

NGF Nature Energy A/S

General Conditions

for

the Supply and Erection of Machinery and other Mechanical,
Electrical and Electronic Equipment (“CG”)

December 2012

Note: These General Conditions are an amended version of the NLM-94 general conditions and the structure has been maintained and hence some of the paragraphs are void and are intended to be void

Preamble	3
Definitions	3
Product Information	3
Drawings and other Documents	3
Confidentiality	4
Scope of the Works. Laws and Regulations	4
Working Conditions	4
Preparatory Work	5
Testing of the Plant during Manufacturing.	5
Inspection	<i>Fejl! Bogmærke er ikke defineret.</i>
Purchaser's Delay, etc.	6
Payment and Securities	6
Retention of Title	8
Erection	8
Contractor's Right to Inspect	8
Variations	8
Taking-over Tests	9
Taking-over	9
Time for Delivery. Delay	10
Liability for Damage to Property before Taking-over	11
Warranty	12
Liability for Damage to Property Caused by the Works after Taking-over	13
Grounds for Relief (force majeure)	14
Disputes. Applicable Law	14

Preamble

1. These General Conditions shall apply when the parties agree in writing or otherwise thereto. When the General Conditions apply to a specific contract, modifications of or deviations from them must be agreed in writing.

Definitions

2. In these General Conditions the following terms shall have the meaning herein assigned to them:

Contract: The written contract between the parties concerning the supply and erection of the Works, with all appendices, including agreed amendments and additions to the said documents.

Plant: All machinery, apparatus, materials and articles to be supplied by the Contractor under the Contract.

Works: The Plant to be supplied and the result of the work to be done by the Contractor under the Contract. If the Works according to the Contract shall be taken over by separate sections intended to be used independently from each other, these conditions shall apply to each section separately. The term "Works" shall then refer to the section in question.

Site: The place at which erection of the Works is to be carried out, including so much of the immediately surrounding area as is necessary for transport, unloading and storage of the Plant and erection equipment.

Contract Price: The payment to be made for the Works, excluding value added tax including any extra costs.

Written Notice: Any document signed by one of the parties and received by the other party and any message from one party to the other conveyed by letter or e-mail, to the address specified in the Contract, and identifying the sender, but not messages conveyed by other electronic means.

Product Information

3. Data contained in product information and price lists are binding only to the extent that they are by reference expressly included in the Contract.

Drawings and other Documents

4. All drawings and other technical documents regarding the Works submitted by one party to the other before or after formation of the Contract shall remain the property of the submitting party. Drawings, technical documents and other technical information received by one party may not, without the consent of the other party, be used for any other purpose than that for which they were submitted. They may not without the consent of the submitting party be copied or reproduced.

5. The Contractor shall, not later than by the taking over of the Works, free of charge provide the Purchaser with 3 printed copies and 1 electronic copies as may have been agreed, of drawings and other technical documents, which are sufficiently detailed to permit the Purchaser to carry out commissioning, operation and maintenance, including running repairs, of the Works. The Contractor shall not, however, be obliged to supply manufacturing drawings of the Plant or spare parts. All drawings shall be supplied in pdf and dwg format and any other documents in pdf format.

Confidentiality

6. Neither party shall, without the consent of the other, be entitled to provide any third party with technical or commercial information which any of the parties has stated to be confidential at the formation of the Contract or later. This does not apply to the extent that the provision of such information is necessary to enable the parties to fulfil their obligations under the Contract or for operation and maintenance of the Works.

Each party is obliged to prevent that such confidential information is disclosed to or used by its employees, consultants, subcontractors and their contractors or others who through that party have or may obtain access to such information, to a greater extent than permitted by the first paragraph of this Clause.

Scope of the Works. Laws and Regulations

7. The scope of the Works shall be as set out in the Contract. The Works shall be in accordance with the laws, regulations and provisions which applied at the date of Contract in the country where the Site is situated.

The Contractor shall in detail review the tender specification in order to satisfy himself that it in sufficient details describes the Works. If the Contractor fails to inform the Purchaser on errors he ought to have observed during that process the Contractor shall not be entitled to receive additional compensation on failing to recognize such issues.

The Contractor can only change a named subcontractor after written approval of the Purchaser.

The Works must fulfil a high quality standard and good craftsmanship according to good industrial practice and materials shall be new and unused.

