

AGREEMENT

between

Statnett SF
Org.no. 962986633
(hereinafter Statnett)

and

Org.no. xxxxxxxxx
(hereinafter Supplier)

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ARTICLE 1 – BACKGROUND AND PURPOSE

R&D is one of the strategical tools Statnett uses to realize the corporate strategy and objectives. R&D targets solutions and possibilities that increase safety, efficiency, innovation and competence within Statnett.

Statnett aims at being a driving innovative force in selected fields concerning the next generation power system. A focused and targeted R&D effort shall lead to useful innovations and competence in Statnett.

The purpose of the agreement is to facilitate a beneficial co-operation between the Parties through the regulation of their rights and obligations pertaining to research and development projects, and any other research-related activities, that the Supplier undertakes to carry out for Statnett.

ARTICLE 2 – AGREEMENT DOCUMENTS

The Agreement consists of the following documents:

1. These Terms and Conditions
2. Annex A: Statnett's ethical guidelines for Suppliers
3. Annex B: Scope of Work (with further description of the aim of the work, payment conditions, any changes in these Terms and Conditions etc.)
4. Annex C: Declaration of confidentiality
5. Annex D: Self declaration on salary and working condition

In case of conflict between the Agreement documents, they shall take precedence according to the order above, unless specific deviations expressively have been agreed to in Annex B. In the following, the term "Agreement" shall mean these Terms and Conditions with all annexes.

ARTICLE 3 – EXECUTION AND ORGANIZATION OF THE WORK**3.1 Organization of the work**

The work shall be performed and organized in accordance with Annex B. Statnett shall appoint a project leader to which the Supplier shall report. Supplier shall report progress/deviation in accordance with Annex B. In addition, Supplier shall at any time, upon request, give information about work progress. Statnett shall have the right to follow the work provided that this will not result in disclosure of Supplier's confidential information pertaining to other projects. Supplier shall facilitate Statnett's right to follow the research and development work as described in Annex B.

3.2 Personnel

Supplier shall ensure that only qualified personnel, materials, equipment and facilities are used for the work. Supplier shall maintain all necessary approvals and permits necessary to perform the work, unless otherwise specified in Annex B. Which personnel and type of competence to be used in the project shall be decided in cooperation with Statnett and shall be described in Annex B prior to signing the Agreement. Supplier may not change personnel who perform work under this Agreement without Statnett's approval. Approval cannot be withheld without reasonable grounds. Statnett may, upon reasonable grounds to do so, demand that any personnel are replaced.

3.3 Changes

Each Party may propose changes in the assignment's scope, contents and guidelines based on the results of the work, technical development or other factors that alters the prerequisites for the assignment. Before any changes are implemented, Annex B shall be updated and approved in writing by Statnett. If the changes are minor, Supplier may describe the changes in an appendix to Annex B which shall be approved in writing by Statnett. All changes must be approved in writing before execution.

3.4 Sub-suppliers

Defined parts of the work may be carried out by sub-suppliers upon prior written approval from Statnett. Supplier shall ensure that sub-suppliers are bound by the terms and conditions of this Agreement. Supplier is responsible for the acts and omissions of its sub-suppliers as if they were its own.

ARTICLE 4 – QUALITY ASSURANCE, LIABILITY AND BREACH OF CONTRACT

4.1 General obligations

The work shall be performed in a professional and careful manner, and in accordance with the Agreement, applicable laws and regulations and Annex A. Supplier shall have in place a documented quality assurance system in accordance with ISO 9001 or similar. Unless otherwise specified in the Agreement, background law on remedies for breach of contract applies.

4.2 Delay

The work shall be performed in accordance with the schedule in Annex B. Supplier shall inform Statnett of any delays as soon it is reason to expect that agreed deadlines cannot be reached. Statnett may approve a revised schedule. If Statnett does not approve a revised schedule, the original schedule applies.

4.3 Termination

The Agreement may be terminated if a Party is in material breach, unless such breach is not remedied within a reasonable time limit set by Statnett. The Agreement may be terminated with immediate effect if:

- Supplier uses the payment for other purposes than those pursued by the Agreement
- The work is materially delayed according to the schedule in Annex B
- Material or repeated breach of Annex A as described in its Article 8

4.4 Statnett's liability

Statnett shall not be liable for any damage or loss suffered by the Supplier under this Agreement. This limitation applies for damages or loss to property, economic loss and damage or injury to Supplier's personnel, its employees, researchers, students, sub-suppliers or other third parties. The limitation does not apply if the loss or damage is a result of Statnett's gross negligence or intent.

The accumulated liability in the agreement period shall be limited to the agreement sum excluding VAT or the agreed estimate for the assignment.

4.5 Supplier's liability

Statnett shall have the right to claim damages for any direct loss caused by delay, fault or other breach of contract on the part of Supplier.

Supplier is not responsible for indirect loss. Indirect loss includes loss of data, unless handling of data is Supplier's responsibility under the Agreement.

The accumulated liability in the agreement period shall be limited to the agreement sum excluding VAT or the agreed estimate for the assignment.

