



GENERAL CONDITIONS FOR PURCHASE OF SERVICES (SWEDEN)

1. GENERAL PROVISIONS

1.1 Contract shall mean the separate contract document, these General conditions for purchase of services and any appendices, agreed amendments or variations to said documents.

Service shall mean all services to be performed by Contractor pursuant to the Contract.

1.2 In the event of any conflict between the provisions of the Contract, the various contract documents shall be given priority in the following order:

- the separate contract document;
- these General conditions for purchase of services; and
- all appendices in the order they are listed.

1.3 Notices, claims, etc. which the Contract requires to be presented in writing, shall be sent by letter, fax or confirmed electronic mail to the other party's appointed representative.

2. GENERAL OBLIGATIONS OF CONTRACTOR

2.1 Contractor shall perform the Services with that degree of skill, care, diligence and good judgement normally exercised by recognised professional firms performing work of the same or similar nature. The Services shall in all respects meet the specifications of the Contract, and shall in addition be of high quality, incorporating first class workmanship as well as fit for its intended purpose.

2.2 Contractor shall perform the Service in compliance with applicable laws and regulations. Consequently, Contractor shall have full responsibility for his personnel, including but not limited to the personnel's health, work environment and safety.

2.3 Contractor shall obtain and maintain all official permits necessary to perform the Service, and shall whenever requested by Buyer produce documentation showing that necessary permits have been obtained.

2.4 Contractor shall not assign parts of the Service to subcontractors without Buyer's written consent. Such consent does not exonerate Contractor from any obligations pursuant to the Contract.

2.5 Contractor shall have a satisfactory system for HES assurance and quality assurance suitable for the Service. In that respect, Contractor shall continually assess any risks connected to the Service and take any necessary steps to eliminate them. Contractor's risk assessment shall be documented in writing. Contractor shall, upon Buyer's request, provide documentation which shows that the HES requirements are met.

2.6 Buyer is at any time entitled to carry out, and Contractor shall assist in carrying out, audits at Contractor's or any subcontractors' premises.

2.7 Contractor shall apply standards of business conduct in the conduct of its business which are consistent with Buyer's Code of Conduct, a copy of which is available upon Contractor's request or details of which can be found at the following link: <http://www.bis.bilfinger.com>

2.8 Buyer shall not be deemed to be the employer of Contractor's personnel, even if such personnel are to perform all or parts of the Service in co-operation with Buyer. Contractor is responsible for ensuring that all taxes and charges due for personnel, for whom the Contractor is responsible as employer and who perform Services for Buyer, are paid in accordance with prevailing laws and collective agreements.

2.9 The Contractor is required to obtain an F-tax card from the Swedish Tax Agency and shall immediately notify Buyer if the F-tax card is withdrawn or if other comparable or similar changes occur.

2.10 If the Contract appoints key personnel in Contractor's organisation, such personnel shall not be replaced without Buyer's prior written approval. Such approval shall not be unreasonably withheld.

2.11 Contractor shall, at his own expense, immediately replace personnel who in Buyer's sole opinion conduct themselves in an improper manner or are unsuitable to perform the Service.

2.12 When work is carried out at Buyer's premises Contractor shall comply with any rules in force relating to safety and working conditions. Buyer will, upon Contractor's request, inform of its own rules.

2.13 When Contractor considers the Service as completed, he shall notify Buyer in writing as soon as possible. Within a reasonable time after receiving such notice, Buyer shall in writing either accept the Service as completed, or declare that the Service is not accepted as completed and the reason for this.

3. PROGRESS

If Contractor should have cause to believe that he will be unable to perform the Service in accordance with the contract schedule, he shall immediately notify Buyer in writing stating the reason for the delay, the effect on the contract schedule and furthermore include a proposal on how the delay can be minimised. Contractor shall bear own costs incurred to minimise the delay unless the delay is caused by Buyer.

Contractor is liable for losses suffered by Buyer in accordance with Section 6.2, which could have been avoided if Contractor had given notice of the delay in due time.

4. VARIATIONS, SUSPENSION AND CANCELLATION

4.1 Variations

Within the scope of what the parties could reasonably have expected at the time the Contract was entered into, Buyer may require variations with regard to the quality and/or the quantity of the Service as well as the contract schedule.

When Buyer requires a variation, Contractor shall, without undue delay, submit a written confirmation describing the variation work together with an estimate of any effects on the contract price and the contract schedule. Any variation shall be approved by Buyer by means of a written variation order before Contractor initiates the variation work.

If Contractor finds a variation is required, Buyer shall be notified, in writing, without undue delay.

Compensation for variation work shall be in accordance with the prices, norms and rates contained in the Contract, or otherwise in accordance with the original price level of the Contract. If a variation entails cost saving for Contractor, Buyer shall be credited accordingly.