8. The Contractor shall carry out any variations resulting from amendments to laws, regulations or provisions applicable to the Works, or in the generally accepted interpretation thereof, taking effect between the dates of the Contract and taking-over. The provisions of Clauses 35 and 36 shall apply to such variations.

Working Conditions

9. The Contractor is responsible for carrying out erection (all work on site) that complies with applicable laws and regulations for working conditions at the Site and conditions applying for work in Denmark. The Purchaser shall inform the Contractor by Written Notice of the safety regulations in force on the Site.

The Contractor must guarantee that the workers employed by the Contractor and the Contractor's sub-contractors/suppliers for the purpose of executing the Contract are ensured wages and employment conditions that are not less favourable than those established by collective agreements, national law or regulations for the same type of work in the relevant profession, trade or industry in the regional area where the Works are to be carried out. The Contractor must further inform the workers of the prevailing wages and employment conditions.

The Purchaser may, at any time, request to receive documentation evidencing that the wages and employment conditions for the workers concerned comply with the above obligation. Upon request, the Contractor must supply relevant documentation of the wages and employment conditions for its own as well as for any sub-contractor/suppliers' workers. Relevant documentation may be in the form of payslips, payrolls, employment contracts or employment certificates. The Purchaser must receive the documentation not later than seven working days after the receipt of the request.

If the Contractor fails to comply with these obligations, and if such failure results in a justified claim for additional wages from the workers, the Purchaser may withhold payments to be made to the Contractor in order to ensure to the workers the wages and employment conditions as mentioned.

The Contractor is further liable to pay any costs that the Purchaser may incur in consequence of the failure by the Contractor or the Contractor's sub-contractors/suppliers to comply with their obligations under this labour clause.

Preparatory Work

10. The Contractor shall inform the Purchaser by Written Notice when the Plant will be ready for erection in sufficient time to enable the Purchaser to carry out in time his obligations under Clauses 11, 12 and 13 which are necessary for having the erection carried out.

11. The Contractor shall within the time specified in the Contract, or if not so specified then in good time, submit to the Purchaser drawings or descriptions indicating how the Plant is to be erected. At the same time the Contractor shall provide all information required for preparing proper foundations and other beddings. He shall also provide all information necessary for providing suitable access for the Plant and necessary equipment to and on the Site and for preparing all necessary connections to the Plant. Any expenses incurred by reason of errors or omissions which appear before taking-over in the drawings, descriptions or information mentioned in the preceding paragraph shall be borne by the Contractor. If such errors or omissions appear after taking-over, the provisions of Clauses 52-66 shall apply.

12. The Purchaser shall carry out the necessary preparatory work in accordance with the drawings, descriptions and information referred to in Clause 11. If the time for completion of such work is not specified in the Contract, it shall be completed at least one week before erection is due to commence, and so that foundations and beddings are ready to receive the Plant at the agreed time. The Purchaser shall inform the Contractor by Written Notice of the completion of the preparatory work.

13. Before erection is due to commence, the Purchaser shall ensure that water and power facilities, including compressed air and electric current, are available to the Contractor on the Site to the extent necessary or as specified in the Contract. These facilities shall be provided without cost to the Contractor. Nor shall he be obliged to pay for the use of such water and power.

Testing of the Plant during Manufacturing. Inspection.

14. Where the Contract provides for the Plant to be tested in connection with its manufacture, such test shall unless otherwise agreed, be carried out where the Plant is being manufactured. If technical requirements for the test have not been agreed upon, the test shall be carried out in accordance with general practice in the industry concerned in the country where the Plant is being manufactured.

15. The Contractor shall by Written Notice inform the Purchaser of such test as referred to in Clause 14 by Written Notice in sufficient time and never less than 7 calendar days in advance to permit the Purchaser to be present at the test. The test may be carried out in the Purchaser's absence provided that the Purchaser has received such notice. The Contractor shall keep a record of the test. The report containing the record shall be sent to the Purchaser. The report shall, unless otherwise shown by the Purchaser, be deemed to correctly record the test and its results.

16. If, at a test referred to in Clause 14, the Plant turns out not to be in compliance with the Contract, the Contractor shall without delay ensure that the Plant complies with the Contract. A new test shall then be carried out if so required by the Purchaser.

