



# TTS Group ASA & 100% OWNED SUBSIDIARIES

## Standard terms and conditions for the supply, repair and conversion of products and other services

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### PART I – GENERAL TERMS AND CONDITIONS

#### Art. 1 Introduction

1.1 These terms and conditions ("TTS Group T&C") shall apply to the Contract entered into between TTS Group ASA and/or its 100% owned subsidiaries (the "Contractor") and its customer (the "Customer").

1.2 In event of conflict, ambiguity or inconsistency between the documents forming the Contract, the following order of precedence applies:

- a) Order Confirmation;
- b) These terms and conditions (TTS Group T&C);
- c) The relevant ORGALIME standard terms and conditions (copies may be provided to the Customer upon request In Writing).

In addition to the general terms and conditions described in Part I herein;

- (i) Supply and Installation of Products and Conversion Work shall be regulated by Part II, as well as the ORGALIME SI 14 supplemented by ORGALIME SW 14;
- (ii) Maintenance Work shall be regulated by Part III as well as the ORGALIME M 2000;
- (iii) Repair Work shall be regulated by Part IV as well as the ORGALIME R 02;
- (iv) Survey Work shall be regulated by Part V;
- (v) Courses and Training Work shall be regulated by Part VI

**In event of conflict, ambiguity or inconsistency between the provisions of the TTS Group T&C, the specific provisions set out in Part II to VI as applicable shall take precedence over Part I.**

1.3 Any purchase order issued upon and in accordance with the Contractor's quotation shall be considered as a contractual binding acceptance, and shall be subject to these TTS Group T&C. In case the Contractor issue an Order Confirmation, the Order Confirmation shall take precedence of the purchase order and/or the quotation.

1.4 Other terms and conditions not stated herein, regardless of whether such terms and conditions are referred to by the Customer in previous or subsequent communication shall not apply unless the Contractor In Writing expressly agrees thereto.

#### Art. 2 General - definitions

2.1 The defined terms in ORGALIME shall have the same meaning when used herein unless specified otherwise in this Article 2 or elsewhere in these TTS Group T&C.

2.2 In regard to ORGALIME the defined terms "Contractor" and "Customer" used herein shall have the same meaning as "Supplier" and "Purchaser" in ORGALIME.

2.3 In addition to the defined terms stated above, the following words and expressions shall have the meaning hereby assigned to them:

"Article" means an article in TTS Group T&C; "Clause" refers to a clause in ORGALIME;

"Confidential Information" means any and all information, including but not limited to, patent rights, design rights, knowhow, trade secrets, proprietary technology, specifications, drawings, technical data, technical material, product information, databases, software, manuals, guidelines, methods, instructions, business plans, marketing plans, marketing analysis, marketing strategies, financial information, financial analysis, financial strategies, and all other proprietary information, whether submitted orally, in writing, or by any other media.

"Contract" means the entire agreement between the Contractor and the Customer;

"In Writing" means by document signed by the parties or by letter, fax,

electronic mail and by any other such means as agreed by the parties;

"Intellectual Property Rights" means all intellectual property rights of any kind existing anywhere in the world, whether registered or not, and all applications, renewals and extensions of the same, including but not limited to, patents, designs, trademarks, service marks, copyrights, utility models, knowhow, layout design for integrated circuits, company names, trade names, and trade secrets and other confidential information in any form, rights in goodwill and other rights pursuant to legislation against unfair competition, owned by the parties to this Contract or licensed by any of the parties from a third party.

"Order Confirmation" means the confirmation, service agreement or similar document In Writing containing special terms and/or the specific scope of the delivery and/or services to be provided by the Contractor to the Customer, including but not limited to a purchase order issued in accordance with the Contractor's quotation as described in article 1.3 above.

#### Art. 3 Confidentiality

All information exchanged between the parties shall be treated as confidential and shall not be disclosed to a third party without the other party's consent In Writing.

#### Art. 4 Assignment and exclusion of third party rights

4.1 The Customer may not subcontract, transfer or assign any of its rights or obligations under the Contract without the Contractor's consent In Writing.

4.2 Except as otherwise set out in the Contract, a person or entity who is not a party to the Contract or a person or entity who cannot be assigned rights and obligations under the Contract has no right (whether by implication or as a matter of statute) to enforce or to enjoy the benefit of any terms and conditions of the Contract.

