



## APPENDIX 1: GENERAL TERMS AND CONDITIONS OF PURCHASE (SERVICES) *Color Line*

### 1 DEFINITIONS

"**Color Line**" means Color Line AS or the company stated as such in the Confirmation of Assignment, and Color Line's successors and assignees.

"**Confirmation of Assignment**" means the document that Color Line sends to the Contractor confirm the purchase of services under the Contract.

"**Contract**" shall mean the written contract for each individual purchase of Services between Color Line and the Contractor consisting of the Confirmation of Assignment, these Standard Terms and any other contract documents explicitly made a part of the agreement and approved in writing by the Contractor and Color Line.

"**Contractor**" means the person, firm or company as specified in the Confirmation of Assignment and to whom the Confirmation of Assignment is issued.

"**Services**" means the services as described in the Confirmation of Assignment.

"**Standard Terms**" means these general terms and conditions of purchase of Services.

### 2 GENERAL

2.1 The Contract consists of and shall in the event of any conflict between them be given priority in the following order, unless otherwise agreed in writing: i) the Confirmation of Assignment, ii) these Standard Terms and iii) any other documents referenced herein.

2.2 In the case of combined deliveries, these Standard Terms apply to that part of the delivery which relates to the performance of services, and the "Standard Terms for the purchase of goods for Color Line AS" to that part of the delivery which relates to the delivery of goods, as appropriate.

2.3 If the Contractor starts to perform under the Confirmation of Assignment, this shall constitute acceptance of the Contract and the Standard Terms, and any other contract documents referred to in these documents.

2.4 Any reservation or discrepancies in any confirmation or other documents from the Contractor shall be of no effect and shall entitle Color Line to cancel the Confirmation of Assignment without any liability.

2.5 None of the provisions or requirements of the Contract shall be considered waived by Color Line, unless explicitly approved in writing by Color Line.

2.6 The Contractor may not assign or pledge the Contract or a part thereof or interest in it to a third party without the written consent of Color Line.

2.7 The Contractor shall not enter into any agreement for sub-supply concerning the Services without the prior written consent of Color Line. Such approval is not required for limited use of hired labour. No sub-supply, regardless of approval from Color Line, shall

relieve the Contractor from any of its obligations under the Contract.

2.8 The Contractor shall inform Color Line, without undue delay, about new services, suggested improvements to the Services already provided, and other changes that may contribute to the efficiency of the Services, and to inform Color Line about Services where the cost is not in reasonable proportion to Color Line's benefit. The Contractor shall provide Color Line with an adequate decision-making basis so that Color Line is able to make choices about the possible introduction of new services.

2.9 If Color Line so requires, the Contractor must provide without undue delay adequate security for the fulfilment of its obligations in the Contract in the form of an irrevocable, unconditional guarantee from a bank or parent company approved by Color Line.

2.10 The Contractor shall ensure that the Contractor and the Contractor's personnel and/or appointed assistants and sub-contractors are not and cannot enter into any form of conflict of interest in connection with the fulfilment of the Contract.

### 3 CONFIRMATION OF ASSIGNMENT, CHANGE AND CANCELLATION

3.1 The Confirmation of Assignment to which these Standard Terms apply is an offer to purchase Services made by Color Line and shall become a Contract only upon the sending of an acceptance by the Contractor. A Confirmation of Assignment shall under any circumstance be deemed to be accepted by the Contractor within five (5) working days after issuance of the Confirmation of Assignment by Color Line.

3.2 If a confirmation or acceptance returned by the Contractor to Color Line does not comply with the Confirmation of Assignment, these Standard Terms or what is otherwise agreed with Color Line, such conditions shall not be binding on Color Line and Color Line reserves the right to cancel the Confirmation of Assignment without cost and/or obligation.

3.3 Color Line is under no obligation to purchase the Services and may furthermore without liability cancel, in whole or parts, the Services rendered under the Contract with written notice fourteen (14) days before Services is scheduled to take place.

3.4 In case of any request for change, modification or rescheduling of the Services, the Contractor shall make its best efforts to accommodate such request.

3.5 If Color Line, after the conclusion of the Contract, has a need to change the requirements applicable to the Services, or other conditions for the Contract, in such a manner that the nature or scope of the service will differ from what has been agreed, Color Line may request an amendment agreement.

In such a situation, the Contractor may request adjustments to the consideration or time schedules due to such a change. Any request for adjusted consideration or time schedule must be submitted, at

the latest, at the same time as the Contractor's response to Color Line's request for an amendment agreement.

