STANDARD LEASE FOR OFFICE AND INDUSTRIAL BUILDINGS (USED/«AS IS»)

**”BAREHOUSE” VERSION**

6th edition 01/19

# THE LESSOR

Name/Firm […] (the **Lessor**)

Social security or business registration number […]

# THE LESSEE

Name/Firm […] (the **Lessee**)

Social security or business registration number […]

# THE PROPERTY

Address […]

Land no. […], title no. […], unit no. […], section no. […] in the municipality of […], municipality no. […] (the **Property**)

# THE LEASED OBJECT

The leased object (the **Leased Object**) comprises existing buildings and facilities, external areas and parking spaces on the Property, as shown in the enclosed drawing; **Appendix 2**.

The buildings included in the Leased Object measure approximately […] m2 in total.

All areas are specified in accordance with NS 3940:2012. Any errors in the area specifications shall neither give rise to any right of rent adjustment, nor result in any amendments to the other provisions of this lease.

Prior to Handover, the Lessor shall carry out such work on/alterations to the Leased Object, if any, as are specified in **Appendix […]**.

# ACTIVITIES CONDUCTED BY THE LESSEE

The Leased Object shall only be used for […].

No change in the activities conducted at the Leased Object, including engagement in other, related activities, shall be permitted without the prior written consent of the Lessor. Consent shall not be withheld without just cause. Any increase in the Value Added Tax burden of the Lessor as the result of the changed activities on the part of the Lessee shall constitute such just cause, unless the Lessee undertakes to indemnify the Lessor in respect of the Lessor’s losses and costs in accordance with Clause 10 and furnishes collateral deemed – in the opinion of the Lessor – to adequately secure its obligations. Furthermore, maintaining the activity profile/activity mix of the Property shall also constitute such just cause.

# HANDOVER/NOTICE OF DEFECTS

The Leased Object is handed over in a tidy and clean state, and otherwise in the state it was when inspected by the Lessee on […], and inclusive of any work/alterations as described in **Appendix […]**.

The Leased Object is leased "as is", and the Lessee is itself responsible for ensuring that the Leased Object is in compliance with those public law requirements (whether technical building and construction requirements, zoning requirements or other requirements) that apply to the Leased Object, given the activities to be conducted by the Lessee pursuant to Clause 5.1. The Lessee shall document to the Lessor that all public law requirements have been complied with before making use of the Leased Object.

A handover inspection shall be performed in connection with Handover of the Leased Object. A handover inspection record shall be prepared, and signed by both parties on site. A handover inspection record form is attached as **Appendix […]**.

The Lessee shall give written notice of any damage and defects, etc., within a reasonable period of time after it ought to have discovered these. Any circumstances that had come to the knowledge of the Lessee as per Handover cannot subsequently be invoked as defects.

The Lessor shall at Handover provide the Lessee with guidance concerning the use of technical equipment/installations at the Leased Object that are to be used by the Lessee. Moreover, the Lessor shall at Handover provide operating manuals/instructions for technical equipment and installations at the Leased Object. The Lessee shall adhere to the Lessor’s operating manuals/instructions as applicable at any given time throughout the Lease Term.

# LEASE TERM

The lease term shall be from […] (**Handover**) to […] (the **Lease Term**), after which the lease shall lapse without any need for a notice of termination. The lease cannot be terminated during the Lease Term.

The time limit for sending a request to vacate the premises after the end of the Lease Term shall be six months.

# THE RENT, OPERATING AND MAINTENANCE COSTS, ETC.

The annual rent payable for the Leased Object (the **Rent**) shall be NOK […] (exclusive of Value Added Tax). In addition shall be paid Value Added Tax to the extent that the conditions for adding Value Added Tax to the Rent have been met, cf. Clause 10.

1/4 / 1/12 *[delete as applicable]* of the Rent shall fall due for payment in advance on the   
1st of each quarter/month *[delete as applicable]*, in the amount of NOK […] (exclusive of Value Added Tax).

The Lessor shall issue invoices to the Lessee with such contents as are required under the applicable regulatory framework, and specifying the Lessor’s account number for the payment of the Rent. Payment is not deemed to have taken place until the amount is credited to the Lessor’s account.

Operating and maintenance costs for the Leased Object shall be covered by the Lessee, unless otherwise expressly specified in this lease.

If property leases are subjected to any new, specific, direct and/or indirect, taxes during the Lease Term, such taxes shall be paid by the Lessee. Property tax shall be paid by the Lessee.

In the event of late payment of the Rent and/or other costs relating to the lease, late payment interest shall be paid pursuant to Act of 17 December 1976 No. 100 or any statute replacing the said Act. The Lessor shall be entitled to impose a fee in respect of any payment reminders.

# RENT ADJUSTMENT

The Rent shall be adjusted on 1 January of each year, in line with any changes in the consumer price index published by Statistics Norway or, if the said index is abolished, another corresponding public index. The Rent shall not, however, be adjusted below the Rent agreed on the date of entering into the lease.

The original lease index value is the index value as per the month of […] in the year of […]. Rent adjustments shall be based on changes from the original lease index value to the most recent known index value as per the adjustment date.

The Lessee is hereby given notice that annual rent adjustments will be made.