#### Art. 5 Standard products

5.1 Unless otherwise provided in the Contract, the Product/Plant/Works and all documentation, manuals, reports or the like are factory standard and they are not warranted to fit for any other particular purpose than originally designed/manufactured.

5.2 All drawings, descriptions, specifications and advertising issued by the Contractor or descriptions, details and illustrations in catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Product/Plant/Works described in them and they will not form part of the Contract unless otherwise agreed In Writing.

#### Art. 6 Drawings and descriptions for approval

In the event the Contractor shall submit drawings or descriptions for approval, the Customer shall approve them within the time given in the Contract, or, if no time limit is specified, within fourteen (14) days of receipt. If not, they shall be deemed to have been approved by the Customer.

#### Art. 7 Property rights

7.1 The Customer agrees to preserve the Intellectual Property Rights of the Contractor at all times, and that no contract for the supply of products and other services involves loss of Intellectual Property Rights by the Contractor unless expressly specified In Writing.

7.2 Any developments or improvements made to the Contractor's Intellectual Property Rights shall remain the sole property of the Contractor regardless of the Customer's contribution.

7.3 Unless otherwise provided in the Contract or the context otherwise requires, commercial and technical information, including drawings, documents and computer programs regardless of method of storage, and copies thereof, provided by the Contractor to the Customer shall be the property of the Contractor. The same applies to information developed by the Contractor mainly on the basis of sources of information provided by the Contractor.

#### Art. 8 Variations

No variations to the Contract shall be effective unless agreed In Writing.

#### **Art. 9 Delivery and inspection of delivery**

9.1 The Product/Plant/Works or parts of it, provided by the Contractor shall be delivered in accordance with whichever INCOTERMS delivery term is specified in the Contract. Where no INCOTERMS delivery term has been specified, the delivery term EXW (INCOTERMS 2010) shall apply.

9.2 The Customer shall inspect the products and/or other services provided by the Contractor and notify the Contractor In Writing of any loss, shortage, excess or transit damage without undue delay and not later than within three (3) days of delivery. In event of any loss, shortage, excess or transit damage the Customer shall immediately permit the Contractor to carry out inspection and any such investigation the Contractor finds necessary. If the Customer fails to adhere to these procedures, any remedial costs shall be the responsibility of the Customer.

#### **Art. 10 Installation, start-up and commissioning**

10.1 The Customer shall have the sole responsibility for installation and, if relevant, site preparation. Any warranty or liability for defect is dependent on installation in accordance with the guidelines prepared by the manufacturer or the Contractor.

10.2 Article 10.1 shall apply also when the Contractor shall assist or supervise the Customer with start-up and commissioning.

10.3 If start-up and commissioning is included in the Contract, the Contractor shall perform such work as per the scope determined in the Contractor's standard procedures/guidelines and shall demonstrate the equipment's operability to the representative(s) of the Customer.

10.4 The Customer shall provide necessary assistance to the Contractor in order to complete the start-up and commissioning without undue delay.

10.5 As the start-up and commissioning is performed outside the Contractor's production location and under the Customer's presence and/or guidance, the Customer shall be responsible for coordination of the start-up and commissioning and the Customer warrants that all information and assistance to the Contractor for performance of start-up and commissioning are provided timely and that it is accurate and correct.

10.6 The Contractor is not obliged to undertake the start-up and commissioning work if this is delayed, and such delay causes the start-up and commissioning work to be performed more than six (6) months after the original contractual delivery date. The Customer shall make any necessary preparations for the start-up commissioning, and shall make sure that the equipment is in the same condition as it was when delivered from the Contractor to the Customer, failing which the Customer shall not be obliged to undertake the start-up and commissioning work.

10.7 The Contractor shall be entitled to cease performance of the start-up and commissioning work at the Customer's cost and time if the performance of the work is deemed unsafe by the Contractor, or the Customer is in breach of any of its obligations in connection with start-up and commissioning.

10.8 The Contractor shall not be liable for any aborted sea trials or other delays which are due to the start-up and commissioning work.

