# **PART 2 PARTICULAR CONDITIONS**

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## 1 Introduction

NS 8407:2011 General conditions of contract design and build contract (hereinafter "**NS 8407**") apply as general conditions of contract with the amendments and additions set out in the Particular Conditions below. Reference to the corresponding clauses in NS 8407 is provided below.

# 2 Definitions (NS 8407 clause 1)

#### Clause 1.4 - Contract work definition - Amendment

Clause 1.4 is deleted and replaced with the following wording:

#### "contract work

means all work which Contractor shall perform or cause to have performed in accordance with the contract, hereunder all deliveries which the contractor is to deliver under the contract, including, but not limited to, equipment, components, products, systems, software, design work, operation and maintenance documents and other documentation, as well as testing and other work which is required to achieve delivery according to the contract. For the avoidance of doubt, any reference to building or civil engineering works in the general conditions shall be understood as a reference to contract work."

#### Clause 1.5 - Contract assistant definition - Amendment

In clause 1.5 the following words shall be added after *other party*:

", or the subcontractor of such party,"

## **Clause 1.9 - Intellectual property rights - Addition**

A new clause 1.9 shall be added:

#### "Intellectual Property Rights

means any patents, rights to inventions, copyrights and related rights, trademarks, trade names, domain names, unfair competition rights, rights in designs, rights in computer software, database rights and any other intellectual property right or proprietary right recognized in any country or jurisdiction in the world, whether registered or not, and all applications and registrations therefore."

## 3 Contract documents and interpretation rules (NS 8407 clause 2)

# Clause 2.1 and 2.2 - Contract documents and interpretation rules - Amendment

Clauses 2.1 and 2.2 are deleted and replaced with the following provision:

"The contract consists of the documents listed in the Contract Agreement and in case of conflict they shall apply as stated therein."

# 4 Meetings (NS 8407 clause 4)

## **Clause 4.4 - Other meetings - Addition**

A new clause 4.4 shall be added:

## "4.4 Other meetings

In addition to the meetings set out above, the design and build contractor shall participate in such meetings, and provide such information and documentation, as is reasonably required by the client in relation to the project, including coordination meeting with other contractors."

# 5 The provision of security by the parties (NS 8407 clause 7)

## Clause 7- The provision of security by the parties - Amendment

Clause 7 shall be deleted and replaced with the following provision:

"The design and build contractor shall at its own cost, as security for the performance of its contractual obligations, including overdue payment interest and collection costs, provide an on demand irrevocable bank guarantee in the form set out in Appendix J. The guarantee shall be provided at the latest upon conclusion of the contract.

The guarantee shall amount to 10 % of the total contract sum as set out in the Contract Agreement and Appendix B. The guarantee shall be valid for its full amount until the contract work has been taken over and shall thereafter be valid for 5 % of the total contract sum in respect of matters invoked by the client during the defect notification period set out in clause 42. The security shall then expire unless the client has asserted liability on the part of the design and build contractor for which coverage under the security can be claimed.

If taking over of the contract work has not occurred within the time limits stated in the guarantee, the design and build contractor shall ensure the extension of its validity so that the guarantee is always valid for the amount required according to these provisions.

The client shall not be obliged to make any payments until it has received the design and build contractor's security documents.

The client will not provide any security."

# 6 Insurance (NS 8407 clause 8)

# Clause 8.4 - Insurance in connection with alteration work - Amendment

Clause 8.4 shall be deleted.

# 7 Contract assistants (NS 8407 clause 10)

## Clause 10.4 - Step-in rights - Addition

A new clause 10.4 shall be added:

## "10.4 Step-in rights

The client shall be entitled to step into the design and build contractor's contract with key contract assistants if the design and build contractor substantially breaches its contract with the client and/or its contract with the contract assistant, stops its payments, goes bankrupt or it is evident that the design and build contractor is insolvent. The design and build contractor is obliged to include clauses in contracts with key contract assistants that ensures the client's rights as described above. The design and build contractor can require documentation that step-in rights have been secured."