In the event of any government intervention (price freeze, etc.) that limits the rent that could otherwise have been charged by the Lessor under this lease, the adjusted Rent shall apply from such date and to such extent as is permitted under the applicable regulations.

# VALUE ADDED TAX

The parties have as per contract signing proceeded on the assumption that

[Delete as applicable]

* + 1. the Leased Object shall in its entirety be included in the Lessor’s voluntary registration in the Value Added Tax Register.
    2. parts of the Leased Object shall be included in the Lessor’s voluntary registration in the Value Added Tax Register. Dimensioned drawings and details concerning the size of the area to be included in the Lessor’s voluntary registration are attached as **Appendix […]**.
    3. the Leased Object is not to be included in the Lessor’s voluntary registration in the Value Added Tax Register.

To the extent that the Leased Object shall be included in the Lessor’s registration pursuant to Clause 10.1, the Lessee warrants that the conditions for registration are met from the time of contract signing and throughout the Lease Term.

The Lessor shall be entitled to add Value Added Tax at the rate applicable at any given time to the Rent and any other costs relating to any areas that are to be included in the Lessor’s registration pursuant to Clause 10.1. The same applies to any areas that might become included in the Lessor’s registration as the result of mandatory real estate lease registration being introduced by statute.

If the Lessee has, in accordance with Clause 24, obtained consent for the sublease of any areas that are to be included in the Lessor’s registration pursuant to Clause 10.1, and the subleased areas can still be included in the Lessor’s registration in the Value Added Tax Register, the Lessee shall, if not already registered in the Value Added Tax Register, immediately apply for voluntary registration of the sublease. If the Lessee is already registered in the Value Added Tax Register in respect of other activities, the Lessee shall include a provision in the sublease agreement to the effect that the sublease shall be deemed to be subject to Value Added Tax, and shall also invoice the consideration payable in respect of the sublease with the addition of Value Added Tax.

The Lessee shall immediately inform the Lessor of any circumstances that may result in changes to the Value Added Tax status of all or part of the Leased Object. The Lessee shall also within 14 days complete in writing the Lessor’s annual lessee declarations concerning the Lessee’s use of the Leased Object during the year and any building works carried out on the Leased Object by the Lessee. The Lessee shall also gather corresponding documentation from any sublessees.

Upon discharge of the lease, irrespective of the reason therefore, the Lessee and any sublessees shall retain their own adjustment obligations in respect of any building works carried out on the Leased Object.

The Lessee shall indemnify the Lessor in respect of any loss that may be incurred by the Lessor, including any reduced right of deduction and any reversal/adjustment of deducted input Value Added Tax, as well as any interest, penalty tax and other costs associated with such loss, as the result of changes to rules governing the use/activities of the Lessee or changes to such use on the part of the Lessee, subleases, corporate/organisational changes, formal deficiencies or omissions, etc. In calculating the amount of the Lessor’s loss, any tax implications on the part of the Lessor shall be taken into account.

Any claim as the result of the provisions of this Clause 10 shall fall due for payment upon demand. However, any claim as the result of the Lessor’s obligation to reverse/adjust deducted input Value Added Tax shall fall due for payment no earlier than 14 days before the due date for the Lessor’s payment obligation via-à-vis the State.

# FURNISHING OF COLLATERAL

[Delete as applicable.]

**A**

The Lessee shall furnish an ordinary guarantee from a financial institution conducting activities in Norway under a licence granted by the Norwegian authorities, or an alternative guarantee approved by the Lessor, in respect of the timely performance of the obligations of the Lessee under the lease.

The amount of such guarantee shall correspond to […] months’ rent and Value Added Tax to the extent implied by Clause 10. The Lessor may require a proportional adjustment of the guarantee amount in connection with any rent adjustment. The guarantee shall remain in effect, and be irrevocable on the part of the Lessee and the guarantor, throughout the Lease Term, as well as for three months after vacation of the premises. The guarantee shall be governed by Norwegian law. Any dispute relating to the guarantee shall be resolved before the courts in the jurisdiction of the Property.

**B**

The Lessee shall furnish a deposit by paying the deposit amount into an escrow account in the name of the Lessee with the bank that receives the Rent payments. The deposit shall secure the timely performance of the obligations of the Lessee under the lease.

The amount of such deposit shall correspond to […] months’ rent and Value Added Tax to the extent implied by Clause 10. The Lessor may require a proportional adjustment of the deposit amount in connection with any rent adjustment. The Lessee may request payment from the bank of any interest accrued on the account.

If the Lessor is claiming payment from the escrow account due to breach of contract on the part of the Lessee, the bank shall notify the Lessee of such claim, stating that the amount will be paid to the Lessor unless the Lessee documents, within five weeks of such notice being sent, that it has brought legal action concerning the claim. Such notice shall be sent to the Lessee’s stated address or, if applicable, stated electronic mailbox. If the bank does not receive such documentation within the time limit, and the Lessor has not revoked its claim, the bank shall pay the amount to the Lessor in final discharge of the obligations of the bank in respect of such amount.

If the Lessee has brought legal action, the bank may only pay the amount to the Lessor in final discharge of the obligations of the bank in respect of such amount with the written consent of the Lessee or following a final and binding judgment or other ruling with the same effect as a final and binding judgment.

