# Contract draft rental vessel

# Contract for hire of rental vessel for the research cruise: MAREANO 2021, Institute of Marine Research, Norway

Case No: 20/00187

entered into between

Institute of Marine and Research

Org.nr. 971 349 077



Xxxxxx

Org.nr. xxx xxx xxx



<<To be filled in>>

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#### **1. PARTIES TO THE CONTRACT**

The following parties have entered into this contract:

(1) The Institute of Marine Research, Norway, Org. No. 971 349 077, hereafter called the Customer

and

(2) Xxxxxxx, Org. No. xxx xxx , hereafter called the Shipowner. <<To be filled in>>

#### 2. SIGNATURES

| For Custome | Customer               |  |       |
|-------------|------------------------|--|-------|
| The Instit  | ute of Marine Research |  |       |
| Place/date  | xx.xx.20xx             |  | Place |
| Signature   |                        |  | Signa |
| Name        | Xxxx xxxx              |  | Nam   |
| Title       | Xxxxxx                 |  | Title |

| For Shipowner               |            |  |  |
|-----------------------------|------------|--|--|
| [Name of supplying company] |            |  |  |
| Place/date                  | xx.xx.20xx |  |  |
| Signature                   |            |  |  |
| Name                        | Xxxx xxxx  |  |  |
| Title                       | Xxxxxxx    |  |  |

# 3. CONTACT INFORMATION

|                             | Institute of Marine Research            |
|-----------------------------|---|
| Role:<br>Name:              | Research cruise manager<br>Frithjof Moy |
| Position:<br>Phone:         | Research manager<br>47800024            |
| E-mail:                     | frithjof.moy@hi.no                      |
| Role:                       | Contrakt manager                        |
| Position:                   | Legal adviser                           |
| Phone:                      |   |
| Role:<br>Name:<br>Position: | Contrakt manager<br>Caspar Christie     |

| Shipowner - < <to be="" filled="" in="">&gt;</to> |  |  |
|---|--|--|
|   |  |  |
|   |  |  |
|   |  |  |
|   |  |  |
|   |  |  |
|   |  |  |

#### 4. CONTRACT DOCUMENTS AND PRIORITY

#### 4.1. Contract documents

The contract consists of the following documents:

Appendix 1: The Customers Description, The Assignment and Specifications (Section 3. and 6., Tender document)

Appendix 2: The Shipowner's description of the solution (Award Criteria from section 7, Tender Document) in the form of a bid file from Mercell.

Appendix 3: HSE-Regulations

Appendix 4: Changes to the delivery after signing the contract

#### 4.2. Priority

1. This contract document has greater priority than the appendices.

2. Unless otherwise agreed, appendices with lower numbers take priority over appendices with higher numbers.

3. If completed, Appendix 2 takes priority over the other appendices.

4. In the event of conflicting priorities, special terms take priority over general terms, and newer terms take priority over older ones.

#### 5. PURPOSE

This contract consists of this document including all appendices.

The purpose of the contract is to establish the parties' rights and obligations in relation to the purchase of the contract object, as described in item 6.

# 6. CONTRACT OBJECT

The contract covers rental of the vessel "name" and xx (specify equipment/services)

This acquisition request applies to the rental of an ice-going ship. This competition concerns the rental of an ice-going ship to carry out a MAREANO cruise in 2021.

The vessel will be rented for research cruise in the Barents Sea north of Svalbard.

The mapping of geological, biological and chemical seafloor environments is carried out in areas where the MAREANO program has already acquired high-resolution depth maps through the Mapping Authority. Geological, biological and chemical mapping is carried out using several types of tools such as bottom grabs, multicore samplers, beam trawls, epibenthic sleds, towed HD video footage of the seabed, as well as bottom penetrating sonar and CTDs/water collectors.

The cruise is carried out consecutively for a duration of 4-6 weeks, preferably in the period between August-October, with 24 hours continuous operation and adapted to a two-shift scheme for tenant personnel.

Customer participates in the cruise with (minimum 16) << Enter the number >>

The Assignment is also specified in Appendix 1.

# 7. RESEARCH CRUISE PORT

The port for starting and ending the cruise is Tromsø

#### 8. **RENTAL PERIOD**

The vessel shall be rented from << date, time >> up to and including << date, time >>

The rental period includes any options / extensions that the customer has exercised before the contract is concluded.

The customer has the right to extend and or shorten the rental (with a maximum of 3 days) if there are objective grounds for this. The rent will then be adjusted according to the truncated/extended period by the number of days, x/times, daily rental.

#### 9. QUOTA

There will be no catch of any quota.