3.6 Changes to the Services shall be made in writing and shall be signed by authorised representatives of the parties. The Contractor shall maintain a directory of the changes on an ongoing basis, which shall form an appendix to this Contract and shall without delay provide Color Line with an updated copy thereof.

#### **4 THE CONTRACTOR'S OBLIGATIONS**

4.1 The Contractor is responsible for ensuring that the Services delivered are in accordance with the Contract, and fulfils the requirements and descriptions specified herein. The Contractor is also responsible for ensuring that the Services are in accordance with the service level requirements, if applicable. For Services for which no explicit service level requirements are specified, the service level must be equivalent to what can be expected of a standard equivalent good service in the market.

4.2 The Contractor shall provide the Services in good faith, in a professional, efficient, timely and workmanlike manner, with such degree of skill, reasonable care and diligence, as appropriate for the furnishing of the Services. Moreover, the Contractor shall ensure that the Services are meeting in a satisfactory manner the needs, objectives, functions and requirements specified in the Contract or which the Contractor was or should have been aware that Color Line had on entering into the Contract. The Contractor shall actively seek out the information that is required for the performance of Services and cannot plead lack of information from Color Line as the reason for the Services failing to comply with the Contract.

4.3 The Services shall be rendered at the time and place as specified in the Confirmation of Assignment, and if not specified, where the Services normally is rendered for Color Line to fully benefit from the Services.

4.4 The Contractor shall always comply with the applicable laws and regulations, and the Contractor shall obtain and maintain all necessary permits to perform the Services whenever necessary. Specifically, the Contractor shall ensure that the Services rendered under the Contract always comply with the legal requirements outlined in applicable laws and regulations, and that the Services comply with high industry and business standards. The Contractor must notify Color Line immediately should the Contractor be aware of any non-compliance with the obligations according to this section 4.4. For the avoidance of doubt, this notification obligation also applies should the Contractor or its owners directly or indirectly be sanctioned by governments or authorities that hinder or is likely to hinder the continuance of the Contract.

4.5 The Contractor shall have the certifications outlined in an appendix to or as otherwise stated in the Contract, if applicable. The Contractor shall

immediately inform Color Line if there are significant changes in the Contractor's certifications.

4.6 The Contractor shall always have an extensive, up-to-date and an adequate quality assurance system to be followed in carrying out the duties and obligations under the Contract. Color Line may require a detailed account of the quality assurance system and may require improvements to this to the extent that Color Line finds that the system is not good enough to ensure that the delivery of the Services in accordance with the provisions in the Contract.

4.7 The Contractor undertakes to have an HSE system in accordance with HSE (internal audit) regulations. Color Line can require this to be presented. Color Line may require the Contractor to adapt to a well reputed system upon approval from Color Line.

4.8 The Contractor shall comply with any and all instructions made by Color Line with respect to safety and other instructions relevant when accessing and performing the Services at Color Line's facilities.

4.9 The Contractor must comply with all statutory environmental requirements, or the common requirements in the relevant industry, in its own business and for the Services. The Contractor must, at its own expense, provide the environmental information necessary for Color Line, such as, but not limited to fulfil reporting obligations in the environmental accounts required by the Accounting Act.

4.10 The Contractor must be able to provide thorough and relevant training on equipment and any software which is covered by the Contract.

#### **5 THE CONTRACTOR'S PERSONNEL**

5.1 The Contractor is responsible for personnel and any subcontractors and any agents used in the execution of the Contract having the necessary residence and work permits for the location where the work is to be performed, and that such personnel have working conditions that comply with applicable workplace regulations.

5.2 The Contractor shall at all times have sufficient expertise and the resources necessary to ensure high-quality Services. The Contractor shall manage its resources in the manner that is most efficient and effective for Color Line. The Contractor's personnel shall have the necessary formal qualifications, including government authorisations and/or certificates, to carry out their tasks. The Contractor's personnel shall furthermore have the necessary and sufficiently adequate real skills to perform the individual tasks in an appropriate and professional manner. The Contractor shall ensure that its personnel are kept technically up-to-date and the personnel shall actively contribute to the ongoing transfer of experience to Color Line during the performance of the work.

5.3 The Contractor shall provide Color Line with a list of the personnel whom the Contractor wishes to have access to Color Line's property, plant and equipment. This list shall be sent to Color Line's contact. If Color Line does not approve the personnel, Color Line shall then provide the Contractor with written notice no later than 7 days prior to the arrival of the personnel.

5.4 The Contractor shall only use personnel that have been approved by Color Line. Color Line may at its own discretion require the replacement of personnel who do not have sufficient technical quality, who have cooperative problems with other personnel or otherwise do not perform the Services in an for Color Line acceptable way. Any such required replacement must be carried out and effectuated by the Contractor at no additional cost to Color Line.

