

# GENERAL TERMS AND CONDITIONS FOR THE PURCHASE OF SERVICES

## 1. AMBIT

- a. These terms and conditions apply to all purchases of services to the Store Norske Group: Store Norske Spitsbergen Kulkompani AS, Store Norske Gruvedrift AS, Store Norske Spitsbergen Grubekompani AS, Store Norske Boliger AS, and Gruve 3 AS and Pole Position Logistics AS (SN), and any companies that may be added to the Group.
- b. Any divergent terms and conditions will be without effect for the delivery, unless the terms and conditions have been approved in writing by SN.

## 2. ORDER

- a. Only written orders, in which the price, the scope of the assignment and the applicant is stated, are binding for SN.
- b. The order shall be confirmed without undue delay. The order confirmation shall contain the price, the scope of the assignment, the identity of the applicant and the time of delivery.

## 3. PRICES AND PAYMENT

- a. The price (ref. the order) shall be fixed and exclusive of value added tax, but including any duties, taxes and other excise taxes.
- b. Unless otherwise agreed, the fee of the Vendor shall be calculated on the basis of time spent and agreed hourly/daily rates. Overhead costs, such as copying, data, etc. will not be covered unless otherwise agreed.
- c. The Vendor may not demand a price adjustment due to e.g. changed commodity prices or additional work, unless the additional work is an amendment pursuant to article 5. The Vendor may not demand overtime pay or coverage of other charges, unless this has been specifically agreed in advance.
- d. Invoicing fees, reminder fees or other fees that are not based on an agreement, will not be accepted.
- e. Invoices shall be subject to payment terms of 30 days after the service has been rendered and the invoice with the agreed appendices have been received. Invoices should be submitted via EHF, or if EHF is not available, by e-mail to: [invoice.916300395@kollektor.no](mailto:invoice.916300395@kollektor.no). Payment does not constitute an approval of the delivery.
- f. The invoice shall state the name and, if relevant, the reference for the person making the order. The invoice shall be supported by hour lists and expense documentation in the form of vouchers.
- g. Deficient invoices relative to agreement and/or stated requirements, will be returned for correction. In case of re-invoicing, a new payment term of 30 days will start the day after receipt of the corrected invoice.
- h. In case of overdue payment, interest on overdue payment will be charged at the applicable rate. Vendors that transfer their invoices to third parties for collection, will remain responsible to SN for all claims according to the agreement.

## 4. SERVICE/DELIVERY REQUIREMENTS

- a. The service shall be delivered with good, professional quality and be performed by qualified personnel holding the necessary certificates, craft qualifications and authorizations.
- b. The Vendor must have a satisfactory quality assurance system. SN shall be entitled access to the Vendor's HES plan and all underlying documentation regarding the performance.
- c. Delivery shall be deemed to have taken place when takeover tests, if any, have been conducted and passed, and all prescribed documentation has been delivered.
- d. The service shall be delivered together with the necessary documentation and/or test certificate from authorized personnel when required.

## 5. AMENDMENTS

- a. SN is entitled to demand, in writing, relevant amendments or additional work during the assignment, in connection with the agreed performance. Ongoing amendments and additional work that have not been agreed in writing, shall be deemed to be part of the order, and thus included in the price.
- b. The Vendor is obliged to propose any amendments that will be of advantage to SN, and is also obliged to advise against work that is not in the interest of SN.
- c. Consideration for amendment and additional work agreed in writing, shall be determined in accordance with the agreed price for the assignment (e.g. the hourly rate).

## 6. CANCELLATION

- a. SN may, without consequences, cancel the order before the order confirmation has been received, ref. article 2 b. Written call-off orders on a framework agreement signed by both parties shall be deemed to be considered an order confirmation.
- b. In case of cancellation after order confirmation, the Vendor may demand compensation for work completed before the order cancellation, based on the agreed prices. Furthermore, the Vendor may claim compensation according to the provisions of article 9 d.

## 7. DEFICIENCIES

- a. There is a deficiency if the service has not been performed in compliance with the order, and this is due to matters for which the Vendor or his subcontractors are responsible.
- b. If the delivery, or parts of it, is found to be deficient, SN is entitled to reject the delivery in total or in part. For the rejected part of the delivery, delivery is deemed not to have taken place. A written justification for the rejection shall be presented without undue delay.
- c. The Vendor is obliged to propose rectification even if there is disagreement regarding whether there is a deficiency. In such case, the Vendor may demand a guarantee from SN for its potential claim for compensation.
- d. If rectifications are not carried out by a reasonable time limit set by SN, after written notification, SN may arrange for the completion of the delivery. In such case, the Vendor will be liable for the costs SN may incur due to the delivery being completed by third parties. If the conditions for demanding rectification are not present, SN may instead demand a price reduction. The same applies where SN may only demand partial rectification.
- c. Quality assurance and approval by SN, does not relieve the Vendor of the obligations the Vendor has assumed according to the order. The lack of quality assurance on the part of SN, shall not cause any reduction of the rights of SN.
- d. In case of material deficiency, SN may cancel the purchase.

