

STANDARD TERMS PROCUREMENT AT TAFJORD

Rev. January 2021.

Part 1 –General terms

1. Area of application

- 1.1. This document contains Tafjord Kraft AS standard terms and conditions for procurement of goods and services hereafter called "Standard terms".
- 1.2. This document is split into three sections with the following area of application:
 - (i) Part 1 – General terms, to be applied to all types of deliveries, both goods- and services.
 - (ii) Part 2 – Terms related to procurement of goods. Terms in Part 2 will not apply for procurement of services
 - (iii) Part 3 – Terms related to procurement of services. Terms in Part 3 will not apply for procurement of goods.

2. Definitions

"Agreement"	means all documents included as part of the agreement between the Supplier and TAFJORD and includes all the documents listed in point 3.2 of Part 1.
"Ethical guidelines"	means the guidelines that follow from clause 8.1 in Part 1
"Supplier"	the company responsible for the delivery of Goods or Services to TAFJORD
"Delivery"	includes the purchase of Goods and/or Services made by the Buyer from the Supplier.
"Standard terms"	means the terms and conditions set out in Parts 1, 2 and 3 of this document .
"TAFJORD"	means Tafjord Kraft AS and all businesses and companies of which Tafjord Kraft AS is a full or partial owner, as well as companies/projects that are managed in whole or partly by Tafjord Kraft AS.
"Service"/"Services"	means contract for the performance of services. For example, services performed by the Supplier in accordance with the agreement, including repairs, maintenance, installations, conversions, consultancy etc.
"Item"/"Items"/"Goods"	means a contract for purchase, instalment purchase, leasing or rental with or without the right to purchase goods. A goods contract can include assembly and installation work, In accordance with the Norwegian supply regulation ("Forsyingsforskriften § 4-1 letter b"). For example, goods, products, materials delivered by the Supplier in accordance with the Agreement with the Supplier. However, this does not include agreements that require the Supplier to perform work or service, and this constitutes the predominant part of the Supplier's obligation.
"Subcontractors"	means any subcontractor or contract assistant who assists the Supplier in the performance of a Delivery.

Definitions stated in clause 2 Part 1 also apply to Part 2 and Part 3, unless otherwise agreed.

3. Interpretation rules

- 3.1. Standard terms for procurement are always a part of the Agreement between TAFJORD and Supplier, unless otherwise agreed.
- 3.2. If there is a contradiction between Standard terms and other documents in the agreement, the following ranking will apply:
 - (i) Separately written agreement covering the Delivery in question
 - (ii) Standard terms
 - (iii) Other documents in the agreement, such as offer, sales confirmation, attachments etc.
- 3.3. Clause 3.2 does, however, not apply to clause 7 – 11 in Part 1 of the Standard conditions. Clause 7 – 11 in Part 1 shall always take precedence to all documents in the Agreement.
- 3.4. The Supplier's own contract conditions, including i.a. his general payment conditions and delivery conditions, are not accepted by TAFJORD, and do not apply without special written consent from TAFJORD. This means that it will not be sufficient that the conditions are included or shown in the Supplier's offer or other documents.

4. Order confirmation

- 4.1. Purchases orders from TAFJORD must be confirmed by a written order confirmation from the Supplier without undue delay. Deviations from the order due to technical specifications and/or conditions for the delivery require written consent from TAFJORD.

5. Coordination

- 5.1. The supplier is obliged to cooperate and coordinate its Delivery with other suppliers to the extent that TAFJORD deems is necessary for the delivery of goods and services. The supplier is obliged to attend meetings if required

6. Use of subcontractors

- 6.1. If the Supplier engages subcontractors to carry out parts of the Agreement, the Supplier is fully responsible for the performance in the same way as if the Supplier was carrying out the part itself.

All interaction regarding issues related to the Agreement shall only take place between the Supplier and TAFJORD, unless the parties agree otherwise. Any use of subcontractors or replacement of subcontractors requires written approval from TAFJORD.