The Purchaser has the right to demand investigations over and above what has been agreed. If the investigations show the particular part of the Works to be contractually satisfactory in accordance with the Contract, the Purchaser must pay for the costs associated with the investigations. If the part of the Works under investigations is not contractually satisfactory in accordance with the Contract, the Contractor must pay the costs associated with the investigation costs.

17. The Purchaser shall further to a reasonable extent, or as specified in the Contract, be entitled to inspect the manufacture of the Plant at the Contractor and its subcontractors during normal working hours giving three days' notice of such inspection.

18. If no other division of the costs has been agreed, the Contractor shall bear all costs for tests carried out at the place where the Plant is being manufactured. The Purchaser shall, however, bear all costs for his representatives, including travelling and living expenses at such tests and at inspections under Clause 17.

Purchaser's Delay, etc.

19. If the Purchaser finds that he will not within the agreed time be able to carry out his obligations necessary for completion of the Works, including preparatory work under Clauses 9, 12 and 13, or if such delay on his part seems likely, he shall without undue delay by Written Notice inform the Contractor thereof. The notice shall state the reason for the delay and if possible how long the delay will last.

20. If the Purchaser is in delay or otherwise fails to comply with his obligations, including those under Clauses 9, 12 and 13, he shall reimburse any additional cost thereby incurred by the Contractor in addition to any claims under Clause 23, second paragraph. The Contractor shall be entitled to a reasonable extension of the time for completion by reason of the Purchaser's default. Any demand for such extension shall be made by the Contractor without undue delay by Written Notice to the Purchaser.

If the default must be considered substantial, the Contractor may refuse to continue delivery and erection until the default has been remedied. The Contractor may terminate the Contract by Written Notice to the Purchaser if the Purchaser has not remedied the default within a reasonable time limit of at least one month after having received a Written Notice from the Contractor stating the Contractor's intention to terminate the Contract.

If the Contract is terminated according to clause 20, the Contractor may claim compensation from the Purchaser for any documented cost, incurred at the time of termination. The compensation shall not exceed the contract sum payable at the time of termination and the Purchaser shall not be liable for any indirect losses nor loss of profit on Works not performed at the time of termination.

Payment and Securities

21. The payment of the Contract Price can be done in one of two ways:

21.1 When it in the Contract is agreed that the payment is made on account, according to continuous performed services.

- Payment shall be made against monthly invoices.
- The Contractor can only send one invoice per month.

The above defined payment method is also applicable if no agreement is made regarding payment of services performed.

21.2. When it in the Contract is agreed that the payment is made according to a payment plan. .

- The Contract Price is paid according to the in the contract agreed payment schedule.
- Payment cannot be done before the required service has been full filled.

21.3 Terms of Payment

Current month + 30 calendar days from Purchaser's receipt of the invoice.

21.4 Advance Payment Guarantee

The Contractor shall submit an Advance Payment Guarantee for any sums paid in advance. The Advance Payment Guarantee shall be issued by a reputable international bank or reputable international Insurance company to be approved by the Purchaser. The Advanced Payment Guarantee shall be in accordance with Appendix B "Template for Advanced Payment Guarantee".

21.5 Performance Guarantee

In a contract situation, the Contractor shall submit a Performance Guarantee equivalent to a percentage (%), as agreed in the Contract, excl. VAT and issued by a reputable international bank or Insurance company. The Performance Guarantee shall be in accordance with Appendix A “Template for Performance Guarantee”.

22. When erection is carried out on a time basis the following items shall be charged separately:

22.1. All travelling expenses for the Contractor’s personnel (including local travel) and all transport expenses for their tools and personal belongings.

22.2. The cost of board and lodging and other living expenses for the Contractor’s personnel for each day’s absence from home, including non-working days and holidays. Unless otherwise agreed, such costs shall be reimbursed according to the Purchaser presented receipts, with no extra cost added.

22.3. Payment for work based on the number of hours certified by the Purchaser.

22.4. VOID

22.5. VOID

22.6. Costs incurred by the Contractor for supplying equipment in accordance with the Contract, including payment for use of the Contractor’s own erection equipment.

22.7. Payment for waiting time according to the rates for normal working time when work is held up by circumstances for which the Contractor is not responsible according to these General Conditions or otherwise under the Contract.