If the Lessee, after the expiry of the lease, requests payment of the deposit, in excess of accrued interest, the bank shall notify the Lessor in writing of such claim, stating that the deposit, including accrued interest, will be paid to the Lessee unless the Lessor documents, within five weeks of such notice being sent, that it has brought legal action against the Lessee concerning any claim under the lease. The bank may use the last known address or electronic mailbox for such notice. If the bank does not receive such documentation within the time limit, and the Lessee has not revoked its claim, the bank shall pay the amount to the Lessee in final discharge of the obligations of the bank in respect of such amount.

**C**

The Lessee shall furnish such collateral as specified in **Appendix […]**.

**D**

The Lessee shall furnish no collateral.

The collateral shall be furnished no later than […].

Any breach of the provisions in this Clause 11 shall be considered a material breach that entitles the Lessor to terminate the lease, unless the Lessee has remedied the situation within 14 days of a written notice from the Lessor.

# USE OF THE LEASED OBJECT BY THE LESSEE

The Lessee shall handle the Leased Object with due care.

The Lessee shall familiarise itself, and comply, with any public law and private law provisions that have been or may become enacted and that apply to the lease. The Lessee shall during the Lease Term be responsible vis-à-vis all government authorities for ensuring that the Lessee’s use of the Leased Object complies with all public law requirements applicable at any given time.

The Lessee shall comply with any new public law requirements (irrespective of whether or not these pertain to technical building and construction matters) applicable to the Leased Object that arise during the Lease Term, including any requirements pertaining to universal design and any requirements imposed by labour inspection authorities, health authorities, civil defence authorities, industrial safety authorities, fire protection authorities or other government authorities, and shall cover the costs associated therewith.

The Lessee shall, at the request of the Lessor, document the existence of an internal control system for the activities conducted by the Lessee that complies with the requirements applicable at any given time.

The Leased Object shall not be used in any way that impairs the reputation or appearance of the Property. Nor shall the activities at the Leased Object inconvenience others, including neighbours, through dust, noise, smell, vibration or otherwise. Smoking is not permitted at the Leased Object. Any rooms containing water and/or drain pipes must be kept heated, such as to prevent freezing. Any costs incurred in remedying, as well as any damages payable in connection with, such matters shall be for the account of the Lessee.

All waste must be placed in the waste bins/recycling receptacles at the Property, unless it has been agreed that the Lessee shall itself handle waste/recycling. The Lessee must itself remove any waste of an extraordinary nature or quantity at its own expense. If it fails to do so, the Lessor may remove such waste for the account of the Lessee. All waste handling shall comply with the government requirements applicable at any given time.

The Lessee shall arrange and pay for adequate external cleaning, gritting and snow removal if the Leased Object is used for activities aimed at the general public (for example shopping outlets or catering outlets), unless otherwise specifically agreed.

# ACCESS TO THE LEASED OBJECT FOR THE LESSOR

The Lessee shall grant the Lessor access to the Leased Object during office/business hours on all days, for purposes of servicing, inspection, appraisal, refurbishment work, etc. The Lessee shall be given reasonable notice. Whenever deemed necessary in order to prevent or limit any damage to the Property, the Lessor shall be entitled to obtain access to the Leased Object without such notice.

# MAINTENANCE AND REPLACEMENT OF STRUCTURAL BUILDING FEATURES AND TECHNICAL INSTALLATIONS, AS WELL AS EXTERNAL AREAS

The Lessee shall arrange and pay for maintenance and replacement of all structural building features (including roofs, walls and foundations) and of all technical installations (including lifts, ventilation plants, fire-fighting facilities and heating plant), as well as all external areas relating to the Property (including external parking spaces, roads and green spaces). The maintenance obligation shall include both repairs (emergency maintenance) and periodical maintenance.

The Lessee shall ensure that the Leased Object complies, throughout the Lease Term, with all public law requirements applicable to the Property/Leased Object, and shall cover the costs associated therewith, cf. also Clause 12.3.

The Lessee’s works shall be carried out at ordinary intervals and in compliance with applicable regulations and standards of good craftsmanship. Replacements shall be made when maintenance can no longer be performed in an economical manner.

Any operational interruptions, etc., associated with technical building and construction matters, including interruptions to the supply of water, electricity, air, etc., shall be for the risk of the Lessee.

# INTERNAL MAINTENANCE AND REPLACEMENTS

The Lessee shall arrange and pay for the internal maintenance of, and all internal replacements at, the Leased Object, including maintenance and replacement of entrance doors, gates and windows, as well as floor, wall and ceiling surfaces. The maintenance obligation shall include both repairs (emergency maintenance) and periodical maintenance.

The Lessee shall also be responsible for the repair of any damage caused by burglary and/or vandalism at the Leased Object, including any damage to the windows, frames, entrance doors/gates, as well as any damage of such scope as not to be governed by the regulations set out in Clause 19 below. Any broken windowpanes shall immediately be replaced by new ones.

The Lessee shall arrange and pay for the repair and maintenance of any signs, etc., that the Lessor has permitted it to install pursuant to Clause 17.

The Lessee’s works shall be carried out at ordinary intervals and in compliance with applicable regulations and standards of good craftsmanship. Replacements shall be made when maintenance can no longer be performed in an economical manner.

