

SHAREHOLDER AGREEMENT

between

THE CITY OF OSLO,

MUNICIPALITIES AND COUNTY MUNICIPALITIES IN INNLANDET,

INNLANDET ENERGI HOLDING AS,

HAFSLUND E-CO AS,

EIDSIVA ENERGI AS

and

E-CO ENERGI AS

on the ownership of EIDSIVA ENERGI AS and companies owned jointly by

EIDSIVA ENERGI AS

and

HAFSLUND E-CO AS

30 September 2019

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This shareholder agreement (the **Agreement**) has been entered into on 30 September 2019 (the **Agreement Date**) between:

- (1) **the City of Oslo**, a municipality with the registration number 958 935 420 and the registered address Rådhuset, 0037 Oslo (the **City of Oslo**);
- (2) **the municipalities and county municipalities (and associated holding companies)** listed in Appendix 1 as the **Innlandet Municipalities**;
- (3) **Innlandet Energi Holding AS**, a limited company with the registration number 922 320 918 and the registered address c/o Eidsiva Energi AS, FAO Leif Henning Asla, Vangsvengen 73, 2317 Hamar (**Innlandet Energi Holding**);
- (4) **Hafslund E-CO AS**, a limited company with the registration number 920 596 509 and the registered address Drammensveien 144, 0277 Oslo (**Hafslund E-CO**);
- (5) **Eidsiva Energi AS**, a limited company with the registration number 983 424 082 and the registered address Vangsvengen 73, 2317 Hamar (**Eidsiva**); and
- (6) **E-CO Energi AS**, a limited company with the registration number 976 894 677 and the registered address C J Hambros plass 2 C, 0104 Oslo (**E-CO** or the **Production Company**);

each of these referred to individually as a **Party** and collectively as the **Parties**, each of Parties (1) and (2) individually as an **Owner** and collectively as the **Owners**, each of Parties (3) and (4) individually as a **Shareholder** and collectively as the **Shareholders**, and Parties (5) and (6) as the **Companies**.

1. BACKGROUND

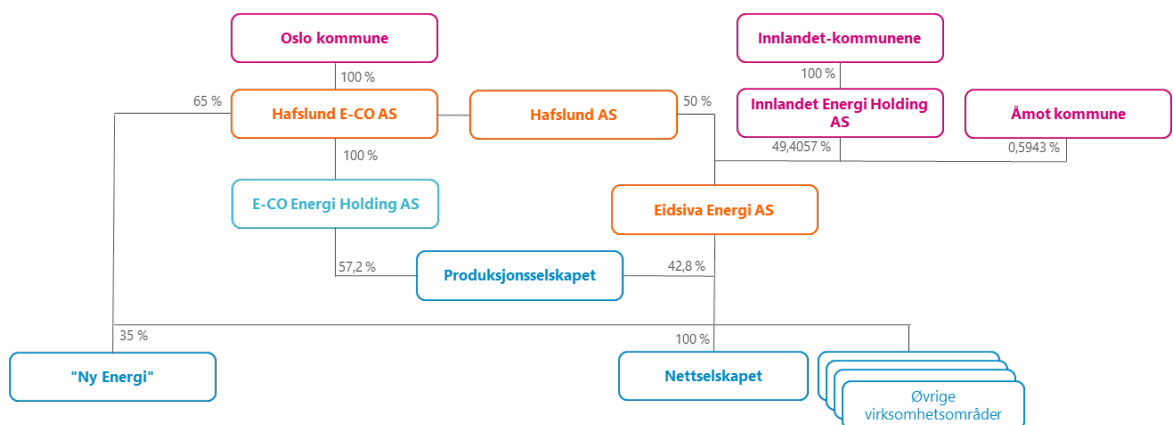
- (i) The City of Oslo owns Hafslund E-CO. Hafslund E-CO is a result of a series of transactions where the municipality has streamlined public ownership of power distribution and production activities at Hafslund and E-CO and brought them together in a vertically integrated group of companies. The City of Oslo wishes to promote further consolidation of the power sector through Hafslund E-CO.
- (ii) Eidsiva is owned by the Innlandet Municipalities and the other municipalities listed in Appendix 1 as **Direct Owners** (which have chosen to hold shares in Eidsiva directly also in the future) (collectively the **Municipalities**). The Innlandet Municipalities wish to strengthen and further develop Eidsiva, including through consolidation with other businesses. The Innlandet Municipalities require that significant activities in the power sector continue to be firmly anchored in Innlandet in the future.
- (iii) The Parties are agreed on the co-ordination of activities at Hafslund E-CO and Eidsiva as reflected in this Agreement.
- (iv) The Innlandet Municipalities will, upon or prior to the execution of the Transaction Agreement (as defined below), transfer their shares in Eidsiva to Innlandet Energi Holding in exchange for shares in Innlandet Energi Holding. The Innlandet Municipalities will enter into a separate shareholder agreement governing their ownership of Innlandet Energi Holding (see section 6).

(v) Hafslund E-CO, Eidsiva, Eidsiva Nett AS (**Eidsiva Nett**) and E-CO entered into a transaction agreement (the **Transaction Agreement**) on 27 June 2019 to govern the execution of the agreed co-ordination (the **Transaction**).

(vi) The main elements of the Transaction are briefly as follows:

- (a) Eidsiva will transfer all shares in Eidsiva Vannkraft AS (**Eidsiva Vannkraft**) to the Production Company in exchange for Eidsiva receiving shares in the Production Company.
- (b) At the same time, Hafslund E-CO (or a subsidiary of Hafslund E-CO) will transfer all shares in Hafslund Nett AS to Eidsiva in exchange for Hafslund E-CO (or a subsidiary of Hafslund E-CO) receiving shares in Eidsiva. If a subsidiary of Hafslund E-CO holds these shares in Eidsiva from the Execution Date, the subsidiary must accede to this Agreement, and Hafslund E-CO will be responsible for the subsidiary fulfilling its obligations under this Agreement.
- (c) The above will result in an ownership structure where 50% of Eidsiva is held by the Innlandet Municipalities (through Innlandet Energi Holding) and Direct Owners, and 50% by Hafslund E-CO (either directly or through a subsidiary), and where 57.2% of the Production Company is held by Hafslund E-CO (through E-CO Energi Holding AS), and 42.8% by Eidsiva.
- (d) Initiatives in new business areas and the development of new energy solutions will take place primarily through the company referred to as “Ny Energi” (**Ny Energi**), which will be owned jointly by Hafslund E-CO as majority shareholder and Eidsiva as minority shareholder. See also section 5.
- (e) After the execution of the Transaction Agreement, the board and management of the Companies will ensure the operational and legal integration of their respective activities in accordance with the Transaction Agreement and this Agreement.