# 8 The contract work (NS 8407 clause 14)

## Clause 14.4 - Laws, regulations and public decisions - Amendment

In clause 14.4 first paragraph, the following wording is added:

"Each party will comply with all applicable laws, rules and regulations in connection with this contract including, but not limited to, all labour, human rights and environmental laws and will take reasonable steps to ensure compliance with such laws, rules and regulations by its supply chain. Each party will notify the other party as soon as reasonably practicable after becoming aware of any breach of the undertakings in this section."

In clause 14.4 the word "tender" is specified to mean "final tender".

### Clause 14.5 - Common standards, etc. - Amendment

Clause 14.5 is deleted and replaced by the following wording:

"The contract work shall be in accordance with relevant EU and Norwegian Standards and otherwise with standards that are generally applied and accepted at the time the contract was concluded."

## Clause 14.7 - Personnel - Addition

A new clause 14.7 is added:

"The design and build contractor shall ensure that only qualified personnel are used, and shall, at the client's request, hand over detailed information on the personnel's qualifications.

The client retains the right to approve all the personnel who are to carry our work relating to the contract. Approval cannot be withheld without reasonable grounds. The same applies when approved personnel are replaced by new personnel.

The client may also, provided there are reasonable grounds, refuse to allow previously approved personnel to carry out work relating to the contract.

The design and build contractor shall, at its own initiative, ensure that personnel who behave in a blameworthy manner or prove unsuitable to carry out their tasks are replaced.

The design and build contractor shall bear all costs in relation to the replacement of personnel."

# 9 Procedural requirements (NS 8407 clause 15)

## Clause 15.1 - General requirements - Addition

The following sentence shall be added to the third paragraph of clause 15.1:

"The design and build contractor shall at all times satisfy the qualification requirements from the qualification phase of the tendering process. Failure constitutes breach of contract, and the design and build contractor shall as soon as possible present a plan to the client to remedy the breach."

# Clause 15.2 - Changes to laws, regulations etc. - Amendment

In clause 15.2, the word "tender" is specified to mean "final tender".

# 10 Conditions on the construction site (NS 8407 clause 18)

#### Clause 18.2 - Access to the construction area, etc. - Amendment

Clause 18.2 first paragraph is deleted and replaced with the following wording:

"The client shall ensure that there is access to the construction areas for the purposes of rigging, construction electricity supply and heating during the construction period. The design and build contractor shall ensure that other measures which are necessary for the contact work, if any, are in place".

### Clause 18.4 - Reference marks for measurement, building line - Amendment

Clause 18.4 is not relevant for the contract.

## Clause 18.8 - Working hours - Addition

A second paragraph shall be added to clause 18.8:

"If public permits are necessary for what is set out in the above paragraph, the design and build contractor is responsible for obtaining such permits before commencing the relevant work."

#### Clause 18.9 - Documented occupational injury insurance (new clause)

A new clause shall be added with heading as above:

"Before the start of the contract, and later on request, contractor must document that all workers who perform contract work in Norway, for the Client, are covered by occupational injury insurance.

Breach of the provision can be invoked by both the client and the individual employee as a basis for compensation against contractor.

All agreements entered into by the contractor for the performance of work (in Norway) under this contract must contain corresponding provisions."

# 11 Checking and correction of defects during the construction period (NS 8407 clause 20)

## **Clause 20.4 - Costs of testing - Amendment**

A new second paragraph shall be added to clause 20.4:

"Unless otherwise is expressly provided for, each party shall provide qualified personnel for carrying out testing according to the contract. The costs of such personnel shall be borne by the party providing the personnel, unless otherwise is expressly stated in the contract."

