STANDARD SUBLEASE FOR OFFICE AND INDUSTRIAL PREMISES/BUILDINGS

2nd edition […]/19

*[This sublease is tailored to scenarios in which the principal lease is based on standard leases for office and industrial buildings/premises, published by the Norwegian Property Federation and the Forum for Commercial Real Estate Agents /Norwegian Association of Real Estate Agents and in which the sublease shall predominantly be back-to-back with the principal lease. It should be carefully considered whether the provisions are appropriate for the sublease in question.]*

# BAckground – relationship to THE PRINCIPAL LEASE

The Sublessor (as defined in Clause 1) has on [date] entered into a lease agreement (the **Principal Lease**) with […], business registration number […] (the **Lessor**)for the lease of *[premises at]* the Property (the **Leased Object)**. The Principal Lease is attached as **Appendix 1**.

The Sublessor wishes to sublease [parts of] the Leased Object under the Principal Lease to the Sublessee (as defined in Clause 2).

As a general principle, this sublease (the **Sublease**) is back-to-back with the Principal Lease. This implies that the Sublessee has those rights and obligations vis-à-vis the Sublessor as the Sublessor has vis-à-vis the Lessor under the Principal Lease, whilst the Sublessor has those rights and obligations vis-à-vis the Sublessee as the Lessor has vis-à-vis the Sublessor under the Principal Lease.

Deviations from the back-to-back principle will only apply to the extent specified in the Sublease, or where subsequently amended by written agreement between the parties.

# the sublessor

Name/Firm […] (the **Sublessor**)

Social security or business registration number […]

# THE SUBLESSEE

Name/Firm […] (the **Sublessee**)

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 subleased object

*[Alternative 1 – under which the Leased Object in its entirety is subleased:*

The subleased object comprises the Leased Object in its entirety, as defined in Clause 4 of the Principal Lease (the **Subleased Object**).]

*[Alternative 2 - under which only parts of the Leased Object are subleased:*

4.1 The subleased object comprises areas for the exclusive use of the Sublessee (the **Exclusive Area**), a proportional share of the common areas and technical rooms of the Property (the **Common Area**) and external areas. The Exclusive Area, including any exclusive external areas and area allocations, is shown in **Appendix 2** (area specification and drawings). The Exclusive Area, together with the share of the Common Area, measures approximately […] m2 GFA in total (the **Subleased Object**). The Exclusive Area accounts for approximately […] m2 GFA thereof.]

The following shall apply with regard to parking spaces:

[Delete the non-applicable alternative.]

* + 1. The Subleased Object does not include parking spaces.
		2. The Subleased Object includes parking spaces as specified, and subject to the terms set out, in **Appendix […]**.

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 Sublease.

# ACTIVITIES CONDUCTED BY the sublessee

*[Alternative 1 – If the activities are in conformity with the Principal Lease:*

The Subleased Object shall only be used for activities as specified in Clause 5.1 of the Principal Lease.]

*[Alternative 2 – If the activities deviate from those under the Principal Lease. Consent from the Lessor for change of use/activities must in such case be obtained:*

5.1 The Subleased 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 Sublessor. Consent may be withheld at the unfettered discretion of the Sublessor.

# HANDOVER/NOTICE OF DEFECTS

The Subleased Object is handed over in a tidy and clean state, and otherwise in the state the Subleased Object was when inspected by the Sublessee on […].

The Subleased Object is leased "as is". Apart from this, the provisions of Clause 6.2 of the Principal Lease shall apply.

A handover inspection shall be performed in connection with Handover of the Subleased 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 Sublessee shall give written notice of any damage and defects, etc., within a reasonable period of time after the Sublessee ought to have discovered these. Any circumstances that had come to the knowledge of the Sublessee as per Handover cannot subsequently be invoked as defects.

The Sublessee shall adhere to the operating manuals/instructions for the Property as applicable at any given time throughout the Lease Term, to the extent that these have been provided by the Sublessor.

# LEASE TERM

The lease term shall be from […] (**Handover**) to […] (the **Lease Term)**, after which the sublease shall lapse without any need for a notice of termination. The Sublease cannot be terminated during the Lease Term. If the Principal Lease lapses or is discharged, irrespective of cause, this Sublease shall also lapse. The Sublessor shall inform the Sublessee of lapsing of the Principal Lease without undue delay.