(vii) The execution of the Transaction Agreement will result in the following ownership structure:



The crux of the Transaction Agreement is the consolidation of the Parties' power production and distribution activities respectively, with Hafslund E-CO and Eidsiva as the respective "parent companies", and with joint ownership (but without the Production Company and the Distribution Company being part of the same consolidated group).

- (viii) The long-term ambition is to consolidate more publicly-owned businesses with the companies now being formed. The Parties believe that a strategy based on lasting public ownership is the key to bringing about the desired further consolidation. The Transaction Agreement is the first step in this direction.
- (ix) This Agreement governs the Parties' rights and obligations in relation to their joint ownership of Eidsiva and the Production Company. This Agreement will also serve as the Parties' shareholder agreement for Eidsiva. In addition to this Agreement, separate shareholder agreements are being entered into for the Production Company and Ny Energi, and new shareholder agreements will be entered into for the Distribution Company and other subsidiaries if new shareholders join these companies. Such new shareholder agreements must be consistent with this Agreement.
- (x) This Agreement is conditional on, and becomes effective upon, the execution of the Transaction Agreement.

2. DEFINITIONS

The following words and expressions have the following meanings in this Agreement:

Agreement means this agreement, including all appendices;

Agreement Date means the date this Agreement is entered into between the Parties with their signatures;

Companies means Eidsiva and the Production Company;

Companies Act means the Norwegian Companies Act, Act No. 44 of 13 June 1997 relating to limited liability companies;

Direct Owners has the meaning set out at the beginning of this Agreement (see [Appendix 1](#));

Distribution Company means the company that will continue the Parties' power distribution activities currently operated through Hafslund Nett and Eidsiva Nett;

E-CO means the company referred to as E-CO Energi at the beginning of this Agreement;

Eidsiva means the company referred to as Eidsiva Energi at the beginning of this Agreement;

Eidsiva Nett means the limited company Eidsiva Nett AS, registration number 981 963 849;

Eidsiva Vannkraft means the limited company Eidsiva Vannkraft AS, registration number 887 396 752;

Execution Date means the date when the execution of the Transaction Agreement actually takes place;

Hafslund E-CO means the company referred to as Hafslund E-CO at the beginning of this Agreement;

Innlandet means the area covered by the county municipalities of Hedmark and Oppland on the Agreement Date;

Innlandet Energi Holding means the company referred to as Innlandet Energi Holding at the beginning of this Agreement;

Innlandet Municipalities means the municipalities and county municipalities listed as such in Appendix 1, plus any other municipalities in Innlandet which acquire shares in Innlandet Energi Holding on or after the Agreement Date (either directly or indirectly through holding companies wholly owned by one or more Innlandet Municipalities, cf. section 11.2 of the shareholder agreement for Innlandet Energi Holding);

Location Provisions have the meaning set out in section 4;

Municipalities means the Innlandet Municipalities and Direct Owners collectively (see Appendix 1);

NOK means Norwegian kroner;

Ny Energi has the meaning set out at the beginning of this Agreement;

Party/Parties have the meaning set out at the beginning of this Agreement;

Production Company means the company that will continue the Parties' hydropower production activities (which will be E-CO unless agreed otherwise);

Production Shares means the shares in the Production Company;

Related Parties means legal and physical persons who (i) have a relationship as set out in section 1-5 of the Companies Act, or (ii) directly or indirectly have a controlling influence over a Shareholder as set out in section 1-3 of the Companies Act;

Shareholder/Shareholders have the meaning set out at the beginning of this Agreement;

Shares means the shares in Eidsiva;

Significant Subsidiaries means the Distribution Company, Eidsiva Fiberinvest AS, Eidsiva Bioenergi AS and Eidsiva Bredbånd AS;

Subsidiary means a subsidiary company as defined in section 1-3 of the Companies Act;

Transaction has the meaning set out in section 1 (v);

Transaction Agreement has the meaning set out in section 1 (v);

Waterfall Rights Act means the Norwegian Waterfall Rights Act, Act No. 16 of 14 December 1917 relating to acquisition of waterfalls, mines and other real property etc.; and

Working Day means any day when ordinary banks are open in Norway.

3. POINTS OF DEPARTURE AND OBJECTIVES

3.1 The situation after execution

After the execution of the Transaction Agreement, the Production Company will be Norway's second-largest power producer.

The Distribution Company will be Norway's largest power distributor with a customer base of around 900,000 customers and a clear ambition to be Norway's most efficient power distributor.

Eidsiva will also continue to own the other businesses that Eidsiva owns today, including the Significant Subsidiaries.

3.2 Co-ordination of activities after the transaction

In connection with the Transaction, there are to be processes for the integration of the distribution and production activities concerned. Aims in this context include that:

- employee skills are a key factor in the organisation of the Distribution Company and the Production Company, unless this means that the Location Provisions cannot be satisfied;
- there is balanced representation of Eidsiva Vannkraft and E-CO Energi in the Production Company's management team; and
- there is balanced representation of Hafslund Nett and Eidsiva Nett in the Distribution Company's management team.

3.3 Key principles for the Companies' activities

- (a) The Parties are agreed that the Companies will strive for rational and efficient operation based on commercial principles, and that the Companies will have long-term shareholder value as their objective.
- (b) The Companies will strive, within the constraints of (a) above, to:
 - (i) strengthen the Companies' competitiveness and profitability by realising economies of scale through efficient operation, digitalisation and new technology;
 - (ii) safeguard and develop the Companies' workplaces, which includes securing access to necessary and sufficient expertise in existing and new business areas; and
 - (iii) ensure that businesses and consumers in the Companies' supply area pay low network charges, and that competitive solutions can be offered on a commercial basis.
- (c) The Parties are committed to a strategy for the Companies that is based on the importance of public ownership of both distribution and production in the coming years in bringing about the desired consolidation of the power sector.
- (d) In addition to organic growth, the Companies will seek to expand through mergers with third parties or through capital increases in exchange for third parties' business activities.

As set out in section 10, there is a joint ambition for such transactions primarily to take the form of capital increases at Eidsiva.

The possibility of the Companies also making straight acquisitions is not ruled out. Such acquisitions should normally be financed through operations or by raising external financing.

- (e) The Shareholders will seek to realise economies of scale, but also wish to realise and preserve the benefits of small-scale operation (for example, proximity to facilities and limited bureaucracy). The Shareholders will work on developing working methods to harvest both economies of scale and the benefits of small-scale operation at the Companies.
- (f) Eidsiva Bredbånd AS and/or Eidsiva Fiberinvest AS will continue, subject to financial capacity and approved plans, to invest in profitable broadband and infrastructure development.
- (g) Other businesses in the Eidsiva group, including bioenergy and sales of power to end-users, will be further developed with the aim of continued value creation and profitability. This includes structural development opportunities or disposals.

