others, or use it for any purpose, except in order to carry out the Contract or with the express written consent of the other Party. Licensor is entitled to make it publicly known that Licensor has entered into this Contract with the Licensee.

Any obligations of confidentiality with respect to the Confidential Information shall continue for an unlimited period after the termination or expiration of this Agreement.

19 Miscellaneous

No agreements amending, altering or supplementing the terms hereof may be made except by means of a written document signed by a duly authorized representative of each Party.

The Contract supersedes any prior agreements with regard to its subject matter.

The failure of either Party to enforce at any time any of the provisions of the Contract or to exercise any right or option contained in the Contract or to require at any time performance of any of the provisions of the Contract by the other Party, shall not be construed to be a waiver of such provisions and shall not affect the validity of the Contract or any of its provisions or the right of such Party thereafter to enforce each provision of the Contract.

The Parties do not intend that the Contract shall confer on any third party any right, remedy or benefit or that any third party shall have any right to enforce any provision of the Contract.

All notices, requests, consents, approvals, waivers, demands and other communications required or permitted to be given or made under the Contract shall be in writing (email is acceptable), addressed to a Party at its address and shall be deemed delivered to the Parties on the date of receipt or refusal of delivery.

20 Limitation of liability

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

21 Applicable law, disputes and legal venue

This Contract shall be governed by and interpreted in accordance with Norwegian law.

Disputes arising in connection with or as a result of the Contract, and which are not resolved by mutual agreement, shall be referred to arbitration and final decision in accordance with the provisions of the Norwegian Arbitration Act (Act no. 25/2004) or newer corresponding regulations replacing these. Arbitration proceedings shall take place in Stavanger unless otherwise agreed by the parties.

The power of appointment referred to in Section 13 of Act no. 25/2004 shall be exercised by the District Court of Stavanger.