10.9 The date of completion of the start-up and commissioning shall be deemed to be either the date of issuance of an Acceptance Protocol signed by the authorized representatives of the Contractor and the Customer, the date successful start-up and commissioning testing was completed, or the date the equipment is taken into its intended use by the Customer or his customer. If the Customer fails to sign an Acceptance Protocol after successful start-up and commissioning or the Customer takes the equipment into use without having signed an Acceptance Protocol, the Contractor shall have the right to issue a final Acceptance Protocol which shall be legally binding for both parties.

10.10 The Contractor shall insure his specialist(s) for his own account according to the law of his country against diseases and accident during the specialist(s) stay on site.

10.11 For the avoidance of doubt, Article 14 shall apply in case the Contractor shall perform installation, start-up and commissioning or shall assist or supervise the Customer with installation, start-up and commissioning.

#### **Art. 11 Costs – inspection of alleged defects**

If the Customer has given notice of defect or non-conformity and no defect which the Contractor is liable for is found, the Contractor shall be entitled to compensation for the costs he incurs as a result of the notice and any inspection of the alleged defects/non-conformity.

#### **Art. 12 Payment and overdue payment**

12.1 The purchase/contract price is strictly net and exclusive VAT and any other applicable sales taxes, fees, charges or the like in connection with export, import or transit.

12.2 The purchase/contract price shall be paid in the currency quoted by the Contractor, in full or in such installments and to the account number as stipulated in the invoice(s).

12.3 Regardless of the payment schedules agreed, the Customer shall pay the purchase/contract price and each part of it upon presentation of invoice by the Contractor within the due date stated thereon and without any set off or deduction of any kind. The Customer may request additional documentation substantiating the invoice, however, this and the Contractor's submission of such shall not affect the Customer's obligation to make payment at the due date.

12.4 If Customer fails to meet contractual payment milestones or fails to open Letter of Credit (LC) within the contractual time limits, this shall be considered as a major contractual breach. This gives the Contractor the right, after a written notification, to put delivery on hold, and after a continuous breach of 60 days to terminate the contract and seek compensation for all and any of his losses.

#### **Art. 13 Changes in law and regulations etc.**

In event of any changes in law, regulations, standard or bylaws during the continuance of the Contract or the interpretation thereof which will affect the cost or the performance of the Contract, equitable adjustments shall be made to date(s) of delivery and price(s) resulting from them.

#### **Art. 14 Exclusion of liability. Indemnification**

14.1 For the purpose of the regulation in this Article 14, "Work" means all work and all other services which the Contractor and/or its subcontractor(s) perform in relation to the Contract, including but not limited to work relating to installation, start-up, commissioning and/or testing.

14.2 The Customer shall fully indemnify, defend and hold the Contractor, the Contractor's affiliated companies and/or its subcontractors harmless from and against any claim, liability, losses and/or damages concerning i) personal injury to or loss of life of any employee of the Customer, the Customer's affiliated companies, their subcontractors and/or customers and ii) loss or damage to any property of the Customer, the Customer's affiliated companies, their subcontractors and/or customers, including loss or damage to any place or property where the Work is being performed whether owned by the foregoing or not only excluding the property as specified in Article 14.3, and arising out of or in connection with the Work or caused by the Product/Plant/Works in its lifetime.

14.3 The Contractor shall fully indemnify, defend and hold the Customer, the Customer's affiliated companies and/or its subcontractors and/or its customers harmless from and against any claim, liability, losses and/or damages concerning i) personal injury to or loss of life of any employee of the Contractor, the Contractor's affiliated companies and/or its subcontractors and ii) loss or damage to any property of the Contractor, the Contractor's affiliated companies and/or its subcontractors.

14.4 The Customer shall fully indemnify, defend and hold the Contractor, the Contractor's affiliated companies and/or its subcontractors harmless from any pollution and contamination emanating from property of the Customer's, the Customer's affiliated companies, its subcontractors and/or its Customers, arising out of or in connection with the Work or caused by the Product/Plant/Works in its lifetime.

14.5 The Contractor shall fully indemnify, defend and hold the Customer, the Customer's affiliated companies, its subcontractors and/or its Customers harmless from any pollution and contamination emanating from the Contractor's property arising out of or in connection with the Work.