4. LOCATION OF BUSINESS AREAS

- (a) Eidsiva will have its head office in Hamar, and the Eidsiva group's management team will be located in Hamar, so that governance and management of the group's activities is undertaken in practice from Hamar.
- (b) The Distribution Company will have its head office in Hamar, and the Distribution Company's management team will be located in Hamar, so that the management of distribution activities is undertaken in practice from Hamar.

The organisation of distribution activities will be based on a decentralised operational and organisational structure. Today's centres of excellence at Hafslund Nett and Eidsiva Nett will be safeguarded and further developed optimally.

Employee skills and strong technical departments are the distribution companies' most important success factors and have been a prerequisite for their adaptability and continuous value creation. The technical departments at today's Hafslund Nett and Eidsiva Nett will play a key role in further developing the Distribution Company as Norway's leading power distributor in terms of expertise, adaptability and finances - with a clear ambition to maintain its position as a benchmark for efficiency. Key centres of excellence will be further developed in Oslo and in Innlandet, and such that the Distribution Company maintains a strong presence throughout the supply area.

- (c) The Production Company will be managed from Oslo, based on a decentralised operational and organisational structure. The assets at today's centres of excellence at the Production Company and Eidsiva Vannkraft will be safeguarded and further developed optimally.

Technical, operational and physical production management functions at today's Eidsiva Vannkraft will be strengthened and together be given a broader role as a result of more power stations coming under their area of responsibility. These functions will

be permanently based in Lillehammer. A description of technical, operational and physical production management functions at today's Eidsiva Vannkraft and E-CO Energi upon entering into this Agreement is included in Appendix 4c).

- (d) Should questions arise over possible departures from (a) to (c) above, only the following cases will be considered departures:

In relation to (a), if

- (i) Eidsiva's head office is moved out of Hamar, or
- (ii) the Group CEO does not have his or her place of work in Hamar, or the majority of the other members of Eidsiva's group management team do not have their place of work in Innlandet.

In relation to (b), if

- (iii) the Distribution Company's head office is moved out of Hamar, or
- (iv) the CEO of the Distribution Company does not have his or her place of work in Hamar, or the majority of the other members of the Distribution Company's management team do not have their place of work in Innlandet.

In relation to (c), if the proportion of employees in the Hafslund E-CO group working on technical and operational management of the Production Company's activities (including assets and rights), and on physical production management for production from those, with their place of work in Lillehammer is reduced in relation to the situation on the Execution Date.

When reference is made in this Agreement to "place of work", this refers to both the formal and actual place of work.

- (e) The provisions here in section 4 are collectively referred to as the **Location Provisions**.

Amendments to the Location Provisions require the consent of both Hafslund E-CO and Innlandet Energi Holding (as set out in more detail in section 11).

Departures from the Location Provisions as referred to under (d) above may not be made without the consent of Hafslund E-CO and Innlandet Energi Holding (which are free to withhold consent and demand that the matter is rectified).

5. NY ENERGI

Hafslund E-CO and Eidsiva will hold 65% and 35% respectively of Ny Energi on the company's formation.

It is important for the Parties to build expertise in tomorrow's energy systems, promote business development and develop new business areas. These development activities will be channelled primarily to Ny Energi, but in such a way that personnel and staffing policy ensures skills-building across the Companies' business areas. There must also be a continued focus on business development and the development of new technology and new energy solutions in Hafslund E-CO's and Eidsiva's business areas in addition to activities at Ny Energi.

This Agreement does not therefore prevent companies in the Eidsiva or Hafslund E-CO groups other than Ny Energi from continuing planned projects or launching new projects in their particular areas of activity/expertise. Nor does this Agreement prevent Eidsiva from maintaining its existing departments for business development, innovation, etc.

Where Hafslund E-CO or Eidsiva wish to launch other projects, Ny Energi must be informed. If Ny Energi wishes to participate in/manage such projects, the intention is that Ny Energi should be given the opportunity to take on such a role, especially in cases where the projects have links to distribution and/or production activities.

Where the creation of new business areas/projects is proposed, the shareholders in Ny Energi will have no obligation to contribute capital. It is assumed that projects will be organised as separate projects/companies where any capital needs are met by the shareholders in the company, and perhaps others, on a voluntary basis, but such that each shareholder in Ny Energi has the right to participate proportionally in each project/company unless agreed otherwise.

A separate, independent shareholder agreement is being entered into for Ny Energi ([Appendix 5](#)).

6. INNLANDET ENERGI HOLDING AS

6.1 Ownership

The Innlandet Municipalities have pooled their ownership of Eidsiva in Innlandet Energi Holding. Upon the execution of the Transaction Agreement, Innlandet Energi Holding and the Direct Owners will together own 50% of the Shares in Eidsiva.

The Innlandet Municipalities have entered into a shareholder agreement for Innlandet Energi Holding, included as [Appendix 6.1](#) to this Agreement. The shareholder agreement requires the shareholders in Innlandet Energi Holding to act collectively at Eidsiva, based on a principle of majority decisions. Sections 8 and 11 of the shareholder agreement for Innlandet Energi Holding may not be amended directly or indirectly without the consent of the City of Oslo, whether through amendment of the shareholder agreement or articles of association or in any other way.

None of the Innlandet Municipalities may enter into agreements, or in any other way establish binding co-operation with other Innlandet Municipalities or other shareholders of Innlandet Energi Holding on the exercise of shareholder rights at Innlandet Energi Holding (beyond that which is expressly required/permitted by the shareholder agreement for Innlandet Energi Holding), which in reality entail a tightening of the endorsement requirement in the first paragraph of section 6.2.

This Agreement is based on Innlandet Energi Holding and Hafslund E-CO ensuring that decisions made in relation to Eidsiva are made as though the two Parties each owned 50% of Eidsiva. Direct Owners will not therefore be given influence.

For the purposes of documentation and control, the City of Oslo and Hafslund E-CO will have an ongoing right to receive such information as may reasonably be requested in order to document and control whether the provisions of the Agreement relating to Innlandet Energi Holding are complied with, including from Innlandet Energi Holding, the Innlandet Municipalities and entities they control.

6.2 Endorsement from Innlandet Energi Holding

When this Agreement requires a decision to be made by, or have the endorsement, consent, acceptance, approval or similar of, Innlandet Energi Holding, the matter in question will (unless expressly stated otherwise in this Agreement) be decided by a vote in which only the Innlandet

Municipalities that hold shares in Innlandet Energi Holding at the time of the vote may participate. Such votes will be decided by a simple majority of the relevant Innlandet Municipalities, where each share in Innlandet Energi Holding carries one vote.