7. Fixed prices, invoices and payment

- 7.1. Delivery shall be made with fixed price covering all services and additional services that are necessary for the Delivery to be considered fully delivered.
- 7.2. After written order confirmation according to Part 1, clause 4, the Supplier shall, without undue delay, prepare a payment plan where this is applicable. The plan must be approved by TAFJORD before invoicing
- 7.3. Invoices and down payment cannot be claimed for materials other than those delivered and installed, unless otherwise stated in the Agreement.
- 7.4. The Supplier's invoice must be sent to the correct legal entity. It must contain the Purchase order/project number or other agreed reference and sufficient documentation for TAFJORD to be able to make a decision on the claim. TAFJORD reserves the right to return incomplete invoices, unprocessed.
- 7.5. Invoices are due for payment 30 days after receiving the correct invoice.
- 7.6. The supplier does not have the right to demand an invoice and/or reminder fee. Claims for late payment interest must comply with the current regulations under the "Act on interest for late payment etc." (Delay Interest Act).

8. HSE, Quality, Ethical guidelines, Environment, Public rules, Privacy information, Salary and working conditions and Reputation.

- 8.1. The valid "Code of Conduct" for Suppliers to TAFJORD can be found here:
<https://www.tafjord.no/konsern/samfunnsansvar/etiske-retningslinjer-leverandoerer/>
- 8.2. TAFJORD's Code of Conduct applies to both the Supplier and the Supplier's Subcontractors. Upon entering into the agreement, the Supplier has accepted that the Ethical Guidelines form part of the Agreement, with the rank that follows from the Standard Terms and Conditions.
- 8.3. The supplier guarantees that their business is legal in every aspect. The Supplier has undertaken to keep itself informed of, and comply with, the laws, regulations and decisions applicable at any time to the Supplier's business. Deliveries to TAFJORD must meet and be compatible with the described terms and applicable laws, regulations and decisions
- 8.4. The supplier must at all times meet the requirements of the applicable Norwegian Personopplysningsloven (Personal Data Act) with regulations. The supplier must take necessary measurements to ensure compliance with requirements as a result of the EU privacy regulation, including, but not limited to, requirements for transparency, internal control, routines for information security, assessment of privacy consequences, data processor agreements, transfer to other states, notification routines and built-in privacy. The supplier must ensure that subcontractors meet corresponding requirements.
- 8.5. The Supplier is familiar with the manufacturing process of the goods covered by the Agreement and guarantees that they have been produced with labor in accordance with the UN Convention on the Rights of the Child A, Article 32 and ILO Convention No. 138. In the event of a breach of the conventions in connection with the manufacturing process, TAFJORD will be entitled to expel/exclude the company in question that does not meet the requirements from its premises with immediate effect, refuse receipt and demand the immediate removal of all goods that have been produced in violation of the above, as well as terminate the Agreement with immediate effect.
- 8.6. TAFJORD shall be indemnified for any claim resulting from a breach of clauses 8.2 to 8.5 in Part 1, and TAFJORD is entitled to withhold remuneration as security for any claims against the Supplier as a result of a breach of the above.
- 8.7. The Supplier undertakes to continue corresponding provisions towards all its subcontractors. Should the Supplier be in breach of this obligation, this will be considered major breach, which gives TAFJORD the right to terminate the Agreement with immediate effect. Reference is made to the clause on cancellation in Parts 2 and 3 below.
- 8.8. TAFJORD may, if a situation arises, at any time require access to the Supplier's systems/files in order to check whether the requirements under Part 1 clause 8 have been met. TAFJORD's right of access includes documentation and necessary systems that relate to, but are not limited to, finances, pay and working conditions. The right of access gives access to audit and verification, and includes access to conduct interviews, inspections, checks, as well as document review etc. TAFJORD has the right to instruct an independent third party to carry out the inspection. The Supplier must provide assistance for inspection free of charge for three years after the last payment has been made. The Supplier must ensure that TAFJORD or a party appointed by TAFJORD has an equal right of access to the Supplier's Subcontractors.
- 8.9. In the line of work, the Supplier must take into account that he can be considered acting on the behalf of TAFJORD in relation to the Supplier's customers and connections, among other things, The Supplier must therefore ensure that in all his work he seeks to live up to TAFJORD's values and thus contributes to TAFJORD's good reputation and brand.

9. Transfer

- 9.1. TAFJORD may transfer its rights and obligations under the Agreement to a third party, given that TAFJORD can prove that the transferee has the financial strength required to be able to fulfill TAFJORD's obligations under the Agreement.

9.2. The Supplier cannot transfer or pledge the Agreement, partly or interest in it, to a third party without TAFJORD's consent.

10. Responsibility for copyrights

10.1. The Supplier shall indemnify TAFJORD against any claims from third parties which are based on the Supplier having infringed third party copyrights. The Supplier's indemnification and liability are nevertheless conditional on the alleged infringement not having arisen as a result of basic material or information that the Supplier has received from TAFJORD.