# 12 Progress and coordination (NS 8407 clause 21)

## Clause 21.3 - Progress status and notification - Amendment

A new last sentence of the third paragraph of clause 21.3 shall be added:

"Such revision of the schedule shall not imply any change to the design and build contractor's obligation under the contract or to the client's rights in respect to breaches of contract."

# 13 The contribution of the client (NS 8407 clause 22)

## Clause 22.3 - The basis for the work of the design and build contractor - Addition

A new third paragraph shall be added to clause 22.3:

"The client's obligations are fulfilled and the client shall have no liability if the requirements in the design and build contractor's site specific requirements, referred to in clause 22.5, are met."

# Clause 22.5 - Detailed specification of the duty of contribution of the client - Amendment

Clause 22.5 shall be deleted and replaced with the following provision:

"All deliveries which are necessary for the completion and the contract work and which are to be provided by the client, shall be set out in the site specific requirement in Appendix G to the contract. The site specific requirements will, inter alia, be forwarded to the contractor responsible for the building as a basis for the building design.

The design and build contractor shall upon request from the client review and verify whether the site and preparations of the client comply with the site specific requirements.

The client shall undertake all necessary preparations in accordance with the site specific requirements and in accordance with the progress schedule.

The client shall provide reasonable assistance to the design and build contractor in obtaining permits and approvals necessary for completing the contract work, including import permits, work permits and technical approvals."

# 14 The contribution of the client (NS 8407 clause 23)

## Clause 23 - Liability for ground conditions - Amendment

The contract relates to delivery of a process plant, and not to civil works. Clause 23 is therefore not relevant.

# 15 Review by the design and build contractor of the outputs of the client. Duty of notification (NS 8407 clause 25)

Clause 25.1 – Inspection by the design and build contractor of matters which may disrupt the performance of the work pursuant to the contract – Specification

For the avoidance of doubt, it is specified that the inspection obligations of the design and build contractor extends well beyond the matters listed in clause 25.1.1 letters a) to d), and that other matters are equally important as the listed matters.

# Determination of the amount payable (NS 8407 clause 26)

## Clause 26.1 - The amount payable - Amendment

Clause 26.1 shall be deleted and replaced by the following provision:

"Unless otherwise agreed in the contract, the client shall make progress payments in accordance with Appendix B. The prices include all costs associated with the delivery of the contract work. The contract prices includes e.g. all fees, customs and taxes, including import and export duties, withholding tax, employer's tax etc. VAT is not included in the stated prices.

Payment deadlines are based on the progress of the contract work and in the event of delays, the payment deadlines shall be adjusted so that they continue to correspond with the relevant delivery progress milestones."

## Clause 26.2 - Index-linking - Amendment

Clause 26.2 shall be deleted and replaced by the following provision:

"Price elements in the original contract shall be index-linked as specified in annex/enclosure. Price elements not specified as being index-linked, are fixed"

## Clause 26.3 - Public charges and taxes - Amendment

In clause 26.3 the , the word "tender" is specified to mean "final tender".

# 17 Invoicing (NS 8407 clause 27)

## Clause 27.1 - Agreed invoicing - Amendment

Clause 27.1 shall be deleted and replaced with:

"The design and build contractor shall send an invoice when requesting payment. Invoices issued pursuant to the agreed payment schedule shall refer to the schedule and enclose the documentation required by the schedule. The client shall not be obliged to pay invoices if conditions for the client's payment obligation are not fulfilled."

## **Clause 27.2.1 - Invoicing schedule - Amendment**

Clause 27.2.1 shall be deleted and replaced with:

"The contract amount shall be paid on the basis of an invoicing plan. The invoicing plan is set out in Appendix B to the contract.

The design and build contractor shall prepare a production schedule based on the progress that is sufficiently detailed to show the connection between planned production and the invoicing schedule."

#### Clause 27.2.2 - Retention - Amendment

Clause 27.2.2 is deleted.