The Lessor and the Lessee shall inspect the Leased Object annually to review the maintenance of, and replacements on, the Leased Object. The parties shall prepare a record of such inspections.

If the Lessee fails to perform its maintenance and replacement obligation, the Lessor shall be entitled, following written notice stipulating a 3-week time limit for compliance, to carry out the maintenance and replacement work for the account of the Lessee.

# THE LESSOR’S WORK ON THE PROPERTY/LEASED OBJECT

The Lessor may carry out any work for purposes of the repair of damage to, or the renewal of, the Property/Leased Object, including environmentally-related measures. The Lessee shall facilitate the routing of cords, ducts and pipes, etc., to other parts of the Property through the Leased Object, without obstruction by the interior fittings, or similar, of the Lessee.

The Lessee shall accept such work without any damages or rent reductions, unless the Lessee suffers material inconvenience.

The Lessee shall be given reasonable notice of all work pursuant to this Clause 16. The Lessor shall ensure that the work causes the minimum possible inconvenience to the Lessee.

# THE LESSEE’S CHANGES TO THE LEASED OBJECT/PROPERTY

The Lessee shall carry out no changes, including internal/installation work, of or to, the Leased Object without the prior written consent of the Lessor. The same shall apply if the Lessee would like to increase the capacity/supply of energy, water or air, or the drainage capacity, etc., beyond that intended for the use of the Lessee as per the date of entering into the lease. Consent shall not be withheld without just cause. If consent is granted, the Lessor shall at the same time, if requested by the Lessee, specify in writing whether the Lessee shall, upon vacation of the premises, reverse, in full or in part, the changes made. Unless otherwise agreed in writing, all changes carried out by the Lessee shall be reversed upon vacation of the premises.

The Lessee shall not install business signs or sun awnings without the prior written consent of the Lessor. Consent shall not be withheld without just cause. Any such signs or awnings shall be in the customary manner in terms of size, design and location, based on the nature and type of the activities and the Property, which size, design and location shall require the approval of the Lessor.

The Lessee shall be responsible for obtaining any necessary government permits and for otherwise complying with all government requirements applicable to any work performed pursuant to this Clause 17. All applications shall require the approval of the Lessor. Upon completion of the work, documentation of such work shall be delivered to the Lessor, together with any government approvals.

# INSURANCE

Each of the parties shall keep their assets/interests insured.

The Lessor shall insure the Property as evidenced by the insurance certificate enclosed as **Appendix […]**. The Lessee shall pay the costs (premium, any loss deductible in the event of damage, etc.) associated with such insurance as invoiced by the Lessor.

The Lessee shall insure its own interior fittings, fixtures and furnishings, movables, machinery, data, goods, operating loss/interruption and liability. The Lessee shall also insure doors and windows at the Leased Object.

If the activities conducted by the Lessee result in any increase in the insurance premiums pertaining to the Property or any new safety requirements from the Lessor’s insurer that entail investments, the Lessee shall cover the costs. The Lessee shall notify the Lessor of any circumstances and/or changes with regard to the activities that may have an impact on the insurance premium pertaining to the Property.

Each of the parties may require the disclosure of the insurance agreement of the opposite party.

# FIRE/DESTRUCTION

If the Leased Object is destroyed by fire or other accidental event, the Lessor may waive all of its rights and obligations under the lease.

If the Lessor does not exercise its right under Clause 19.1, the Lessee shall not be entitled to terminate the lease for breach if:

* + - 1. the Leased Object is repaired/rebuilt by the Lessor no later than […] months after the damage occurred;
      2. the Lessor offers the Lessee, during this rebuilding period, replacement premises with such location, size and construction as to enable the Lessee to conduct its activities in an almost normal manner; and
      3. the Lessor pays all costs associated with relocation to the replacement premises and return to the Leased Object after the rebuilding period.

The Lessee shall in such cases continue to lease the Leased Object (or such part of it as has not been used during the repair/rebuilding period) and resume full payment of Rent under this lease from the date on which repair/rebuilding is completed. The Lessee shall pay ordinary market rent for any replacement premises during such period as these are used, although such rent shall not exceed the Rent applicable under this lease at any given time.

# BREACH OF CONTRACT ON THE PART OF THE LESSOR

The Lessee may claim rent reduction pursuant to Section 2-11 of the Tenancy Act as the result of delays or defects. As far as defects are concerned, this is conditional upon the defect being material and the defect not being remedied by the Lessor pursuant to the provisions of Section 2-10 of the Tenancy Act. The Lessee shall give written notice of any damage and defects, etc., within a reasonable period of time after the Lessee ought to have discovered these.

The Lessee may claim damages under Section 2-13 of the Tenancy Act in respect of any direct loss resulting from any delay or defect. As far as defects are concerned, this is conditional upon the defect being material and the defect not being remedied by the Lessor pursuant to the provisions of Section 2-10 of the Tenancy Act. Indirect loss is not covered. Any damages during the Lease Term shall not exceed 12 months’ rent, unless the Lessor has acted with intent or gross negligence. In the event of any extension of the Lease Term, a new, corresponding limitation shall apply with regard to any loss during the extension period.

The Lessee shall not be entitled to withhold rent to secure any claim that the Lessee has or may get against the Lessor as the result of any defect or delay.