22.8. Taxes and dues levied on the invoiced amount and to be paid by the Contractor.

23. When erection is carried out for a lump sum all items under Sub-clauses 22.1. through 22.6. shall be included in the price for erection. Value-added tax and similar dues, charges etc. shall be added. If erection work is altered, delayed or from time to time must be suspended due to any circumstance for which the Purchaser or any of his other contractors is responsible, the Contractor shall, in addition to the agreed price for erection, be entitled to payment for:

23.1. Waiting time and time spent on extra journeys.

23.2. Extra work.

23.3. Expenses incurred by the Contractor in having to keep his equipment on the Site longer than agreed.

23.4. Additional expenses for journeys and board and lodging for the Contractor’s personnel.

23.5. Any other costs and expenses that can be documented by the Contractor to have been incurred as a result of alterations in the erection programme.

23.6 Unless otherwise agreed, such external costs as defined in Clause 23.1 to 23.5 shall be reimbursed according to the Purchaser presented receipts, with no extra cost added.

24. If the Purchaser fails to pay by the agreed date, the Contractor shall be entitled to interest from the day on which payment became due at the rate of interest determined by the law on late payments in the Purchaser’s country. If the Purchaser has not paid undisputed amounts due within three months the Contractor shall be entitled to terminate the Contract by Written Notice to the Purchaser and to claim compensation for the loss he has suffered. The compensation shall not exceed the Contract Price. However the Purchaser shall not be liable for loss of profits on other contracts or other indirect losses.

Retention of Title

25. The Plant shall remain the property of the Contractor until the Plant is delivered on site, to the extent that such retention of title is valid under the applicable law

Erection

26. At the latest by the Contractor's notification that the Plant is ready for dispatch from the place of manufacture, the parties shall by Written Notice each appoint a representative to act on their behalf during the work on Site. The representatives shall be present on or near the Site during working hours. Unless otherwise specified in the Contract, they shall be authorized to act on behalf of their respective parties in all matters concerning the erection work. Whenever these General Conditions stipulate that Written Notice shall be given, the representative shall be authorized to receive such notice on behalf of the party he represents.

27. The Contractor shall maintain the site in a tidy state. The representative on site of the Contractor shall be able to communicate with the Purchaser in Danish or English. During Execution of the Works, the Contractor must collaborate with other contractors and in due time negotiate with the representative appointed by the Purchaser or his representative according to clause 26 so as to avoid any errors and delays which might arise though lack of collaboration between contractors.

28. Unless otherwise agreed, the Contractor shall provide cranes, lifting equipment, scaffolding and equipment for transport on the Site to the extent that such equipment is necessary for carrying out erection on the Site.

29. The Contractor shall ensure that the safety regulations in force on the Site are observed by his personnel. This does not in any way reduce the Purchaser's obligations under Clause 9. The Purchaser is entitled to request that any of the Contractor's personnel not complying with the safety regulations be denied access to the Site.

30. The Contractor shall inform the Purchaser by Written Notice of any special dangers for the immediate environment which erection of the Works may entail.

31. The Purchaser shall not be entitled to order the Contractor's employees to carry out any work without the Contractor's previous consent by Written Notice.

Contractor's Right to Inspect

32. The Contractor shall have the right at any time during working hours on the Site to inspect the Works at his own expense. This right applies until the Works are taken over and during any work resulting from the provisions of Clauses 52-66.

Variations

33. The Purchaser may until the Works have been taken over and subject to the limitations in Clause 36, require variations in the originally agreed scope, design and construction of the Works. A request for a variation shall be made to the Contractor by Written Notice containing an exact description of the variation required.

34. The Contractor may until taking-over by Written Notice propose such variations as referred to in Clause 33, first paragraph.

35. As soon as possible after receipt of a request for a variation or after having himself proposed a variation, the Contractor shall by Written Notice inform the Purchaser whether and how the variation can be carried out stating the resulting alteration to the Contract Price, the time for completion and other terms of the Contract. The Contractor shall also give such notice when variations are required by reason of changes in such laws, regulations and provisions as mentioned in Clause 8, second paragraph.

36. The Contractor shall be obliged, but not entitled to carry out variations.

The Purchaser's demands for variations shall be made in Writing. The same shall apply to any demands by the parties for alterations in the Contract in respect of price, time and performance bond because of such alteration. An additional contract for the alteration shall be made as soon as possible, and negotiations thereon must not lead to a delay in the performance of the Works under the Contract.

