

Q&A DOCUMENT | 29 March 2023

Q&A on Distribution Agreements

Part I: Legislative framework

Q1. Please specify the legislative framework generally applicable to the conclusion and execution of distribution agreements (a)? Please include a link to the official publication of the applicable rules (e.g., relevant link to the Official Gazette) (b) and, if available, to the English translation of the legislative framework (c).

a. Legislative framework:

The Norwegian Competition Act (and the EEA Competition Act)

Art. 10 and 11 Norwegian Competition Act [the Competition Act] (LOV-2004-03-05-12) are generally applicable to the conclusion and execution of distribution agreements. Art. 10 (anti-competitive agreements) corresponds to Art. 53 (1) of the EEA-agreement and Art. 101 TFEU. Art. 11 Norwegian Competition Act (abuse of dominance) corresponds to Art. 54 EEA-agreement and Art. 102 TFEU.

There are also Norwegian regulations transposing EU Block Exemptions, such as:

- The block exemption for specialisation agreements etc. [the Specialisation Block Exemption] (FOR-2012-04-20-343), in force until 31 December 2022 [EXPIRED];*
- The block exemption for research and development agreements etc. [the Research and Development Block Exemption] (FOR-2012-04-20-342), in force until 31 December 2022 [EXPIRED];*
- The block exemption for motor vehicle agreements etc. [the Motor Vehicle Block Exemption] (FOR-2010-08-24-1214), in force until 31 May 2023;
- The block exemption for categories of vertical agreements etc. [the Vertical Block Exemption] (FOR-2010-06-21-898), in force until 31 May 2022 [EXPIRED].**

*As of February 2023, there are no new regulations replacing these expired block exemptions. Currently we have no information on status/further process.

**As of February 2023, the Vertical Block Exemption Regulation is in the process of being assessed and included into the EEA Agreement, for further implementation into Norwegian law. This process is expected to be finalised during the fall of 2023 at the earliest.

In addition, Norway has opted for certain additional exceptions on the applicability of Art. 10 Norwegian Competition Act. These exceptions are found in the following regulations (not in Art. 10 itself):

- Regulations on exemption for cooperation in agriculture and aquaculture (FOR-2004-04-23-651)*
- Regulation exempting the applicability of Art. 10 Norwegian Competition Act relating to cooperation with regards to the sale of books (FOR-2014-12-19-1716).

* Generally, agricultural policy is not a part of the EFTA cooperation, and agricultural products are therefore (generally) not covered by the EEA Agreement. This exception is implemented and evident (somewhat indirectly) from the HS codes listed in Art. 8 (3) of the EEA Agreement, since the goods/commodities which fall under Chapter 1-24 HS Nomenclature are (mostly) agricultural products.

The EEA Competition Act

The Norwegian EEA Competition Act [the EEA Competition Act] (LOV-2004-03-05-11) transposes (together with certain regulations) the competition rules of the EEA Agreement.

General contract law

The Norwegian Act relating to Conclusion of Agreements etc. [the Contract Act] (LOV-1918-05-31-4), in particular Art. 36, which provides the legal framework for revising and/or invalidating the whole or parts of an agreement which meet the applicable threshold (unreasonableness). Art. 36 provides the courts with the possibility of invalidating or amending agreement/terms found to be highly unreasonable. The threshold for invoking Art. 36 is very high, in practice almost never done in agreements between professional parties.

The Norwegian Sale of Goods Act

The Norwegian Sale of Goods Act [the Sale of Goods Act] (LOV-1988-05-13-27) applies to the sale and purchase of goods where the purchaser is not a consumer, and except as otherwise resulting from contract, established practice between the parties, or trade usage or other custom which must be regarded as binding between the parties.

The Norwegian Commission Act

The Norwegian Commission Act [the Commission Act] (LOV-1916-06-30-1) specifies that the parties are free to derogate from the provisions of the Commission Act, unless otherwise explicitly stated within a particular provision.

The Act on Good Business Practice in the Grocery Sector

The Act on Good Business Practice in the Grocery Sector [the Good Business Practice Act] (LOV-2020-04-17-29) regulates distribution relationships in the grocery sector/value chain.

b. Link(s) to official publication:

The Competition Act is accessible via this [link](#).

The Specialisation Block Exemption is accessible via this [link](#).

The Research and Development Block Exemption is accessible via this [link](#).

The Motor Vehicle Block Exemption is accessible via this [link](#).