## 8. DELAY

- a. The Vendor shall deliver the service at the agreed time. If the Vendor realizes or has reason to expect that the service will be delayed, SN shall be advised in writing without undue delay. The advice shall contain information about the estimated duration and the cause of the delay.
- b. In case of material delay, SN may cancel the agreement.
- c. If the delay is due to SN not being able to receive the service at the agreed time, SN shall notify the Vendor as soon as the issue is clarified.
- d. If the delay by SN causes loss for the Vendor, the Vendor may claim compensation according to article 9 d.

## 9. INDEMNIFICATION

- a. In case of breach by the Vendor, SN may demand to be indemnified for all direct losses. Direct losses include, but are not limited to: additional cost incurred by SN for replacement purchase, liability for damages imposed on SN due to defects in title for which the Vendor is liable, losses due to additional work and other direct costs related to the breach by the Vendor.
- b. SN may demand compensation for the loss suffered by the company due to delays or deficiencies caused by the Vendor. However, this does not apply to the extent that the Vendor is able to prove that the delay or deficiency is due to obstacles outside the control of the Vendor, and which he could not reasonably be expected to consider at the time of entering the agreement, or overcome the consequences of.
- c. Claims for damages against SN due to cancellation or delay on the part of SN, shall be limited to direct financial losses, however, such that claims for damages are limited if SN cannot utilize the work, provide necessary contribution or pay on the basis of an obstacle that is outside SN's control, and which the company could not reasonably be expected to take into consideration when the agreement was entered, or to avoid or overcome the consequences of.
- d. The parties may not claim damages for indirect losses, unless the claim is made on the basis of intent or gross negligence.
- e. The liability for damages by the parties shall be limited to twice the contract amount, or invoices for the last 12 months when the contract amount cannot be determined.

## 10. HES

- a. The Vendor undertakes to make himself familiar with and comply with the laws and regulations that apply to the delivery, including the Working Environment Act and its associated regulations.

- b. For work conducted on facilities/property of SN, the Vendor is obliged to comply with the provisions that are part of the SN HES system. With respect to work related to the mine, separate rules will apply, of which the Vendor will be informed and have to observe.
- c. The Vendor shall immediately report to SN in writing all injuries, near-injuries and undesirable events.
- d. Before work is commenced, the Vendor shall map the risks related to the performance of the work. The necessary plans to ensure safety during execution must have been completed before work is commenced.
- e. For services related to construction work, the Vendor shall, in consultation with SN, clarify in advance, and confirm in writing, whether the delivery is comprised by the Builder Regulation.

#### 11. EXTERNAL ENVIRONMENT

- a. The Vendor is obliged to make himself familiar with the particular provisions related to environmental protection at Svalbard that follow from the Svalbard Environmental Protection Act and its associated regulations, and to ensure that the provisions are observed for deliveries to SN.
- b. For work conducted outside Svalbard, the Vendor is obliged to comply with local pollution regulations, including the Pollution Control Act and its associated regulations.
- c. The Vendor shall map any environmental risks prior to commencement of work. The necessary plans to contain environmental risk during execution shall be completed before work is commenced.
- d. If the service includes the purchase of goods, the use of chemicals and products containing materials that are on the authorities' prioritized list of chemicals for which emissions should be reduced significantly before 2020, shall be avoided to the greatest extent possible (the "Priority List" – please refer to <https://www.miljostatus.no/prioritetslisten>)
- e. If the Vendor is of the opinion that the use of chemicals and products mentioned above, is unavoidable, the Vendor shall, in good time before use is relevant, explain in writing the relevant type and quantities of chemicals, products and materials, as well as the reason why use is necessary, including the possibility of using substitutes. The Client may, upon closer consideration, approve the use of the relevant chemical or product.
- f. The Vendor shall immediately report in writing to SN all pollution and undesirable events related to the external environment.

#### 12. COMMON WAGE AND WORKING CONDITIONS

- a. In areas covered by the regulation regarding the general application of collective bargaining agreements, the Vendor shall ensure that its own employees, and the employees of any subcontractors, that are directly contributing to fulfilling the Vendor's obligations pursuant to this agreement, do not have poorer wage and working conditions than that which follows from the regulation regarding the general application of collective bargaining agreements. For areas that are not covered by the general application of a collective bargaining agreement, the Vendor shall ensure that the same employees do not have poorer wage and working conditions than that which follows from the national collective bargaining agreement for the relevant industry. This applies to work performed in Norway.
- b. All agreements entered by the Vendor, and which entail performance of work that contributes directly to fulfilling the Vendor's obligations according to this agreement, shall contain corresponding terms and conditions.
- c. The Vendor, and any subcontractors, shall upon request, present documentation of the applicable wage and working conditions.
- d. The Vendor shall respect basic requirements with respect to human rights, workers' rights and environment in its own business and its supply chain. Goods and materials delivered to SN shall have been produced under conditions that are consistent with the UN conventions, ILO conventions and national labour legislation at the production location. In particular, this applies to observance of the ILO core conventions: the ban on child labour (no. 138 and 182), ban on forced labour (no. 29 and 105), ban on discrimination (no. 100 and 111), and the ban on disrespect of union labour and collective bargaining (no. 87 and 98).