11. Force Majeure

11.1. "Force Majeure" means an extraordinary situation beyond the control of the parties, including local or nationwide labor conflict, flood, war, military uprising, rebellion, natural disasters, pandemics, etc. which prevents one or both parties from carrying out obligations prescribed in the Agreement. The contracting party must be notified of such a situation without undue delay. In a Force Majeure situation, the parties have a mutual obligation to inform each other about all matters that are assumed to be of importance to the other party. Such information must be provided as soon as possible.

12. Insurance

12.1. The Supplier is obliged, at its own expense to have an insurance in place adapted to the Supplier's business and the nature of the delivery. The supplier must, at TAFJORD's request, provide proof of insurance for TAFJORD's inspection. The supplier is, regardless of TAFJORD's control, responsible for having insurance that covers this agreement.

13. Confidentiality

13.1. The supplier is obliged to treat all information, submitted documents and the content of the Agreement confidentially. Access shall only be granted with written consent from TAFJORD. The Supplier is obliged to ensure that its Subcontractors process all information and submitted documents in the execution of the Delivery.

14. Disputes

14.1. The Agreement is subject to Norwegian law and must be interpreted in its entirety in accordance with Norwegian legal rules. In the event of disputes regarding the understanding of these conditions, the disagreement shall be resolved through negotiations. If the negotiations are unsuccessful, the dispute shall be settled by ordinary proceedings under Norwegian law. The agreed venue is Sunnmøre district court. In the case of an international supplier, the venue is the Oslo District Court.

PART 2 – CONDITIONS FOR PROCUREMENT OF GOODS

1. Area of application

1.1. Part 2 – Conditions for procurement of goods only apply to procurement of Goods/Items.

1.2. The UN Convention of April 11th, 1980, on Contracts for the International Sale of Goods ("CISG") does not apply.

2. Requirements to the Product

2.1. Before entering into the agreement, the supplier is obliged to check that TAFJORD's specifications are suitable to fulfill the purposes that TAFJORD and/or TAFJORD's client have with the Goods. The supplier is obliged to notify TAFJORD without undue delay if TAFJORD's specifications do not meet the purpose of the Goods.

2.2. In cases where the Supplier must design and deliver complete Goods in accordance with the requirements and functional descriptions stated in the tender and/or the agreement documents otherwise, the Supplier is responsible for functional achievement.

2.3. The choice of solutions, materials and/or products must be adapted to the conditions on site and in which the Supplier should have been familiar and/or agreed with. If it has been agreed that a specific product, design, solution or material is to be included as part of the Goods, the Supplier has no right to choose to alternative solutions.

3. Additions, changes, delays, additional cost and cancellations

- 3.1. All instructions which, in the Supplier's opinion, lead to additions or changes to the agreed Goods with regard to remuneration, scope, quality etc. must be notified in writing by the Supplier without undue delay in order to be charged to TAFJORD.
- 3.2. If, as a result of the instruction, the Supplier wants to demand additional remuneration or time, this must be demanded separately and in writing at the same time as a notice in accordance with clause 3.1 above. Otherwise, the claim for an extension of the deadline and/or additional remuneration is waived.
- 3.3. The supplier's claim for additional remuneration shall be calculated based on the unit prices stated in the Agreement for similar and comparable goods. If no unit prices have been agreed for similar and comparable goods or equipment, the Supplier is obliged to submit a price offer to TAFJORD where the prices are at the same price level as the Agreement's prices.
- 3.4. Upon receipt of a request for additions or changes to the agreed Goods, the Supplier must implement this without undue delay, even if the effects of the addition or change have not yet been determined.
- 3.5. The Supplier is obligated to document the elapsed time/materials for the additional or change deliveries
- 3.6. The Supplier must immediately notify TAFJORD of a delay from the time the supplier becomes aware or should have been aware that delays would occur. An explanation for the delay must be provided together with the notification.
- 3.7. The Supplier is entitled to an extension of deadline if the delay is due to conditions from the client to TAFJORD and/or conditions for which TAFJORD has the responsibility and risk, given the condition has been notified without undue delay after the supplier became or should have become aware of the condition.
- 3.8. In case of a Force Majeure event and the situation has been notified without undue delay, the Supplier has the right to an extension of the deadline. If the Force Majeure event lasts for more than 30 days, TAFJORD has the right to terminate the agreement with immediate effect.
- 3.9. The Supplier is responsible for the losses and costs TAFJORD has incurred as a result of a delay in the Supplier's Goods. The liability applies regardless of whether the Supplier is responsible for daily fines for the same matter. But daily fines already paid for the same matter shall be deducted when paying TAFJORD's costs.
- 3.10. TAFJORD may, by notice to the Supplier, terminate the Agreement with the effect that the execution of the Work shall cease (cancellation). After such cancellation, TAFJORD must pay:
 - (i) the amount due to the Supplier for the Work already completed.
 - (ii) all expenses that the Supplier and Subcontractors incurred in connection with materials ordered prior to receiving the cancellation notice, as well as remuneration for work carried out prior to this date, and
 - (iii) all necessary cancellation fees and administrative expenses the Supplier incurs due to the cancellation.