The Vertical Block Exemption is accessible via this [link](#).

The Exemption for agriculture and fisheries is accessible via this [link](#).

The Exemption for the sale of books is accessible via this [link](#).

The EEA Competition Act is accessible via this [link](#).

The Agency Act is accessible via this [link](#).

The Act relating to Conclusions of Agreements etc. is accessible via this [link](#).

The Sale of Goods Act is accessible via this [link](#).

The Commission Act is accessible via this [link](#).

The Good Business Practice Act is accessible via this [link](#).

c. Link(s) to English translation:

There are no official English translations of Norwegian Acts and Regulations. However, certain unofficial translations have been made available by e.g. Lovdata (a Norwegian foundation which *inter alia* provides free, public access to all Norwegian laws and other judicial documents, including court rulings) as well as the University of Oslo and others. Note that the texts referred to below may not be up to date and we strongly advise against relying solely on the translated versions.

The Competition Act is accessible via this [link](#).

The Specialisation Block Exemption is not available in English, but is largely based on EU block exemption regulation.

The Research and Development Block Exemption is not available in English, but is largely based on EU block exemption regulation.

The Motor Vehicle Block Exemption is not available in English, but is largely based on EU block exemption regulation.

The Vertical Block Exemption is not available in English, but is largely based on EU block exemption regulation.

The Exemption for agriculture and fisheries is not available in English.

The Exemption for the sale of books is not available in English.

The EEA Competition Act is not available in English.

The Act relating to Conclusions of Agreements etc. is not available in English.

The Sale of Goods Act is accessible via this [link](#).

The Commission Act is accessible via this [link](#).

The Good Business Practice Act is not available in English.

Q2. Other than for agency agreements pursuant to Directive 86/653 (EEC) on the coordination of the laws of the Member States relating to self-employed commercial agents, are there specific rules depending on the distribution format (e.g. franchising, exclusive distribution)?

No.

Q3. Other than general contract law and competition law, are there other rules which may generally restrict the parties when drafting and concluding distribution agreements (e.g., rules in relation to unfair contract terms in B2B contracts, specific requirements in the context of a prohibition of abuse of economic dependence)?

Yes.

If yes, which general rules apply (a)? Where available, please also include a link to the official publication of the applicable rules (b) and to the English translation of the regulatory framework (c).

a. General rules:

For distribution agreements in the grocery sector there is an obligation on the parties to disclose certain information, as well as e.g. ensure that terms agreed are in writing, that the parties act in good faith and conscious of the other party's best interests, that de-listing of goods shall be notified to the other party and that the terms for termination is explicitly regulated in the agreement.

b. Link(s) to official publication:

The Good Business Practice Act is accessible via this [link](#).

c. Link(s) to English translation:

The Good Business Practice Act is not available in English.

Part 2: Pre-contractual phase

Q4. Are there mandatory provisions in relation to the disclosure of pre-contractual information prior to concluding and/or executing distribution agreements?

Yes.

If yes, which mandatory provisions apply (a) and which information must be disclosed (b)? Where available, please also include a link to the official publication of the applicable rules (c) and, if available, to the English

translation of the regulatory framework (d).

a. Mandatory provisions:

Although there are no mandatory provisions as such regarding disclosure of pre-contractual information prior to concluding and/or executing distribution agreements under Norwegian law, the generally applicable principle of loyalty in Norwegian contract law will be relevant when concluding/executing distribution agreements.

b. Information to be disclosed:

There is no exact list of mandatory information during the pre-contractual phase, as this will depend on a concrete assessment in each individual case. In its decision HR-2010-2060-A, the Norwegian Supreme Court stated that even though the principle of loyalty may be relevant during the pre-contractual phase, this phase should be characterized by a large degree of freedom to negotiate and that the principle of loyalty should be considered a minimum standard in such circumstances.

Note that with regard to distribution agreements in the grocery sector, there is an obligation on the parties to disclose certain information. During the negotiation and execution of agreements regarding the delivery of groceries, the parties shall disclose information which the parties have reason to believe may be of relevance to the other party. This does however not extend to information which the parties have a valid reason not to disclose.

c. Link(s) to official publication:

The Good Business Practice Act is accessible via this [link](#).

d. Link(s) to English translation:

.The Good Business Practice Act is not available in English.

Q5. Is there a standstill obligation linked to the requirements imposed for the pre-contractual phase?

No.

Q6. Does the relevant regulatory framework impose sanctions if the pre-contractual obligations are not (fully) respected?

