

By-laws of the Confederation of Norwegian Enterprise

Updated June 2021

Passed by the statutory General Meeting 28 November 1988 with amendments of 29 November 1989, 21 November 1990, 25 November 1993, 27 November 1997, 21 June 2000, 12 June 2002, 3 June 2003, 30 November 2005, 21 November 2007, 10 June 2008, 10 February 2009, 8 June 2010, 7 June 2011, 12 June 2012, 17 June 2014, 9 June 2015, 8 June 2020, 8 June 2021.

Table of contents

§ 1.1 OBJECTIVE

§ 2.1 MEMBERS AND ORGANISATIONAL STRUCTURE

§ 2.2 NATIONAL SECTOR FEDERATIONS

§ 2.3 COMPANIES

§ 2.4 REGIONAL ASSOCIATIONS

§ 2.5 ADMINISTRATIVE MANAGEMENT OF THE NHO COMMUNITY 5

§ 3.1 NHO's BODIES

§ 4.1 GENERAL MEETING

§ 5.1 THE EXECUTIVE COUNCIL

§ 6.1 THE NHO BOARD

§ 6.2 DIRECTOR GENERAL

§ 7.1 MEMBERSHIP FEE

§ 8.1 NHO's LABOUR DISPUTE FUND

§ 8.2 CONTRIBUTIONS TO NHO's LABOUR DISPUTE FUND

§ 9.1 ADMINISTRATION AND RESERVE FUND

§ 10.1 MANAGEMENT OF NHO's ASSETS

§ 11.1 NEGOTIATIONS AND LABOUR DISPUTES

§ 11.2

§ 11.3

§ 11.4

§ 12.1 COMPENSATION

§ 12.2

§ 13.1 GENERAL PROVISIONS

§ 13.2

§ 13.3

§ 13.4

§ 14.1 WITHDRAWAL

§ 15.1 AMENDMENTS TO THE BY-LAWS

§ 16.1 NHO's DISSOLUTION

§ 16.2

OBJECTIVE § 1-1

The Confederation of Norwegian Enterprise (NHO) shall work to provide its members with working conditions and development opportunities that strengthen competitiveness and profitability of business and industry, and thereby create the basis for a good standard of living in a society with sound economic growth and sustainable development.

MEMBERS AND ORGANISATIONAL STRUCTURE § 2-1

Companies with business activities in Norway can be accepted as members of the Confederation of Norwegian Enterprise (NHO).

NHO includes nationwide industry and employer associations, hereafter referred to as national sector federations. Companies seeking membership in NHO are bound to be members of a national sector federation, cf. § 2-2.

NHO members in one or more counties constitute a regional association, cf. § 2-4.

NHO, the national sector federations and the regional associations combined make up the NHO community (hereafter referred to as NHO-C).

NATIONAL SECTOR FEDERATIONS § 2-2

1. National sector federations wanting to acquire a NHO affiliation must submit a list of their members and a copy of their by-laws. NHO is to receive notice of any amendments to the by-laws and changes in membership conditions.

The national sector federations' by-laws must not be at variance with NHO's by-laws.

The national sector federations are to keep NHO informed of all matters pertaining to collective agreements, or that can have consequences for the formation of new agreements.

2. Companies wishing to seek NHO membership select the national sector federation in which they want to be members.

Members operating a variety of different business activities can be listed as members of the respective national sector federations to which each individual enterprise naturally belongs.

3. When a company is excluded from affiliation with a national sector federation, the NHO Board can accept the company as a member of NHO as an individual company. Such companies are bound by the same obligations as other member companies.

COMPANIES § 2-3

1. The national sector federations' member companies are bound to be members of NHO, cf. § 2-1. The NHO Board can make an exception to this obligation for a period leading up to the time when the company can enter a collective agreement in which NHO is a party, but no more than two and a half years after enrolment in the national sector federation in question.

Further, if upon its enrolment in NHO the company is a member of another employer organisation, and if particular grounds do so stipulate, the Board may exempt the company from the duty to take part in the community for employer-related policy for one collective agreement period at a time. In such cases the Board can approve a reduction in the membership fee with the understanding that assistance in employer-related matter is not included in the membership. Such an exemption is annulled if an employee organisation in relation to NHO requires a collective agreement for the company.

2. In connection with NHO membership, the company must sign an application for membership where it undertakes to uphold NHO's by-laws and that any decisions in employer-related matters are taken in accordance with these.
3. If there should be a group relation between a number of companies (cf. The Companies Act and The Joint Stock Public Companies Act § 1-3) within the industry sectors encompassed by NHO, the membership is to include all the companies in the group. If a member should oppose this, it will be withdrawn from NHO after expiry of the ordinary withdrawal period. The NHO Board can in special cases make an exception to this rule.
4. The NHO Board can resolve that a company, for which a collective agreement has been formed for only a very small number of employees, shall not pay contributions to the Labour Dispute Fund for all employees.
5. Before a company can become a member, it must provide information on the number of staff (man-labour years) it employs and the amount of wages paid out in the preceding year.

