



KONGSBERG

General Conditions for Contract Employees

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1. GENERAL

- 1.1 These General Conditions for Contract Employees (“**General Conditions**”) shall apply unless otherwise agreed In Writing between the Parties.
- 1.2 SELLER’s general terms and conditions, exceptions, qualifications, or other terms and conditions shall not apply, unless explicitly accepted In Writing by BUYER.

2. DEFINITIONS

“**SELLER**” shall mean the company or person stated as such in the Purchase Order.

“**BUYER**” shall mean the company stated as such in the Purchase Order.

“**Consultant**” shall mean any individual, firm or company who’s technical or professional services are provided by SELLER to BUYER as part of the Services.

“**Party**” shall mean either SELLER or BUYER.

“**Parties**” shall mean both SELLER and BUYER.

“**Contract**” shall mean the written contract between the Parties for the performance of the Services, consisting of these General Conditions and any other Contract Documents.

“**Contract Document**” shall mean any document explicitly made part of the Contract.

“**Services**” shall mean all services, work, deliverables, reports, documents, drawings, information, results, conclusions, solutions, advises, methods or evaluations, delivered or performed by SELLER or the Consultant.

“**Purchase Order**” shall mean a request for the performance of the Services, issued In Writing.

“**Order Confirmation**” shall mean a document issued by SELLER In Writing using BUYER’s form as attached to the Purchase Order, in which SELLER declares and undertakes to perform the requested Services according to the Contract.

“**Purchase Order Price**” shall mean the total price specified in the Purchase Order which shall constitute full compensation to SELLER for the Services, including all costs, expenses, taxes (excluding VAT) unless otherwise is explicitly stated in a Contract Document, duties, fees or charges of any kind incurred by or levied on SELLER and/or the Consultant related to the performance of the Purchase Order and the provision of the Services.

“**Day**” shall mean calendar day.

“**Force Majeure**” shall mean an occurrence beyond the control of the Party affected impeding the performance of its obligations under the Contract, provided that such occurrence could not have been reasonably foreseen at the time of entering into the Contract and that the Party affected could not reasonably have avoided or overcome it or its consequences, including but not limited to, act of God, act of public enemy, war, blockage, strike on a national level, riot, lightening, fire, storm, flood, explosion, and Government restriction.

“**In Writing**” shall mean a document signed by BUYER and/or SELLER and/or the Consultant and submitted to the other either by hand, courier service, letter, fax, or pdf-attachment to an e-mail.

“**Intellectual Property**” shall mean all work of authorship, procedures, designs, patented and unpatented inventions and discoveries, mask works, drawings, specifications, plans of operation, technical documentation, samples, models, tools, test equipment, copyrighted works, registered and unregistered trademarks, trade secrets, know-how, and proprietary information, in all formats, languages, and versions.

“**Intellectual Property Rights**” shall mean all right, title, and interest in or to any Intellectual Property, in all territories, under all applicable bodies of law (including, without limitation, under the laws of copyright,

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patent, trademark, trade usage, and trade secrets), and all applications, registrations, renewals, extensions, restorations, and resuscitations relating to any of the foregoing.

“Proprietary Information” shall mean all technological, financial, commercial, or other information or data of a proprietary or confidential nature in any form or format (e.g. written, electronic, visual, oral, or otherwise).

3. PURCHASE ORDER

- 3.1 The Purchase Order to which these General Conditions apply is BUYER’s offer and shall become a Contract only upon full and unconditional acceptance by SELLER and in strict accordance with these General Conditions.
- 3.2 SELLER shall within seven (7) days after receipt of a Purchase Order return the Order Confirmation to BUYER. SELLER shall be bound by the Purchase Order upon actual adherence thereto, but if SELLER fails to return an Order Confirmation to BUYER within the time specified herein, together with any extensions that may be granted by BUYER in its sole discretion, or if the Order Confirmation returned by SELLER to BUYER does not comply with the Purchase Order, these General Conditions or what is otherwise agreed with BUYER, BUYER reserves the right to cancel the Purchase Order without cost and/or obligation.
- 3.3 The contact person(s) designated by BUYER in the Purchase Order or otherwise In Writing by BUYER is/are the point(s)-of-contact for SELLER during the execution of the Contract, and all communication and documents relating to the Contract that are required to be transmitted In Writing to BUYER shall be addressed to BUYER and specifically addressed to attention of such point-of-contact(s).