If the Lessee wishes to invoke prolonged or repeated breach of contract on the part of the Lessor as a basis for termination, it shall be required to give prior written notice to the effect that the lease may be thus terminated unless such breach is discontinued. Section 2-12 of the Tenancy Act shall also apply.

# BREACH OF CONTRACT ON THE PART OF THE LESSEE/EVICTION

The Lessee shall be liable for damages in respect of any damage or defect caused intentionally or negligently by the Lessee itself or by anyone who is in the service of the Lessee, as well as by sublessees, customers, suppliers, contractors and/or anyone else to whom the Lessee has granted access to the Property.

The Lessee accepts mandatory eviction if the Rent or any supplementary payments agreed are not paid, cf. Section 13-2, Sub-section 3 (a), of the Enforcement Act. The Lessee accepts mandatory eviction upon the expiry of the Lease Term, cf. Section 13-2, Sub-section 3 (b), of the Enforcement Act.

The Lessor may terminate the lease in the event of material breach thereof, upon which termination the Lessee shall immediately vacate the Leased Object. The provision in Clause 20.4 shall apply correspondingly in the event of termination on the part of the Lessor.

If the Lessee is evicted or vacates at the request of the Lessor due to breach of contract, or vacates the Leased Object as the result of bankruptcy, the Lessee shall pay the Rent and any other payments required under this lease for any such period as may remain of the Lease Term. The payment obligation shall only apply to the extent that the loss incurred by the Lessor is not covered through a substitute lease for the Leased Object. The Lessee shall also pay any costs resulting from eviction, legal proceedings and tidying/cleaning of the Leased Object. The same applies to any costs involved in reversing the Lessee’s works and any costs involved in establishing a substitute lease.

# VACATION OF THE PREMISES

Upon vacation of the premises, the Lessor shall immediately be granted access to the Leased Object.

Upon vacation of the premises, the Lessee shall return the Leased Object in a tidy, clean, and otherwise contractual state, with all windowpanes intact, and maintained in accordance with standards of good craftsmanship, and with all keys/entrance passes. If the obligations under Clauses 14 and 15 have been met at normal intervals during the Lease Term, the Lessor accepts ordinary wear and tear until vacation of the premises. Any changes made by the Lessee during the Lease Term are governed by the regulations in Clause 17.

The Lessor may repair any defects not repaired by the Lessee, for the account of the Lessee. If the Lessor does not make such repairs, the Lessee shall nevertheless compensate the Lessor for the costs that would have been incurred if such repairs had been made, irrespective of the use of the Leased Object following the vacation of the premises.

A joint inspection shall be conducted by the Lessee and the Lessor well ahead of the end of the Lease Term to agree any work that shall be carried out in order to bring the Leased Object into the state required when it is vacated.

The Lessor shall be entitled, for the last 12 months before vacation of the premises, to erect signs on the frontage with information to the effect that the Leased Object will become available for rent. The Lessee shall, during the same period and by prior notice, grant prospective lessees access to the Leased Object for 3 days per week during ordinary office/business hours.

The Lessee shall remove its possessions at its own expense no later than on the last day of the Lease Term. Any possessions that have not been removed are deemed to have been abandoned, and shall accrue to the Lessor. The Lessor may discard or remove any rubbish and possessions that the Lessee has left behind, for the account of the Lessee.

# REGISTRATION/GRANTING OF SECURITY INTERESTS

The lease shall not be registered in the Register of Land Titles and Land Charges without the prior written consent of the Lessor. Consent shall not be withheld without just cause. A lease thus registered shall have no right of priority advancement, and shall concede priority to any new monetary encumbrances that the Lessor may arrange to have registered on the Property. The Lessee shall assist with the implementation of such priority concession. The Lessee grants the Lessor an irrevocable authorisation to delete such lease registration on the expiry date of the lease. Any costs associated with such registration and deregistration of the lease shall be for the account of the Lessee.

No security interest shall be granted in the lease without the prior written consent of the Lessor. Consent shall not be withheld without just cause. The Lessor may make such granting of a security interest subject to conditions. The Lessee grants the Lessor an irrevocable authorisation to delete such security interests on the expiry date of the lease.

# SUBLEASE

Sublease of the Leased Object, in full or in part, shall not be permitted without the prior written consent of the Lessor. Consent shall not be withheld without just cause. Any increased Value Added Tax burden on the part of the Lessor as the result of the sublease would constitute always just cause, unless the Lessee undertakes to indemnify the Lessor for any loss and costs incurred by the Lessor as the result of the sublease in accordance with Clause 10, and furnishes what is deemed by the Lessor to be adequate collateral in respect of its obligations. Furthermore, maintaining the activity profile/activity mix of the Property shall also constitute such just cause.

A failure to respond to an application for consent under the provisions of this Clause 24 shall not be construed as consent.

# ASSIGNMENT

The Lessee may not assign the lease, in full or in part, without the prior written consent of the Lessor. Consent may be withheld at the unfettered discretion of the Lessor.