#### Clause 27.3 - Invoicing of other claims for amounts payable - Amendment

Clause 27.3 is deleted and replaced with:

"Adjustment of the payment schedule related to changes pursuant to clause **Feil! Fant ikke referansekilden.** shall as far as possible follow the same milestones as defined in the payment schedule. Should this not be possible or clearly unreasonable, new milestones or a specific payment plan shall be agreed in accordance with clause 34."

## Clause 27.4 - Documentation in support of invoice claim - Amendment

Clause 27.4 third, fourth and fifth paragraph is not relevant for the contract.

# 18 General terms and conditions of payment (NS 8407 clause 28)

## Clause 28.1 - Payment deadline - Amendment

Clause 28.1 shall be deleted and replaced with:

"The client shall pay within 30 days of receiving a correct invoice in accordance with clause 27.

Payment of invoices shall not prevent the client from making claims against the design build contractor, including to assert right regarding defects and delays. Any objections by the client to invoices shall be made in writing and shall state the circumstances on which the objections are based."

# The rights of the design and build contractor in connection with overdue payment (NS 8407 clause 29)

Clause 29.2 - The right of the design and build contractor to stop work - Amendment

In clause 29.2 the wording "24 hours" shall be replaced with "48 hours".

# 20 Special rules relating to daywork (NS 8407 clause 30)

## Clause 30.1 - Calculation of the amount payable - Addition

The following wording shall be added to the first paragraph of clause 30.1:

"according to the unit prices in Appendix B."

# 21 Changes (NS 8407 clause 31)

#### Clause 31.1 - The right to order changes - Amendment

In clause 31.1 third paragraph first sentence, the number "15 %" is replaced by "30 %".

## Clause 31.4 - Prior queries - Addition

A new clause 31.4 shall be added:

"Prior to issuing a change order, the client can submit a non-committing request to the design and build contractor regarding possible price- and schedule consequence of any specified changes.

The design and build contractor shall respond to the request without undue delay. The response shall contain:

- a) A specified description of the price consequences of the change
- b) A reasoned description of the number of days the progress schedule will be affected by the change
- c) Any other possible consequences of the change

If the design and build contractor cannot provide a response to either of a) to c), a reason must be provided for why this is not possible."

# Clauses 32, 33 and 34 (sub-provisions referring to "undue delay" in relation to notifications) – Amendment

The following wording shall be added after "undue delay": "(not to exceed 28 days)".

# Deadline extension (NS 8407 clause 33)

## Clause 33.3 - Deadline extension - Addition

In clause 33.3 a new second and third paragraph shall be added:

"In case of force majeure, each of the parties shall secure the object of the contract (and associated materials, tools, etc.) in its possession, or in the possession of contract assistants."

# 23 Preparation for taking over (NS 8407 clause 36)

## Clause 36.1 - Testing and adjustment of technical installations - Amendment

Clause 36.1 shall be deleted and replaced with the following provision:

"The progress schedule shall contain a schedule for carrying out testing and commissioning, and the design and build contractor shall give notice of checking, testing, adjustment and similar activities which are to be carried out on technical installations, within reasonable time prior to the activity. The notice shall specify the conditions that must be met, including measures by parallel contractors, to allow the activity to be undertaken.

The design and build contractor shall, in cooperation with the client and parallel contractors carry out testing and commissioning in accordance with the contract and Appendix A5. The design and

build contractor shall document the carrying out and results of the tests. Special rules may be agreed for how these things are to be documented.

The client has the right to be present during all testing and commissioning carried out on site. Unless otherwise agreed, the client shall receive the aforementioned documentation three weeks before the start of the taking over proceedings.

The result of the testing must be documented, including performance, errors, defects, stoppages, etc. The client has the right to stop a test and postpone subsequent tests if a test shows that the contract work or relevant parts thereof deviates from the requirements of the contract."