6.3 Sales of shares in/from Innlandet Energi Holding/Eidsiva/Hafslund E-CO

6.3.1 Sales in/from Innlandet Energi Holding:

If the Innlandet Municipalities' direct and indirect (through a holding company which is wholly owned by one or more Innlandet Municipalities, cf. section 11.2 of the shareholder agreement for Innlandet Energi Holding) ownership of Innlandet Energi Holding is reduced to less than two thirds, and/or if Innlandet Energi Holding sells more than a third of its shares in Eidsiva, the special rights assigned to Innlandet Energi Holding will lapse/change as follows:

- (a) The Location Provisions will lapse (see section 11 (a));
- (b) the 20% limit in the Production Company will lapse (see, for example, section 8.2 (a));
- (c) the restriction on agreements on the transfer of ownership of power stations and other facilities/assets/rights between the Production Company and a shareholder or a shareholder's Related Parties will lapse (see section 8.2 (c));
- (d) the restriction on transactions that cause Eidsiva's share of the Production Company's production volume to be reduced by more than 10% from the situation on the Execution Date will lapse (see section 8.2 (d));
- (e) section 7.3 on an ownership limit of 50% will lapse;
- (f) the restrictions on the sale of shares in the Distribution Company and other Significant Subsidiaries will lapse (see section 11 (b) and (c)); and
- (g) the principle in the fourth paragraph of section 6.1 will lapse.

If parties other than the Innlandet Municipalities become owners of more than a third of Innlandet Energi Holding, Innlandet Energi Holding will retain its right to appoint members of the board without limitations (provided that the company has not sold more than a third of its shares in Eidsiva, cf. the next paragraph), but the right to appoint the chair will fall to Hafslund E-CO or the largest shareholder in Eidsiva (if this is not Hafslund E-CO).

If Innlandet Energi Holding sells more than a third of its shares in Eidsiva, representation on Eidsiva's board will reflect the owners' shareholdings. The right to appoint the chair will also then fall to the largest shareholder in Eidsiva.

A sale of Shares in which both Innlandet Energi Holding and Hafslund E-CO participate will not count as a sale for the purposes of this provision.

If the special veto and consent rights lapse, all shares in Innlandet Energi Holding will carry equal voting rights in matters concerning Eidsiva.

For the avoidance of doubt, a reduction in Innlandet Energi Holding's holding in Eidsiva as a result of dilution where new shareholders join Eidsiva in ways other than through the sale of Shares from Innlandet Energi Holding will not count as a sale for the purposes of the provision above.

6.3.2 Sales in/from Hafslund E-CO:

The provisions set out for sales in/from Innlandet Energi Holding above apply correspondingly to the City of Oslo if the City of Oslo sells shares (directly or indirectly) in Hafslund E-CO (or another intermediate company between the City of Oslo and the shareholding in Eidsiva), or if Hafslund E-CO (or another intermediate company between the City of Oslo and the shareholding in Eidsiva) sells Shares in Eidsiva, to the extent relevant (including that Hafslund E-CO's veto rights lapse).

The first paragraph above does not apply to the transfer of ownership of Eidsiva within the Hafslund E-CO group (including to a company owned by the City of Oslo or to the City of Oslo directly), provided and while the following conditions are met: (i) any intermediate owners endorse this Agreement, (ii) the City of Oslo maintains ownership of at least two thirds (directly or indirectly) of any companies that hold Shares in Eidsiva, and (iii) no more than a third of the Shares owned by Hafslund E-CO on the Execution Date are sold.

7. EIDSIVA

7.1 Articles of association

Eidsiva's articles of association will be as set out in Appendix 7.1 to this Agreement from the Execution Date. These articles of association will not prevent Eidsiva from continuing to own the assets Eidsiva owns at the Execution Date (including the shares in Moelven Industrier ASA).

7.2 Dividends

- (a) Eidsiva will, within the constraints of applicable law, pay a highly predictable dividend to the Shareholders, taking account of the tax regime in force at any given time, as set out in the following paragraphs. Dividends will be paid quarterly unless specifically agreed otherwise.
- (b) The board will prepare a five-year rolling dividend plan (based on the principles here in section 7) which will be presented to Shareholders for approval each year.
- (c) Dividend decisions at Eidsiva will be based on quarterly information provided to Hafslund E-CO, the City of Oslo and Innlandet Energi Holding, and communication with them over time, on options and requirements (in the short and long term, for Eidsiva and for the Owners).
- (d) Eidsiva will maintain creditworthiness equivalent to investment grade unless specifically agreed otherwise.
- (e) The Shareholders' overall objective is that dividends reflect a reasonable return on the underlying value that their shareholdings in Eidsiva represent.
- (f) Dividend decisions at Eidsiva's Subsidiaries will be based on the principles set out in (d) and (e) above.
- (g) The Shareholders have an expectation that dividends will be at least on a par with previous dividends (per share) from Eidsiva. The Shareholders are agreed that a dividend of at least NOK 700 million per year will be paid with effect from the 2020 financial year. The size of the minimum dividend will be adjusted annually ahead of the annual general meeting based on the change in the CPI. It is the 12-month change in the CPI from December to December published by Statistics Norway that is to be

applied. The first adjustment will be made in spring 2021, based in this case on the overall change in the CPI in 2019 and 2020.

7.3 Ownership restrictions

No party may, directly or indirectly, alone or together with other shareholders with which it has an understanding (for example shareholders which have entered into such an agreement, such as the Innlandet Municipalities), hold more than 50% of the Shares in Eidsiva unless this is accepted by Innlandet Energi Holding and the City of Oslo.

7.4 Lock-up period

The Parties may not, directly or indirectly, through the sale of shares, through new issues or in any other way, dispose of any of their Shares before the end of 2023. This does not, however, prevent transfers of shares (i) between the Shareholders, (ii) in Innlandet Energi Holding between the Innlandet Municipalities, including consolidation of shareholdings as a result of the merger of municipalities, or (iii) from Hafslund E-CO to another company in the Hafslund E-CO group, a company owned by the City of Oslo, or the City of Oslo directly, provided (a) the acquirer accedes to this Agreement and (b) the other conditions in the second paragraph of section 6.3.2 are met. Where there is a transfer of shares during the lock-up period as referred to in (iii) above, and the conditions in the second paragraph of section 6.3.2 are no longer met, the shares must be returned to another company that ensures that the aforementioned conditions are met.