#### 13. SUBCONTRACTORS

- a. To the extent that third party deliveries are included in the services provided by the Vendor, a copy of the terms and conditions for the third party delivery shall be made available to SN upon request.

- b. In case of faults in third party deliveries, the Vendor is obliged to report the fault to the third party, justify to SN why he could not or ought to have limited the scope and/or the consequences of such faults, and keep SN informed of the status for rectification. If the Vendor is responsible for the installation of third party deliveries as part of this agreement, the Vendor shall control that the third party services work as intended after rectification, in accordance with the guidelines that SN may have given.
- c. No party may assign the rights according to this agreement without the written consent of the other.

#### 14. CONTRIBUTORY AND SUPPLEMENTARY OBLIGATIONS

- a. SN will arrange for any transport necessary between Longyearbyen and Svea for the service provider's personnel.
- b. The Vendor understands and agrees that the transport to and from Svea is taking place under demanding climatic conditions, and that delays may occur. In case of delays for service providers from the mainland, SN will cover lodging expenses, unless otherwise specifically agreed. In that case, SN will pay the service provider in line with the price stated in the agreement (hourly/daily rate). In such case, SN is entitled to use the service provider's personnel for relevant work. For service providers from Longyearbyen, the same applies in case of delays at other locations than Longyearbyen.

#### 15. LOGISTICS TO AND FROM SVALBARD

- a. Shipment of extraordinary equipment related to the delivery, shall be handled by SN's hauler, Pole Position Logistics ([SNSG@pole-position.no](mailto:SNSG@pole-position.no)). Shipments shall take place as agreed with SN.

#### 16. TRAVEL

- a. SN will cover the necessary travel cost and lodging at Longyearbyen. Coverage of travel cost is conditional on travel being arranged in the most cost-effective manner. Travel cost is covered according to the actual cost accrued, which has to be documented with receipts attached to the invoice.
- b. Per diem will not be covered, unless otherwise specifically agreed. SN is not responsible for delays in transport on the mainland and between the mainland and Svalbard.
- d. In case of long-term assignments at Svalbard, travel and stay will be covered separately.
- e. Travel time shall be invoiced at half the hourly rate.

#### 17. INSURANCE

- a. The Vendor shall have in place liability insurance at the normal terms for the type of service to be delivered.

#### 18. CONFIDENTIALITY

- a. Confidential information of which the parties become familiar in connection with the agreement and the performance of the agreement, shall be held confidential, and not be disclosed to unauthorized persons without the consent of the other party.
- b. Confidentiality pursuant to this provision shall not prevent the submission of information subject to required disclosure under law or regulation, including the Freedom of Information Act.
- c. The obligation of confidentiality also applies after the cessation of the Agreement.
- d. The relationship to SN may only be used in the Vendor's marketing activities with the consent of SN.

#### 19. PERSONAL INFORMATION

- a. The parties shall comply with their respective obligations regarding the applicable privacy legislation. To the extent that a party stores, processes and/or transmits personal information that is covered by privacy legislation, the parties shall enter a separate data processor agreement.

#### 20. DISPUTES

- a. Disputes shall be attempted resolved through negotiations.
- b. If negotiations are unsuccessful, the issue shall be settled by the ordinary courts, with the Nord-Troms district court as the venue.
- c. The settlement of disputes shall be based on Norwegian law.

#### 21. DOCUMENTATION

a. If the service entails the delivery of materials, the delivery shall be accompanied with the necessary instructions for the operation and maintenance, and other documentation that may have been agreed and specified in the order. The documentation shall be written in Norwegian unless otherwise agreed. All goods shall carry the CE mark, unless otherwise agreed.

b. All material produced by the Vendor for the assignment, shall be the property of SN.

c. Please send relevant documents to the following e-mail addresses:

- Order confirmation: to the applicant

- For assignments involving goods delivery, the order confirmation shall also be sent to [SNSG@pole-position.no](mailto:SNSG@pole-position.no)

- Invoice: EHF invoice or total pdf file to [invoice.916300395@kollektor.no](mailto:invoice.916300395@kollektor.no)

## **22. DOCUMENT RANK**

a. If the order documents contain provisions that are mutually exclusive, the documents shall have the following order of priority:

1. Agreement for the purchase of services (if relevant, order and confirmation)
2. These general purchasing terms and conditions
3. Any approved technical specifications and drawings
4. The Vendor's offer