4. PURCHASE ORDER PRICE

- 4.1 Unless otherwise specified in the Contract, the Purchase Order Price shall be firm-fixed. The Purchase Order Price shall include all work, products, supplies, services, or other elements of the Services necessary for the correct and complete performance of the Services, together with costs of commercial packaging, courier and travel costs, accommodation and meals, out-of-pocket expenses, administrative charges, or any other costs or expenses on part of SELLER or the Consultant that are necessary for complete performance of the Services.
- 4.2 If explicitly stated in the Purchase Order or in a Contract Document, SELLER will be entitled to reimbursement of the Consultant’s reasonable travelling and out-of-pocket expenses directly attributable to the performance of the Services in accordance with the Norwegian State Travel Allowance Scale (“Statens Reiseregulativ”), except for travelling expenses to and from the place where the Services are to be performed. All reimbursable expenses shall be approved by BUYER in advance.

5. PERFORMANCE OF THE SERVICES

- 5.1 SELLER and the Consultant shall perform the Services in accordance with the Contract.
- 5.2 SELLER and the Consultant shall as experts perform the Services in a diligent and skilful manner in compliance with applicable industry standards and in compliance with applicable laws and regulations pertaining to the performance of the Services.
- 5.3 SELLER and the Consultant shall perform the Services in a safe and secure manner with active regard to and in compliance with national health, environmental and safety laws, regulations, and instructions.

- 5.4 SELLER and the Consultant will be solely responsible for determining all matters of detail as to the manner in which the Services are performed, and for ensuring that all work done hereunder is of an objectively acceptable quality.
- 5.5 SELLER warrants that he and the Consultant has all necessary means and resources in order to ensure the due and proper fulfilment of the Services, and that no other work SELLER or the Consultant undertakes will affect the timely and proper performance of the Services.
- 5.6 SELLER warrants having in place all authorisations and approvals required to perform the Services, including necessary authorisations and approvals pertaining to the Consultant's performance of the Services, and having in place adequate and proper quality assurance systems for the due and proper performance of the Services.
- 5.7 As part of the Services, the Consultant shall adhere to all reasonable instructions given by BUYER as to the scope, manner or performance of the Services.
- 5.8 As the Consultant must be prepared to work in a team with BUYER's employees or other consultants, the Consultant shall be available to BUYER for the performance of Services during the hours normally worked by BUYER's employees and at such location or locations as BUYER reasonable may designate. Under special circumstances, the Consultant shall also make themselves available during such other times (including Saturdays, Sundays, holidays, and BUYER's company vacation) and at such other locations as BUYER reasonable may require.

6. FORCE MAJEURE

- 6.1 Either Party shall be entitled to suspend performance of its obligations under the Contract for reasons of Force Majeure.
- 6.2 The affected Party shall notify the other Party In Writing as soon as it becomes aware of any potential or actual Force Majeure event, and shall without undue delay provide sufficient documentation that the affected Party could not reasonably have avoided or overcome it or its consequences.

7. TERMINATION

- 7.1 BUYER may at any time and for any reason (whether SELLER is in default or not) without liability terminate the Contract in whole or in part by serving notice In Writing four (4) weeks in advance.
- 7.2 Upon BUYER's request given with cause, SELLER shall immediately withdraw any Consultant.
- 7.3 Upon BUYER's request, SELLER shall at its own cost and expense replace any Consultant who resigns or is discharged or transferred by SELLER or who is withdrawn at BUYER's request given for cause.

8. FEES, PAYMENT AND GUARANTEES

- 8.1 SELLER shall submit invoices to BUYER for the Purchase Order Price (and associated expenses if applicable) at the conclusion of the Services, or at such intermediate stages as may be agreed upon.
- 8.2 If the Services has been performed satisfactorily in accordance with the terms hereof, BUYER undertakes to pay SELLER's invoice(s) within sixty (60) days of its receipt.
- 8.3 SELLER shall be solely responsible for the payment of all fees and expenses to the Consultant, with no liability whatsoever on BUYER.
- 8.4 Amounts payable under the Contract are taxable on part of SELLER and/or the Consultant. Accordingly, BUYER will not deduct income tax from the payments, as SELLER and the Consultant are fully responsible for compliance with all laws and regulations related hereto. SELLER shall ensure that payments are made and income declared to the relevant tax and social security authorities, and

shall upon written request by BUYER document that this obligation has been duly complied with. SELLER shall defend, indemnify and hold BUYER harmless from and against any and all taxes on income, profits or gain imposed by any governmental or taxing authority upon SELLER, any Consultant or BUYER in respect of any payment made to or earned by SELLER or any Consultant hereunder and all costs, claims, charges, losses, expenses, liabilities or penalties which may result to or be imposed or asserted against BUYER with respect to any such taxes.