7.5 Board of directors

- (a) Eidsiva's board of directors must have a professional composition. The ambition is to have a board whose members complement one another in terms of expertise and otherwise, and collectively make up a board of a high standard, both technically and otherwise. The fees offered to members will be based on market terms to reflect this level of ambition. The board will have up to six shareholder-elected members, plus representatives elected by and from employees. Hafslund E-CO and Innlandet Energi Holding are each entitled to appoint up to three members, but must seek consensus on the composition of the board. Those elected to the board must have the capacity to carry out the associated tasks. Employees of the Eidsiva group may not be elected as shareholder-elected members.
- (b) The position of chair will alternate, with the chair for the first two years being appointed by Innlandet Energi Holding. The chair has the casting vote in the event of a tie on the board.
- (c) When it comes to decisions on the consolidation of distribution activities at subsidiary level which this Agreement permits to be made by a majority of the shareholder-elected board members with support from one of the Shareholders, cf. section 10 (e) (v), the Parties must ensure that the necessary board decisions and general meeting resolutions are made.
- (d) Eidsiva will have a nomination committee with four members, with the City of Oslo/Hafslund E-CO and Innlandet Energi Holding entitled to appoint two each. The nomination committee will, through communication with the Shareholders, ensure board nominations which comply at all times with statutory requirements and the requirements above. The members of the nomination committee will formally be elected by Eidsiva's general meeting and normally serve for a term of three years, but may be replaced at any time by the party that nominated them.

- (e) The Parties are agreed that the board will make all decisions on behalf of Eidsiva which are not required to be made by the general meeting or by the Shareholders/Owners under the terms of the Companies Act, Eidsiva's articles of association or this Agreement. The Shareholders and Owners aim only in special circumstances to exercise their right to demand that a matter is considered by the general meeting. If Eidsiva retains a corporate assembly, the Parties will be entitled to the same proportional share of the shareholder-elected members of the corporate assembly as on the board, and the Parties will instruct their elected members of the corporate assembly to appoint the board in accordance with this Agreement.
- (f) At Eidsiva's Subsidiaries, all shareholder-elected board members, with the exception of those appointed by any minority shareholders, will be appointed by Eidsiva. This does not apply, however, to the Distribution Company, where the majority of the board members, including the chair, will be appointed by Eidsiva, and at least two shareholder-elected members will be appointed freely by Hafslund E-CO.

The Owners, board and management of Eidsiva each have an independent responsibility to ensure that the board committees at Eidsiva's Subsidiaries ensure competent, professional boards. Shareholder-elected board members, with the exception of the two appointed by Hafslund E-CO at the Distribution Company, must be independent of the Owners and their Related Parties. Shareholder-elected board members at Eidsiva may not also be board members of Subsidiaries. The board of Eidsiva has a responsibility, together with the boards of the Subsidiaries, to ensure that decisions made by and about the Subsidiaries do not favour any one Owner's interests.

When shareholder-elected board members are elected at Eidsiva's Subsidiaries, Eidsiva's management will submit a recommendation on proposed candidates to the board of Eidsiva. Similarly, when shareholder-elected members are elected at the Distribution Company, Hafslund E-CO will submit a recommendation to the board of Eidsiva on the two candidates proposed by Hafslund E-CO. These recommendations must be followed unless a majority of the shareholder-elected board members at Eidsiva vote for an alternative composition. The principle in the second paragraph above applies to the Board's consideration of such an alternative composition.

8. THE PRODUCTION COMPANY

8.1 Articles of association

The Production Company will have the articles of association set out in Appendix 8.1 from the Execution Date.

8.2 Shareholder agreement for the Production Company

A separate shareholder agreement is being entered into for the Production Company (Appendix 8.2).

In addition to the Location Provision in section 4 (c), the Parties are agreed on the following requirements concerning the Production Company:

- (a) Eidsiva will own at least 20% of the Production Company.
- (b) Each shareholder in the Production Company will have the right to appoint one board member for every 15% of its shares that the shareholder owns. A shareholder that owns

more than 50% of the shares in the Production Company will nevertheless have the right to appoint a majority of the total number of board members at the Production Company.

- (c) Agreements with a shareholder or a shareholder's Related Parties on the transfer of ownership of power stations and other facilities/assets/rights require Innlandet Energi Holding's acceptance.
- (d) Any transaction (including share issues that are not strictly necessary to safeguard the company's financial position) which causes Eidsiva's share of the Production Company's production volume to be reduced by more than 10% from the situation on the Execution Date requires Innlandet Energi Holding's approval.
- (e) The Production Company's articles of association, shareholder agreement and decisions must at all times be consistent with this Agreement. It is particularly important that section 9 below is reflected in such a way that a risk does not arise of departures from the principles set out there.
- (f) Capital increases which do not contravene paragraphs (a) or (d) above, and which Hafslund E-CO can reasonably consider necessary for (i) consolidations/acquisitions of power production activities that are considered desirable, (ii) investments in its own facilities, or (iii) maintaining satisfactory creditworthiness, may be decided by Hafslund E-CO alone, provided Hafslund E-CO directly or indirectly controls the majority of the shares in the Production Company at the time of the decision. Such transactions must take place at market prices. If, after the execution of a capital increase directed at Hafslund E-CO, Innlandet Energi Holding does not consider that this was reasonably necessary to achieve the underlying intention, the matter must be raised with Hafslund E-CO within three months of the execution date. If the parties agree that all or part of the capital increase was not reasonably necessary, that part of the capital increase will be converted into debt. If the parties cannot reach agreement on the matter within a month of the matter being raised, Innlandet Energi Holding may demand that the matter of whether the capital increase can objectively be seen as reasonably necessary is decided by an expert with binding effect in accordance with section 6 of appendix 3 to the Production Agreement.

Departures from the Location Provision in section 4 (c) and the requirements in (a) to (f) above require Innlandet Energi Holding's endorsement.

Hafslund E-CO will ensure that the above requirements are met at all times and that any new shareholders in the Production Company accede to them.

8.3 Shares in the Production Company

On the Execution Date, the Production Company's share capital will be NOK 3,037,210,000 divided into 3,037,210 shares each with a nominal value of NOK 1,000. The shares issued by the Production Company at any given time are referred to in this Agreement collectively as the **Production Shares**.

8.4 Dividends

The Parties have an expectation that total dividends per year from the Production Company will be at least on a par with previous dividends from production activities at Hafslund E-CO and Eidsiva together. Taking account of the main rule on capital structure in section 7 of the Production

Agreement, quarterly dividends will be paid with effect from the financial year ending in 2020 which correspond in normal situations to 60-90% of underlying profit after tax, with 50% of underlying profit after tax as an absolute minimum, to the extent that such a dividend is permitted by the Companies Act. The dividend may also be higher than 90% where warranted for the optimisation of the capital structure, cf. the aforementioned section 7 of the Production Agreement. Underlying profit after tax means here profit after tax adjusted for non-recurring items and unrealised gains and losses.

