

## 1. ORDERING

Any and all orders shall be submitted in writing in the form of signed Purchase Orders using Statnett forms. On receiving a Purchase Order, the Supplier shall sign and return it without undue delay.

## 2. THE CONTRACT

The Contract comprises the following documents:

- The Purchase Order
- The present general terms and conditions for the purchase of services
- Statnett's specifications and drawings
- Supplier Code of Conduct
- The offer
- The enquiry
- Insurance certificate
- Security agreement, if appropriate
- Non-disclosure agreement, if appropriate
- Procurements for critical infrastructure, if appropriate

In the event that provisions in the contract may contradict one another, the documents shall have precedence in the order stated above.

## 3. CONTRACTS CONCERNING CRITICAL INFRASTRUCTURE

Should the service apply to critical infrastructure, measures shall be implemented to reduce the risk. Said measures place restrictions on who is permitted to perform the service. See the attached document "Procurements for critical infrastructure" for additional information concerning the measures to reduce risk.

The restrictions apply to the Supplier, the parent company – if any – and any subcontractors, as well as to all personnel who are to perform work under the present Contract. Personnel who are to perform work relating to critical infrastructure must comply with the conditions for obtaining security clearance.

## 3. PERFORMANCE OF THE ASSIGNMENT

The Supplier shall supply the service in accordance with the contract and within the agreed deadline and resource framework. The work shall be performed to a proper professional level of quality and standard.

Both parties shall comply with all laws, regulations and decisions which apply to performance of the service. The Supplier shall obtain and maintain all necessary permits in connection with the performance of the service, and shall, on request from Statnett, present documentation that the necessary permits have been obtained.

In the event that the service is to be performed by named personnel, it shall only be permitted to replace said personnel with the written consent of Statnett. In such cases, the Supplier undertakes to handle all necessary skills transfer, and shall cover all costs relating to the exchange and the skills transfer. Statnett may not refuse to allow an exchange of personnel without objective grounds for so doing.

## 4. PRICES

All prices are stated exclusive of VAT and shall be specified in the Purchase Order. In the absence of any agreement to the contrary, the prices are fixed for the full duration of the contract. Hourly rates are all inclusive. In the absence of any agreement to the contrary, no separate remuneration shall be paid for work on weekends/public holidays or for overtime. Lunch breaks are not paid. Any overtime must be agreed in advance and in writing.

Documented expenses in connection with travel required or approved by Statnett in connection with this assignment shall be covered in accordance with the prevailing government rates. The cheapest option shall always be chosen for travel. Compensation for travel time shall be paid at 20% of the hourly rate. In the absence of any agreement to the contrary, travel to and from the agreed assembly point is not covered.

## 5. INVOICING

In the absence of any agreement to the contrary, invoicing shall be performed once the service has been delivered in full. In the event that performance may extend over a protracted period, the Parties can agree in writing that invoicing shall be performed monthly in arrears. If monthly invoicing in arrears has been agreed, invoices with the necessary documentation shall be submitted in the month after the hours were worked. On invoicing, the Supplier has no cause to charge Statnett fees or surcharges of any kind.

Invoices shall clearly state the period to which they apply. All costs shall be documented with vouchers. If multiple vouchers apply to a given

invoice, these vouchers shall be numbered and attached in ascending order. All vouchers shall be straightforward and legible.

Invoices shall be submitted as electronic invoices (e-invoices). Invoices submitted as ordinary mail or standard email will be returned. For Suppliers who do not have their own e-invoicing solution, Statnett will provide access to a free Web Portal for submitting invoices electronically. For additional information concerning the submission of e-invoices, see <https://www.statnett.no/om-statnett/bli-leverandor-til-statnett/slik-sender-du-e-faktura-til-oss/>

Invoices shall state the Purchase Order number and the complete name of the invoice recipient.

Correctly formulated and submitted invoices shall be paid within 30 days of receipt. Invoices that do not meet our requirements regarding statement of information, etc. will be rejected and a new invoice will have to be issued.