14.6 Both the Contractor and the Customer shall be entitled to the benefit of the indemnities set out in this Article 14 irrespective of whether such claim, liability, loss and/or damage in respect of which the indemnity is being sought is or has been caused by or contributed to by any form of liability, whether strict or by negligence, in whatever form and howsoever arising, on the part of the party seeking the benefit of indemnity, and whether or not the same arises under contract, tort, statute, at law or otherwise.

14.7 For the sake of clarity, this Article 14 overrides any regulation in ORGALIME, by law or otherwise which stipulates contradicting liability than set out above.

#### **Art. 15 Force majeure and permissible delay**

15.1 Delays in delivery under the Contract due to force majeure (as defined in ORGALIME), delays by the Customer in performing its obligations hereunder, and delays of equipment and/or services from the Contractor's suppliers, or such causes as otherwise permit the Contractor to extend the delivery time under the Contract, shall constitute a permissible delay and the delivery time for

the delivery shall be extended by the number of days the delay actually caused thereby.

15.2 In the case of permissible delay as defined in Article 15.1, the Contractor shall be entitled to extend the delivery time also taking into consideration the impact on the Contractor's other commitments and the general work schedules.

#### **Art. 16 Contractor's delay**

If the Contractor is delayed with the delivery beyond the delivery date (as postponed by permissible delay) and the Customer can provide evidence/documentation that he suffers losses by such delay, the Contractor shall pay liquidated damages in accordance with provisions of the relevant ORGALIME standard. The liquidated damages and termination rights arising as a consequence of delay shall be the Customer's sole remedy for Contractor's delay.

#### **Art. 17 Maximum liability**

The Contractor's maximum liability under or in connection with the performance or non-performance of its obligations under the Contract of whatever nature and howsoever arising, and regardless of whether the Contract is terminated, cancelled or not, shall in no event exceed 15 (fifteen) % of the total purchase/contract price.

#### **Art. 18 Severability**

If any Article, Clause or part of the Contract is held to be unenforceable, invalid or void, the Contract shall be deemed to modify or delete such Article, Clause or part partially or completely to the extent necessary to make the Contract valid and enforceable.

#### **Art. 19 Law and jurisdiction**

19.1 The Contract shall in all respects be governed by and constructed according to the laws of Norway.

19.2 All disputes and differences arising from, or out of, or in connection with the Contract including any question regarding its existence, validity or termination, shall be referred to final solution by arbitration in Stockholm Sweden, by a sole arbitrator in accordance with the arbitration rules of the Arbitration Institute of the Stockholm Chamber of Commerce (SCC) for the time being in force. The award made in such arbitration shall be final and conclusive on the parties hereto and judgement on such award may be entered in any courts or tribunal having jurisdiction. The venue for the arbitration shall be Stockholm Sweden and such proceedings shall be conducted in the English language.

## **PART II – SUPPLY AND INSTALLATION OF PRODUCTS AND CONVERSION WORK (ORGALIME SI 14/SW 14)**

#### **Art. 20 Time of delivery**

Any date(s) specified by the Contractor for delivery is/are intended to be an estimate only. In respect of any Clause in ORGALIME SI 14/SW 14 regarding Contractor's delay, the delivery shall not be deemed delayed before 14 (fourteen) days after the date(s) specified by the Contractor unless it is agreed In Writing that the specified date of delivery is guaranteed by the Contractor.

#### **Art. 21 Start-up date and local laws and regulations**

21.1 The Customer shall inform the Contractor In Writing about the exact date of start-up not later than 14 (fourteen) days before planned commencement of the Works.

21.2 Not later than at the date for providing information according to Article 21.1 above, the Customer shall provide to the Contractor In Writing all relevant information on applicable laws, regulations and rules, cf. Clause 22 of ORGALIME SI 14.

#### **Art. 22 Taking-over test and taking-over**

Unless otherwise specified in the Contract, taking-over the Works shall take place in accordance with Clause 37 b) and Clause 38 of ORGALIME SI 14.

#### **Art. 23 Cancellation**

23.1 Unless otherwise is stated in the Order Confirmation, the Customer may by notice In Writing to the Contractor cancel the Contract with the consequence that the performance of the work ceases (cancellation).