No.

If yes, which sanctions apply (e.g., nullity of contract, penalty payment)?

For context: In accordance with non-statutory law, agreements executed in defiance of the principle of loyalty can be declared null and void upon request of the aggrieved party. It is also possible to call for changes to be made to the agreement by invoking Art. 36 Contract Act.

Q7. Can a party be held liable if it terminates the pre-contractual negotiations?

Yes.

If yes, on what grounds (a); under what conditions (b); and what consequences are generally linked to such liability (c)?

a. Grounds for pre-contractual liability:

Any party is, theoretically, free to terminate pre-contractual negotiations at any time, but the principle of good faith applies. In very rare circumstances, terminating pre-contractual negotiations may give rise to a claim for damages. The rules of liability are non-statutory and apply if non-compliance with the principle of good faith constitutes negligence. Pursuant to case law, pre-contractual liability does not occur unless the negotiations are nearing the entering of an agreement. To date there have been no cases where the courts have awarded damages on the ground of pre-contractual liability in relation to distribution agreements.

b. Conditions for precontractual liability:

Pursuant to non-statutory law a contracting party may, in rare circumstances, be held liable for negligent behaviour during the pre-contractual phase, provided that the aggrieved party has suffered a financial loss and proximate cause is established. Due to the strong position of the principle of freedom of contract under Norwegian law, the main rule is that the contracting parties do not have a legal claim over each other before the agreement has entered into force.

c. Consequences of precontractual liability:

Norwegian tort law is based on a principle of (full) indemnification, i.e. that the aggrieved party shall be compensated as if the damage had not occurred. In other words, the compensation shall correspond to the actual financial loss incurred as a consequence of the other party's wilful or negligent actions. It is generally assumed that the aggrieved party may be compensated for the reliance interest (the position the aggrieved party would have enjoyed had she or he never entered into negotiations with the liable party).

Q8. Are there other relevant rules and/or restrictions that apply during pre-contractual negotiations between supplier and distributor?

No.

Part 3: Contractual phase

A. Form of distribution agreements

Q9. Must a distribution agreement be executed in writing to be valid and enforceable?

Only in certain instances

If only in certain instances, please explain when a written agreement is required.



Norwegian contract law is based on a principle of freedom of form. This means that the legality of an agreement is generally not dependent on whether the agreement is formalised in writing. Hence, as a general rule, a distribution agreement does not need to be executed in writing to be valid and enforceable. According to case law there is a presumption of formalisation, and this presumption is even stronger where the agreement is complex and of high value and involving professional parties. A lack of formalisation will therefore be considered an indication that an agreement has not yet been concluded, which will allow a contracting party to argue that it is not bound by the contractual obligations.

Sector specific regulations (grocery sector): Pursuant to Art. 6 Good Business Practice Act, the agreement must be executed in writing to be valid and enforceable. See, Q12 for more information concerning this specific sector.

Q10. Are there any (other) requirements as to the form of the distribution agreement for it to be valid and enforceable?

No.

B. Content of distribution agreements

Q11. Other than restrictions imposed by EU competition law (including Regulation (EU) 330/2010), do specific rules and/or restrictions apply in distribution agreements with respect to

- the territory in which or the customers to whom the goods/services will be sold;
- an exclusivity granted to the distributor;
- (exclusive) sourcing/purchasing obligations;
- resale prices;
- non-compete clauses?

No specific rules apply.

Q12. Do specific rules and/or restrictions apply in distribution agreements with respect to

- obligations of the supplier vis-à-vis the distributor, including in relation to the remuneration of the distributor;
- obligations of the distributor vis-à-vis the supplier or vice versa;
- a non-solicitation clause during and/or after the term of the distribution agreement;
- minimum sales quota imposed on the distributor;
- specific sector rules?

Yes, specific sector rules

If yes, what do these specific rules and/or restrictions entail?

The Good Business Practice Act contains sector specific legislation relating to trade between manufacturers/importers and retailers/resellers active in the grocery sector.

Examples of rules/restrictions include (non-exhaustive):

- A duty to disclose information during the negotiation and execution phase (See, Q4.a.;
- A particular duty of loyalty between the parties, for the protection of investments made in good faith in relation to the other party;
- A duty to execute the distribution agreement in writing;
- A duty to include deadlines for de-listing and termination of the distribution agreement. Note that de-listing is only permitted where objectively justifiable.