If the parties are unable to agree on how the terms of the Contract shall be affected by a variation the Contractor shall carry out the variation on a time basis until agreement can be reached or the dispute is settled in accordance with the provisions of Clause 71.

Taking-over Tests

37. When erection has been completed taking-over tests shall, unless otherwise agreed, be carried out to determine whether the Works are in accordance with the Contract. The technical requirements for carrying out the taking-over tests shall be as specified in the Contract. If the technical requirements have not been agreed they shall be in accordance with the general practice and the standards generally applied in the country where the Site is situated. The Contractor shall by Written Notice inform the Purchaser when the Works are ready for taking-over tests. He shall in his notice state a reasonable time limit within which taking-over tests shall be carried out. The parties shall then jointly appoint a time for taking-over tests. Unless otherwise agreed, such tests shall be carried out during the Purchaser's normal working hours. The taking-over tests shall be conducted by the Contractor in the presence of representatives of both parties. If the Purchaser is prevented from attending on the agreed date for the taking-over tests, the Contractor shall set a new date for such tests by Written Notice to the Purchaser. The Purchaser shall be entitled to reasonable notice before such tests are carried out. If the Purchaser does not attend the taking-over tests on the new date set by the Contractor, the tests may be carried out in his absence. The Contractor may then at the Purchaser's expense engage an independent competent person to witness the tests. The Contractor shall keep a record of the taking-over tests.

The report containing the record demonstrating that all performance requirements and guarantees have been met shall be sent to the Purchaser. The report shall, unless otherwise shown by the Purchaser, be deemed to accurately record how the tests were carried out and their result.

38. If the Works by the taking-over tests turn out not to be in compliance with the Contract, the Contractor shall as soon as possible ensure that the Works comply with the Contract. New taking-over tests shall then be carried out unless otherwise agreed by the parties or if the deviations do not affect the operation of the Works. The provisions of Clause 37 shall apply to such new tests.

39. The Purchaser shall free of charge provide any power, water and raw materials required for the taking-over tests in accordance with Clauses 37 and 38 and for final adjustments in connection with such tests. The Contractor shall free of charge provide any lubricants and other consumables required for the taking-over test in accordance with Clauses 37 and 38 and for final adjustments in connection with such tests.

40. If the Purchaser, after having been notified by the Contractor in accordance with Clause 37, third paragraph, fails to fulfil his obligations under Clause 39 or otherwise fails to provide assistance for the taking-over tests, thereby preventing the tests from being carried out, the taking-over tests shall be deemed to have been satisfactorily completed at the expiry of the time limit stated by the Contractor in his notice.

Taking-over

41. At least 14 days before completion of the Works, the Contractor must inform the Purchaser by Written Notice of the completion date (completion notice).

A Taking-over meeting takes place at the time specified in the completion notice, unless the Purchaser immediately upon receipt of the completion notice objects to the time. In that case the taking-over meeting shall be held within 10 working days after the specified completion date, unless any agreement on an alternative time is reached.

The Contractor shall before the taking-over meeting have examined the Works for defects and have prepared a deficiency list, and a copy hereof must be received by the Purchaser no later than 3 working days before the taking-over meeting.

The Works are considered delivered to the Purchaser when the Taking-over business has taken place, unless material defects are found. In this case, a new taking-over meeting shall be held when the Contractor has given the Purchaser Written Notice that the defects in question have been rectified.

Assuming that on the day of delivery, the identified defects do not prevent the delivery of the Works, the Contractor must rectify the identified defects within a reasonable period after delivery. The time for rectifying of the defects and the payment withheld until the defects are rectified shall be stipulated in the taking-over protocol. The taking-over protocol should also stipulate the date of taking over, all participants signature, the beginning of the warranty period, and document number for the performance guarantee.

If material defects are discovered at the taking-over meeting, the Purchaser is free to choose whether to take-over the Works or refuse taking-over until the material defects have been rectified. In both cases, the Contractor shall without delay, rectify the discovered defects.

If a dispute arises as to whether the Works on the day of Taking-over are free from defects, the question can be settled finally and conclusively for the Purchaser and the Contractor by a consulting engineer appointed jointly by the parties or, failing agreement on the appointment hereof, by an expert appointed by the Building and Construction Arbitration Court in Copenhagen.