9. SHARE TRANSFER RESTRICTIONS FOR THE COMPANIES AND THEIR OWNERS

- (a) Under the Waterfall Rights Act, no one other than the State may without a licence acquire with full legal effect the right of ownership or use of waterfalls (falls or rapids) which, when harnessed, can be expected to produce more than 4,000 natural horsepower either alone or together with other waterfalls owned or used by the acquirer if they might reasonably be developed jointly. Licences may be awarded only to Norwegian municipalities, county municipalities, state-owned enterprises or companies directly or indirectly owned by a state-owned enterprise or by one or more municipalities or county municipalities in such a way that the state-owned enterprise, municipality or county municipality alone or collectively, directly or indirectly, holds at least two thirds of the capital and the votes, and organised in such a way as clearly to be in real public ownership.
- (b) The calculation of public ownership is to be based on the “flow” principle (*gjennomstrømningsprinsipp*), where a holistic assessment is made of whether the company in question can be considered privately or publicly owned. One factor in this context is a mathematical calculation of the company’s ownership, which includes ownership of all companies that are directly or indirectly owners of the Production Company. Any direct and indirect private ownership of the Production Company or its underlying companies may reduce the ability of the City of Oslo and the Innlandet Municipalities to sell shares to private players in the future. This means that suitable restrictions need to be agreed on the right to transfer shares in companies in the Hafslund E-CO group, companies in the Eidsiva group and other companies to private players.
- (c) The Owners are agreed that a third of the shares in the Production Company will be freely transferable (the “Free Third”). The City of Oslo/Hafslund E-CO on the one hand, and Eidsiva on the other, will have the right to transfer their proportionate share of the Free Third through direct or indirect transactions.
- (d) When it comes to the share of the Free Third in the Production Company that may be transferred by Eidsiva under (c) above, this right may be exercised only by Eidsiva’s Owners/Shareholders and not by Eidsiva itself. This means that Eidsiva may not transfer its share of the Free Third directly without the consent of Hafslund E-CO and Innlandet Energi Holding. The City of Oslo/Hafslund E-CO on the one hand, and the Innlandet Municipalities/Innlandet Energi Holding on the other, may thus transfer half each of Eidsiva’s share of the Free Third by directly or indirectly exercising their ownership of Eidsiva. It is up to each of the Owners/Shareholders to decide whether its respective share of Eidsiva’s Free Third is being transferred when there is a sale of Shares in Eidsiva or a sale of shares in the Shareholders or overlying companies.
- (e) The Parties are agreed that private owners may not join in other ways unless (i) it is clear that this will not affect the Owners/Shareholders’ right to transfer the Free

Third, cf. (c) above, or (ii) the Owners/Shareholders are agreed on their joining and the consequences this will have for the Owners/Shareholders' respective shares of the Free Third.

- (f) Each of the Owners/Shareholders undertakes to ensure that neither they themselves nor their legal successors directly or indirectly carry out transactions that undermine the other Owner/Shareholder's right to sell its share of the Free Third to private players. If an Owner/Shareholder breaches this undertaking, the offending Owner/Shareholder must rectify the matter within three months. If such rectification does not take place by this deadline, the offending Shareholder must take such action as the other Shareholder may reasonably request to rectify the matter, including through the issue of new shares in the Production Company. The offending Owner/Shareholder must also compensate the other Owners/Shareholder for the estimated financial loss incurred as a result of the breach.
- (g) All Parties/Owners must report all ownership changes in all relevant companies to Eidsiva and Hafslund E-CO, such that both are at all times able to maintain an overview of all relevant ownership matters.
- (h) If the licensing rules for hydropower are amended or clarified through official practice in such a way as to give broader or narrower access to direct or indirect private ownership of hydropower activities, the Parties will discuss amendments/adjustments to the above provision so that this Agreement does not place unnecessary restrictions on the Parties.

10. FUTURE CONSOLIDATION

- (a) The Parties are agreed that Eidsiva will be the primary consolidating company in any future consolidation with players with energy-related activities that are invited to transfer activities to Eidsiva in exchange for shares in Eidsiva. Such future consolidations, including adjustments to the Shareholder Agreement or entry into a new shareholder agreement, require the approval of both Hafslund E-CO and Innlandet Energi Holding.
- (b) Should there be other municipalities in the current counties of Hedmark and Oppland with energy-related activities that are amalgamated into Eidsiva through future consolidation, they must be enabled to transfer their Shares in Eidsiva to Innlandet Energi Holding such that all owner municipalities in today's Hedmark and Oppland pool their ownership in this company as far as possible. Such transactions presuppose that the Parties agree on the exchange ratio, on how Hafslund E-CO is enabled to maintain its relative holding in Eidsiva, and whether there is a need for amendments to this Agreement.
- (c) If future consolidations mean that Eidsiva becomes an owner of production activities, it must be agreed that such activities will be transferred to the Production Company (with Eidsiva's holding in the Production Company increasing correspondingly) as part of the transaction in question.
- (d) If consolidation will result in a capital increase at Eidsiva, this will require agreement on all related matters, including whether (to what extent, and how) Hafslund E-CO

will be enabled to maintain its holding in Eidsiva, on the relevant exchange ratio, on a new shareholder agreement, etc.

- (e) The following main principles will also apply to future consolidations:
- (i) Hafslund E-CO must be able to offer parties that Innlandet Energi Holding does not wish to have as co-owners of Eidsiva, but that wish to become co-owners of Hafslund E-CO or the Production Company, co-ownership of one of these companies (in exchange for them transferring their activities to one of these companies or another company in the Hafslund E-CO group). The same applies if it is/becomes clear that the third party has no interest in ownership of Eidsiva, or that agreement will not be reached on consolidation with Eidsiva for other reasons.
 - (ii) If Hafslund E-CO proposes a potential transaction as set out in (i) above which means that Eidsiva's ownership of the Production Company would drop below 20%, a decision on the transaction will require Innlandet Energi Holding's endorsement (see section 8.2). If Innlandet Energi Holding does not give this endorsement, Hafslund E-CO will have the right to set up a new subsidiary to carry out power production, but today's production activities (i.e. the production activities at E-CO Energi and Eidsiva Vannkraft on the Execution Date) must then remain in the Production Company.
 - (iii) Where consolidation projects arise that may involve consolidation with Eidsiva, and the activities to be consolidated do not include power production activities, Eidsiva will lead the consolidation project and conduct related due diligence and negotiations, but in such a way that Hafslund E-CO is kept continuously informed and involved so that time and resources are not put into projects/directions that will not be accepted by Hafslund E-CO.
 - (iv) Where a consolidation project includes power production activities but may still involve consolidation with Eidsiva, Eidsiva and Hafslund E-CO will collaborate on due diligence and negotiations, but in such a way that if consolidation with Eidsiva is no longer relevant, due diligence and negotiations will be undertaken by Hafslund E-CO. Where production activities are limited, the Parties may agree to depart from the above.
 - (v) Where either of Hafslund E-CO or Innlandet Energi Holding does not approve a consolidation of power distribution activities with settlement in shares in Eidsiva, the amalgamation may nevertheless take place at subsidiary level if a majority of the shareholder-elected board members at Eidsiva and one Shareholder so desire. However, this is conditional on Eidsiva retaining ownership of at least two thirds of the Distribution Company.