## **6. HSE AND QUALITY MANAGEMENT SYSTEM**

The Supplier shall operate a satisfactory HSE and quality management system suited to the nature of the service. Statnett, or the person(s) authorised by same, shall be entitled to audit the Supplier and any subcontractors. Each Party shall cover its own costs for such audits.

Suppliers who are to perform work on Statnett premises or at other Statnett locations shall comply with the same safety regulations as apply to Statnett personnel during the performance of their work.

## **7. PAY AND WORKING CONDITIONS**

The Supplier is responsible for ensuring that the pay and working conditions of his own staff and the employees of any subcontractors (including leased manpower) are in accordance with:

- The regulation concerning a generally applicable collective agreement.
- The regulation concerning pay and working conditions in government contracts of 8 February 2008, where this is applicable. In areas not covered by a regulation concerning a generally applicable collective agreement, the pay and working conditions shall be in accordance with the nationwide collective agreement for the industry in

question. This applies to work performed in Norway.

In this context, "pay and working conditions" is taken to mean provisions concerning minimum working hours, pay including overtime supplements, shift and rotation supplements and inconvenience supplements, as well as reimbursement of expenses for travel, meals and accommodation to the extent such provisions derive from the collective agreement.

The Supplier also undertakes, on request, to document the pay and working conditions of his own staff and the employees of any subcontractors (including leased manpower). Said information shall be documented through, for example, copies of contracts of employment, payslips, time sheets and the employer's bank statements. This documentation shall be specified to individual level and it must be clear to whom it refers. The documentation can include a complete list of names of the employer's own staff and the employees of any subcontractors who are directly employed in fulfilling the contract, a list of generally applicable and/or nationwide collective agreements used as the basis for these employees, and details of the pay and working conditions agreed between the Supplier and any subcontractors.

On request from Statnett, the Supplier is obliged to complete a self-reporting form. In the absence of any agreement to the contrary, the completed form shall be submitted to Statnett within a month of signature of the contract. Self-reporting may be required multiple times during the contractual period.

Statnett and any external controller that may receive the information are obliged to keep same confidential. However, this confidentiality obligation does not apply with regard to the Norwegian Labour Inspection Authority or the Petroleum Safety Authority Norway (PSA), nor to employees or internal or external consultants who may be required to provide linguistic, financial, legal or other professional assistance. The confidentiality obligation also applies to consultants.

Should the Supplier or a subcontractor receive an injunction from the Norwegian Labour Inspection Authority concerning pay and/or

working conditions, the Supplier shall inform the Customer without delay, enclosing a copy of said injunction. Should the Supplier or subcontractor fail to rectify the conditions set out in the injunction within the deadlines set by the Norwegian Labour Inspection Authority, this will be considered breach of contract.

In the event of breaches of requirements concerning pay and working conditions, the Supplier shall rectify the condition(s) in question within the deadline set by Statnett. In cases where the Supplier himself identifies such breaches through internal control procedures or own follow-up on subcontractors, the Supplier shall inform Statnett of the conditions without delay, and rectify them within the deadline set by Statnett.

Should the Supplier fail to fulfil this obligation, Statnett shall be entitled to withhold a sum corresponding to twice the saving for the Supplier. The right to withhold shall cease as soon as rectification pursuant to the preceding article has been documented. In addition, day fines may be imposed for failing to meet a reasonable deadline for submission of documentation (NOK 5,000 per calendar day until the documentation has been received), as may day fines for failure to deal with non-conformances (day fines in the amount of 1‰ of the contract sum, although not less than NOK 10,000).

Failure to comply with this provision shall be considered material breach of contract. Material breach of the pay and working conditions by the Supplier may be cited by Statnett as grounds for termination, even though the Supplier may rectify the conditions. In the event that such breach has occurred at subcontractor level (including staffing companies), Statnett can require the Supplier to switch subcontractors. This shall be done at no cost to Statnett.

All agreements the Supplier enters into for performance of work under this Contract shall contain equivalent provisions.

## **8. RIGHTS**

In the absence of any agreement to the contrary, Statnett holds the exclusive right of ownership to the results of the service as it is performed. All reports, drawings, specifications and similar documents and software created in connection with the service are part of the

results of the service. Without the written consent of Statnett, the Supplier may not accept new assignments for other clients if said new assignments are based directly on the results from the present Contract.