23.2 Following such cancellation, the Customer shall pay to the Contractor:

- a) The unpaid balance due to the Contractor for that part of the work already performed; and
- b) All costs incurred by the Contractor and his subcontractors in connection with materials ordered prior to receipt of the notice of cancellation by the Customer, and compensation for work performed on such materials prior to the said date provided that such costs are not covered by payment under the payment schedule; and
- c) All necessary cancellation charges and administration costs incurred by the Contractor prior to and in connection with the cancellation; and
- d) The Contractor's and subcontractors' other expenses directly attributable to an orderly close-out of the Contract.

23.3 In addition to the amounts stated in Article 23.2, the Customer shall pay, within 30 (thirty) days after receiving an invoice, a cancellation fee equal to the lesser of:

- a) 6 % of the purchase/contract price, or
- b) 8 % of the part of the purchase/contract price which is not paid at the date of cancellation and which shall not be paid pursuant to Article 23.2 a).

The Customer shall only be entitled to deduct from the cancellation fee such claims as have been presented to the Contractor prior to the date of cancellation and have been accepted by the Contractor In Writing.

#### **Art. 24 Warranty**

24.1 Warranty period is 12 months from the delivery date. If start-up and commissioning is included in the Contract, the warranty period is however limited to maximum 18 months after delivery date.

24.2 The warranty covers rectification of defective parts of the equipment and man-hours in connection with such rectification work only. The Customer shall be responsible for all dismantling, re-assembly, access works, transportation, travel time, travel expenses, meal allowance, accommodation and any other work, costs, fees, taxes and expenses in connection with any warranty claims. To the extent the Contractor has agreed to provide any of the foregoing the Customer shall reimburse the Contractor for all costs incurred. When the Contractor's representative arrives at the vessel / place of work, the warranty object shall be made available to him without undue delay. Continuous or cumulative waiting time for more than two (2) hours will be invoiced according to the Contractor's standard rates.

24.3 The Contractor will not be responsible for any indirect or consequential damages / costs related to warranty claims. Furthermore, the validity of the warranty is subject to the Customer's compliance and adherence to the Contractor's procedures for proper storage and preservation of the equipment prior to installation, start-up and commissioning.

#### **Art. 25 Costs in connection with defects**

Notwithstanding the generality of Article 24 above, the Contractor's liability for defects according to Clause 55 to 71 of ORGALIME SI 14 shall not include freight cost, travel time, travel expenses, meal allowance and accommodation in connection with any remedial work which is not performed at the premises of the Contractor. Man hours for remedial work shall be at the Contractor's cost, however waiting time exceeding two (2) hours before start-up of remedial work on Site, shall be paid by the Customer according to the Contractor's standard rates.

### **Additional terms and conditions for the supply of conversion work**

#### **Art. 26 Specific definitions**

In regard to the Contractor's performance of conversion work, the following words and expressions shall have the meaning hereby assigned to them:

"**Classification Society**" means the classification society identified in the Contract;

"**Design**" means the drawings, specifications and calculations for the arrangement, dimensions, shape and type of conversion of the Equipment;

"**Equipment**" means the Customer's equipment which shall be converted/modified by the Contractor according to the Contract;

"**National Authorities**" means the flag state and other authorities expressly mentioned in the Contract;

"**Plant**" and "**Works**" in terms of ORGALIME SI 14 shall not include the Equipment but only the parts and/or work on the Equipment that have been converted/modified by the Contractor according to the Contract;

"**Regulatory Bodies**" means the Classification Society and the National Authorities.

"**Rules and Regulations**" means rules and regulations imposed by the Regulatory Bodies applicable to the Design, the Plant or the Works.

"**Owner**" means, if relevant, the entity identified in the Contract.

#### **Art. 27 Design**

27.1 Without prejudice to any other provision set out herein, the provisions set out in this Article 27 shall apply to the extent that Design is included in the Contract

27.2 The Design shall meet the specific requirements set out by the Customer. The specific requirements of performance shall be

set out In Writing by the Customer and shall be included in or attached to the Contract.

27.3 If applicable, the Design shall be appropriate for approval by the Regulatory Bodies, according to the Rules and Regulations valid in force and/or published on the date of the Contract.