# **24** Taking over (NS 8407 clause 37)

## Clause 37.1 - Taking over proceedings - Addition and amendment

In clause 37.1 a new second and third paragraph shall be added:

"The contract work must fulfill all the contract's requirements and all tests, including trial run, must have been carried out, showing that all relevant requirements in the contract are met, before taking over can take place.

*The taking over is further conditional on:* 

- the construction site used by the design and build contractor has been cleaned and cleared and the contract work must be ready for use
- operation and maintenance documentation (FDV) is available in a format approved by the client
- the performance test is completed and approved
- training has been completed and approved by the client"

In clause 37.1 new fifth paragraph the following wording shall be added:

"and the parties shall agree on a new time to carry out the takeover test."

A new last paragraph shall be added to clause 37.1:

"If the criteria for takeover are not met, the client may nevertheless complete the takeover provided that the takeover does not significantly affect the design and build contractor's work to repair defects, or in any other way his compliance with the contract requirements. In this case, the client may withhold part of the remuneration, but not a higher amount than the corresponding value of the necessary work or delivery from the design and build contractor. All other consequences of takeover shall apply."

## Clause 37.5 - Partial taking over

Clause 37.5 is deleted.

# Use and commissioning (NS 8407 clause 38)

## **Clause 38.2 - Commissioning - Amendment**

Clause 38.2 is deleted and replaced with:

"Commissioning and trial run shall be carried out before taking over in accordance with Appendix A5."

# Final account (NS 8407 clause 39)

### Clause 39.1 - Final account and final invoice - Amendment

In clause 39.1 the wording ""claims regarding a retention pursuant to clause 27.2.2, outstanding claims regarding index linking pursuant to clause 26.2" shall be deleted.

## Clause 39.2 - Payment of the final invoice. Objections and claims - Amendment

In clause 39.2 first paragraph the wording "provided pursuant to clause 27.4" is deleted and replaced with "provided and approved pursuant to the documentation plan in Appendix C 2".

In clause 39.2 third paragraph the wording "or to any objections against and claims relating to index linking, see clause 26.2" is deleted.

# 27 Delay (NS 8407 clause 40)

## Clause 40.2 - Deadlines subject to daily penalty charges - Addition

In clause 40.2 a new second to fourth paragraph shall be added:

"The following deadlines are also subject to daily penalty charges:

- (i) For delayed delivery of engineering data as per the relevant penalty milestones in Appendix C Contract Schedule the daily penalty is EUR 4 000 per weekday. The delay penalty applies to each of the milestones.
- (ii) For delayed completion of erection as per the penalty milestone in Appendix C, the penalty is  $1 \circ /_{00}$  of the contract sum per weekday.
- (iii) For delay of the commencement of the trial run as per the penalty milestone in Appendix C, the penalty is  $1 \, {}^{\circ}/_{oo}$  of the contract sum per weekday.
- (iv) For delayed taking over as per the penalty milestone in Appendix C, the penalty is 1  $^{\circ}/_{\circ\circ}$  of the contract sum per weekday.

Penalty incurred for one milestone does not exempt liability for subsequent penalty milestones, and penalties accrue in parallel.

Weekday shall mean every day apart from Sunday and public holidays."

## Clause 40.3 - The limitations of liability for delay - Amendment

Clause 40.3 heading is amended as set out above. Clause 40.3 is deleted and replaced with:

"The total liability in respect daily penalty charge shall be limited to 10 % of the contract sum. The limitation shall not apply if intent or gross negligence is involved.

The client shall be entitled to claim compensation for direct actual loss instead of penalty charge, in the event that the direct actual loss exceeds the penalty charge. In such case, the penalty charge shall be deducted from the compensation. Such compensation shall in no event exceed 15 % of the contract sum unless intent or gross negligence is involved."

# Defects in the contract work (NS 8407 clause 42)

#### Clause 42.1 - Defects - Amendment

Clause 42.1 shall be deleted and replaced with:

"A defect shall exist if, at the time of takeover, the contract work does not meet the requirements of the contract, and this is not attributable to the client.