The limitation in paragraph two and three above does not apply if Supplier or anyone for which it is responsible, has acted with gross negligence or intent.

4.6 Insurance

Supplier shall have an insurance which covers its liabilities under this Agreement.

ARTICLE 5 - PAYMENT

5.1 Statnett shall pay in accordance with Annex B.

5.2 The payment shall be made within 30 days after Statnett has received Supplier's invoice. In order to be paid, the invoice and its appendices must be in accordance with the following:

- Invoice shall be identified with Statnett's purchase number (IO number, 5 digits)
- Unless otherwise agreed in Annex B, the specification shall, in a detailed manner, describe the work/deliveries that has been done by each person, with the dates and time spent.
- Any time sheets shall be approved in advance by Statnett. Unless otherwise agreed in Annex B, billable hours shall be recorded in Statnett's time registration system.
- Cost report shall be sent to Statnett's project leader.
- Unless otherwise agreed in Annex B, invoices shall be issued monthly.

Expenses are refunded only if agreed and approved in writing. Travelling and subsistence expenses shall be specified separately and are refunded in accordance with the Norwegian Government's Travel Allowance Scale unless otherwise agreed. Travel time is not billable unless otherwise agreed in Annex B.

Invoice shall be sent as e-invoice or by email to faktura@statnett.no

In addition, the following information shall appear on the invoice:

- Statnett's contact person
- Date of invoice and due date
- Supplier's organization number. If the invoice includes VAT, the letter MVA shall follow the organization number.
- Agreement number/Frame agreement number
- Project number, if provided by Statnett

An invoice, which is not in accordance with the requirements, will be returned, and Supplier must issue a new invoice with complete and correct information and with new invoice date.

- 5.3 Statnett shall have the right to withhold payment for work which is disputed. Statnett shall have the right to set off for any claim towards the Supplier.

ARTICLE 6 – RIGHTS IN BACKGROUND AND PROJECT RESULTS

6.1 General information

The Agreement may result in exchange of existing or newly developed material subject to one Party's exclusive rights under i.e. copyright-, trademark-, design- or patent law or regulation pertaining to trade secrets, knowhow etc (hereinafter referred to as intellectual property rights).

6.2 Intellectual property rights at the commencement of the work

Each Party warrants that it has the necessary intellectual property rights or license to the material which is the basis for the performance of work under the Agreement.

Unless otherwise agreed in Annex B, the Agreement does not transfer intellectual property rights which a Party can demonstrate existed prior to, or is developed outside, this Agreement. Notwithstanding the above, the Parties shall have access to each other's background information to the extent strictly necessary for the performance of the work.

6.3 Ownership to the project results

If the work is paid for in full by Statnett, Statnett shall own the results and all intellectual property rights therein. The ownership to the results and the intellectual property rights therein is successively and automatically transferred upon payment, and includes all titles and powers that can legally be transferred.

If the work is not fully paid for by Statnett, the results shall be jointly owned by the Parties with the share as stated in Annex B. If the ownership share is not stated in Annex B, the distribution of ownership shall be done based on an assessment of the economical and in-kind obligations of the Parties.

Upon joint ownership, the Parties shall conclude such agreements that are necessary to exploit the results. Statnett shall, independently of such agreements, have the right to use the results as stated in Article 6.4 second paragraph.

If Statnett's economical and in-kind obligations pursuant to the Agreement is less than 25 % of the total project costs, the Supplier shall be the sole owner of the results.

6.4 User right to the results

If Statnett is the owner of the results pursuant to Article 6.3 first paragraph, Statnett may give the Supplier a further defined user right to the results. This shall be agreed separately in Annex B.

If Statnett is not the owner of the results in accordance with Article 6.3 first paragraph, Statnett shall have a for-purpose, non-exclusive, perpetual and free of charge user right to the results. The purpose of the user right shall be for use in Statnett's current and future operations. The user right shall include, but is not limited to, operational use, use in further research and development, use as specification/basis for tenders as well as a right to further develop, adapt, modify, incorporate and reproduce the results either by itself or by aid of a third party. The user right includes the right to sublicense within its purpose.

6.5 Special provisions on inventions that are patentable

If Supplier's personnel, during the performance of the work under this Agreement, creates an invention that is patentable, and Statnett wholly or partially owns the results, Supplier shall make sure that Statnett has the rights as an employer in accordance with the provision of the Act on employees right to inventions of April 17th 1970 nr. 21 (NO: lov om retten til oppfinnelser gjort av arbeidstakere av 17. april 1970 nr. 21). Supplier shall make sure that Statnett has the same rights regarding inventions made by a sub-supplier and others performing work on behalf of Supplier. Statnett shall have the right to ownership of the invention and to apply for patent protection in accordance with the Patent Act of December 15th 1967 nr. 9 (NO: (lov om patenter av 15. desember 1967 nr. 9). Supplier shall inform Statnett of an invention without undue delay, and Statnett shall decide within one month if Statnett wishes to apply for patent protection. Supplier shall not disclose the invention before patent application is filed, or in any other manner act in a way that can prohibit a patent application.