- 8.5 If SELLER and/or the Consultant is a foreigner, BUYER will perform the obligatory reporting procedures and fill out and file form RF 1199 part 1 to the Norwegian Central Office of Foreign Tax Affairs, COFTA. SELLER and/or the Consultant is obligated to report the individual on part II of the form. BUYER may request a copy of the filed RF 1199 form.
- 8.6 If SELLER does not comply with the provisions of Articles 8.4 and 8.5, BUYER is entitled to withhold payment until such compliance has been documented.

9. RELATIONSHIP

- 9.1 SELLER understands and acknowledges that nothing in the Contract shall be deemed to constitute a relationship of employer and employee falling within the scope of any employment law. Nor shall the Contract be deemed to establish a business partnership between the Parties.

10. TEMPORARY WORK AGENCIES

- 10.1 SELLER shall declare to BUYER In Writing whether or not it is a temporary-work agency as per the Norwegian Working Environment Act of 2005 (Arbeidsmiljøloven, "Aml") § 14-12. If SELLER is such an agency, the provisions of this Article 10 applies.
- 10.2 SELLER shall ensure that the basic working and employment conditions of any of its Consultants assigned to BUYER are, for the duration of their assignment, at least those that would apply if they had been recruited directly by BUYER to occupy the same job as they have been assigned to with BUYER, ref Aml § 14-12a, (1).
- 10.3 BUYER shall ensure that any employee of SELLER assigned to BUYER is provided with any common employee benefits or services he or she would have been entitled to if he or she had been recruited directly by BUYER to occupy the same job as they have been assigned to, provided there is no objective reason to deny such benefits or services to the assigned worker, ref Aml § 14-12a, (2).
- 10.4 Before any temporary worker is assigned to BUYER, BUYER shall provide SELLER with such information as is required under Aml § 14-12b, (1), ref §14-12a. During the period that the temporary worker is assigned to BUYER, BUYER shall inform SELLER about any major changes in its employment terms in order for SELLER to fulfill his obligations under 10.2 above. The prices agreed to between SELLER and BUYER shall then be adjusted accordingly to reflect such change, starting from the time BUYER enacted the change.
- 10.5 If requested by BUYER, SELLER shall without undue delay provide BUYER with any documentation pertaining to the salary and other conditions of employment between SELLER and any temporary worker assigned to BUYER, ref Aml § 14-12b, (3).
- 10.6 Both Parties shall keep any information exchanged under 10.4 and 10.5 above confidential and only use such information for the purpose of fulfilling each Party's obligations under Aml §§ 14-12a, 14-12b, ref § 14-12b, (5). This confidentiality obligation shall survive the expiry or termination of the Contract and remain in force and effect for a period of five (5) years after the time the information was disclosed.
- 10.7 SELLER shall indemnify and hold BUYER harmless against any claim from any Consultant or employee of SELLER resulting from any act or omission on part of SELLER with regards to his obligations under this Article 10 and Aml §14-12.

11. SECURITY REQUIREMENTS

- 11.1 BUYER's Chief Security Officer (or any other of BUYER's personnel, if so delegated and appointed) shall be SELLER's single-point-of-contact regarding any security matters related to SELLER's and/or any Consultant's performance of the Services.
- 11.2 Access to BUYER's premises and information is restricted by BUYER's security requirements, which shall ensure compliance with (i.a.):
- (i) The Norwegian Security Law ("Sikkerhetsloven") and the Norwegian Security Regulations ("Sikkerhetsforskrifter"); and
 - (ii) Security guidelines ("Sikkerhetsveiledninger") from the Norwegian Security Authority ("Norsk Sikkerhetsmyndighet"); and
 - (iii) Export control laws and regulations, including the International Traffic In Arms Regulations ("ITAR"); and
 - (iv) BUYER's internal security policies and procedures.
- 11.3 For the duration of the performance of the Services, SELLER agrees to comply with all procedures and restrictions following BUYER's security requirements, and shall instruct the Consultant to do likewise.
- 11.4 If deemed necessary by BUYER, any of SELLER's personnel and/or Consultants performing Services shall obtain a valid security authorization from BUYER. A security authorization will normally require a valid security clearance granted by the Norwegian Government.
- 11.5 Information regarding country of birth, citizenship(s), country of residence, as well as other relevant information, will normally be required for BUYER to perform a security authorization.
- 11.6 Prior to obtaining a security authorization, SELLER's personnel and/or Consultants shall receive necessary security training and personally sign a secrecy agreement with BUYER. The duration of the secrecy agreement with BUYER will be stated in such secrecy agreement, and may survive termination of the Contract. The time required for the Norwegian Government to perform their security assessment and grant a security clearance is not under BUYER's control and may vary from case to case.
- 11.7 If SELLER's personnel and/or Consultant at any given time should fail to obtain security clearance, or such security clearance should be withdrawn or otherwise become ineffective after commencement of the Contract, then BUYER has the right to terminate the Contract with immediate effect without cost and/or obligation.
- 11.8 If SELLER is responsible for obtaining security clearance for SELLER's personnel and/or Consultant, then SELLER shall in writing notify BUYER no less than four (4) weeks prior to the expiration date of such security clearance.