Lack of documentation required for operating the Works, will always be considered a material defect.

When the appointed or agreed expert has determined whether material defects are discovered or not, the Purchaser notifies the Contractor whether the Taking-over is accepted or not.

If the Purchaser accepts that taking-over has taken place, but the Contractor, despite a Written Notice from the Purchaser instructing him to do so, does not rectify outstanding defects discovered during the taking-over meeting without undue delay, the Purchaser is entitled, to have the defects rectified at the Contractor's risk and expense with 14 calendar days prior Written Notice.

If material defects are discovered at the taking-over meeting and the Purchaser does not accept taking-over a new taking-over meeting shall be arranged to be held when the Contractor has informed the Purchaser in a Written Notice that rectification has taken place.

If the Works at take-over tests does not comply with the Contract and needs to be modified the Purchaser shall until the Works comply with the Contract be allowed to operate the Works for the purpose which it was intended for while the Contractor is still responsible for the Works.

If the Works does not meet the minimum criteria as specified in the Contract the Purchaser may terminate the Contract. In that case the Contractor shall remove the Works at his own expense, repay the Purchaser the Contract Sum and cover all losses the Purchaser might suffer from the termination.

42. Unless otherwise agreed, the risk of loss of or damage to the Works shall pass to the Purchaser when the Works are taken over. The Contractor shall no later than 60 calendar days after taking-over present his final invoice. Claims raised by the Contractor after that date will not be honoured.

Time for Delivery. Delay

43. The Works shall be regarded as having been delivered on the day on which they are taken over in accordance with the provisions of Clause 41.

44. If, instead of a fixed date for taking-over, the parties have agreed on a period of time within which the Works shall be taken over, such period shall start to run at the formation of the Contract.

45. If the Contractor finds that he will not be able to complete the Works in time or if delay on his part seems likely, he shall by Written Notice without delay inform the Purchaser thereof. The Contractor shall in his notice state the reason for the delay and if possible the time when the Works will be ready for taking-over. If the Contractor fails to give such notice, he shall, notwithstanding the provisions of Clauses 47 and 48, reimburse the Purchaser any extra expenses incurred by him as a result of the Contractor's failure to notify.

46. If taking-over is delayed by a circumstance which under Clause 68 shall be considered a case of relief, by an act or omission on the part of the Purchaser or his other contractors, or as a result of a variation under Clause 8 and Clauses 33-36, the time for delivery shall be extended by a period which is reasonable having regard to the circumstances in the case. The time for delivery shall be extended even if the reason for delay occurs after the originally agreed date for taking-over.

If a delay is identified for which the Contractor has no responsibility, the Purchaser shall have the right to require acceleration of the works, against compensation for the extra cost incurred by the Contractor

47. If the Works have not been taken over according to Clause 41 by the correct date, the Purchaser is entitled to liquidated damages from the date on which taking-over should have taken place. The liquidated damages shall be payable at a rate of 0,5 per cent of the Contract Price for each commenced calendar day. The liquidated damages shall not exceed 15 per cent of the Contract Price for delays. The liquidated damages become due at the Purchaser's demand by Written Notice but not before the entire Works have been taken over or the Contract is terminated under Clause 48. Clause 47 applies unless otherwise agreed in the Contract.

48. If the Purchaser has become entitled to maximum liquidated damages under Clause 47 and if the Works are still not taken over, the Purchaser may by Written Notice demand that the Works be made ready for taking-over tests within a final reasonable period which shall not be less than one week.

If the Contractor fails to complete the Works within such final period and this is not due to any circumstance for which the Purchaser or any of his other contractors are responsible, then the Purchaser may by Written Notice to the Contractor terminate the Contract.

In case of such termination the Purchaser shall also be entitled to compensation for the loss he suffers because of the Contractor's delay to the extent that the loss exceeds the maximum of liquidated damages to which the Purchaser has become entitled under Clause 47. This compensation shall not exceed 100 per cent of the Contract Price.

The Purchaser shall also have the right to terminate the Contract by Written Notice to the Contractor if it is clear from the circumstances that a delay will occur which under Clause 47 would entitle the Purchaser to maximum liquidated damages. In case of such termination the Purchaser shall be entitled to both maximum liquidated damages and compensation under the third paragraph of this Clause.