Note that rules and restrictions relating to distribution agreements may apply also in relation to other sectors. For example, in the pharma sector there are statutory rules on the supply of medicines from medicinal wholesalers to Norwegian pharmacies, specifying e.g., terms of delivery. Prices charged by the wholesalers cannot exceed the maximum Pharmacy Purchase Price (No.: *Apotekenes maksimale innkjøpspris/AIP*).

C. Term and termination

1. Term

Q13. Is an oral or written distribution agreement that does not specify the term always considered to be an agreement of indefinite duration?

Yes.

Q14. Does a distribution agreement of definite duration that is continued after its expiry turn into a distribution agreement of indefinite duration?

Yes.

If yes, what is meant by 'continuation' (a) and what should a party do to avoid this (b)?

a. What is meant by 'continuation'?

'Continuation' is not a legally defined term, however distribution agreements of definite duration will typically be viewed as 'transformed' into an agreement of indefinite duration if continued after expiration. The relevant circumstances (such as the agreement itself, industry practice, how the parties previously have regulated such situations etc.) may however indicate otherwise. Significant changes from the original agreement can result in it not being regarded as a continuation, but rather a new agreement.



In some sectors, for example the grocery sector, it is common for the parties to continue the agreement following expiration pending conclusion of a new agreement or renegotiations. It is common for the parties to agree on whether to antedate certain conditions, such as prices, when the parties reach an agreement.

b. What should a party do to avoid this?

With reference to the principle of freedom of contract, the terms of the distribution agreement can explicitly state that the agreement is not turned into an agreement of indefinite duration in of a situation where the agreement is continued after expiration. Whether a party should proactively notify the other party that the agreement has ended will depend on inter alia an interpretation of the agreement and normal business practice between the parties.

2. Termination

Termination for convenience (irrespective of any default or exceptional circumstance) of distribution agreements of definite duration

Q15. Can a distribution agreement of definite duration be terminated for convenience?

Yes.

If yes, is an express provision allowing for termination for convenience necessary?

Only in certain instances.

If only in certain instances, please explain when an express provision is required?

General principles of Norwegian contract law stipulate that an agreement of definite duration cannot be lawfully terminated for convenience unless such termination is agreed between the parties. This does not mean that a right to termination for convenience must be explicitly stated in the written agreement (if written) and that it may follow from an interpretation/mutual understanding between the parties. Given the legal starting point, it is always advisable to include such terms in a written agreement.

Q16. Must a reasonable notice period be observed in order for the termination to be valid even if the distribution agreement provides for the immediate termination for convenience?

Only in certain instances.

If only in certain instances, please explain when a reasonable notice period is in any case required?

The principle of freedom of contract generally applies, however depending on the circumstances a right to immediate termination may be considered problematic under the general provision on unreasonable contractual clauses, cf. Art. 36 Contract Act. Hence, if the distribution agreement provides for the immediate termination for convenience there can still be a requirement of a reasonable notice period, depending on the circumstances.

It follows from Norwegian case law that where the parties have not settled a notice period in the agreement and

one of the parties later terminate the agreement, the other party must be given a reasonable notice period before the contractual relationship comes to an end. What is considered 'reasonable' must be assessed with reference to the facts of the case.

Note that sector specific regulations may apply, such as the Good Business Practice Act which specifies that distribution agreements in the grocery sector are required to specify the notice period for de-listing of products of termination of the agreement (in full).

Q17. What are the consequences for the terminating party if it does not comply with prescribed (statutory, contractual, case law) rules for termination (e.g. in relation to the notice period)? Does the termination continue to have effect (a)? Will damages have to be paid and, if yes, how are those damages calculated (b)?

a. Will the termination continue to have effect?

It follows from Norwegian case law that the termination, as a main rule, will continue to have effect. The aggrieved party may nonetheless request that the other party continues to perform its obligations under the agreement. Certain exceptions do apply, e.g. where fulfilment is disproportionate or impossible. As noted in Q27 it may be possible to initiate interim relief proceedings for the purpose of having the effects of the termination suspended.

b. Will damages have to be paid, and, if yes, how are those damages calculated?

Wrongful termination can result in liability for damages. Norwegian tort law is based on a principle of (full) indemnification, i.e. that the aggrieved party shall be compensated as if the damage had not occurred. In other words, the compensation shall correspond to the actual financial loss suffered due to the other party's wilful or negligent actions.