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

Any potential extension option agreed under the Principal Lease shall not apply to the Sublease.

# THE RENT, THE JOINT COSTS, ETC.

The annual rent payable for the Subleased 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 [25th] of the month prior to each quarter/month *[delete as applicable]*, in the amount of NOK […] (exclusive of Value Added Tax).

[*Alternative 1 – When subleasing parts of the Property*:

In addition to the Rent, the Sublessee shall pay the proportional share of the joint costs of the Property (the **Joint Costs**) attributed to the Subleased Object in accordance with the provisions of the Principal Lease, including any non-deductible Value Added Tax on such costs. Examples of costs that form part of the Joint Costs are set out in **Appendix […]** to the Principal Lease.

As per the entering into of this sublease, the on-account amount for the Joint Costs is stipulated at NOK […] (exclusive of Value Added Tax) per quarter/month *[delete as applicable]*.

The Sublessee shall pay, directly and for its own account, cleaning of the Exclusive Area (including internal cleaning of windows) and caretaker services for its own use. In the event that a designated energy meter is installed, the Sublessee shall also pay, directly and for its own account, energy for the Exclusive Area. If no designated meter is installed, energy for the Exclusive Area shall be apportioned and charged as Joint Costs, cf. Clause 8.3 above, unless otherwise agreed between the parties.]

[*Alternative 2 – When subleasing the Property in its entirety:*

8.3 The Sublessee shall pay all costs relating to the Subleased Object that are considered joint costs when there are multiple lessees in an office and industrial building, including costs specified in **Appendix […]** to the Principal Lease**,** as well as any non-deductible Value Added Tax on such costs. The Sublessor shall only pay costs that are expressly specified in this Sublease.]

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

If property leases are subjected to any new, specific, direct and/or indirect, taxes during the Lease Term, the Sublessee shall pay its proportional share thereof as part of the Joint Costs. Property tax forms part of the Joint Costs.

In the event of late payment of the Rent and/or the share of Joint Costs, late payment interest shall be paid pursuant to Act of 17 December 1976 No. 100 or any statute replacing the said Act. The Sublessor 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 accordance with Clause 9.1 of the Principal Lease. The Rent shall not, however, be adjusted below the Rent agreed on the date of entering into the sublease.

The original sublease 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 sublease index value to the most recent known index value as per the adjustment date.

The Sublessee 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 Sublessor under this Sublease, 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 Subleased Object shall in its entirety be included in the Sublessor’s voluntary registration in the Value Added Tax Register.
		2. parts of the Subleased Object shall be included in the Sublessor’s voluntary registration in the Value Added Tax Register. Dimensioned drawings and details concerning the size of the area to be included in the Sublessor’s voluntary registration are attached as **Appendix [...]**.
		3. the Subleased Object is not to be included in the Sublessor’s voluntary registration in the Value Added Tax Register.

The Sublessee shall have the same rights and obligations in relation to the Sublessor as the Sublessor has in relation to the Lessor pursuant to Clauses 10.2 – 10.8 of the Principal Lease, in its capacity of being the Lessee under the Principal Lease. The Sublessee shall also indemnify the Sublessor in respect of any claim that might arise on the part of the Lessor against the Sublessor as the result of circumstances as mentioned in Clause 10.7 of the Principal Lease.

# FURNISHING OF COLLATERAL

[Delete as applicable.]

**A**

The Sublessee 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 Sublessor, in respect of the timely performance of the obligations of the Sublessee under the Sublease.

The amount of such guarantee shall correspond to […] months’ rent, including share of Joint Costs and Value Added Tax to the extent implied by Clause 10. The Sublessor 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 Sublessee 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 Sublessee shall furnish a deposit by paying the deposit amount into an escrow account in the name of the Sublessee with the bank that receives the Rent payments. The deposit shall secure the timely performance of the obligations of the Sublessee under the Sublease.

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

If the Sublessor is claiming payment from the escrow account due to breach of contract on the part of the Sublessee, the bank shall notify the Sublessee of such claim, stating that the amount will be paid to the Sublessor unless the Sublessee 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 Sublessee’s stated address or, if applicable, stated electronic mailbox. If the bank does not receive such documentation within the time limit, and the Sublessor has not revoked its claim, the bank shall pay the amount to the Sublessor in final discharge of the obligations of the bank in respect of such amount.

