

Title:	Standard Parent Company Guarantee
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Business Process:	Supply Chain		
Work Process*:	Supply Chain Governance		
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*This document is owned by current BP Manager ([BP Matrix](#)) of this work process

Revision	Date	Description
00	27-Feb-2023	First revision

Validity**:	Global
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**This field shall be read in conjunction with metadata for applicability to Segment/Function, Execution models and locations

Purpose
Mandatory standard Parent Company Guarantee format for suppliers & subcontractors to Aker Solutions

Parent

n/a

Child

n/a

Parent Company Guarantee

PCG requirements

The Parent Company Guarantee (PCG) shall be presented to Aker Solutions on document with Parent's letterhead. The PCG shall be signed by Parent's authorised personnel.

If signature is electronic, it shall be verifiable to Aker Solutions.

**STANDARD PARENT COMPANY GUARANTEE
FOR SUPPLIERS AND SUBCONTRACTORS TO AKER SOLUTIONS**

In the event of Aker Solutions [INSERT RELEVANT AKSO ENTITY DETAILS], having its registered office at [INSERT] and company registration no [INSERT] (“**Company**”) entering into a contract for [DESCRIBE CONTRACT IN BRIEF] (the “**Contract**”) with [INSERT], having its registered office at [INSERT] and company registration no [INSERT] (“**Contractor**”), a subsidiary of [INSERT] having its registered office at [INSERT] and company registration no [INSERT] (“**Parent**”), Parent hereby gives and delivers to Company the following guarantee:

1. Parent guarantees as for its own debt (*Norwegian: selvskyldnergaranti*) the performance by Contractor, its successors and assignees, of all Contractor’s obligations under the Contract, and in the event of any non-performance of the obligations of Contractor then:
 - a) Parent shall indemnify Company against all losses, damages, costs and expenses which Company may incur by reason of such non-performance by Contractor, and in addition,
 - b) upon being instructed to do so by Company, Parent shall perform and take whatever measures necessary to fulfil the obligations of Contractor under the Contract, or alternatively, if Parent cannot demonstrate to Company’s reasonable satisfaction within 14 days of being requested to do so by Company that it has the capability to perform under the Contract, Company shall be entitled to procure performance of the obligations of Contractor by engaging a third party to perform the work according to the Contract in lieu of Parent and Parent shall pay the extra cost incurred by Company in this connection.
2. Except for claims arising under or in connection with the Contract, Parent waives any right to make any counter-claim towards Company.
3. This guarantee shall include any changes to the Contract. The guarantee may be assigned together with the Contract if the Contract is assigned to a third party.
4. If and to the extent applicable, the provisions of (and/or principles derived from) chapter 4 of the Norwegian Financial Agreements Act 1999 (*Norwegian: Finansavtaleloven*) (as amended or replaced from time to time) shall not apply to this guarantee.
5. In any event, the liabilities and obligations of Parent to the Company under this guarantee shall not, either individually or when aggregated together with Contractor’s liabilities under the Contract, be different in character (except as provided for under section 1b) above or greater than the liabilities and obligations of the Contractor to the Company under the terms of the Contract. Parent shall be entitled to all the rights, elections, remedies and defenses to which it or Contractor may be entitled under the Contract or applicable law.
6. Parent’s obligations under this guarantee shall not be lessened, impaired, discharged or otherwise affected by:
 - a) any of the obligations of Contractor under the Contract being or becoming illegal, invalid, void, voidable, unenforceable or ineffective in any respect;
 - b) the bankruptcy, insolvency, liquidation, reorganisation, dissolution, amalgamation, reconstruction or any analogous proceeding relating to Contractor or any change in the status, function, control, or ownership of Contractor;
 - c) the suspension or termination of the Contract or the employment of Contractor under the Contract for any reason whatsoever; or

- d) any other act, event or omission which but for this clause might operate to discharge, impair or otherwise affect any of the obligations of Parent under this guarantee or any of the rights powers or remedies conferred upon Company by this guarantee or by law.
7. Company shall not be obliged before enforcing any of its rights or remedies conferred upon it by this guarantee or by law to:
 - a) take any legal proceedings or action or obtain any judgement against Contractor in any court;
 - b) make or file any claim in any bankruptcy liquidation winding-up or dissolution of Contractor; and/or
 - c) exhaust any other right or remedy against Contractor.
 8. The liabilities of Parent under this guarantee may be enforced irrespective of whether any legal proceedings have been taken against Contractor and the terms of this guarantee shall be a continuing guarantee and shall remain in full force and effect until each and every part of the obligations and undertakings of Contractor under and pursuant to the Contract have been discharged and performed in full.
 9. This guarantee shall be governed by and construed in accordance with the laws of Norway. No rule of law which would result in the application of foreign law on this guarantee shall be applied. Disputes which may arise in connection with or as a result of this guarantee, shall be decided by court proceedings instituted at Oslo District Court.

This Guarantee is executed as a deed and is delivered and takes effect on the date stated hereunder.
Executed as a deed by two authorized signatories on this day of 20.....

Signed by authorized signatory for the Parent

Signed by authorized signatory for the Parent

Definitions and Abbreviations

Terms/Abbreviation	Definitions
Bank Guarantee	A Financial Security Bond provided by a Bank or Insurance Company as 'Guarantor' on behalf of the subcontractor or supplier as the 'Principal'
Parent Company Guarantee	A Performance and Financial Security Bond for subcontractor/supplier's complete performance of his obligations under a contract issued by the subcontractor/supplier's ultimate owner as Guarantor. Parent Company Guarantees shall be provided on headed paper.
On Demand Bond	A Bond which Beneficiary may call on by making a demand on the Guarantor without any proof of default by the Principal
Conditional Bond	A conditional Performance Bond does not become payable unless the Guarantor has verified that the Principal is in breach of its contractual obligations and that because of that breach, the Beneficiary has suffered a loss or damages.