Termination for convenience (irrespective of any default or exceptional circumstance) of distribution agreements of indefinite duration

Q18. Can a distribution agreement of indefinite duration be terminated for convenience even if the agreement does not provide for termination for convenience?

Yes.

If yes, must a reasonable notice period be observed?

Yes.

If a reasonable notice period must be observed, how is this reasonable notice period calculated (e.g. 1 month per year) (a)? Should a minimum notice period be observed (b), is there a maximum notice period (c)?

a. How is this reasonable notice period calculated (e.g. 1 month per year)?

There is no statutory or universal method for determining the duration of the notice period where it is not specified in the distribution agreement. The assessment will need to consider the specific circumstances of the case. The

following elements are typically considered relevant in this context: the time needed for the other party to find a new contracting party or to find a comparable source of income, the specific investments made by the other party in the context of the distribution agreement and the duration of the cooperation.

b. Should a minimum notice period be observed? If yes, how long is this minimum notice period and are the parties allowed to contractually deviate from this minimum notice period

There is no explicit minimum notice period, see Q18.a.

c. Is there a maximum notice period? If yes, how long is this maximum notice period and are the parties allowed to contractually deviate from this maximum notice period?

There is no explicit maximum notice period, see Q18.a.

Q19. Is a contractual notice period always legally valid and enforceable?

No.

If not, which rules of mandatory law can have an impact on this?

As a main rule, a contractual notice period will generally be found legally valid and enforceable. However, in accordance with non-statutory law, agreements executed in defiance of the principle of loyalty can be declared null and void upon request of the aggrieved party, alternatively subject to revisions under Art. 36 Contract Act (very high threshold in B2B relationships). Whether or not the notice period could be considered to be manifestly unreasonable will depend on the specific context, taking into account e.g. the commercial practices in the relevant sector, the nature of the products and services, the relationship between the parties etc.

Q20. What are the consequences for the terminating party if it does not comply with prescribed (statutory, contractual, case law) rules for termination (e.g. in relation to the notice period)? Does the termination continue to have effect (a)? Will damages have to be paid and, if yes, how are those damages calculated (b)?

a. Will the termination continue to have effect?

Termination in breach of agreed terms may still continue to have effect, however depending on the circumstances such as the agreed terms and relevant background law (e.g. general principles of contract law). There are no generally applicable statutory rules relating to consequences for wrongful termination of distribution agreements.

b. Will damages have to be paid, and, if yes, how are those damages calculated?

Wrongful termination can result in liability for damages. Norwegian tort law is based on a principle of (full) indemnification, i.e. that the aggrieved party shall be compensated as if the damage had not occurred. In other words, the compensation shall correspond to the actual financial loss due to the other party's wilful or negligent actions.

Q21. Must the terminating party comply with certain formalities?

Only in certain instances.

If yes or only in certain instances, when is a written notice required (a), must the notice contain a motivation in order for the termination to valid (b) and what are the consequences if any of the formalities are not observed (c)?

a. Is a written notice required? If yes, is a registered letter (or similar) required?

Formal requirements, such as a requirement for written notification/termination, should generally follow directly from the distribution agreement. However, formal requirements may also follow from sector specific regulations, such as e.g. the Good Business Practice Act which applies in the grocery sector (See *inter alia* Art. 8 on termination and de-listing).

b. Must the notice contain a motivation in order for the termination to valid?

Only where it follows from the agreement or sector-specific regulations. Pursuant to Art. 8 Good Business Practice Act, a notice of de-listing shall contain a statement justifying the basis for the de-listing.

c. What are the consequences if any of the formalities are not observed?

Consequences will either follow from the agreement or be based on general tort law. The Good Business Practice Act contains specific regulations on sanctions where the formalities stipulated within the act are not met. Sanctions include compulsory fines or infringement fines, depending on the circumstances (See Art. 16 and 17).

Q22. Can the parties stipulate the formalities in the distribution agreement?

Yes.

If yes, what are the consequences if those formalities are not observed?

In line with the principle of freedom of contract, the consequences of non-compliance with agreed terms normally follow from the agreement itself. If not, general principles of tort law will apply.

Q23. Is the terminated party entitled to damages or another type of compensation even if the correct notice period has been observed?

Only in certain instances

If yes, does this concern goodwill compensation or another type of compensation? Do the legal consequences vary depending on the type of agreement (definite/indefinite duration; exclusive/non-exclusive; franchise etc.)