27.4 Any changes in the Rules and Regulations, including Rules and Regulations published after the date of the Contract imposing changes in Design will be charged extra according to the Contractor's standard rates for design work, and such changes shall postpone the delivery time/talking-over date with the time needed to implement the changes.

27.5 The Design will be provided to the Contractor's standards and its standard level of details and in such number of drawings which are normally executed and delivered by the Contractor. If the Customer decides to change to another standard, any such alteration or modification of drawings and documentation shall be for Customer's risk and cost, including, but not limited to, approvals from the Regulatory Bodies.

27.6 If the Customer needs drawings and documentation over and above what is provided by the Contractor under the Contract for the conversion of the Equipment, such additional drawings shall be developed by the Customer at its own risk and cost. The Contractor is hereby granted a right of first refusal to perform such work, which in case performed by the Contractor shall be subject to a separate agreement.

27.7 If the Customer chooses other equipment/parts than specified in the Contract and thereby what is "engineered into the Design", any resulting alteration or modification of drawings and documentation shall be for Customer's sole risk and cost, including, but not limited to, approval from the Regulatory Bodies.

27.8 If the Design is subject to:

- a) Customer's approval, the Customer shall review the Design upon receipt from the Contractor. If the Customer does not comment/notify the Contractor of errors or defects in the Design within the time limits set forth in the Contract or by the Contractor in connection with the submission of the Design, the Design received shall be deemed approved by the Customer. In case the comments from the Customer are indistinct or unspecified, the Contractor may notify the Customer requiring clarification. Failure by the Customer to respond to this request within the time limit shall entitle the Contractor to place its own interpretation of the comment(s) when implementing the same for final submission. Significant changes pursuant to comments from the Customer (singly or in the aggregate), is additional work and shall be compensated according to the Contractor's standard rates for design work; and/or
- b) approval by the Regulatory Bodies, the Contractor shall, unless otherwise agreed In Writing, send the Design on behalf of the Customer to the Regulatory Bodies for approval. The contract and/or relationship with the Regulatory Bodies shall be deemed to exist between the Customer and the Regulatory Bodies only. Cost, risk and time required for obtaining such approval is the sole responsibility of the Customer.

27.9 The Customer is responsible to request the Regulatory Bodies to perform E-approval of the Design, and to provide the Contractor with E-approval ID number. If the E-approval ID number is not timely made available to the Contractor, then the Contractor is entitled to postpone the delivery time/taking-over time with the delay caused thereby; also taking into account the Contractor's other commitments.

27.10 When the Design is subject to approval from the Customer and/or the Regulatory Bodies, the approved or corrected revision of each relevant part of the supplied Design after comments by all relevant parties shall be used for the Works.

27.11 Approval of the Design by the Owner is for the sole risk and responsibility of the Customer.

27.12 The Customer is responsible to request the Classification Society to approve the documentation on behalf of the National Authorities where applicable.

27.13 Any approval process which may delay the start-up of the Works shall postpone the delivery time/taking-over time accordingly.

27.14 The Contractor shall not, unless otherwise is expressly stated in the Contract, be responsible for any deficiencies in the Design, unless such defects are caused by gross negligence or willful misconduct by the Contractor.

27.15 In case of deficiencies in the Design that are timely notified to the Contractor, the Contractor shall, at its own expense, furnish corrected or supplemental documentation. The Contractor's obligation to provide corrected documentation is the sole remedy available to the Customer under such circumstances.

27.16 The Contractor shall be obliged to correct the Design to comply with the Rules and Regulations in case of non-approval by the Regulatory Bodies of any parts of the Design. However, nothing in this Article 27 shall limit the generality of other provisions that the approval of the Design by the Owner and Regulatory Bodies is the sole risk and responsibility of the Customer.

#### **Art. 28 Shipment and preparing for conversion**

28.1 In case the conversion work shall be performed at the Contractor's or its subcontractor's location the Customer shall have the sole responsibly and bear all costs for shipment of the Equipment to/from the location.

28.2 In case the conversion work shall be performed at Site or at any other location than mentioned in Article 28.1 above, the Customer shall provide to the Contractor In Writing all relevant information on applicable laws, regulations and rules, cf. also Clause 18 of ORGALIME SI 14.

#### **Art. 29 Scrap materials**

29.1 Scrap materials removed from the Equipment in connection with the conversion work shall be, at the option of the Contractor, the Contractors' property.