49. Liquidated damages under Clause 47 and termination of the Contract with limited compensation under Clause 48 are the only remedies available to the Purchaser in case of delay on the part of the Contractor. All other claims against the Contractor based on such delay shall be excluded. This limitation of the Contractor's liability shall, however, not apply where the Contractor has been guilty of gross negligence.

Liability for Damage to Property before Taking-over

50. The Contractor shall be liable for any damage to the Works which occurs before the risk has passed to the Purchaser. This applies irrespective of the cause of the damage, unless the damage has been caused by the Purchaser or

anyone for whom he is responsible. Even if the Contractor is not liable for damage to the Works in accordance with this Clause, the Purchaser may require the Contractor to remedy the damage at the Purchaser's cost.

51. The Contractor shall be liable for damage to the Purchaser's property occurring before taking-over of the Works only if it can be proved that such damage was caused by negligence on the part of the Contractor or anyone for whom he is responsible in connection with the performance of the Contract. The Contractor shall however under no circumstances be liable for loss of production, loss of profit or any other consequential economic loss.

Warranty

52. The Contractor shall, pursuant to the provisions of Clauses 53-65 below, by repair or replacement remedy any defect in the Works resulting from faulty design, materials or workmanship.

53. At the Purchaser's request, the Contractor shall promptly at any time within 24 (twenty-four) months from Taking-over of the Works (the Warranty Period), perform at no cost to the Purchaser any and all corrective measures required for the Works to comply in full with the requirements of the Contract. A similar warranty period shall apply for any replacement, repair or other corrective measures. Such period(s) shall be calculated from the date of Acceptance by the Purchaser of repair or corrective work by the Contractor.

54. VOID

55. The Purchaser shall inform the Contractor of a defect by Written Notice without undue delay after the defect has appeared, and in no case later than two weeks after the expiry of the period defined in Clause 53 as supplemented by Clause 65. The notice shall contain a description of how the defect manifests itself. Notice of a defect shall be given immediately if there is reason to believe that the defect may cause damage. If the Purchaser fails to inform the Contractor of a defect by Written Notice within the time limits set forth in this Clause, he shall forfeit his right to make any claim in respect of the defect.

56. VOID

57. Where remedial work according to Clause 53 is carried out on the Site, Clauses 9, 13 and 51 shall apply correspondingly.

58. If the Purchaser has given such notice as referred to in Clause 55, and no defect is found for which the Contractor is liable, the Contractor shall be entitled to compensation for the work performed and reimbursement of the costs incurred as a result of the notice.

59. If the Contractor has infringed 3rd party rights in the Works the Contractor shall indemnify the Purchaser against any claims arising out of such infringement

60. All transportation in connection with repair or replacement shall be at the Contractor's risk and expense.

61. Defective parts which are replaced in accordance with Clause 52 shall be placed at the Contractor's disposal and shall become his property.

62. If the Contractor fails to fulfil his obligations under Clause 53 within a reasonable time, the Purchaser may at his own discretion by Written Notice require him to do so within a final time limit. If the Contractor fails to fulfil his obligations within that time limit, the Purchaser may choose to:

a) have the necessary remedial work carried out and/or have new parts manufactured at the Contractor's risk and expense, provided that the Purchaser acts in a reasonable manner, or

b) demand a reduction of the Contract Price not exceeding 15 per cent thereof. If the defect must be considered substantial, the Purchaser may instead choose to terminate the Contract by Written Notice to the Contractor. The Purchaser shall also be entitled to such termination where the defect remains substantial after such measures have been

taken as referred to in a). In case of termination, the Purchaser shall be entitled to be compensated for the loss he has suffered. The compensation shall, however, not exceed 100 per cent of the Contract Price.

63. The Contractor is not liable for defects arising out of materials provided by, or a design stipulated or specified by the Purchaser, or resulting from defective preparatory work carried out by the Purchaser, cf. Clause 12.

64. The Contractor is only liable for defects which appear under the conditions of operation foreseen in the Contract and under proper use of the Works. The Contractor's liability does not cover defects resulting from causes occurring after taking-over under Clause 41. The liability does not e.g. cover defects which are caused by faulty maintenance on the part of the Purchaser, by variations of the Works undertaken by the Purchaser without the Contractor's consent by Written Notice, or by faulty repairs by the Purchaser. Finally the Contractor's liability does not cover normal wear and tear or deterioration.