12. ACCESS TO BUYER'S PREMISES

- 12.1 All Consultants performing Services at BUYER's premises shall at all times carry a valid access control card issued by BUYER. Access may be granted by BUYER on a "need-to" basis. The access control card is personal, and shall under no circumstances be given to or used by any another person. Any loss of the access control card shall immediately be notified to BUYER.
- 12.2 Consultants will have access to BUYER's premises during normal working hours 07:00 to 17:00.
- 12.3 In some areas, Consultants may not be granted access without an escort by BUYER's personnel.
- 12.4 Detailed working plans and schedules shall be approved by BUYER's Chief Security Officer (or any other of BUYER's personnel, if so delegated and appointed).

13. DEVIATIONS FROM BUYER'S SECURITY REQUIREMENTS

- 13.1 Any deviations from BUYER's security requirements shall be approved in writing by BUYER's Chief Security Officer (or any other of BUYER's personnel, if so delegated and appointed).

14. REPORTING OF SECURITY RELATED ISSUES

- 14.1 An important part of BUYER's preventive security measures is detection and reporting of security incidents. This requirement applies to both BUYER's and Consultants.
- 14.2 Any security related issues shall immediately be reported to BUYER's Chief Security Officer (or any other of BUYER's personnel, if so delegated and appointed).

15. CONSEQUENCES OF NEGLIGENCE OR FAILURE TO COMPLY WITH BUYER'S SECURITY REQUIREMENTS

- 15.1 In case of SELLER's or Consultant's negligence or failure to comply with BUYER's security requirement, BUYER reserves the right to terminate the contract with SELLER with immediate effect and without cost and/or obligation on BUYER. Alternatively, at BUYER's sole discretion, SELLER may at its own cost and expense be required to replace any non-compliant personnel and/or Consultants.
- 15.2 SELLER shall indemnify and hold harmless BUYER from all claims, damages, losses and expenses arising from or related to SELLER's or SELLER's personnel's negligence or failure to comply with BUYER's security requirements.

16. CONSULTANT INTEGRITY COMMITMENT

- 16.1 SELLER and the Consultant commits themselves to conduct their business activities in a fair, honest, ethical, and lawful manner and in strict adherence to all applicable laws and regulations governing the ethical and legal conduct of his business activities throughout the world and in all cultures.
- 16.2 SELLER has been provided a copy of BUYER's Supplier Conduct Principles or has been informed that these are available at www.kongsberg.com, which by reference shall form an integrated part of the Contract. By entering into the Contract, SELLER undertakes, represents and warrants to fully complying therewith.

17. INTELLECTUAL PROPERTY

- 17.1 SELLER and the Consultant hereby transfers to BUYER all Intellectual Property Rights in or to the Services performed, including but not limited to the right to amend, further develop, transfer, and sublicense.
- 17.2 SELLER and the Consultant shall only be entitled to re-use general know-how obtained during the performance of the Services, provided that such re-use reflects a loyal adherence to the confidentiality and no-use obligations set forth in the Contract. SELLER and the Consultant is granted no other rights than set forth in this Article 17.2.

18. PUBLICITY, CONFIDENTIALITY AND NO USE

- 18.1 Unless and to the extent required by mandatory laws and regulations, SELLER and/or the Consultant shall not publicize the Contract or the subject matter thereof in whole or in part without the prior written consent of BUYER.
- 18.2 All Proprietary Information received from BUYER shall be and remain the sole property of BUYER.

18.3 SELLER and the Consultant strictly undertake:

- (i) to keep confidential and not disclose to any third party any Proprietary Information disclosed to him or made available to him under the Contract; and
- (ii) not to use either directly or indirectly any Proprietary Information disclosed to him or made available to him under the Contract for any other purpose than work in support of the Services to and for BUYER.

18.4 The obligations in Article 18.3 above shall not apply to data or information which SELLER or the Consultant can clearly demonstrate:

- (i) was known to him prior to disclosure by BUYER; or
- (ii) was or becomes part of the public domain through no fault of SELLER or the Consultant; or
- (iii) becomes available to them by an unconnected third party with the lawful right to make such disclosure; or
- (iv) has been independently developed or conceived by them; or
- (v) they are required to disclose by law.