Companies bound by a collective agreement must submit any company regulations, collective agreements with employees or their organisations, and – if a labour dispute is ongoing or expected in the near future – provide information about this.

REGIONAL ASSOCIATIONS § 2-4

1. NHO's members in one county or more constitute a regional association, that is not a separate legal entity. The point of departure for a regional association is the county structure system. Changes to the established regional associations are resolved by the General Meeting based on a recommendation from the members of the counties in question.

NHO's regional associations are bound to conform to decisions taken by NHO and shall contribute to meet the NHO community objectives and priority tasks.

2. The member companies shall every year, before NHO's ordinary General Meeting, be called in to an annual meeting by the regional association. At the annual meeting, each member has the right to meet with a representative. Each representative has one vote.

The annual meeting considers the annual report of the activities throughout the preceding year.

The annual meeting elects a board for the regional association. The board is made up of a chairman, vice-chairman and at least 4 and at the most 8 board members and at the most 4 deputy representatives. The chairman and vice-chairman are elected by the annual meeting through a separate vote. The election period is two years. A re-election for the same position may take place once, but the same person cannot be a board member for more than 8 consecutive years. The deputy representatives are elected in a numeric sequence.

The annual meeting elects representative(s) to the Executive Council and the General Meeting, cf. §§ 5-1, subsection 2 c) and 4-1, subsection 2 d).

The annual meeting appoints, at the suggestion of the Board, a nomination committee with four members to submit a recommendation for the elections at the subsequent annual meeting. The nomination committee elects their leader. The regional director is the executive officer of the Nomination Committee.

3. The board of the regional association shall:

- Lead the association's work on the tasks stipulated in subsection 1.
- Summon the regional association's members to an annual meeting and submit a report of the activities of the past year.
- Recommend a candidate for the position of general manager. NHO employs the latter and has employer's responsibility.

The board is presided by the elected chairman or, in his absence, the vice-chairman. The board has a quorum when at least half of its members or deputy members are present.

Members of the NHO Board shall step down if the company which the person in question represents is no longer a member, or if the person in question leaves the member company.

Important principle matters to be addressed by the General Meeting should, in the event time allows for this, first be addressed by the board of the regional association.

ADMINISTRATIVE MANAGEMENT OF THE NHO COMMUNITY § 2-5

The joint administrative services at NHO-C are carried out by a unit that is restricted in organisational terms, with the NHO Board as the ultimate ruling body, cf. § 6-1 subsection 2. Operations are financed according to guidelines stipulated by the NHO Board.

NHO's BODIES § 3-1

NHO's bodies are: The General Meeting, the Executive Council, NHO Board, and the Nomination Committee.

NHO is based in Oslo.

GENERAL MEETING § 4-1

1. The Ordinary General Meeting is held every year by the end of the month of June. At least four weeks' notice of the General Meeting shall be given.

An Extraordinary General Meeting can be called with a minimum of 8 days' notice should the NHO Board find this necessary.

An agenda presenting matters to be addressed by the General Meeting is to be enclosed with the notice. Minutes are to be taken of the meeting and signed by the president and by two delegates chosen by the General Meeting. The General Meeting is chaired by the president or, if the latter is absent, by the vice president. The General Meeting can decide that another person is to chair the meeting.

2. The General Meeting is made up of:

- a) President and vice president
- b) The Executive Council's other members
- c) 80 representatives from the member companies, who are chosen by the national sector federations. Each approved national sector federation, for which the member companies employ 1000 man-labour years or more, receives one representative. Subsequently, the remaining representatives are distributed according to the Sainte-Lagüe method (distribution figures 1.4-3-5-7-9 etc.) on the basis of total man-labour years comprised by the membership of the national sector federation.

- d)** 15 representatives from the member companies that are chosen by the regional associations. Each regional association elects 1 representative. Subsequently, the remaining representatives are distributed according to the Sainte-Laguë method on the basis of total man-labour years comprised by the membership of the national sector federation in question.
- e)** For selection according to c) and d) the associations are to choose in numerical order the same number of deputies as representatives.

In the calculation of number of man-labour years, NHO's statements from year-end of the preceding year will provide the basis recalculated to full-time equivalents.

3. The Ordinary General Meeting shall:

- a)** Choose 2 delegates to sign the minutes.
- b)** Address and approve the NHO Board's annual report.
- c)** Address and approve the NHO Board's audited financial statements for the previous year.

Upon submission of NHO's financial statements, a complete overview of incomes and costs for the entire NHO-C shall also be submitted.
- d)** Approve the annual membership fee, cf. § 7-1 and any contributions to the Labour Dispute Fund, cf. § 8-1.

- e)** Elect a president, vice president and 8 other members of the NHO Board, as well as 3 deputy representatives. The president shall be from a company bound by a collective agreement.

The 8 members of the NHO Board and the 3 deputy representatives shall have been recommended to the Nomination Committee by the national sector federations, cf. § 4-1. subsection 3, h).

As a rule, the election period is 2 years, but with the option of only one year if the General Meeting deems it appropriate. Re-election can occur once for the same function, though in such a way that the same person cannot be a member of the NHO Board for more than 8 consecutive years.