#### **10. DIET AND ACCOMMONDATION**

Customer's personnel shall have free diet and accommodation with all meals on board during the cruise period adapted to a two-shift scheme. Bed linen and towel must be provided for each bed.

#### **11. PRICING AND PAYMENT TERMS**

The offered daily rate 1 and 2 shall include all expenses for daily operations, such as expenses for vessel rent, bunkers, lubricating oil, NOx, urea, any port fees, catering and all meals for all participants from the client during the voyage period.

#### Daily rate 1, (week 1-4)

In addition to expenses for daily operations, it is assumed that all non-recurring expenses incurred by the provider in connection with the voyage will be included in this daily price. Such as transit, mobilization and demobilization, installation of new equipment or other.

Daily rate 1, excl. VAT per day is ...... << Price to be filled in at the time of entering into the agreement >>

#### Daily rate 2, (week 5-6)

A daily rate if the trip is extended according to the option about one to fourteen days extra. Only expenses for daily operations are included in Daily rate 2.

Daily rate 2, excl. VAT per day is ..... << Price to be filled in at the time of entering into the agreement >>

Any private expenses such as the use of the vessel's phones or otherwise shall be covered directly by the participant. Private expenses should not be included in the rents settlement and must be addressed directly to the person concerned

#### **12. INVOICE PROVISIONS**

Invoice is marked with Research Cruise Number /ref: 20/00187

and Purchase Order Number << Fill in >>

Shipowner can bill when the cruise is completed.

The customer must pay an invoice within 30 days from the receipt of the invoice, provided that all the Shipowner's obligations under the contract are fulfilled and delivery of the service has taken place.

Customer has the right to withhold disputed amounts.

Invoice must be delivered in Electronic Trading Format (EHF). The invoice is linked to the customer's org.no 971 349 077. The Shipowner must himself bear any costs for the delivery of electronic invoice (see <u>https://dfo.no/kundesider/faktura</u>).

We reserve the right to reject invoices without proper content. The Institute of Marine Research cannot receive invoices in pdf format sent by E-mail. If the Shipowner cannot send an invoice to the EHF, the invoice must be sent on paper by postal mail to the address:

Institute of Marine Research Fakturamottak DFØ PO Box 4746 Torgarden 7468 Trondheim

# **13. IMPLEMENTATION OF THE RESEARCH CRUISE**

The research cruise is carried out according to the arrangement and management of the Customer's cruise leader. The vessel's crew shall adhere to instructions given by the cruise leader or the person authorized to do so, as far as this is compatible with the captain and the vessel's proper operation. This applies to carrying out tasks such as rigging of gear and equipment, and sampling of catches. During the cruises, a catch diary shall be kept in the usual manner. Renter is responsible for issuing necessary fishing permits.

# 14. INTERRUPTION OF THE RESEARCH CRUISE

If the research cruise must be interrupted for more than one day as a result of damage to the vessel or machinery, or for other reasons that cannot be attributed to the Customer, a deduction is made for the period the vessel is inoperative.

#### **15. EQUIPMENT AND STAFFING**

The Shipowner is obliged to keep the vessel equipped in accordance with the tender submitted, and to ensure that this equipment is in operational condition at all times. The Customer keeps supplementary equipment in agreement with the owner. Supplementary equipment is brought on board and ashore in agreement with the Shipowner. If necessary, Shipowner personnel shall assist with the loading and unloading of such equipment.

The vessel shall be properly manned for 24-hour continuous operation.

# 16. INSURANCE

The Shipowner undertakes to keep the vessel insured and in good standing (certificates etc.) throughout the rental period. Insurance of the crew is covered by the Shipowner. The customer is a self-insurer for his / her own personnel, but this does not relieve any liability under general compensation rules.

The Shipowner must enter into an insurance contract that also includes the customer's equipment that is permanently mounted.

#### **17. SHIPOWNER'S CONTRACT OBLIGATIONS**

#### 17.1. General obligations

The hire of the vessels shall be carried out in accordance with the agreement and with a high professional and ethical standard.

The Shipowner is responsible for vessel leasing taking place in accordance with current legislation and in accordance with relevant industry regulations and other rules that may have an impact on the leasing relationship.

The Shipowner must cooperate loyally with the Customer and safeguard the Customer's interests.

#### 17.2. Wage and working conditions

In the area covered by the General Agreement on Tariffs, the Shipowner is obliged to ensure that employees in their own organization and employees of any subcontractors who directly contribute to fulfill the contract have wage and working conditions in accordance with the applicable regulations.