18.5 SELLER and the Consultant shall indemnify BUYER against any loss, liability, costs or expenses as a result of any breach or alleged breach of the provisions of this Article 18.

18.6 The obligations of confidentiality and no use shall survive the Contract for a period of ten (10) years.

19. INDEMNITIES

19.1 Except for gross negligent or wilful acts or omissions on part of BUYER, SELLER shall indemnify and hold harmless BUYER, its affiliated entities, BUYER's subcontractors, their respective agents, and employees thereof from and against all claims, damages, losses, and expenses in respect of:

- (i) bodily injury, sickness, diseases, or death of any employee of SELLER or the Consultant; and
- (ii) loss of or damage to the property of SELLER or the Consultant; and
- (iii) bodily injury, sickness, diseases, or death, and loss of or damage to the property of any third party, caused by SELLER or the Consultant;

arising from or related to the performance of the Contract.

19.2 Except for gross negligent or wilful acts or omissions on part of SELLER or the Consultant, BUYER shall indemnify and hold harmless SELLER, its affiliated entities, SELLER's subcontractors, their respective agents, and employees thereof from and against all claims, damages, losses, and expenses in respect of:

- (i) bodily injury, sickness, diseases, or death of any employee of BUYER; and
- (ii) loss of or damage to the property of BUYER; and
- (iii) bodily injury, sickness, diseases, or death and loss of or damage to the property of any third party, caused by BUYER;

arising from or related to the performance of the Contract.

19.3 Except for gross negligent or wilful acts or omissions on either Party, their employees, subcontractors, or representatives, neither SELLER nor BUYER shall be liable to the other for any loss of profit, loss of use, loss of production, loss of contracts, attorney's fees, or for any indirect, consequential or special damages whatsoever that may be suffered by the other.

20. INSURANCE

- 20.1 BUYER's insurance policies (including worker's compensation, life, disability, medical, and travel) do not apply to SELLER or the Consultant or to the Services performed under the Contract, except to the limited extent that they would in any event protect members of the general public when visiting BUYER's premises.
- 20.2 SELLER shall be responsible for arranging coverage under (and meeting the cost of) such insurances as required by law and which is otherwise proper in connection with the Contract.
- 20.3 SELLER shall as a minimum arrange for proper coverage under:
- (i) Worker's Compensation Insurance; and
 - (ii) Professional Indemnity Insurance; and
 - (iii) Travel insurance including third party liability insurance.
- 20.4 SELLER shall provide certificates of insurance at BUYER's request.

21. SUBCONTRACTING AND ASSIGNMENT

- 21.1 SELLER is not entitled to sub-contract or assign the Contract or rights or obligations hereunder without prior written approval from BUYER.
- 21.2 Subject to prior written approval from BUYER, sub-contracting shall not relieve SELLER from its obligations under the Contract, and all successors and assignees shall be bound by the terms of the Contract as if they were an original party hereto.

22. DISPUTES

- 22.1 If BUYER believes that the Services are deficient or otherwise non-compliant, BUYER shall formally notify SELLER or the Consultant, inviting at the earliest possible opportunity to discuss the matter and give clear indications as to how the Services is not satisfactorily performed. After such discussions, SELLER and the Consultant shall remedy any such deficiencies or non-compliances, at no additional cost for BUYER, within an agreed, reasonable timescale, generally not to exceed two (2) working weeks. Once BUYER has formally notified SELLER or the Consultant of any such deficiencies or non-compliances, BUYER shall be entitled to withhold payment of any invoices which SELLER has submitted (or may submit) for the Services, or part-pay any such invoices as it sees fit, until proper remedy or rectification has been carried out by SELLER and the Consultant.
- 22.2 If SELLER or the Consultant is unable or unwilling to remedy or rectify, BUYER may terminate the Contract with immediate effect. Should SELLER or the Consultant be of the opinion that the Services are not at fault or that BUYER is unfair in its judgment of the quality of the Services, and the Parties are unable to agree the matter amicably between them within thirty (30) days, then the dispute may be referred to regular court proceedings according to the provisions below.

23. APPLICABLE LAW AND JURISDICTION

- 23.1 The Contract is made and shall be interpreted in accordance with Norwegian Law and subject to the jurisdiction of the Norwegian courts with Kongsberg tingrett being the relevant venue.

24. ENTIRE AGREEMENT AND AMENDMENTS

- 24.1 The Contract constitutes the entire agreement between the Parties, and any representation made by either Party prior to the signing hereof shall be disregarded.
- 24.2 Any amendments to the Contract shall be agreed In Writing by SELLER and BUYER.

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