5.5 The work to be performed under the Contract may be subject to a collective wage agreement in accordance with the Norwegian Wage Act. This means that all employees of the Contractor must have at least the wage and working conditions specified by the relevant wage regulations.

The Contractor shall ensure that employees of its own organisation and the employees of any subcontractors do not have wages and working conditions that are worse than those required by the relevant wage regulations. This applies only to employees who directly contribute to fulfilling the Contract. The head of the Contractor's operations is responsible for ensuring adherence to this policy.

All agreements which the Contractor enters into that involve the performance of work under this Contract shall contain similar conditions.

Where the Contractor fails to comply with this clause, Color Line shall be entitled to retain part of the contract price until there is evidence that the conditions are in order. The amount to be withheld shall correspond to twice the amount of the savings made by the Contractor.

On request, the Contractor shall submit documentation about the wages and working conditions in force. This documentation obligation shall also apply to any subcontractors.

5.6 The Contractor shall remain responsible for the payment of all salaries, wages and other employee benefits and employer's contributions in relation to the Contractor's personnel and for all payments to its agents and subcontractors. Nothing in these Standard Terms and/or the Contract or the fact that the Contractor's personnel, or the Contractor's agents and subcontractors are located on Color Line's premises shall be construed to establish any contract of employment or other contract between Color Line and any of the Contractor's personnel or the Contractor's agents or subcontractors.

## **6 CONSIDERATION AND PAYMENT TERMS**

6.1 The consideration and payment terms are specified in the Confirmation of Assignment. The agreed sum is exhaustive and includes all costs, taxes, and charges, excluding VAT. No travel expenses or travel costs, and/or related costs or expenses will be covered.

6.2 The Contractor shall be responsible for payment of any fees, dues, taxes, and other similar payments incurring prior to final delivery of the Services. The Contractor shall compensate Color Line for any costs or outlays that Color Line may be charged or forced to pay in relation to the Services prior to the performance of the Services.

6.3 If a budget or fee cap has been agreed, then such budget or fee cap shall be diligently complied with. If the actual work costs less that outlined in the budget and/or fee cap, then the Contractor shall invoice according to actual costs.

## **7 DELAY**

7.1 The Contractor shall promptly notify Color Line if circumstances occur that may reasonably prevent it from performing the Services according to the agreed time or place. The notice must specify the reason for the problem and, as far as possible, when the Services can be rendered. The same will apply if it can be assumed that further delays will occur after the first notice has been given. When the Contractor experiences problems fulfilling its obligations to render its Services in general, the Contractor undertakes to prioritise Color Line as a customer.

7.2 In the event of any delay, Color Line may choose, at its discretion, without prejudice to any other right or remedy, to claim either damages and/or a to cancel the Confirmation of Assignment (in part or in full) and/or to make a replacement of the supply of Services (in which case the Contractor is obligated to cover any additional costs).

## **8 INVOICING**

8.1 The invoice payment terms are as specified in the Confirmation of Assignment or as specified in another contract document. The invoices shall conform to the requirements of Color Line. An invoice cannot be issued prior to delivery of the Services. Unless not otherwise specified in the Confirmation of Assignment or another contract document, the payment of rendered Services is due 45 days from the invoice date.

8.2 To the extent permitted by law, invoices shall be without VAT.

## **9 ETHICAL TRADING**

9.1 The Contractor shall ensure that it does not either directly nor indirectly engage in social dumping, child labour or other conditions that conflict with IEH guidelines for ethical trade, ILO's fundamental conventions on principles and rights at work, or the UN's human rights (including UN's International

Covenant on Civil and Political Rights of 1966, UN's International Covenant on Economic, Social and Cultural Rights), and the Contractor shall ensure that the duties and obligations as set out herein also shall be complied with throughout its value chain.

9.2 Where the Contractor fails to comply with this section 9, Color Line shall be entitled to retain part of the contract price until there is evidence that the conditions are in order. The amount to be withheld shall correspond to twice the amount of the savings made by the Contractor.

The Contractor must, upon Color Line's request, submit sufficient documentation supporting the Contractor's compliance with this section 9. This documentation obligation shall also apply to any subcontractors.

9.3 Additional requirements applicable to the Contractor are set out in the Supplier Code of Conduct.

## **10 DURATION AND TERMINATION**

10.1 The Contract enters into force on the date on which it is signed by the parties. Unless a different duration is agreed, the Contract will be for a term of 3 years calculated as from the effective date. Color Line may terminate the Contract by giving one (1) month notice, unless otherwise is agreed. Specific Services may in addition be cancelled pursuant to section 3.3 above.