If the parties disagree as to the amount to be added to or deducted from the contract price or any other consequences due to a variation, Contractor shall implement the variation without awaiting the final outcome of the dispute.

4.2 Suspension

Buyer may temporarily suspend the Service or parts thereof by written notification to Contractor. Following such notification Contractor shall, without undue delay, inform Buyer of the effects the suspension will have on the performance of the Service. Contractor shall resume the Service immediately after notification by Buyer.

If the suspension period exceeds 90 days, Contractor is entitled to cancel the Contract by notice in writing to Buyer.

During the suspension period, Buyer shall only compensate Contractor for documented and necessary expenses in connection with demobilisation and mobilisation of personnel.

4.3 Cancellation

Buyer may cancel the Service or parts thereof with immediate effect, by written notification to Contractor.

Following cancellation Buyer shall only pay the unpaid balance due to Contractor for that part of the Service already performed, and cover documented and necessary expenses incurred as a direct result of the cancellation.

5. PAYMENT

5.1 The contract number and other agreed references shall be quoted on all invoices which shall also clearly indicate what the invoiced amount relates to. Buyer is entitled to return invoices that do not meet these requirements.

5.2 If it has been agreed that Contractor shall provide a bank guarantee, Buyer shall not be obliged to make any payments prior to receipt of such guarantee.

5.3 Buyer is entitled to deduct any prepayments and accrued liquidated damages against Contractor's invoices. Furthermore, any disputed or insufficiently documented amounts, as well as any amounts owed by Contractor to Buyer, may be set-off against Contractor's invoices.

5.4 Contractor shall submit a final invoice within 45 days after Buyer has accepted the Service as completed. The final invoice shall include all claims to be made by Contractor pursuant to the Contract. Claims not included in the final invoice cannot be submitted later.

5.5 Failure evidencing that payment of tax and other levies have been paid in accordance with law entitles Buyer to withhold payment until Contractor either produces such documentation, or provides satisfactory



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security for payment of such taxes and levies. Buyer may recover from Contractor at any time any liability incurred by Buyer as a consequence of Contractor failing to pay in the required taxes and levies.

- 5.6 Buyer is entitled to audit at Contractor's premises all payments for reimbursable work for up to two years after receipt of the final invoice.

6. BREACH OF CONTRACT

6.1 Delay

Delay exists when Contractor fails to comply with the time limits stated in the Contract, unless the delay is caused by Buyer.

If Contractor's performance of the Service has such defects that Buyer's intended purpose with the Service is substantially unsuccessful, this shall be considered as delay.

Contractor is liable for delay pursuant to Article 6.2.

6.2 Effects of delay

Unless otherwise agreed, liquidated damages shall accrue at a rate of 0.3 % of the total contract price per day by which the Service or any part thereof is delayed. Liquidated damages shall, however, not exceed 15 % of the total contract price.

If the delay is caused by gross negligence or wilful misconduct on the part of Contractor or someone for whom he is responsible, Buyer may, instead of the liquidated damages, claim compensation for the losses suffered due to the delay.

Buyer may terminate the Contract if the maximum of liquidated damages have incurred or the delay constitutes a substantial breach of Contract.

6.3 Defects

The Service is considered defective if Contractor has not fulfilled its obligations in accordance with Article 2.1.

Buyer shall issue a written notice of defect within reasonable time following discovery of any defect, and in no event later than 24 months after Buyer has accepted the Service as completed. The same time limit applies in respect of rectification work, calculated from the time the rectification work was completed. The time limit for making a notice of defect does not commence as long as rectification work or other activities necessary to comply with the contractual requirements are performed.

Contractor is liable for any defect in the Service pursuant to Article 6.4.

6.4 Liability for defects

When Buyer notifies Contractor of a defect, Contractor shall commence rectification of the defect without delay. The rectification work shall be postponed upon Buyer's request provided that Buyer has a justified reason for requiring such postponement. Rectification work shall be performed for Contractor's account.

If Contractor fails to remedy the defect within reasonable time, Buyer is entitled to remedy the defect himself or employ a third party to do so for Contractor's risk and account, or to withhold payment in an amount corresponding to the value of the contract price. The same shall apply if awaiting Contractor's remedy will cause substantial inconvenience to Buyer. In such event, Contractor shall be notified in writing prior to initiating of the rectification work.

Buyer is entitled to claim compensation for losses suffered due to defects. Such compensation is limited to cover direct losses unless Contractor, or someone Contractor is responsible for, has acted with gross negligence or wilful misconduct.

Buyer may terminate the Contract if a defect constitutes a substantial breach of Contract. In such event, Buyer is entitled to reject Contractor's offer to remedy the defect.