Payment will be done in compliance with clause 7, Part 1

4. Place of delivery

- 4.1. The Item(s) must be delivered properly packed and marked as agreed, at the place specified in the Agreement or later agreed. If there is no agreed place of delivery, the Item(s) must be delivered to TAFJORD's main address. The Item(s) must be packed in a way that there will be no damage during transport and storage.

5. Delivery, transfer of risk and ownership

- 5.1. Items are considered delivered when the Item(s) are finished unloaded and placed at place of delivery in compliance with clause 4, Part 2.

- 5.2. If the Supplier will be doing the assembly/installation of the Item(s), the transfer of risk and ownership will be considered done when the Item(s) are tested, documented and accepted by TAFJORD.

6. Public law rules/regulations

- 6.1. All Item(s) delivered to TAFJORD must comply with applicable laws, regulations, technical requirements, statutes for sales of Item(s) and equipment in Norway and the EEA area. The Supplier must, if requested by TAFJORD, deliver an offer with valid documentation that the Item(s) meet the requirements in accordance with the above-mentioned regulations, material certificates, test reports, FDV documentation and other relevant documentation. Final documentation must be delivered electronically according to TAFJORD's instructions, as well as on paper along with the Item(s).
- 6.2. If Item(s) do not comply with the abovementioned demands or the agreed documentation is not delivered on time, TAFJORD may hold the Supplier responsible for all cost TAFJORD and other parties in the delivery chain that may incur.

7. Warranty

- 7.1. The warranty period starts when the Item(s) are delivered according to clause 5 in Part 2. It expires three years thereafter (Time of Warranty).
- 7.2. The Supplier guarantees:
- (i) the Delivery throughout the Time of Warranty will comply with TAFJORD's documentation and the Suppliers specifications.
 - (ii) the Item(s) will fulfil the requirements given in the assignment description
 - (iii) that the Supplier's specification and his engineering are suitable for the purpose and the use for which it is intended to according to the Agreement; and
 - (iv) for the execution of work.
- 7.3. If the Supplier carried out warranty work during the Time of Warranty, he has the warranty liability according to clause 7.2 in Part 2 for those parts included into the warranty work. This responsibility applies for one year from the date of completion of the warranty work unless the remaining period of the Time of Warranty is longer. For deliveries or partial deliveries where custom, legislation, regulations, industry standards or other regulations regulate a longer warranty period than three years, TAFJORD is entitled to the extended warranty period.

TAFJORD has the right to enforce the warranty Subcontractors have given to the Supplier.

8. Suppliers defect and warranty liability

- 8.1. If the Item(s) has a defect when delivered to TAFJORD or it occurs after clause 5 in Part 2, the Supplier is responsible for the defect according to the rules of this clause. The Supplier however only has the responsibility for the defects TAFJORD has given the Supplier notification of without undue delay after they were made aware of the defect or should have been aware of the defect. Such notice must be given within the Time of Warranty.
- 8.2. If the Supplier has the responsibility for a defect, he must as soon as possible improve/correct the defect at his own cost. The Supplier must notify TAFJORD of the measures he intends to take as well as the time for implementation. TAFJORD shall without undue delay express its view on the Suppliers plan for improvement. TAFJORD shall not unreasonably prevent the Supplier from carrying out the improvement as planned.
- 8.3. If the Supplier cannot rectify a defect within a reasonable time after notification, TAFJORD has the right to rectify the defect itself or to have a third party do this. In that case, the Supplier must pay the necessary costs for the rectification, provided that TAFJORD proceeds in a reasonable manner.
- 8.4. In addition, TAFJORD can demand compensation for defects according to otherwise applicable rules.