11. KEY DECISIONS - REQUIREMENT FOR ENDORSEMENT

Regardless of the provisions of relevant articles of association or the Companies Act, the following decisions concerning Eidsiva must be considered by Eidsiva's general meeting and require the consent and endorsement of both Innlandet Energi Holding as set out in section 6.2 and Hafslund E-CO to be valid (where such consent and endorsement may be freely withheld and may not be overruled):

- (a) Any amendment of the Location Provisions in section 4 of this Agreement and/or acceptance of departures therefrom as set out in section 4 (e);
- (b) any transaction (including but not limited to mergers, sales or issues of shares) which involves the Distribution Company and means that Eidsiva will directly or indirectly hold less than two thirds of the shares in the Distribution Company after the transaction;
- (c) any transaction (including but not limited to mergers, sales or issues of shares) which involves a Significant Subsidiary and means that Eidsiva will directly or indirectly hold 50% or less of the shares in that Significant Subsidiary after the transaction; and
- (d) any consolidation as set out in section 10 (a).

12. OWNER COMMITTEE

- (a) Owner meetings will be held twice a year where the Owners are informed about, and can discuss, the current situation and matters of importance.
- (b) An owner committee will be set up for ongoing exchange of information and dialogue between the Owners, including discussion of important matters and key decisions as set out in section 11, and other ownership matters.
- (c) The purpose of the owner committee is partly for all matters requiring the endorsement of the Owners to be put before, and discussed by, the owner committee in good time before the decisions in question need to be made.
- (d) The City of Oslo and the Innlandet Municipalities may each appoint up to six representatives to the owner committee. The chair and CEO (and others) of Eidsiva and the Production Company must also attend meetings of the owner committee where the owner committee so requests, along with representatives of employee organisations where appropriate. The representatives on the owner committee may also bring along professional advisers to meetings of the owner committee if they so wish.
- (e) The right to appoint the chair of the owner committee falls to the underlying owner municipality with the largest shareholding in Eidsiva.
- (f) A separate document has been prepared which governs in more detail matters concerning the owner committee (regular annual meetings, notice of meetings, information from the companies to the committee, participation of the companies in the committee, etc.) (see [Appendix 12](#)).

13. TRANSFER AND PLEDGING OF SHARES

13.1 Board consent

- (a) Transfers of Shares and/or other transactions which wholly or partially transfer the economic interest associated with the Shares may not be made without the advance written consent of the board of Eidsiva. For the sake of order, transfers of shares directly or indirectly in a Shareholder are not considered a transaction which wholly or partially transfers the economic interest associated with the Shares.

- (b) The board may withhold its consent for a transaction only if the transaction entails a risk of public ownership and control of the Production Company not being retained, cf. the principle in section 5 of the Waterfall Rights Act, or if the sale/transfer would reduce a Shareholder's ability to transfer its respective share of the Shares that may be transferred to private ownership, cf. section 9.
- (c) Shares may be pledged as security if the pledgee confirms in writing to Eidsiva that (i) the pledgee is familiar with this Agreement, and (ii) the pledgee will ensure when realising the security that the provisions of this Agreement concerning the transfer of Shares are complied with (including that consent is required for the transfer of the Shares, cf. this section 13.1, and that the acquirer must accede to this Agreement, cf. section 13.2).

13.2 Accession

- (a) Even where consent has been given under section 13.1, a Shareholder may only transfer Shares to a party that has acceded to this Agreement by signing a deed with essentially the same content as the deed of accession included in Appendix 13.2. In the case of intra-group transfers of Shares in the Hafslund E-CO group, cf. section 6.3.2, the acquirer must accede to this Agreement, and Hafslund E-CO will be responsible for the acquirer fulfilling its obligations under this Agreement.
- (b) New shareholders as a result of future capital increases at Eidsiva and/or companies which directly or indirectly hold shares in the Production Company (also including mergers or other events where shares or rights to shares are issued) must also accede to this Agreement (or the shareholder agreement for the Production Company) by signing a deed with essentially the same content as the deed of accession included in Appendix 13.2. It is the responsibility of the relevant board to ensure such accession.

14. REPORTING/EXCHANGE OF INFORMATION

- (a) As far as is possible under applicable law, the companies will provide the Shareholders with the information necessary to meet financial reporting obligations, other legal obligations and any reasonable reporting requirements from the underlying municipal owners.
- (b) The company will prepare and submit the following to each of the Shareholders:
 - (i) The company's audited consolidated annual financial statements by 30 April each year; and
 - (ii) The company's unaudited consolidated quarterly financial statements within forty-five (45) days of the end of each calendar quarter.
- (c) As far as is possible under applicable law (where necessary signing a confidentiality undertaking), the individual Shareholder and its representatives will be given access on request to underlying accounting materials and other documentation for Eidsiva's Subsidiaries and the Production Company.
- (d) Eidsiva and the Production Company will provide all requested support in connection with processes for the sale of shares (on customary terms and with costs covered).

15. TRANSACTIONS BETWEEN RELATED PARTIES

- (a) All transactions between Eidsiva and the Production Company or any of their Subsidiaries on the one hand, and a Shareholder or a Shareholder's Related Parties on the other, will be undertaken at market prices and on market terms in accordance with the rules in the Companies Act. The Shareholders have a particular duty to ensure this when it comes to themselves and their Related Parties.
- (b) The Parties are agreed that Eidsiva and the Production Company will prepare policies for internal pricing of transactions and agreements between Related Parties, which will also include procedures for reporting and annual auditing.

16. BREACH

16.1 Breach of the Location Provisions

- (a) Where a Shareholder believes there has been a breach of the Location Provisions applying to Eidsiva and the Distribution Company, the Shareholder must raise this in writing with the other Shareholder and the board of Eidsiva.