The following shall also be considered assignment of the lease: i) a person with determinative influence over the Lessor losing such influence (including by way of merger or demerger), or ii) a new person obtaining determinative influence over the Lessor (including by way of merger or demerger). Determinative influence shall have the same meaning as in Section 1-3 (2), second sentence, of the Private Limited Companies Act. Section 1-3 (4) of the Private Limited Companies Act shall apply correspondingly. This Clause 25.2 shall not apply if the Lessee is listed on a regulated market, or upon intra-group reorganisation with unchanged ownership

The Lessee shall not, without the prior written consent of the Lessor, participate in any merger or demerger that materially impairs the ability of the Lessee to perform its obligations under the lease. Consent may be withheld at the unfettered discretion of the Lessor.

A failure to respond to an application for consent under the provisions of this Clause 25 shall not be construed as consent.

If the Lessor assigns its rights and obligations under the lease, the Lessee shall furnish new collateral in favour of the new owner in accordance with Clause 11.

# SPECIAL PROVISIONS

[…]

# RELATIONSHIP TO THE TENANCY ACT

The following provisions of the Tenancy Act shall not apply: Sections 2-15, 3-5, 3-6, 3-8, 4-3, 5-4, Sub-section 1, 5-8, Sub-sections 1 to 4, inclusive, 7-5, 8-4, 8-5, 8-6, Sub-section 2, and 10-5. Moreover, this lease shall take precedence in all cases where its provisions differ from the non-mandatory provisions of the Tenancy Act.

# GOVERNING LAW AND DISPUTE RESOLUTION

This lease shall be governed by Norwegian law.

Any dispute relating to the lease shall be resolved before the courts in the jurisdiction of the Property.

# APPENDICES TO THE LEASE

Appendix 1: Certificate of Incorporation/proof of identity for the Lessor and the Lessee, as well as any powers of attorney

Appendix 2: Drawings of the Leased Object, including plan drawings for buildings and situational drawings for external areas and parking spaces.

Appendix […]: [Specification of Lessee modifications]

Appendix […]: Handover inspection record form

Appendix […]: Insurance certificate

Appendix […]: [Drawings with specification of areas included in the Value Added Tax registration]

Appendix […]: [Compensation for Lessee investments]

Appendix […]: [Specifically agreed collateral arrangement]

# PLACE/DATE

[…]

# SIGNATURE

This lease is signed in duplicate, with the Lessor and the Lessee receiving one copy each. If the lease has been arranged via an estate agent, it is signed in triplicate, with the Lessor, the Lessee and the estate agent receiving one copy each.

for and on behalf of the Lessor for and on behalf of the Lessee

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Lessor’s representative] [Lessee’s representative]

*[The signature field may be omitted if the agreement is to be signed electronically.]*]

**SUPPLEMENTARY WORDINGS/ALTERNATIVE WORDINGS/APPENDICES/COMMENTS**

Below are proposals for supplementary wordings, alternative wordings and appendices to the standard wording above. The organisations emphasise that these wordings are intended as examples. These must always be carefully tailored to each lease. Comments on the Value Added Tax provision in Clause 10 are also included below.

**CLAUSE 4: SUPPLEMENTARY WORDING FOR AN ENVIRONMENTAL AGREEMENT**

If the parties wish to add an environmental agreement, the following wording may be inserted in Clause 4.5:

4.5 The parties shall cooperate in enhancing and evolving the environmental standard of the Leased Object during the Lease Term, by carrying out the energy measures and/or environmental measures set out in **Appendix** […] (the **Environmental Agreement**). In case of conflict between this lease and the Environmental Agreement concerning matters falling within the scope of the Environmental Agreement, the provisions of the Environmental Agreement shall take precedence.

**CLAUSE 7: SUPPLEMENTARY WORDING FOR EXTENSION CLAUSES**

Version A:

7.3 The Lessee shall be entitled to extend the Lease Term for a period of […] years on the same terms as under this lease. If the Lessee wishes to exercise such option, this shall be notified in writing to the Lessor no less than […] months prior to the expiry of the Lease Term.

Version B:

7.3 The Lessee shall be entitled to extend the Lease Term for a period of […] years on the same terms as under this lease, subject, however, to the Rent being adjusted to market rent. If the Lessee wishes to exercise such option, this shall be notified in writing to the Lessor no earlier than 18 months prior to, and no later than 12 months prior to, the expiry of the Lease Term.

7.4 If the parties have not, within 6 weeks of the option to extend the Lease Term having been exercised by notice to the Lessor, reached agreement as to what constitutes the market rent, such market rent shall be determined by an appraisal commission with final and binding effect for the parties. The parties shall appoint one commission member each. The appointed commission members shall be appraisers/commercial real estate agents with detailed knowledge of the commercial property market in […]. The parties shall each cover 50% of the costs associated with establishing and completing the commission proceedings.

[Comment: One might also here envisage a regulation requiring the parties to submit their own market rent estimates, with the parties only sharing the costs if the ruling of the appraisal commission lies within a specific range between these two estimates.]

7.5 The parties shall appoint their commission members no later than 8 weeks after the exercise of the option. The commission members appointed by the parties shall appoint the chairperson of the commission. If the commission members fail to reach agreement on the appointment of the chairperson, such chairperson shall be appointed by the chairperson of the Forum for Commercial Real Estate Agents (or another corresponding organisation/entity).

7.6 The commission shall, no later than 10 weeks after the exercise of the option, carry out an inspection of the Leased Object, as well as receive the input of the parties in a simple hearing. Each of the parties shall at the hearing be given sufficient time to communicate their views as to what constitutes the market rent, as well as to present such documentation as the parties may wish to refer to.