9. Termination due to the Supplier's breach of contract

- 9.1. TAFJORD has the right to terminate the Agreement with immediate effect by notifying the Supplier if there is a significant breach of contract on the part of the Supplier. The supplier's bankruptcy, insolvency, breach of other significant financial conditions, repeated breaches of instructions or breaches of public laws and regulations, fraud, neglect or other conditions that breach the

relationship of trust with the Client, default which results in the Client's purpose of the agreement not being achieved, breach of provisions on pay and working conditions cf. section "ethical and social requirements", or failure to remedy breaches of contractual conditions, always constitute a significant breach.

9.2. The list in this section is not to be considered exhaustive in relation to the assessment of what constitutes a significant breach.

9.3. When the Agreement is terminated, TAFJORD has the right to take over from the Supplier the Item(s), material belonging to TAFJORD, sub-deliveries, documents and other rights that are necessary to enable TAFJORD to complete the Item(s) itself or with the help of others.

9.4. When the Agreement is terminated, TAFJORD can make the following demands:

- (i) compensation due to delay in the form of daily fines, and
- (ii) compensation for defects and/or other breaches according to contract.

10. Return

10.1. In case of return and cancellation of purchase, TAFJORD will not pay any return fee when the Item(s) are returned in undamaged and in its original packaging.

11. Sales pledge and other encumbrances

11.1. The Item(s) must be free of all kinds of encumbrances, including sales pledges. Breaches to this clause are considered to be significant breach giving TAFJORD the right to terminate the agreement immediately.

PART 3 – CONDITIONS FOR PURCHASE OF SERVICE

1. Area of application

1.1. Part 3 – Conditions for purchase of services only applies for purchase of Services

1.2. Execution of Services may include delivery of materials and systems. Conditions in Part 3 will apply to this kind of Agreement, but only where the Service is a significant part of the Suppliers obligation.

2. Requirement for service

2.1. The Supplier must carry out the Service professionally and always take care of TAFJORD's interests with due care. The Supplier must prioritize safety and protect life, health, property and environment.

2.2. Before entering into the agreement, the Supplier is obliged to verify that TAFJORD's specifications are suitable to fulfil the purposes that TAFJORD and/or TAFJORD's client have with the Service. The supplier is obliged to notify TAFJORD without undue delay if TAFJORD's specifications do not meet the purpose of the Service.

2.3. Supplied materials and systems must be of normal good standard and quality unless otherwise mentioned in the Agreement.

2.4. Any approval from TAFJORD'S on the Service, does not exempt the Supplier from the liability under the Agreement.

3. Additions, changes, delays, additional cost and cancellations

3.1. All instructions which, in the Supplier's opinion, entail additions or changes from the agreed Service with regard to remuneration, scope, quality, etc. must be notified in writing by the Supplier without undue delay. If not notified, the Supplier shall indemnify TAFJORD.

3.2. f, as a result of the instruction, the Supplier wants to demand additional remuneration or time, this must be demanded separately and in writing no later than the same time as a notice in accordance with clause 3.1 above. Otherwise, the claim for an extension of the deadline and/or additional remuneration is waived.

- 3.3. For additional and/or change deliveries, the unit price listed in the Agreement will apply.
- 3.4. Upon receiving a request for additions and/or changes from the agreed Services, the Supplier must implement this without undue delay even if the effects of the additions and/or the change have yet not been determined.
- 3.5. When there is an additional and/or changed delivery, the time and material used must be documented by the Supplier.
- 3.6. The Supplier must immediately notify TAFJORD of a delay from the time the supplier becomes aware or should have been aware that delays would occur. An explanation for the delay must be provided together with the notice.
- 3.7. The Supplier is entitled to an extension of deadline if the delay is due to conditions from the client to TAFJORD and/or conditions for which TAFJORD has the responsibility and risk, given the condition has been notified without undue delay after the supplier became or should have become aware of the condition.
- 3.8. In case of a Force Majeure event and the situation has been notified without undue delay, the Supplier has the right to an extension of the deadline. If the Force Majeure event lasts for more than 30 days, TAFJORD has the right to terminate the agreement with immediate effect.
- 3.9. If Item(s) do not comply with the abovementioned demands or the agreed documentation is not delivered on time, TAFJORD may hold the Supplier responsible for all cost TAFJORD and other parties in the delivery chain may incur.
- 3.10. TAFJORD may, by notice to the Supplier, terminate the Agreement with the effect that the execution of the Work shall cease (cancellation). After such cancellation, TAFJORD will pay the amount the Supplier are entitled to for the Work already carried out.