## **9. CONFIDENTIALITY AND PUBLICATION**

All information to which the Parties gain access or which they produce in connection with this Contract and the execution of same shall be treated as confidential, and must not be disclosed to any non-authorised parties without the express consent of the other Party. The Parties shall take the necessary precautions to prevent non-authorised parties from gaining insight into or familiarising themselves with confidential information. The confidentiality obligation shall remain in effect subsequent to the termination or expiry of the Contract.

In the event that power-sensitive information is to be processed in connection with the contractual relationship, the Supplier shall sign a separate security agreement with an associated non-disclosure agreement for all staff who may be granted access to said information. The same shall apply to any subcontractors commissioned to assist in fulfilment of the Contract.

Said confidentiality obligation shall not prevent the disclosure of information that is to be presented in accordance with applicable laws or regulations, including publication of and access to information under the Freedom of Information Act. If possible, the other Party shall be notified before such information is disclosed.

The confidentiality obligation applies to the Parties' employees, subcontractors and to any third parties acting on behalf of the Parties in connection with the execution of the Contract. The Parties may only transfer confidential information to third parties to the extent that this may be necessary for the execution of the Contract, and with the consent of the other Party. In such cases, the third party shall undertake to comply with confidentiality obligations corresponding to those which apply to the Parties under the present Contract.

Information that the Supplier has received from Statnett in connection with execution of the assignment shall not be used for any purpose other than execution of the assignment.

The Supplier shall not advertise or provide the general public or any third party with information

about the assignment, other than citing the delivery as a general reference, unless the Supplier has obtained written consent from Statnett. The Supplier undertakes to include the same provision in agreements with his subcontractors.

## **10. AMENDMENTS**

Statnett may impose non-significant changes on the Supplier. Such changes shall be in the context of matters covered by the Contract, and must not be of a nature that is substantially different. Changes may, for example, have to do with supplements, reduction or progress. Changes shall be made in writing, and a change order to the Purchase Order shall be issued and signed by both Parties.

If a change affects the costs for execution of the service, the Parties shall be entitled to raise or lower the remuneration. Agreed hourly rates and unit prices shall apply for the change work, where such exist. If no applicable hourly rates or unit prices have been agreed upon, the Supplier shall receive payment to cover the costs necessary to perform the work, as well as a usual mark-up.

If progress will be affected by the changes, the Supplier shall be entitled to an extension to the deadline corresponding to the impact of the change.

## **11. BREACH OF CONTRACT BY THE SUPPLIER**

### **11.1 Breach of contract**

Breach of contract will be deemed to exist if the execution or the result of the service does not accord with the terms of the Contract.

However, there will be no breach of contract if the situation is attributable to Statnett's affairs or *force majeure*.

### **11.2 Duty to notify**

The Supplier undertakes to notify Statnett immediately and in writing if the service cannot be executed as agreed. If the Supplier fails to notify Statnett in a timely fashion, the Supplier shall cover any costs incurred by Statnett which could have been avoided through timely notification.

### **11.3 Rectification and price reduction**

The Supplier undertakes to rectify faults or defects at his own risk and expense, if this can

be done without causing unreasonable costs or impediment to either of the Parties. If the Supplier fails to rectify such faults or defects within a reasonable period, Statnett may, itself or with the assistance of a third party, perform the necessary rectification work at the Supplier's expense.

Instead of rectification, Statnett may request a proportionate price reduction. This also applies when rectification is not possible or cannot be performed without unreasonable cost or impediment.

### **11.4 Day fines**

Statnett may charge day fines in the event of delays. Said day fines shall amount to 0.15% of the total remuneration for the delivery (the contract sum) excluding VAT for every calendar day the delay lasts, to a maximum of 15% of the contract sum.

Statnett may demand compensation instead of day fines in the event that the Supplier or a party for whom the Supplier is responsible has demonstrated deliberate or gross negligence.