29.2 If scrap materials are not taken over by the Contractor according to Article 29.1, the Customer shall be responsible for and bear all cost in connection with proper removal and destruction of scrap materials.

#### **Art. 30 Defects and non-conformity**

For the sake of clarity the Contractor's warranty and liability for defect or non-conformity shall only apply to the conversion work performed by the Contractor. Any defect or non-conformity which is not directly caused by the Plant/Works (i.e. the conversion work) falls entirely outside any warranties and liabilities for the Contractor and shall be the sole responsibility of the Customer.

### **PART III – MAINTENANCE (ORGALIME M 2000)**

#### **Art. 31 Standard parts and service**

Any spare or replacement parts used in connection with the maintenance on the Equipment will be supplied in their standard version together with, if relevant and appropriate - standard documentation, instructions and/or manuals.

#### **Art. 32 Start-up date and local laws and regulations**

32.1 Unless the exact start-up date or maintenance intervals are stipulated in the Contract, the Customer shall give the Contractor no less than 14 (fourteen) days notice of commencement of the maintenance work.

32.2 Not later than three (3) days before the commencement of the maintenance work or each part of the maintenance work, the Customer shall inform the Contractor In Writing of the safety regulations in force at the place where the maintenance work shall be performed and of any special hazards that the maintenance work may entail.

#### **Art. 33 Price estimate**

The percentage set out in Clause 20 of ORGALIME M 2000 shall be deleted and replaced with "20 (twenty) %".

### **PART IV – REPAIR WORK (ORGALIME R 02)**

#### **Art. 34 Scope of repair work**

34.1 The scope of the repair work is set out in the Order Confirmation. Clause 3 first sentence and Clause 19.1 of ORGALIME R 02 shall not apply unless otherwise specified In Writing.

34.2 Fault tracing shall only be performed to the extent it has been stipulated in the Contract or otherwise agreed In Writing.

34.3 Unless the Contractor has specified a price estimate for fault tracing, the work in connection with fault tracing shall be compensated per hour based on the Contractor's standard rates.

#### **Art. 35 Price estimate**

The percentage set out in Clause 4.1 of ORGALIME R 02 shall be deleted and replaced with "20 (twenty) %".

#### **Art. 36 Standard parts**

Any replacement parts used in connection with the repair work on the Equipment will be supplied in their standard version together with, if relevant and appropriate – standard documentation, instructions and/or manuals.

#### **Art. 37 Access to locations and delays**

37.1 The Customer shall ensure that the Contractor is provided with all necessary access to the location required to conduct the repair works including, but not limited to, where the repair works are to be carried out in a third party's location. The Contractor shall not be liable for any delays that occur as a result from the Customer's failure to provide access to locations.

37.2 If the repair work is delayed or cancelled for any other reason than the Contractor's negligence or default, the Contractor shall, in addition to the amounts set out in ORGALIME R02, and notwithstanding Clause 4.4 of ORGALIME R02, be entitled to payment for its personnel charges and out of pocket expenses incurred in relation to the repair works including, but not limited to all sums payable to its subcontractors.

37.3 With regard to Article 37.2 the Contractor's full day-rate for the affected personnel shall be used. The full day-rate shall apply to the whole period of the delay and, if the Contract is cancelled, until the scheduled date of completion or, if no completion date is stipulated the anticipated date of completion, provided, however, that the Contractor cannot redeploy such personnel.

#### **Art. 38 Testing**

38.1 Unless otherwise stipulated in the Contract, Clause 13 of ORGALIME R02 shall not apply.

38.2 The Contractor will, when the repair work is completed, provide the Customer with reasonable evidence that the repair has been completed and, upon request In Writing, provide the Customer with copies of the available test reports.

#### **Art. 39 Liability for defects**

39.1 Without prejudice to any other provision of limitation of liability herein, the Contractor shall not be liable for any defects which are caused by (i) non-compliance with Contractor's instructions, (ii) work or modifications not undertaken by the Contractor or its subcontractor as part of the repair works, (iii) the Equipment has not been appropriately stored or transported by any party other than the Contractor or its subcontractors, and/or (iv) the defect is caused by installation or commissioning of the Equipment following completion of the repair works by other than the Contractor or its subcontractor.