65. VOID

66. The Contractor shall have no liability for defects save as stipulated in Clauses 52-65. This applies to any loss the defect may cause, including but not limited to loss of production, loss of profit and any other consequential economic loss. This limitation of the Contractor's liability shall, however, not apply if he has been guilty of gross negligence.

Liability for Damage to Property Caused by the Works after Taking-over

67. The Purchaser shall indemnify and hold the Contractor harmless to the extent that the Contractor incurs liability towards any third party in respect of any damage for which the Contractor according to the second and third paragraphs of this Clause is not liable towards the Purchaser. The Contractor shall not be liable for loss or damage caused by the Works after taking-over

a) to any (movable or immovable) property where the damage occurs while the Works are in the Purchaser's possession, or

b) to products manufactured by the Purchaser, or to products of which the Purchaser's products form a part, or for loss or damage to any property, where the damage is caused by these products because of the Works.

The Contractor shall under no circumstances be liable for loss of production, loss of profit or any other consequential economic loss. The above limitations in the Contractor's liability shall not apply where the Contractor has been guilty of gross negligence. If a claim for loss or damage as described in this Clause is raised by a third party against either party to the Contract, the latter shall forthwith notify the other party thereof.

The Contractor and the Purchaser shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal which examines claims against either of them, where the claim is based on damage or loss alleged to have been caused by the Works. The liability as between the Contractor and the Purchaser shall, however, always be settled in accordance with Clause 71.

Insurances

67a. The Contractor shall procure and maintain liability insurance with a reputable insurance company with coverage of at least DKK 10 million per insurance event.

The Purchaser takes out and pays an all-risk insurance for the works performed at site incl. usual fire and storm damages. The insurance is valid from the start of works until the deficiencies identified on delivery have been remedied. The Contractor, Contractors sub-contractors (including subcontractor's subcontractors) are included in the insurance policy. The insurance covers all contractors working at the building site which is covered by the Contract. By redevelopment the insurance covers damage to the works and on the building or facility which is the subject of the redevelopment.

The Contractor, Contractors subcontractors (including subcontractor's subcontractors) shall pay the deductibles for the damages for which they are responsible, as specified in the Contract.

Grounds for Relief (force majeure)

68. The following circumstances shall be considered as grounds for relief if they impede the performance of the Contract or makes performance unreasonably onerous: industrial disputes and any other circumstance beyond the control of the parties such as fire, war, mobilization or military call up of a comparable scope, requisition, seizure, currency restrictions, insurrection and civil commotion, shortage of transport, general shortage of materials, restrictions in the use of power and defects or delays in deliveries by sub-contractors caused by any such circumstance as referred to in this Clause. The above described circumstances shall constitute grounds for relief only if their effect on the performance of the Contract could not be foreseen at the formation of the Contract.

Notwithstanding the above described circumstances, the contractor shall not be entitled to extension of time in the following cases:

- a) Strike or slow, obstructive or disruptive behaviour or other disturbance of the labour force, which is limited to the Contractor's and/or his subcontractor's responsibility.

69. The party intending to claim relief under Clause 68 shall inform the other party by Written Notice without delay on the occurrence and on the cessation of such circumstance. If grounds for relief prevent the Purchaser from fulfilling his obligations, he shall reimburse the Contractor for costs incurred in securing and protecting the Works. The Purchaser shall also reimburse the Contractor for costs incurred for personnel, sub-contractors and equipment which, with the consent of the Purchaser, is held in readiness to resume work.

70. Notwithstanding other provisions of these General Conditions, each party shall be entitled to terminate the Contract by Written Notice to the other party if performance of the Contract is delayed more than six months by reason of any grounds for relief as described in Clause 68.

Disputes. Applicable Law

71. Any dispute arising in connection with this contract shall be settled by mediation by the Building and Arbitration Court in Copenhagen in accordance with the rules set out by the same court and in effect at the time the request for mediation is received by the court.

If mediation is terminated without the dispute is settled, the dispute shall not be brought before the court, but shall be finally settled by the Building and Arbitration Court in Copenhagen in accordance with the law on arbitration applicable in the Purchaser's country.

72. All disputes arising out of the Contract shall be judged according to the law of the Purchaser's country.