6.5 Indemnification

Contractor shall indemnify Buyer if the performance or result of the Service constitutes an infringement of third party patent rights or other intellectual property rights, except when this is necessary due to Buyer's specifications and Contractor did not know or ought to have known that such an infringement would occur.

7. FORCE MAJEURE

- 7.1 Force majeure means an occurrence beyond the control of the party affected, provided that such party could not reasonably have foreseen

such occurrence at the time of entering into the Contract and could not reasonably have avoided it or overcome its consequences.

- 7.2 A party shall not be considered in breach of the Contract to the extent it is proven that he was unable to fulfil his contractual obligations due to force majeure. Each party shall cover its own costs resulting from force majeure.

- 7.3 The party invoking force majeure shall notify the other party thereof without undue delay. Such notice shall also include the cause of the delay and the presumed duration thereof.

- 7.4 Each party is entitled to immediately terminate the Contract by written notice if the force majeure situation continues, or it is obvious that it will continue, for more than 60 days.

8. INSURANCE

- 8.1 Contractor shall procure and maintain at his own expense liability insurance adapted to Contractor's operations and the nature of the Service.

- 8.2 The insurance shall be effective during the execution of the Service and for two years after the Service has been accepted as completed. The insurance amount shall be equal to the value of materials and labour, but not less than 200 price base amounts. The excess shall not exceed three price base amounts.

- 8.3 If Contractor only supplies construction drawings or calculations the Contractor shall, during the performance of the Service, procure and maintain liability insurance to a minimum of 120 price base amounts, unless otherwise agreed. The excess will shall not exceed one price base amount.

- 8.4 Price base amount shall mean the price base amount effective at the time of conclusion of the Contract, in accordance with the Swedish Social Insurance Act.

- 8.5 Whenever requested by Buyer, Contractor shall provide an insurance certificate documenting that such condition is fulfilled. If Contractor fails to do so Buyer may, at Contractor's expense, obtain insurance.

9. PROPRIETARY RIGHTS AND CONFIDENTIALITY

9.1 Proprietary rights

Unless otherwise agreed, the results of the Service as and when it is performed are the sole property of Buyer. All reports, drawings, specifications and similar documents, including computer programs, that are prepared in connection with the Service constitute part of the results of the Service.

Unless otherwise agreed, this provision does not give Buyer proprietary rights to Contractor's designs, technology, know-how, patents, etc. developed independently of the Contract. Buyer shall be granted irrevocable, royalty-free and non-exclusive right of use to those rights which are necessary for the completion, operation, maintenance, repair and modification of the results of the Service, or of the product to which the Service is related.

9.2 Confidentiality

All information, whether oral or written or in visual, electronic or tangible form, regarding or otherwise relating to a Party or to any of its affairs or other business matters, which has been disclosed or may be disclosed to the Receiving Party or which the Receiving Party has or may otherwise become aware of in connection with the preparation, negotiation, entry into or performance of this Agreement, shall at all times be kept strictly confidential by the Receiving Party and not be used by it for any other purpose than the performance or enforcement of this Agreement nor be disclosed by it to any third party without the prior written consent of the other Party.

The restrictions shall not apply to information:

- to the extent reasonably necessary to be used or disclosed by the Receiving Party in order for it to secure its interests against the other Party in connection with a dispute, controversy or claim arising out of or in connection with this Agreement or to otherwise enforce its rights under this Agreement;
- that was at the time of its disclosure or which becomes thereafter generally available to the public otherwise than as a consequence of a breach by this Agreement;
- that was already known to the Receiving Party or otherwise in its possession prior to the time of its disclosure;



- d) that was obtained by the Receiving Party in good faith without restriction from a third party; or
- e) that the Receiving Party is required to disclose by law or any governmental or other regulatory authority or by any applicable contract or regulations of any applicable stock exchange or other market place.

The Party using or disclosing any information or documentations with reference to any of these exceptions bears the burden of proof to establish that the relevant exception applies.

Without Buyer's written consent, Contractor shall not issue any press release or otherwise advertise that this Contract has been entered into. Such consent shall not be unreasonably withheld.

10. ASSIGNMENT OF THE CONTRACT

Buyer is entitled to assign his rights and obligations pursuant to the Contract, fully or partly, to any third party. Contractor may not assign his rights and obligations pursuant to the Contract without Buyer's written consent which shall not be unreasonably withheld.

11. APPLICABLE LAW AND LEGAL VENUE

This Agreement shall be governed by and construed in accordance with the laws of Sweden, excluding its conflict of laws principles providing for the application of the laws of any other jurisdiction.

Any dispute, controversy or claim arising out of, or in connection with, this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Swedish Arbitration Act (Sw. lag (1999:116) om skiljeförfarande). The place of arbitration shall be Gothenburg, Sweden. The language of the arbitration shall be English.