10.2 The Contractor is obliged to extend the Contract on otherwise equal terms by up to six (6) months as of the date of discharge of the Contract, if thus requested by Color Line. Color Line shall give notice to such effect no less than sixty (60) calendar days prior to the expiry of the Contract.

If Color Line terminates the Contract for breach by the Contractor, notice as mentioned in the above paragraph may be given simultaneously with the notice of termination for breach.

10.3 The notice period runs from the date of the notice of termination, until the Contract expires. The Services will remain in force during the notice period, irrespective of the reason for termination. The Contractor will to a reasonable extent assist Color Line in connection with the preparations for the conclusion of any new agreement and provide such information as is necessary in connection with these preparations. Also the Contractor will be obliged to facilitate the transfer of the following to Color Line or a designated third-party: information and documentation that is tailored and/or made specifically for Color Line during the term, data that is legally required and/or other data owned by Color Line.

10.4 Irrespective of section 10.1 above, Color Line may without incurring any liability towards the Contractor terminate the Contract, in whole or in parts (including on a per vessel basis), with immediate effect if Color Line

- a) for commercial reasons (including but not limited to sale, transfer or assignment of a vessel); or
- b) due to any act or regulations which affects its business

decides to permanently or for an unspecified period of time cease the operations for a vessel ("Removed Vessel") on which the Services are to be rendered.

Termination of a Contract with respect to a Removed Vessel shall not otherwise alter the Parties rights and obligations under the Contract.

## **11 DEFAULT, WARRANTY AND REMEDIES**

11.1 The Contractor will be in breach in the event that the Contractor fails to fulfil its obligations according to the Contract, including if the Services does not correspond to the agreed functions, requirements and/or deadlines, or if the Contractor ceases carrying on business.

11.2 On any breach by the Contractor, it is the Contractor's responsibility to rectify the error in such a way that the Services once again corresponds to the Contract. The error must be rectified as soon as possible.

If the error is not rectified within five (5) working days, then Color Line shall be entitled, at its discretion and at the Contractor's expense, and without prejudice to any other rights or remedies it may have, to:

- (a) cease all payments until obligations are fulfilled,
- (b) render the Services from another supplier of (in which case the Contractor is obligated to cover any additional costs),
- (c) claim either damages, compensation and/or a reduction in the consideration and/or to cancel the Contract (in part or in full), and/or
- (d) request liquidated damages pursuant to clause 11.3 below.

11.3 If the agreed date of delivery (delivery date) or other deadline for which the parties have stipulated is not complied with, this will be a delay on the part of the Contractor as the basis for liquidated damages.

Liquidated damages will be accrued automatically. The liquidated damages amount to 0.2 percent of the agreed consideration payable for the first six months, excluding value added tax, for each calendar day of delay, but limited to maximum one hundred (100) calendar days.

11.4 On any failure to achieve the agreed service level, Color Line may require financial compensation in accordance with the standardised rates, if agreed.

11.5 The Contractor warrants that, on the date of performance of the Services, the Services shall (a) conform to the Contract and any and all of its

requirements, as well as other applicable requirements as of such date, (b) in all respects comply with all applicable laws and regulations and (c) not infringe any intellectual property right of any third party. The Contractor shall assist Color Line in documenting compliance with this clause, specifically applicable laws, and regulations by providing all reasonably necessary documentation and information.

11.6 The Contractor shall defend, indemnify, and hold harmless Color Line against all liability, loss, damages, costs, and expenses (including consequential, special, or incidental losses or damages and legal costs and expenses) awarded against or incurred or paid by Color Line as a result of or in connection with any breach, including breach of any warranty, by the Contractor, the Contractor's personnel, or the Contractor's agents or subcontractors and against any fines, costs, or expenses arising from Contractor's, the Contractor's personnel, or the Contractor's agents or subcontractors failure to comply with any applicable laws, rules, or regulations.

11.7 Color Line will not be responsible or held liable for any consequential, special, or incidental losses or damages, including (but not limited to) loss of production or loss of profit. This limitation of the liability shall not apply in the event of gross negligence or wilful misconduct. In any event, the total liability of Color Line is the average annual consideration under the Contract.

## **12 FORCE MAJEURE**

12.1 Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under the Contract if such delay or failure result from events, circumstances or causes beyond its reasonable control ("Force Majeure"). In such circumstances the time for performance shall be extended by a period equivalent to the period during which performance of the obligation has been delayed or failed to be performed.