7.7 In determining the market rent, the commission shall define what would have been the applicable market rent if a corresponding lease had been entered into in the ordinary manner, as per the date on which the commission makes its ruling. The commission shall for such purposes attach weight to all relevant considerations, including the location and condition of the Leased Object, the date of commencement of the extension period, the duration of the extension period, etc. The ruling of the commission shall be issued no later than 2 weeks after the completion of the abovementioned hearing, and shall be sent to the parties in the form of a written statement specifying the relevant market rent.

7.8 The commission’s determination of market rent pursuant to Clause 7.7 shall not constitute arbitration. If the determination of market rent also raises any legal issues on which the parties are not in agreement, the appraisal commission shall only address these to the extent that the parties jointly request it to do so. In such case, Act of 14 May 2004 No. 25 relating to Arbitration shall be applicable, to the extent not otherwise agreed in this Clause as far as concerns any matter on which the provisions of the Arbitration Act are non-mandatory.

7.9 The market rent as specified by the commission shall thereafter be the Rent as per the date of commencement of the extension period.

**CLAUSE 10 – COMMENT**

Concerning Clause 10.1:

It is here specified what portion of the Leased Object the parties have as per contract signing assumed will be included in the lessor’s voluntary real estate lease registration in the Value Added Tax Register.

In order for an area to be included in the lessor’s voluntary registration, such area must be used in one of the following ways:

a) for activities registered under the Value Added Tax Act;

b) by government entities under the supreme control of a municipal council, a county council or another council or board under the Municipality Act or special municipal legislation; or

c) by inter-municipal and inter-county entities organised under the Municipality Act or special municipal legislation.

Any areas leased for private activities that qualify for compensation, for example private schools and nurseries, **cannot** be included in the lessor’s registration. The same applies to any areas to be used by the lessee to meet housing or welfare needs, for example employee housing and gyms.

If an area is used, at the same time, both for purposes that meet the conditions for being included in the lessor’s registration and for purposes that are not included; so-called ”mingling areas”, such area may as a main rule be included in the lessor’s registration. However, this is subject to the condition that the lessee would have had a right of deduction or compensation with regard to such area in the event that the lessee had itself owned the premises. If the VATable turnover of a lessee in relation to a mingling area would not normally exceed 5 % of such lessee’s total turnover relating to the relevant area during the course of a financial year, the said lessee would have had no such right of deduction, and the area cannot be included in the lessor’s registration. However, the said restriction shall not apply if the turnover of the lessee is principally (i.e. no less than 80 %) in the form of financial services that are exempted from Value Added Tax.

Alternative A should be ticked if the parties have assumed that the leased object in its entirety is to be included in the lessor’s voluntary registration. Alternative B should be ticked if only parts of the leased object are to be included. Dimensioned drawings with specification of the size of the area shall in such case be attached to the lease.

Alternative C should be ticked if the parties have assumed that no part of the leased object is to be included in the lessor’s voluntary registration.

NB! An ordinary voluntary registration includes, as a main rule, all leases entered into by the relevant lessor with enterprises that meet the conditions for inclusion in a voluntary registration. If the lessor and the lessee agree to exclude an area from the lessor’s voluntary registration, although such area meets the conditions for inclusion, specific notice to such effect must therefore be given to the Tax Office. However, this does not apply to enterprises that are voluntarily registered by proclamation (see explanation concerning Clause 10.4), since proclamation only encompasses the specific lease proclaimed.

Concerning Clause 10.2:

The specification, in Clause 10.1, of what portion of the leased object it has been assumed will be included in the lessor’s voluntary registration as per contract signing forms the basis for what Value Added Tax status the lessee warrants that the leased object shall have throughout the lease term. Any deviation from the assumed Value Added Tax status will, as a main rule, be the responsibility of the lessee, cf. Clause 10.7, with the lessee being liable for the lessor’s loss as the result of any changes in use, subleases, regulatory amendments pertaining to the use/activities of the lessee, etc. However, deviations from the assumed Value Added Tax status as the result of regulatory amendments that do not specifically pertain to the use/activities of the lessee shall be the responsibility of the lessor.

Concerning Clause 10.3:

This provision implies that the lessor is only entitled to add Value Added Tax on the rent in respect of those areas that the parties have assumed will be included in the lessor’s voluntary registration pursuant to Clause 10.1, cf. the explanation concerning Clause 10.1 above. The lessor cannot add Value Added Tax for areas the parties have assumed will not be included in the lessor’s voluntary registration, even if such areas meet the conditions for inclusion in such registration. This applies both in case said areas met the conditions already at contract signing (but it was nonetheless decided not to include these) and in case the Value Added Tax status of said areas changes during the lease term. If the lessor wants to include such areas in the voluntary registration it must be based on an agreement with the lessee; the lessor cannot decide this unilaterally. The sole exemption from this concerns any areas that become included in the lessor’s registration as the result of mandatory real estate lease registration being introduced by statute. The lessor may in such cases add Value Added Tax when invoicing the rent, etc.

Please recall that notice must be given to the Tax Office in respect of any areas one decides not to include in voluntary registration despite the conditions for such inclusion being met.