39.2 The Contractor shall not be liable for any defect which is caused by repair works which have been conducted in accordance with the Customer's own specification.

39.3 In event of a valid claim for remedy of defects, the Contractor will, in its sole discretion, decide whether to repair or replace the relevant item and the location where such repair or replacement is to take place. Where the Contractor concludes that a repair or replacement requires the Contractor and/or its subcontractors to have access to a vessel/rig, the repair or replacement will be carried out in a port approved by the Contractor. The parties shall cooperate to find a mutual convenient time and location to complete remedial work.

39.4 The warranties set out in these TTS Group T&C are the only warranties which shall be given by the Contractor and all other warranties, conditions or terms relating to fitness for purpose, quality or condition of the repair works, whether express or implied by statute or common law are excluded.

### **PART V – SURVEY**

#### **Art. 40 Scope and performance of survey**

40.1 The Contractor shall perform such survey as stipulated in the Contract.

40.2 The Contractor shall perform the survey in a professional and attentive manner taking into consideration applicable laws, rules and regulations.

#### **Art. 41 Price estimate**

Clause 20 of ORGALIME M 2000 shall apply to price estimates for survey, however the percentage shall be deleted and replaced with "20 (twenty) %".

#### **Art. 42 Preparatory work and work conditions**

For preparatory work and work conditions Clause 6 of ORGALIME R 02 shall apply

#### **Art. 43 Access to locations**

In addition to Article 42, Article 37 shall apply in respect of access to locations for survey and delays in connection with access to locations.

#### **Art. 44 Technical documentation**

The Customer is obliged to provide the Contractor with the technical documentation which is necessary to carry out the survey. Failure to provide such documentation or if the provided documentation is not accurate and correct, any defect or non-conformity of the survey which is caused thereof shall be the sole responsibility of the Customer.

#### **Art. 45 Delay**

45.1 In the event of Customer's delay, Clause 16 of ORGALIME M 2000 shall apply.

45.2 Without prejudice to any other provision of limitation of liability herein, in event of the Contractor's delay Clause 17 of ORGALIME M 2000 shall apply.

#### **Art. 46 Notice of defects**

The Customer shall notify the Contractor In Writing of any defect or non-conformity without undue delay. If the Customer fails to give such notice without undue delay he shall lose his rights in respect of the defect or non-conformity.

#### **Art. 47 Liability period**

The Contractor is not liable for any defects or non-conformity which becomes apparent later than 3 (three) months after the survey was completed.

#### **Art. 48 Liability for defects**

48.1 Without prejudice to the provisions set out in Part I herein, in event of Contractor's failure to remedy defect or non-conformity Clause 25 of ORGALIME M 2000 shall apply accordingly.

48.2 Without prejudice to any other provision of limitation of liability, the Contractor shall not be liable for any defect or non-conformity which is:

- a) caused by non-compliance with the Contractor's instructions or recommendations;
- b) caused by any work or supplies not undertaken to be a part of the survey; or
- c) not caused by gross negligence or willful misconduct by the Contractor's personnel.

#### **Art. 49 Termination**

In event of material breach of the obligations set out in the Contract, each party may terminate the Contract with immediate effect.

### **PART VI – COURSES AND TRAINING**

#### **Art. 50 Scope and performance of course- and training services**

50.1 The Contractor shall provide such course- and/or training services to the Customer as stipulated in the Contract.

50.2 The course- and/or training services shall be performed in accordance with applicable Norwegian laws and regulations. If the services are provided outside Norway, any specific requirements in respect of laws and regulations shall be set out in the Contract.

#### **Art. 51 Postponements and delay**

56.1 The Contractor may postpone the commencement or the completion of the course- and/or training session in the event of the instructor(s) absence due to sickness. Such postponement shall not be considered a delay.

56.2 In case of postponement according to Article 56.1, the course- and/or training session shall be rescheduled as soon as possible taking into account the availability for both the Contractor and the Customer. In the event that a postponed course- and/or training session cannot be completed despite negotiations on rescheduling, the Contract shall cease without any party being liable for any damages.

#### **Art. 52 No liability**

The Contractor shall not have any liability for damages or losses arising out of or in connection with courses and training.