### **11.5 Termination**

In the event of a material breach of contract, Statnett may, having issued the Supplier written notice and a reasonable deadline to rectify the situation, terminate the Contract with immediate effect.

Statnett may terminate the Contract either fully or in part with immediate effect if performance has been materially delayed. Material delay shall be deemed to exist if delivery has not been completed when the maximum limit for day fines has been reached. The same applies should the Supplier fail to make delivery within a reasonable deadline decided by Statnett, or should the delay result in Statnett being unable to achieve the purpose of the service procurement.

If the nature of what has been completed up to the point of termination is such that Statnett draws little or no benefit from the work performed, Statnett may also, in connection with the termination, demand repayment of the remuneration paid.

### **11.6 Compensation**

Statnett may demand compensation for all direct losses, including additional costs for replacement purchases, losses attributable to

additional work, and other direct costs attributable to breach of contract. Statnett cannot demand compensation for indirect losses unless the Supplier or a party for whom the Supplier is responsible has demonstrated deliberate or gross negligence.

The total compensation payable during the contractual period is limited to an amount equal to the contract sum excluding VAT, or to another agreed estimate for the performance of the service. This limitation on compensation shall not apply if the Supplier or a party for whom the Supplier is responsible has demonstrated deliberate or gross negligence.

## **12. BREACH OF CONTRACT ON THE PART OF STATNETT**

Breach of contract shall be deemed to exist if Statnett fails to fulfil its obligations under the Contract. This shall not apply, however, if failure to fulfil obligations is attributable to the Supplier's affairs or *force majeure*.

Statnett undertakes to notify the Supplier in writing and without delay if fulfilment cannot be achieved as agreed. If Statnett fails to notify the Supplier in a timely fashion, Statnett shall cover any costs incurred by the Supplier which could have been avoided through timely notification.

The Supplier is not entitled to withhold services as a result of breach of contract on the part of Statnett, unless such breach is material.

In the event of a material breach of contract, the Supplier may, having issued Statnett written notice and a reasonable deadline to rectify the situation, terminate the Contract with immediate effect.

The Supplier may demand compensation for direct losses as a result of breach of contract on the part of Statnett. The Supplier cannot demand compensation for indirect losses unless Statnett or a party for whom Statnett is responsible has demonstrated deliberate or gross negligence.

## **13. COMPLAINTS**

The Parties must submit complaints within a reasonable period after it has been discovered that a fault or defect exists.

If a Party has not submitted a complaint within three years of complete delivery of the service, said Party shall forfeit his right to complain about the fault or defect in question. This shall

not apply, however, if the other Party has accepted responsibility for said fault or defect for a longer period through issuing a warranty or via another agreement.

The provisions concerning complaints do not apply if the fault or defect in question is attributable to deliberate or gross negligence by one of the Parties or by anyone for whom either Party is responsible.

## **14. INSURANCE**

The Supplier shall, at his own expense, take out and maintain liability insurance adapted to the Supplier's business. In the absence of any agreement to the contrary, said insurance shall cover personal injury, losses and damage to property to a sum of at least 150G per incidence. The Supplier undertakes to take out adequate accident insurance and statutory employer's liability insurance for his employees.

The Supplier shall attach an insurance certificate documenting valid insurance during the contractual period.

## **15. CANCELLATION**

Statnett may cancel the service fully or in part with immediate effect. Statnett shall pay for any work performed and cover such necessary and documented costs as may have already been incurred in connection with the Contract. In the absence of any agreement to the contrary, Statnett has no financial obligations to the Supplier as a result of the cancellation.

## **16. TERMINATION**

Statnett may terminate an ongoing service agreement on 30 days' notice in writing if Statnett has objective grounds for doing so. If Statnett assesses that there is no longer a need for the service agreement, this shall be considered objective grounds.

The Supplier may terminate an ongoing service agreement on nine months' notice in writing if the Supplier has objective grounds for doing so.

## **17. CHOICE OF LAW AND LEGAL VENUE**

The Parties' rights and obligations under the present Contract are determined in their entirety by Norwegian law. The Parties shall seek to resolve any disputes that may arise in connection with the present Contract through negotiation. Oslo District Court shall be the venue.