Where the area is not covered by regulations on generalized collective bargaining agreements, the Shipowner is obliged to ensure that the said employees have wage and working conditions in accordance with the nationwide collective bargaining agreement for the relevant industry. In this context, wages and working conditions are meant provisions on minimum working hours, wages, including overtime, shift and turnaround and inconvenience allowances, and coverage of travel, board and lodging expenses, to the extent such provisions are stipulated in the collective agreement.

The Customer may require the Shipowner and any subcontractors to document that the wage and working conditions described above are met. If the above requirements are not met, the Customer reserves the right to impose necessary sanctions for the Shipowner to fulfill his obligations.

#### 17.3. HSE regulations

Relevant HSE regulations follow from Appendix 3.

# **18. THE CUSTOMER'S REMEDIES FOR BREACH OF CONTRACT**

#### 18.1. Period for notification of defects

If the Customer wishes to demand a remedy for a breach of contract, the Shipowner must be notified in writing regarding the deficiency without undue delay after the Customer has discovered or should have discovered the defect. If the Customer does not complain within three years of delivery, he cannot later claim the defect.

The Customer may assert the defect irrespective of the deadlines set forth in this paragraph if the Shipowner has acted grossly negligent or otherwise contrary to reasonableness and good faith.

#### 18.2. Withholding payment

In case of breach of contract on the part of the Shipowner, the Customer may withhold payment, although the amount withheld shall not be obviously higher than what is required to safeguard the Customer's claim resulting from the breach of contract.

#### 18.3. Compensation

The Customer can demand compensation for losses suffered as a result of the Shipowner's breach of contract, to the extent that the Shipowner does not prove that the breach was caused by the grounds for suspension listed in item 21 (Force Majeure) or the Shipowner demonstrates that it is not responsible for the breach of contract or the reason for the breach of contract, i.e. the breach of contract is due to conditions that otherwise cannot be attributed to the Shipowner.

The compensation shall cover the Customer's direct losses. Indirect losses are not covered.

Compensation is limited to the total compensation as per the contract (the contract price), excluding VAT. In case of gross negligence or wilful misconduct of the Shipowner, the said limitations on damages do not apply.

# 18.4. Cancellation

The customer may terminate the contract with immediate effect if the Shipowner materially breaches his obligations. Notice of cancellation shall be given in writing.

If, in connection with the Shipowner's business, a debt negotiation, agreement or bankruptcy is opened, or any other form of creditor management applies, or the Shipowner is wound up, has ceased his business or is in a similar process based on national laws and regulations, the Customer is entitled to terminate the contract with immediate effect.

# 18.5. Replacement purchase upon cancellation

Upon cancellation, the Customer is entitled to make a replacement purchase within a reasonable time after the Customer has notified the Shipowner of the cancellation. The Customer has a right to compensation for the difference between the contract price and the price of the replacement, in addition to other compensation under this contract. The Shipowners shall cover the Customer's any necessary additional costs for replacement purchases.

In addition to compensation for additional costs after this point, the customer may claim other compensation according to these general terms and conditions.

#### 18.6. Expected breach

If, after the signing of this Contract, it appears, based on the behaviour of the Shipowner, or a serious decline in the Shipowner's credit worthiness or in the ability to fulfil the contract, that the Shipowner will not be able to fulfil a significant portion of its obligations, the Customer can cancel the contract and withhold further payment.

If the expected breach is significant, the right of cancellation will occur even before the time for fulfillment. If possible, the Customer shall notify the Shipowner so that he or she will be able to provide security in order to avoid raising.

# 18.7. Violation of wage and employment conditions

If the Shipowner does not comply with the pay- and working conditions, the Customer has the right to withhold a part of the remuneration until it is documented that the situation is in order. The sum withheld shall correspond to approx. twice the saving for Shipowners.

If violations of wage and working conditions are not corrected without undue delay, this situation is considered a material breach of contract which results in the right of cancellation for the Customer.

# **19. THE CUSTOMER'S CONTRACT OBLIGATIONS**

#### 19.1. General obligations

The Customer must pay the rental price within the agreed deadline and contribute loyally to the execution of the contract.

Inquiries from Shipowners shall be answered without undue delay.

The Customer shall, without undue delay, give notice of conditions which the customer understands or should understand may have an impact on the performance of the contract, including any expected delays.

# 19.2. Clarity for Shipowners

The customer shall inform the Shipowner of the purpose of the contract and of its requirements and needs in such a way that the Shipowner has a sufficiently clear basis for assessing the benefits covered by the Shipowner's contractual obligations.

# 20. THE SHIPOWNER'S REMEDIES FOR BREACH OF CONTRACT

#### 20.1. Complaints

If the Shipowner wishes to demand a remedy for a breach of contract, it must be given a written notice to the Customer of the defect within a reasonable time after he has discovered or should have discovered the defect.