The defect notification period is twenty-four (24) months from the date taking over was completed.

The design and build contractor guarantees that the contract works meets the quality requirements in every respect.

If the contract work has a defect at taking over or a defect occurs within the defect notification period, the design and build contractor shall rectify the defect as soon as possible at the design and build contractor's expense. When the design and build contractor has rectified a defect, new defect notification period shall apply to the parts of the contract works that have been rectified and run for twenty-four (24) months from the day the design and build contractor rectified the defect. However, the defects notification period is limited to a total of thirty-six (36) months from taking over. If such defects are recurrent or there is reason to assume this, the design and build contractor shall ensure that the solution is rectified or changed so that the defect does not reoccur.

Should a defect turn out to be a defect in a series of goods or a general defect, or if there are reasonable grounds to assume this, the design and build contractor shall ensure that all relevant parts are repaired or replaced so that similar defects do not occur.

The client may demand that the design and build contractor use other components or parts for the contract works if these, on several occasions, have been found to have defects or have been repaired without satisfactory results.

During the defect notification period, the design and build contractor has a duty and responsibility to identify and document any faulty operation or use of the contract works.

Damage to the contract work that arises after taking over and which is an obvious and foreseeable result of the original defect shall also be deemed a defect."

#### Clause 42.2 - Notification of defects- Amendment

Clauses 42.2.1, 42.2.2 and 42.2.3 shall be deleted and replaced with:

#### "42.2.1 Notification of defects

A defect must be notified to the design and build contractor within the defect notification period. The expiration of the defect notification period shall, however, in no way affect the design and build contractor's obligation to procure spare parts, provide assistance or provide maintenance services. Notification is considered to have been given when it has been sent from the client, regardless of whether the design and build contractor receives this within the expiration of the deadline.

The client shall notify the design and build contractor of defects without undue delay.

If parts of the contract work are executed after taking over, the defect notification period shall commence when work on the part in question is completed.

## 42.2.2 Exceptions to the provisions on the notification of defects

Irrespective of the provisions regarding the notification of defects in clauses 42.2.1, the client shall be entitled to invoke defects if this has been caused intentionally or through gross negligence."

## Clause 42.3 - Remediation - Addition/Amendment

In clause 42.3.2 a last paragraph shall be added:

"If new tests are required either due to defects in the contract work or conditions during the tests which the design and build contractor should have been aware of, the design and build contractor shall pay the costs of further testing."

In clause 42.3.3 the first and second paragraphs shall be deleted and replaced with:

"The remediation work shall commence and be completed as soon as possible, taking into consideration how the defect affects the client and the design and build contractor. The client may set a reasonable deadline for remediation by the design and build contractor.

Either party shall be entitled to demand that testing and a joint inspection is carried out after the defect has been remedied. Testing may only be required to the extent that it is reasonable to establish that the defect has been remedied."

# 29 Cancellation (NS 8407 clause 44)

### Clause 44 - Cancellation - Amendment

In clause 44 second paragraph the wording "the entire reduction" shall be replaced by "the excess".

# 30 Rights to design work and documents (NS 8407 clause 47)

## Clause 47.2.1 - The entitlement of the client to the delivery of design work - Amendment

Clause 47.2.1 third paragraph shall be deleted.

## Clause 47.2.2 - Right to use design work - Amendment and addition

Clause 47.2.2 first paragraph, second and third sentence shall be deleted and replaced by the following wording:

"The contractor grants the client an irrevocable, perpetual royalty-free, non-exclusive right to use any intellectual property right and confidential information, including software, included in the contract work in connection with the operation, repair, modification, extension, rebuilding and maintenance of the contract work.