Supplier shall give necessary aid to Statnett in connection with a patent application. Statnett shall pay Supplier's expenses, as agreed by the Parties, upon for such aid.

6.6 General knowledge

Subject to Article 10, general professional knowledge obtained by the Parties during the Agreement can be freely used.

6.7 Infringement of intellectual property rights – liability

Each Party is liable, and has the risk, that their performance of the work does not infringe on third party's intellectual property rights. A Party shall be liable to the other Party for any amount, including legal costs, payable to a third party according to a court order, and for a Party's own cost associated with the claim, as a result of such infringement.

ARTICLE 7 – EQUIPMENT

Equipment, hereunder instruments and materials etc, which is procured or produced in connection with the work and paid for by Statnett, shall be the property of Statnett. The equipment shall be stored by Supplier on Statnett's risk, but shall be covered by Supplier's insurances. Supplier shall mark the equipment with "Property of Statnett" and, if necessary and after written instruction from Statnett, maintain it on Statnett's expense. Upon termination or completion of the Agreement, Supplier shall inform Statnett that the equipment is ready to be picked up. Upon Supplier's request, Statnett shall pick up such equipment within two months following the request.

ARTICLE 8 – AUDITS AND FOLLOW UP

At any time, Statnett, either by itself or by the aid from a third party, shall during office hours have the right to perform audits at Supplier's offices and other facilities controlled by Supplier. The right to audit includes access to all information necessary to secure or verify Supplier's fulfilment of the Agreement. Supplier shall render necessary assistance in connection with audits without any further compensation.

ARTICLE 9 – PUBLICATIONS

Manuscript for publications, brochures, ads or other form of publication where results from the work are referred to or quoted, shall be approved, in advance, by both Parties. If publication is not detrimental for a Party, approval shall in ordinary cases not be withheld. When publishing, financial sources shall always be stated. Reference is made to the obligation not to disclose patentable inventions, cf. Article 6.6 above.

This Article does not prohibit exercising of user right as stated in Article 6.

ARTICLE 10 – CONFIDENTIALITY

10.1 All information, which is identified to be of sensitive character, is subject to confidentiality. This applies also to information which a Party should understand is of a sensitive character. A contracting Party shall not convey or disclose such information without the other Party's written consent.

The confidentiality obligation does not apply to information that:

- (i) is or will be publicly available by means other than a breach of this confidentiality obligation
- (ii) the receiving Party can document was in his possession before sending/receiving from the other Party

The Parties undertake to keep all information (documents, drawings, data files etc.) in such a way that they are not accessible to other personnel than those that need the information for the relevant assignment. The confidentiality obligation is not limited in time, and will continue to apply after the Agreement is terminated or completed.

The Parties warrant that all employees, hired workforce and other personnel that may have access to information from the other Party, are subject to confidentiality obligations as stated herein. If required by Statnett, personnel with access to confidential information shall sign a separate declaration of confidentiality, cf. Annex C.

Sub-suppliers pre-accepted by Statnett, which are used in performance of the work, shall always sign a declaration of confidentiality, cf. Annex C.

Breach of the confidentiality obligation may be subject to penalty and damages, in addition to other contractual remedies.

10.2 Information that can influence prices in the power marketplace is always subject to a confidentiality obligation. The same applies to sensitive information about the power supply, cf. regulation on emergency preparedness § 6-1. Supplier and Supplier's sub-suppliers, which may have access to the information mentioned above, are under the obligation to enter into a separate security agreement with Statnett. In addition, personnel which may have access to such information, shall personally sign a separate declaration of confidentiality, cf. Annex C.

10.3 Supplier may enter into other agreements within the same specialized field as this agreement, provided that there is no risk that Statnett's data and information are disclosed to a third party. If Supplier engages in projects for such third party, Statnett shall be informed thereof, provided however that the Supplier shall not be obligated to disclose the identity or the scope of such third party/project. If Supplier shall be barred from entering into agreements with a

third party after the completion of the agreement, this shall be agreed to separately.

ARTICLE 11 – TERMINATION WITHOUT CAUSE

Unless otherwise agreed in Annex B, Statnett may, with one month prior notice, terminate the Agreement without cause. Termination shall be done in writing.

If approved activities have commenced, Statnett shall refund reasonable incurred costs and the reasonable incurred costs associated with the winding up of the activities in a cost-efficient and suitable manner.

ARTICLE 12 – CHOICE OF LAW AND DISPUTE RESOLUTION

13.1 Choice of law

This Agreement is subject to Norwegian law.

13.2 Dispute resolution

Disputes arising out of the Agreement shall be attempted solved through negotiations. If the dispute is not solved at project level, the parties shall within two weeks following a request from either Party, arrange a negotiation meeting between the Parties' ultimate responsible persons for R&D activities.

If the dispute is not resolved through negotiations, it shall be referred to ordinary court proceedings. Agreed legal venue shall be Oslo tingrett.

The contract is digitally signed by authority for the parties (see the last page of the contract).