If the Customer does not complain within 3 (three) years of delivery, he cannot later claim the defect.

Shipowners can assert the defect irrespective of the time limits in this paragraph if the Customer has acted grossly negligent or otherwise contrary to reasonableness and good faith.

# 20.2. Delayed payment

In the event of delayed payment, that is due to conditions that are within Customer's control, the Shipowner is entitled to claim interest on the delayed payment pursuant to the Act of 17 December 1976, No. 100 regarding Interest on Overdue Payments, etc

# 20.3. Breach of notification obligation

If the Shipowner does not receive such notice as established in clause 18.6 Expected breach, within a reasonable time after the Customer learned about or should have learned about the obstruction, the Shipowner can demand compensation for losses which could have been prevented if a notification had been given in due time.

# 20.4. Shipowners' withholding rights

Shipowners cannot withhold benefits due to the Customer's default. However, this does not apply if the breach is material.

# 20.5. Compensation

The Shipowner can demand compensation for losses suffered as result of the Customer's breach of contract, to the extent that the Customer does not prove that the default is due to reasons for suspension as mentioned in section 21 Suspension rules (force majeure), or circumstances that cannot otherwise be attributed to the Customer.

The compensation shall cover the Shipowner's direct loss. Indirect losses are not covered. The compensation is limited to the sum of the remuneration according to the contract excluding value-added tax.

In case of gross negligence or wilful misconduct of the Customer, the said limitations on damages do not apply.

# 21. SUSPENSIONS DUE TO FORCE MAJEURE

If an extraordinary situation arises that is beyond the control of the parties, which makes fulfilment of the obligations pursuant to this agreement impossible, and this situation is deemed to be force majeure under Norwegian law, then the other party shall be notified without undue delay. The obligations of the affected party are suspended for as long as the extraordinary situation continues. The other party's obligations in return are suspended for the same period.

In force majeure situations, the other party may only terminate the agreement with the consent of the party affected or if the situation lasts or is expected to last for more than 30 calendar days calculated from the date the situation arose, and then only with 14 days' notice. Each of the parties covers their own costs connected with terminating the contractual relationship. The Customer pays the agreed price for the part of the delivery that

was contractually delivered prior to the agreement terminating. Other claims because of terminating the agreement under this provision cannot be set forth.

#### 22. TRANSFERRING RIGHTS AND OBLIGATIONS

The parties cannot transfer their rights or obligations under this contract to a third party without the advance, written consent of the other party. Consent may not be denied without a valid reason.

If the Shipowner merges or splits apart, the Customer is entitled to cancel the contract immediately.

# 23. CHANGE

If one of the parties, after entering into the contract, needs to change the requirements for the contract object or the compensation, schedules or other assumptions in the contract in such a way that the nature or scope of the contract will be changed, the other party can request a change agreement. The demand for changes shall be considered as a tender that requires the other party's acceptance.

Changes to the contract must be made in writing and must be signed by the parties. Changes are entered continuously in Appendix 4 and each change is given a unique number (change agreement number).

#### 24. CONFIDENTIALITY

Information that one party becomes aware of in connection with the contract and the implementation of the contract must be treated with confidentiality and must not be made available to outside parties without the written consent of the other party.

The duty of confidentiality applies to the parties' employees, subcontractors and third parties who are acting on behalf of a party in connection with implementing the Contract. The duty of confidentiality also applies after the termination of the agreement.

The Customer is bound by the provisions of the Norwegian Public Administration Act of 10 February 1967 and the Norwegian Freedom of Information Act of 19 June 2006.

# 25. NORWEGIAN FISHERIES AUTHORITY

The customer expects the Shipowner and other partners from the fishing industry to act in accordance with Norwegian fisheries legislation and promote the industry's reputation. If the Shipowner's vessel is issued a warning from the fisheries authorities during the contract period, the Customer has the right to terminate the contract with immediate effect. This applies to all of the Shipowner's fishing vessels during the contract period. The Shipowner undertakes immediately to inform the Customer of any warnings during the contract period.

#### 26. **DISPUTES**

#### 26.1. Choice of law and jurisdiction

The parties' rights and obligations under this agreement shall in their entirety be governed by Norwegian law. The Oslo district court is the venue for disputes arising under the contract.

#### 26.2. Negotiations

If there is a dispute regarding the rights and obligations of the parties during or in connection with this contract, the parties shall first seek to reach an agreement through negotiations.

#### 26.3. Legal proceedings

If negotiations do not succeed within the agreed period, at the latest within 4 weeks after the first negotiation meeting, the dispute shall be resolved with final effect before the Norwegian courts of law.