If the client, after the expiry of the Defects Liability Period, needs the source code of computer software included in the contract work to make changes in the software necessary for the purposes mentioned in the first paragraph above, the contractor shall provide the source code immediately upon the client's written request. The parties agree that the client is not entitled to use the source code for other purposes, or transfer, forward or otherwise disclose the source code to any competitor of the contractor. In respect of computer software to which a third party outside the contractor's group owns the copyright, the client's right of use an access to source shall be limited to the extent that may follow from the contractor's agreement with that third party. The contractor shall inform the client of such limitations in writing.

The client can engage third parties for the exercise of its rights pursuant to this paragraph and may assign the rights to anyone who acquires the contract work or is engaged to operate or maintain the contract works.

The contractor shall indemnify the client for any breach of third parties' intellectual property rights caused by the contractor's performance of the contractor or the client's use of the contract work or parts of it in accordance with this contract".

## 31 Disputes (NS 8407 clause 50)

Clause 50 - Disputes - Amendment

Clause 50.3 shall be deleted.

# 32 Spare parts and maintenance (new clause 51)

Clause 51 - Spare parts and maintenance - Addition

A new clause 51 shall be added:

"The design and build contractor shall deliver spare parts to the contract work for a period of at least 15 years from the date of taking over, and shall in the same period be able to provide assistance, maintenance and repairs on the contract works to the extent required by the client.

Prices for spare parts shall not exceed the cost of producing them or obtaining them from independent third parties with a reasonable profit margin.

The prices for assistance, maintenance and repairs shall be equal to, or better than, the design and build contractor's lowest offered prices for comparable work."

# 33 Confidentiality and media contact (new clause 52)

## Clause 52 - Confidentiality and media contact - Addition

A new clause 52 shall be added with heading as set out above:

## "52.1 Confidentiality

The design and build contractor's employees and assistants, who perform certain tasks, may have to be security cleared by national authorities.

The design and build contractor must comply with all document security rules laid down by the client, and ensure that all employees, contract assistants, that are involved in the contract work, complies with the same rules.

Information provided by the client and / or a third party for use in the project shall be kept confidential. Such information shall not be used for any purpose other than to perform the obligations under the contract. If required, all such information must be returned to the client when the contract work has been completed.

Within its own organization, the design and build contractor shall only distribute confidential information to the extent necessary to carry out the contract work.

The design and build contractor, his employees, contractor assistants or designers, may not install their own advertising posters on site, or in other ways use the project in advertising, without the client's prior written consent.

#### 52.2 Media Contact

The design and build contractor shall forward all media contact to the client. Interviews or comments must not be given without the prior written consent of the client."

# Wages and working conditions (new clause 53)

## Clause 53 - Wages and working condition - minimum requirements - Addition

A new clause 53 shall be added with heading as set out above:

## "53.1 Wages and working conditions - minimum requirements

The design and build contractor shall ensure that employees in his own organization and personnel employed by his contract assistants do not have poorer wages / working conditions than the current result of collective bargaining / tariffs in accordance with Act no. 58 of 4 June 1993: "The General Application Act" (Allmenngjøringsloven). However, these regulations only apply to employees who are directly involved in the contract work in Norway. The design and build contractor is responsible for the fulfillment of this requirement.

It is noted that relevant regulations, inter alia, are:

- Regulations on generalization of collective agreements for construction sites in the Oslo region (FOR 2006-06-26 no. 704)
- Regulations on generalization of collective agreements for construction sites in Norway (FOR 2006-11-21 no. 1291)

Documentation that the above requirements have been met shall be submitted by the design and build contractor upon request. This also applies to contract assistants.

If the design and build contractor does not comply with the above requirements, the client shall have the right to withhold parts of the contract amount until the requirements are met. The amount withheld can be approximately double the employer's benefit as determined by the client."

### 53.2 Working environment and child labour

"The design and build contractor shall ensure that all relevant rules and regulations on the working environment are followed by the manufacturer in the country of origin. Particular emphasis must be placed on regulations on child labor.