The Norwegian Supreme Court states in the Webasto judgement (HR-2014-00306-A), that in exceptional circumstances Art. 28 Agency Act may apply by analogy. This rely on a concrete assessment of if the lack of compensation is regarded as "highly unreasonable". Besides the possibility of analogy from the Agency Act, the terminated party will generally not be entitled to damages or other types of compensation if the correct notice period has been observed and the termination complies with the conditions stipulated in the distribution agreement.

Immediate extrajudicial termination on account of serious breach or exceptional circumstances

Q24. Is immediate extrajudicial termination possible even if the distribution agreement does not provide for early termination?

Yes.

If yes, on what grounds (a)? Can parties exclude these grounds for immediate extrajudicial termination in their distribution agreement (b)?

a. On what grounds?

The parties may agree to the terms giving rise to immediate extrajudicial termination for cause (serious breach or exceptional circumstances). Where the circumstances giving rise to termination for cause are not specified in the agreement, attention should be given to relevant case law, according to which the concept of "serious breach of contract" may differ depending on the facts of the case. Further, anticipatory breach of contract may also give rise to immediate extrajudicial termination.

b. Can parties exclude these grounds for immediate extrajudicial termination in their distribution agreement?

Yes.

Q25. Will an (extrajudicial) termination continue to have effect if the court rules that the agreement was wrongfully terminated on account of serious breach and/or exceptional circumstances?

Only in certain instances.

If not or only in certain instances, what are the consequences of the termination not being upheld?

If a court consider the extrajudicial termination of the distribution to be unlawful or abusive, the termination of the agreement may be ruled without effect. Alternatively (or in combination), the court may award damages based on the aggrieved party's financial losses due to the wrongful termination.

Q26. Does the terminated party have a right to compensation if it appears that the agreement was wrongfully terminated or dissolved on account of serious breach and/or exceptional circumstances?

Yes.

If yes, is this right based on statute or case law (a) and how is that compensation calculated and will the terminated party have a claim for any additional compensation in those circumstances (for example, goodwill) (b)?

a. Is this right based on statute or case law and what this right entail?

The right is based on case law, according to which wrongful termination of a distribution agreement will typically expose the party responsible for the termination to liability for damages. Other rights may follow directly from the distribution agreement.

b. How is that compensation calculated and will the terminated party have a claim for any additional compensation in those circumstances (for example, goodwill)?

Norwegian tort law is based on a principle of (full) indemnification, i.e. that the aggrieved party shall be compensated as if the damage had not occurred. In other words, the compensation shall correspond to the actual financial loss suffered due to the other party's wilful or negligent actions. The aggrieved party will normally not have a claim to any additional compensation unless explicitly regulated in the agreement, but as noted in Q23 in exceptional circumstances Art. 28 (goodwill indemnity) Agency Act may apply by analogy.

Q27. If a party believes that the distribution agreement has been wrongfully terminated or dissolved, can it apply to the judge in interim relief proceedings to have the effects of the termination suspended?

Yes.

Part. 4: Post-contractual phase

Q28. Is the supplier required to repurchase the stock that is still at the distributor's disposal when the distribution agreement ends?

No.

Q29. Are there other post-contractual obligations that generally apply to either of the parties in the context of the termination of the distribution agreement?

No.

Part 5: Dispute resolution

Q30. Do specific rules and/or restrictions apply as regards the choice of forum and/or jurisdiction?

No.

Q31. Can the parties opt for arbitration?

Yes.

If yes, are there any rules and/or restrictions as regards the enforceability of arbitration clauses in distribution agreements?

Yes.

If yes, what do these specific rules and/or restrictions entail?

The Norwegian Arbitration Act (LOV-2004-05-14-25) specifies that arbitration clauses are, as a general rule,

enforceable (as well as rules relating to the enforceability of an arbitration award etc.). Furthermore, the Act contains several mandatory (primarily procedural) provisions which the parties cannot depart from - the extent of which depends on the parties as well as the place of arbitration (in Norway or abroad). These rules are not specific to distribution agreements.

Q32. What is the statute of limitations applicable to claims regarding the performance of a distribution agreement?

The Norwegian Limitation Act (LOV-1979-05-18-18) contains generally applicable regulations on the statute of limitations. The ordinary statute of limitations is 3 years following the day on which the breach of contract occurred (cf. Art. 2). The statute of limitations may, depending on the circumstances, be extended pursuant to the rules of the Limitation Act up to 10 years, following the initial 3-year period (i.e. for a maximum period of 13 years).

[link](#)