If both Shareholders are agreed that there has been a breach of the provisions, they will, together with the board, prepare a plan to rectify the matter, and where necessary pass a resolution thereon at a general meeting.

If the Shareholders are not agreed on whether there has been a breach of the Location Provisions, they will, jointly and together with the board of Eidsiva, seek to obtain further information to shed light on the matter. If the Shareholders are still not agreed on whether there has been a breach six months after the breach was asserted, either Shareholder may demand that the matter is settled as set out in section 19. If such a process finds that there has been a breach of the Location Provisions, the Shareholders and the board of Eidsiva will have a duty to rectify the situation as set out above.

- (b) Where Innlandet Energi Holding believes that there has been a breach of the Location Provision that applies to the Production Company, Innlandet Energi Holding must raise this in writing with the Production Company and Hafslund E-CO.

If Hafslund E-CO agrees that there has been a breach of the Location Provision, Hafslund E-CO will, together with Innlandet Energi Holding, prepare a plan to rectify the matter, and where necessary ensure that the necessary company decisions thereon are made at the Production Company.

If Hafslund E-CO does not agree there has been a breach of the Location Provision, the provisions on dispute resolution set out in (a) above apply correspondingly.

16.2 Sanctions

- (a) If a Shareholder fails to discharge its obligations under section 16.1 (a) and (b) to ensure that a breach of the Location Provisions is rectified within six months of the breach being agreed or determined, the offending Shareholder will pay the other Shareholder a penalty of NOK 50 million. Payment of the aforementioned penalty does not mean that the duty to rectify the breach lapses.
- (b) If the Innlandet Municipalities (or their respective holding companies) enter into agreements, or in any other way establish binding collaboration on the exercise of

shareholder rights beyond that which is set out in the shareholder agreement for Innlandet Energi Holding, which in reality entail a tightening of the endorsement requirement set out in the first paragraph of section 6.2, and the matter cannot be rectified without loss within six months, Innlandet Energi Holding will pay a penalty of NOK 50 million to Hafslund E-CO.

- (c) The penalties in (a) and (b) above will be adjusted in line with the change in the CPI every five years.
- (d) The provisions here in section 16.1 do not prevent the Parties from seeking other remedies under applicable law following a breach of the Location Provisions or any other breach of this Agreement.

16.3 Cancellation

In the event of significant or persistent breach by Hafslund E-CO/the City of Oslo, or by Innlandet Energi Holding/the Innlandet Municipalities on their side, the Shareholder Agreement may be terminated in its entirety.

17. MISCELLANEOUS PROVISIONS

17.1 Relationship with articles of association and the Companies Act

In the event of any conflict, this Agreement takes precedence over the provisions of the Companies' articles of association and any non-binding rules in the Companies Act.

17.2 Fiduciary duty

The Parties will act in the best interests of the activities of the Eidsiva group and the Production Company, their employees and the other Parties.

17.3 Use of voting rights

Each of the Parties undertakes to use its voting rights to ensure that the provisions of this Agreement and the articles of association are observed and implemented properly and promptly, and to exercise the instructional authority that they hold in such a way that the content and intentions of this Agreement and the articles of association are realised.

17.4 Corporate governance

The Parties will ensure that Eidsiva and the Production Company have in place at all times adequate procedures, instructions and policies to ensure that the companies comply with all relevant laws and regulations, including those on corruption, money laundering, etc.

17.5 Additional Shares subject to the Agreement

Each of the Shareholders and Eidsiva are agreed that Shares or Production Shares acquired by them after entering into this Agreement as a result of an acquisition, capital increase, share split or dividend, or in any other way, will be subject to the provisions of this Agreement in the same way as if they had been owned by the Parties in question at the time of entering into this Agreement.

17.6 Costs and expenses

Hafslund E-CO and Eidsiva will each cover their own costs and expenses relating to preparations for, and the execution of, the transactions set out in this Agreement and the Transaction Agreement.

17.7 Communications

All communications that either of the Parties is required to make under this Agreement must be in writing and will be considered made once sent by prepaid registered post, sent by e-mail or delivered to a Party's address as stated in [Appendix 1](#) or at the beginning of this Agreement.

17.8 Copies

Multiple copies of this Agreement may be signed, and this Agreement enters into force once each of the Parties has signed a copy.

17.9 Severability

If any of the provisions in this Agreement is found by a competent authority to be invalid or unenforceable, the provision in question will be considered removed from this Agreement, and the remaining provisions in the Agreement will remain in force. The Shareholders will nevertheless negotiate in good faith to reach agreement on the terms of a mutually satisfactory provision to replace the provision found to be invalid or unenforceable.

18. SCOPE, DURATION AND AMENDMENT

- (a) This Agreement enters into force on the Execution Date. Unless the Owners, the Shareholders and Eidsiva agree otherwise, this Agreement expires at the earlier of (i) a sale of all of the Shares and (ii) Eidsiva's liquidation.
- (b) This Agreement may be amended with binding effect on all Parties where endorsed by Hafslund E-CO and Innlandet Energi Holding. If the amendment concerns sections 8.2 or 11, endorsement from Innlandet Energi Holding is required as set out in section 6.2. For other amendments, the matter of endorsement will be decided by a majority of the shares and votes in Innlandet Energi Holding.
- (c) Where a Shareholder sells all of its Shares in accordance with the provisions of this Agreement prior to its expiry under (a) above, this Agreement will cease to apply to that Shareholder once the Shares have been transferred to a new owner, this has been recorded in Eidsiva's register of shareholders, and the new owner has acceded to this Agreement in accordance with section 13.2. The provisions of this Agreement concerning the Production Company, including the Location Provision in section 4 and the sanctions provision in section 16, will nevertheless remain binding on Hafslund E-CO for as long as Hafslund E-CO directly or indirectly holds shares in the Production Company.
- (d) The expiry of the Agreement under (a) or (c) above does not provide relief from duties or responsibilities incurred as a result of breach of the Agreement or in any other way prior to its expiry.
- (e) Any amendment or addendum to this Agreement must be made in writing and signed by the Parties. The Parties nevertheless undertake to contribute to necessary minor technical adjustments to the Agreement and the articles of association for Eidsiva/E-CO which are within the aims of the Agreement where new owners join Eidsiva or E-CO.

19. APPLICABLE LAW AND DISPUTES

- (a) This Agreement and all other matters to which this Agreement relates will be governed by, and interpreted on the basis of, Norwegian law.

- (b) Any dispute, disagreement or claim as a consequence of, or in relation to, this Agreement will be settled by the ordinary Norwegian courts, with Oslo District Court as the venue.