The design and build contractor may only use contract assistants, suppliers, etc. that comply with the following ILO (International Labor Organization) conventions:

- Convention No. 87 on Freedom of Association and Protection of the Right to Organize, 1948
- Convention No. 98 on the Right to Organize and Collective Bargaining, 1949
- Convention No. 29 on Forced Labour, 1930, and Convention No. 105 on the Abolition of Forced Labour, 1957
- Convention No. 100 on Equal Remuneration for Male and Female Workers for Work of Equal Value, 1951, and Convention No. 111 on Discrimination in Employment and Occupation, 1958
- Convention No. 138 on the Minimum Age for Admission to Employment, 1973
- Convention No. 182 on the Prohibition and Immediate Measures to Eliminate the Worst Forms of Child Labour, 1999

Documentation that the above requirements have been met must be provided by the design and build contractor without further notice. With regard to work in the EEA-area, such documentation shall be submitted at the client's request."

# Central Office - Foreign Tax Affairs (COFTA) Reporting of contracts and employees (new clause 54)

Clause 54 - Central Tax Office for Foreign Affairs (COFTA) - Reporting of assignments and employees - Addition

A new clause 54 shall be added with heading as above:

"No later than one week after the award of the agreement, the design and build contractor must report any agreements entered into with foreign companies or foreign workers. This also applies to contract assistants.

The design and build contractor shall report to the Central Tax Office for Foreign Affairs on contract assistants by filling in form RF-1199, or in another way, in accordance with the duty to provide information. This registration must take place without undue delay and no later than 14 days after a subcontract has been signed. Information on completion of the work must be submitted no later than 14 days after the end date.

The design and build contractor's obligations regarding reporting to the Central Tax Office for Foreign Affairs apply to any assignment or sub-assignment that takes place on construction sites in Norway, as well as places under the client's control. Assignment in this respect means any construction, production or engineering contract, as well as in the case where the design and build contractor acts as a self-employed agent. Single purchases are not considered as an assignment.

The design and build contractor shall report to the Central Tax Office for Foreign Affairs on foreign employees by filling in form RF-1198, or in another way, in accordance with the duty to provide information. This registration must take place without undue delay and no later than 14 days after an employee has been employed in the project. Information on termination of employment must be submitted no later than 14 days after the employee has stopped working on the assignment.

Copy of all reports must be sent to the client without undue delay.

The design and build contractor is responsible for all reports and confirmation of these.

Fines, fees or other claims against the client as a result of insufficient reporting from the design and build contractor, are in this context the sole responsibility of the design and build contractor and must be paid by him.

Further information and forms can be obtained by contacting the Central Tax Office for Foreign Affairs."

## **The war in Ukraine (new clause 55)**

Clause 56 - The war in Ukraine - Addition

A new clause 56 shall be added with heading as above:

"The parties are aware of the war in Ukraine and all sanctions that are or are being considered against Russia and Belarus on that occasion. All consequences of the war and sanctions implemented, as well as other similar or foreseeable sanctions in the future, the design and build contractor is expected to have taken into account when submitting the tender, and will not be able to form grounds for claims for deadline extension or adjustment of remuneration."

# 37 Demand for payment to bank (new clause 56)

# **Clause 57 - Demand for payment to bank - Addition**

A new clause shall be added with heading as above:

"Salaries, settlements and other remuneration to own employees, employees of subcontractors, contracted and independent contractors must be paid to the individual's bank account.

All agreements entered into by the Contractor for the performance of work under this contract must contain a corresponding provision."

# 38 Breach of contractual obligations – consequences for subsequent competitions (new clause 57)

Clause 58 - Breach of contractual obligations - consequences for subsequent competitions - Addition

Breach of the Contractor's duties in this contract will be recorded and may have significance in later tenders, in accordance with the regulations for public procurement.

All agreements entered into by the contractor for performance of work under this contract must have corresponding provisions.