12.2 The party prevented from performing by Force Majeure shall notify the other party as soon as possible of its inability to meet its obligations, specifying the cause of the Force Majeure and estimated extent to which the event or condition will impact performance, and shall notify the other party when such impact ceases. Failure to do so forfeits the party's right to an extension of the time for performance.

12.3 The party claiming a Force Majeure event or condition shall act diligently to remove or remedy such event or condition. If the period of delay or non-performance continues for fifty (50) days, the party not affected may terminate the Contract by giving ten (10) days' written notice to the affected party.

## **13 INTELLECTUAL PROPERTY RIGHTS**

13.1 Each party acknowledges that intellectual property rights owned by one party shall remain the property of that party, and that nothing in the Contract shall be construed as conferring any licence or granting

any rights in favour of the other party in relation to the intellectual property rights of a party.

13.2 The Contractor shall indemnify and hold harmless Color Line against any actual or alleged claims and proceedings, including legal fees, by third parties regarding any infringement in any jurisdiction of any design or work method, patent, copyright, proprietary right or confidential know-how or any other intellectual property rights related to the Services.

## **14 PERSONAL DATA**

14.1 Color Line and the Contractor may collect and use personal data as a part of the Contract. These circumstances can include, but are not limited to, when: necessary for contractually related purposes, any personal data collected is subject to the EU General Data Protection Regulation 2016/679 ("GDPR"), as incorporated into Norwegian law. To ensure compliance with the GDPR, Color Line and the Contractor shall take any measure needed to ensure compliance. Each party is responsible for its own processing of personal data.

## **15 MISCELLANEOUS PROVISIONS**

15.1 Insurance. If the Services rendered under the Contract can be insured, and such insurance is customary, then the Contractor shall always have an insurance coverage in line with industry standards that cover the liability the Contractor may incur in relation to Color Line or a third party for damages the Contractor may cause while performing the Services. The Contractor must also always have the necessary insurance in place for its employees, as specified by law and by collective agreement.

15.2 Early Termination. Without affecting any other right or remedy available to it and notwithstanding anything else, either party may terminate the Contract with immediate effect by giving written notice to the other party if:

(a) the other party fails to pay any amount due under the Contract on the due date for payment and remains in default not less than 60 days after being notified in writing to pay;

(b) the other party commits a material breach of any term of the Contract which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 30 days after being notified in writing to do so;

(c) the other party repeatedly breaches any of the terms of the Contract in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of the Contract;

(d) the other party is or becomes the subject of a bankruptcy or liquidation order; or

(e) the other party suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business.

15.3 Consequences of termination. Termination or expiry of the Contract shall not affect any rights, remedies, obligations, or liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry. On termination or expiry of the Contract, the Confidentiality (section 16), Governing law (section 17.1), and Dispute Resolution (section 17.2) clauses shall remain in force.

15.4 Severance. If any provision or part-provision of the Contract is or becomes invalid, illegal, or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal, and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

15.5 Rights and remedies. The rights and remedies provided under the Contract are in addition to, and not exclusive of, any rights or remedies provided by law.

15.6 Waiver. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy.

15.7 No partnership. The relationship of the parties is that of independent contracting parties. The parties specifically and expressly disclaim any intention to create an employer-employment relationship, partnership, joint venture, or consortium, or to constitute any party as the agent of the other.

## 16 CONFIDENTIALITY

16.1 Each party undertakes that it shall not at any time disclose to any person or another third party any confidential information concerning the business, affairs, customers, clients, or Contractors of the other party or of any member of the group of companies to which the other party belongs, except as permitted below in this clause 18.

16.2 Each party may disclose the other party's confidential information:

(a) to its employees, officers, representatives, or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with the Contract. Each party shall ensure that its employees, officers, representatives, or advisers to whom it discloses the other party's confidential information comply with this clause 18; and

(b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

16.3 No party shall use any other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with the Contract.

16.4 A breach of the requirements set forth in this provision is considered a material breach of the Contract.

16.5 The duty of confidentiality shall be considered everlasting.

## 17 CHOICE OF LAW AND LEGAL VENUE

17.1 Any dispute arising from this Contract, including any disputes arising from the Services rendered under the Contract, shall be governed, and construed in accordance with the laws of Norway.

17.2 If any dispute arises between the parties regarding the interpretation of the Contract or the legal effects of the Contract, attempts shall be made to resolve the dispute through negotiation. Where such negotiations fail, the dispute shall be resolved by the ordinary courts, unless the parties agree to submit the case to arbitration. The agreed venue is Oslo District Court.