4. Delivery

- 4.1. Delivery of the Service takes place as the Service is provided to TAFJORD.

5. Progress in the execution of the service

- 5.1. The Supplier must carry out the work within the compliance of the agreed plan of progress. If the Supplier suspect the execution of the Service to be delayed, he must without undue delay notify TAFJORD.

6. Daily fines

- 6.1. Unless otherwise agreed, TAFJORD may demand a daily fine if the delivery is delayed according to the commitment of the Agreement.
- 6.2. In the event of default, a daily fine of 0.2% of the agreed remuneration without VAT is automatically incurred for the part of the delivery that is defaulted for each calendar day the default lasts. The daily fine cannot, however, be less than NOK 1,000 per calendar day. The daily fine shall in total not amount to more than 10% of the consideration for the entire Agreement without VAT.

7. Key personnel for the execution of the service

- 7.1. Staff within the Suppliers organization, defined as Key Personnel to the execution of the Service, cannot be replaced or changed without written consent from TAFJORD.

8. TAFJORDS right to temporarily suspend work

- 8.1. TAFJORD may, with notification to the Supplier, demand that the execution of the Service or parts of the Service to be temporarily suspended.

The notice must specify which part of the Service is to be discontinued and the period of the time for the suspension. Furthermore, the notice must include mobilization plan and any support function to be maintained while the Work are suspended

The Supplier must resume the Service after notification from TAFJORD. The time for resumption of the service is determined taking into account the mobilization plan and the maintained support functions.

9. Public law rules/regulations

- 9.1. The Supplier shall carry out the Service in compliance with safety demands stated in law or in compliance with the law, and otherwise in compliance with clause 8, Part 1.
- 9.2. If Item(s) do not comply with the abovementioned demands or the agreed documentation is not delivered on time, TAFJORD may hold the Supplier responsible for all cost TAFJORD and other parties in the delivery chain that may incur.

10. The Supplier's liability for defects

- 10.1. The deficiency exists if the Service does not lead to the result TAFJORD according to the Agreement has the right to demand. The Supplier is responsible for all loss, damage and cost incurred to TAFJORD as a result of any defect on the Suppliers Service. Deficiencies do also exist if the Supplier do not carry out additions and/or changes instructed by TAFJORD, work not executed according to agreed progress plan or not in compliance with current regulations.
- 10.2. If the Service has a defect when it is delivered to TAFJORD, or it arises according to clause 4 in Part 3, the Supplier is responsible for the defect according to the rules in this clause. The supplier is nevertheless only responsible for a defect that TAFJORD has notified the supplier about without undue delay after they discovered it or should have discovered it. Such notice must be given no later than three years from the end of the assignment.
- 10.3. If the Supplier has the responsibility for a defect, he must as soon as possible improve/correct the defect at his own cost. The Supplier must notify TAFJORD of the measures he intends to take as well as the time for implementation. TAFJORD shall without undue delay express its view on the Suppliers plan for improvement. TAFJORD shall not unreasonably prevent the Supplier from carrying out the improvement as planned.
- 10.4. If the Supplier cannot rectify a defect within a reasonable time after receiving the notification, TAFJORD has the right to rectify the defect itself or to have a third party do this. In that case, the Supplier must pay the necessary costs for the rectification, provided that TAFJORD proceeds in a reasonable manner.

In case the defect cannot be rectified, TAFJORD may demand a price reduction accordingly.
- 10.5. For complaints about remedial works and redelivery, a further complaint deadline of one year runs from the completion of the remediation/redelivery.
- 10.6. In addition, TAFJORD may demand compensation for defects according to otherwise applicable rules.

11. Termination due to the supplier's breach of contract

- 11.1. TAFJORD has the right to terminate the Agreement with immediate effect by notifying the Supplier if there is a significant breach of contract on the part of the Supplier or as otherwise stated in the Standard Terms and Conditions or the terms of the Agreement. The supplier's bankruptcy, insolvency, breach of other significant financial conditions, repeated breaches of instructions or breaches of public laws and regulations, fraud, neglect or other conditions that breach the relationship of trust with the Client, default which results in the Client's purpose of the agreement not being achieved, breach of provisions on pay and working conditions cf. section "ethical and social requirements", or failure to remedy breaches of contractual conditions, always constitute a significant breach.
- 11.2. The list in this section is not to be considered exhaustive in relation to the assessment of what constitutes a significant breach.