Concerning Clause 10.4:

Note that the lessee needs to apply for voluntary registration in the Value Added Tax Register in respect of the sublease unless the lessee is already registered in the Value Added Tax Register in respect of other VATable activities. The same applies to the sublessee in the event of any sub-sublease. There must be an ***unbroken chain of voluntary registrations*** between the Lessor and the ultimate sublessee. If the lessee is registered in the Value Added Tax Register in respect of other VATable activities, voluntary registration may be effected by way of so-called proclamation. Proclamation is done by including a provision in the sublease agreement to the effect that the sublease shall be deemed to be subject to Value Added Tax, and then adding Value Added Tax when invoicing the rent and other services, as well as recording such rent as VATable sales in the accounts.

**CLAUSE 11 - SUGGESTED GUARANTEE WORDING**

GUARANTEE

The undersigned […] (the **Guarantor**), hereby guarantees the timely performance by […] (the **Lessee**) of all its obligations under a lease agreement concerning the lease of premises in the property known as […], land no. […], title no. […], in the municipality of […], dated […], entered into with […] (the **Lessor**).

The total guarantee liability shall not exceed the amount of NOK […].

Any dispute relating to this guarantee shall be resolved before the courts in the jurisdiction of the property. The guarantee shall remain in effect throughout the lease term, as well as for 3 months after the expiry of the lease term, provided, however, that any claim pertaining to the guarantee shall be received by the Guarantor no later than […].

|  |
| --- |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Guarantor |

**CLAUSE 11 – SUGGESTED CONTRACT AND GUARANTEE WORDING WHERE A PARENT COMPANY GUARANTEE IS USED INSTEAD OF GUARANTEES AS MENTIONED IN CLAUSE 11**

Contract wording:

The Lessee shall furnish a parent company guarantee as specified below the signature line of this lease agreement, in respect of the timely performance of the obligations of the Lessee under this lease. The guarantee shall be governed by Norwegian law. Any dispute relating to the guarantee shall be resolved before the courts in the jurisdiction of the Property.

Guarantee wording:

[…], business registration number […], guarantees the timely performance by the Lessee of all its obligations under the lease.

**CLAUSE 18 – SUPPLEMENTARY WORDING IF THE LESSEE IS SELF-INSURED**

If the lessee is self-insured, the following sentence may be added in Clause 18.1:

The Lessee is self-insured. Consequently, the Lessee is under no obligation to arrange insurance, but its liability nonetheless corresponds to that stipulated in this Clause 18.

**CLAUSE 21 – PUBLIC SECTOR LESSEES**

Claims against central government bodies are not enforceable, cf. Section 1-2 of the Enforcement Act. Clause 21.2 may be deleted if the lessee is a central government body. As far as other public sector lessees are concerned, the provisions need to be specifically examined from the perspective of Section 1-2 of the Enforcement Act.

**CLAUSE 22 – SUGGESTED SUPPLEMENTARY WORDING AND APPENDIX WORDING IF THE LESSOR IS TO COMPENSATE THE LESSEE FOR INVESTMENTS MADE BY THE LESSEE IN THE LEASED OBJECT**

*Contract wording:*

22.7 The Lessor shall compensate the Lessee for replacements at, and necessary investments in, the Leased Object to the extent specified in **Appendix […]**.

*Wording for the appendix:*

The Lessor shall compensate the Lessee for replacements at, and necessary investments in, the Leased Object which are completed during the last [2] years of the Lease Term, which individually involve a cost in excess of NOK [500,000] (exclusive of Value Added Tax), and which have a service life and economic life of no less than […] years beyond the Lease Term.

The right to compensation is conditional upon the investment having the prior approval of the Lessor. Consent shall not be withheld without just cause. The investment in question being specific to the activities of the Lessee shall always being considered just cause. [Investments that are specific to the activities of the Lessee shall include, *inter alia*, […].]

The compensation shall correspond to the residual value of the investment in question, based on straight-line depreciation over its normal lifespan.

The compensation shall fall due for payment 1 month after the Lessee has vacated the Leased Object.

The right to compensation shall not apply in respect of any changes to the Leased Object, cf. Clause 17.1.

**CLAUSE 28 – SUGGESTED CONTRACT WORDING CONCERNING ARBITRATION**

28.1 This lease shall be governed by Norwegian law.

28.2 Any dispute relating to, or having its origin in, this lease, shall be resolved by arbitration pursuant to the Act of 14 May 2004 No. 25 relating to Arbitration. The arbitral tribunal shall comprise three arbitrators, of whom the parties shall appoint one arbitrator each. The arbitrators appointed by the parties shall appoint the third arbitrator, who shall be the chairperson of the arbitral tribunal. The chairperson of the arbitral tribunal shall be a Norwegian lawyer. In the absence of agreement as to the identity of the third arbitrator, such arbitrator shall be appointed by the Chief District Court Judge of the Oslo District Court.

28.3 The arbitration shall take place in […], and the language of arbitration shall be Norwegian.

28.4 The arbitral proceedings shall be deemed to have commenced when one party sends a request to the opposite party to the effect that the dispute be resolved by arbitration. The arbitration proceedings and the ruling of the arbitral tribunal shall be subject to a duty of confidentiality, and the parties shall enter into, as soon as the arbitral proceedings have commenced, a separate agreement confirming this.