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

If the Sublessee, after the expiry of the sublease, requests payment of the deposit, in excess of accrued interest, the bank shall notify the Sublessor in writing of such claim, stating that the deposit, including accrued interest, will be paid to the Sublessee unless the Sublessor documents, within five weeks of such notice being sent, that it has brought legal action against the Sublessee concerning any claim under the Sublease. 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 Sublessee has not revoked its claim, the bank shall pay the amount to the Sublessee in final discharge of the obligations of the bank in respect of such amount.

**C**

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

**D**

The Sublessee 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 Sublessor to terminate the lease, unless the Sublessee has remedied the situation within 14 days of a written notice from the Sublessor.

# USE OF THE SUBLEASED OBJECT by THE SUBLESSEE

As in Clause 12 of the Principal Lease.

# ACCESS TO the subleased object for the sublessor and THE LESSOR

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

# the sublessor’s MAINTENANCE AND REPLACEMENT OBLIGATION

As in Clause 14 of the Principal Lease.

# the sublessee’s MAINTENANCE OBLIGATION

As in Clause 15 of the Principal Lease.

# the sublessor’s WORK ON THE PROPERTY/subleased object

As in Clause 16 of the Principal Lease.

# the sublessee’s CHANGES TO the subleased object

As in Clause 17 of the Principal Lease.

# INSURANCE

As in Clause 18 of the Principal Lease.

# FIRE/DESTRUCTION

As in Clause 19 of the Principal Lease.

# BREACH OF CONTRACT ON THE PART OF the sublessor

As in Clause 20 of the Principal Lease.

# BREACH OF CONTRACT ON THE PART OF The sublessee/EVICTION

As in Clause 21 of the Principal Lease. The Sublessee 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 Sublessee accepts mandatory eviction at the request of the Lessor and the Sublessor upon the expiry of the Lease Term, cf. Section 13-2, Sub-section 3 (b), of the Enforcement Act.

# VACATION OF THE PREMISES

As in Clause 22 of the Principal Lease.

A joint inspection shall be conducted by the Sublessee and the Sublessor well ahead of the end of the Lease Term, prior to the times laid down in Clause 20.4 of the Principal Lease, to agree any necessary work that shall be carried out in order to bring the Subleased Object into the state required when it is vacated.

# REGISTRATION/GRANTING OF SECURITY INTERESTS

The Sublease shall not be registered in the Register of Land Titles and Land Charges, and no security interest shall be granted therein.

# SUBLEASE

Sublease of the Subleased Object, in full or in part, shall not be permitted without the prior written consent of the Lessor and the Sublessor. Consent may be withheld at the unfettered discretion of the Lessor and the Sublessor.

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

# ASSIGNMENT

The Sublessee may not assign the Sublease, in full or in part, without the prior written consent of the Lessor and the Sublessor. Consent may be withheld at the unfettered discretion of the Lessor and the Sublessor.

Clause 25.2 – 25.5 of the Principal Lease shall apply correspondingly.

# 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, 7-7, 8-4, 8-5, 8-6, Sub-section 2, and 10-5. Moreover, this Sublease shall take precedence in all cases where its provisions differ from the non-mandatory provisions of the Tenancy Act.

# GOVERNING LAW AND DISPUTE RESOLUTION

As in Clause 28 of the Principal Lease.

# Appendices to the sublease

Appendix 1: The Principal Lease with appendices

Appendix 2: Certificate of Incorporation/proof of identity for the Lessor, the Sublessor and the Sublessee, as well as any powers of attorney

Appendix […]: Drawings

Appendix […]: [Special regulations for parking spaces]

Appendix […]: Handover inspection record form

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

Appendix […]: [Specifically agreed collateral arrangement]

# PLACE/DATE

[…]

[…]

# SIGNATURE

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

[The Sublessor confirms, by its signature on the Sublease, that the Lessor has granted its written consent for the sublease of the Subleased Object.]

for and on behalf of the Sublessor for and on behalf of the Sublessee

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

[Sublessor’s representative] [Sublessee’s representative]

The Lessor hereby consents to the sublease to […].

For and on behalf of the Lessor

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
[Lessor’s representative]

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