- f)** Elect 5 representatives and 5 deputies to the Executive Council. As a rule, the election period is 2 years, but with the option of only one year if the General Meeting deems it appropriate.
- g)** Choose the auditor and fix the latter's remuneration.

- h)** Elect, following a recommendation by the NHO Board, a Nomination Committee and committee chair and 9 further members. 8 of the members are to be nominated by the NHO Board on the basis of recommendations from the national sector federations, so that the 3 largest national sector federations recommend 1 each and the remaining national sector federations jointly recommend 5 members. 1 member is nominated following a joint recommendation by the regional associations.

As a rule, the election period for the Nomination Committee chair and members is 2 years, but with the option of only one year if the General Meeting deems it appropriate. Re-election can occur once.

The Nomination Committee submits a recommendation to the General Meeting for candidates for the elections mentioned under e), f) and g).

- i) Approve guidelines for the work of the Nomination Committee. The guidelines for the Nomination Committee shall establish that the national sector federations submit to the Nomination Committee a selection of candidates that the Nomination Committee will use as a basis for its recommendation of NHO Board members. An effort shall be made to achieve a regional distribution in the representatives of NHO's steering bodies, as well as a distribution that is industry-based and based on other factors reflecting NHO's members.
4. Resolutions are passed by a common majority among those in attendance unless otherwise stipulated by these by-laws. In a vote, the person receiving the most votes is deemed elected. In the event of a voting tie, the chair's vote is decisive.

EXECUTIVE COUNCIL § 5-1

1. Meetings of the Executive Council are held a minimum of twice annually. The president gives a minimum 14 days' notice of a meeting of the Executive Council. The Executive Council can if necessary be called in on shorter notice. Together with the notice, an agenda presenting matters to be addressed is to be enclosed. Minutes of the meeting are taken and signed by the president. The Executive Council is chaired by the president, or, if the latter is absent, by the vice president. The Executive Council can decide to have another person chair the meeting.
2. The Executive Council is made up of 50 members. It has the following composition:
 - a) President and vice president
 - b) 31 representatives from member companies chosen by the national sector federations. Each approved national sector federation, the member companies of which employ 5000 man-labour years or more, and also other national sector federations that were members of NHO as of 31 December 2008, have 1 representative. Subsequent to this, the remaining representatives are distributed according to the Sainte-Lagüe method on the basis of total number of man-labour years comprised by the membership of the association in question. The national sector federation chooses in numerical order the same number of deputies as representatives.

In the calculation of man-labour years, NHO's statements for year-end of the preceding year will provide the basis recalculated as full-time equivalents.
 - c) 12 representatives from the member companies chosen by the regional associations. Each regional association elects 1 representative. Subsequent to this, the remaining representatives are distributed according to the Sainte-Lagüe method on the basis of total number of man-labour years comprised by the membership of the association in question.
 - d) 5 further representatives from the member companies chosen by the General Meeting, following recommendation from the Nomination Committee, cf. § 4-1, subsection 3 f).

The 8 members of the NHO Board can attend the Executive Council with the right to speak but without voting rights.
3. Notice of who has been elected is to be immediately sent to NHO, cf. subsection 2 b).

The elected representatives and deputy representatives enter into their honorary posts immediately after election.
4. The Executive Council establishes NHO's budget for the coming year, hereunder the budget for the joint administrative services of NHO-C.

The Executive Council passes resolutions on important principle matters and makes decisions in all matters that, according to the by-laws, are not the responsibility of the General Meeting or the NHO Board.

The Executive Council fixes remuneration for NHO Board members according to the recommendations of the chair of the Nomination Committee.

The Executive Council can delegate authority to the NHO Board.

The Executive Council forms a quorum when a minimum of half of its members are present. This does not apply to resolutions in accordance with § 11-2 subsection 6 where it is a requirement that 2/3 of the Executive Council's members must be present. All resolutions are passed by a common majority among those present unless otherwise stipulated by these by-laws. In elections, the person with the most votes is deemed elected. In the event of a voting tie, the chair's vote is decisive.

Members of the Executive Council from companies not bound by a collective agreement do not participate in the handling of wage-related matters.

5. The Executive Council decides its own rules of procedure.

THE NHO BOARD § 6-1

1. The NHO Board is made up of a president, vice president and 8 members. 3 deputies are elected. The first deputy is called in to board meetings, with the right to speak.

The NHO Board is chaired by the president, or in the absence of the latter, by the vice president. The NHO Board can decide to have another person chair the meeting.

The NHO Board forms a quorum when a minimum of 6 members are present.

Members of the NHO Board shall step down if the company which the person in question represents is no longer a member, or if the person in question leaves the member company.

In the event that up to five board members should step down, the same number of new members shall be elected by the first ordinary General Meeting. If more than five board members should step down from the Board, an extraordinary General Meeting will be called, cf. § 4-1, subsection 1, second paragraph, to elect the same number of new members to the Board.

2. The NHO Board is the ultimate representative body between meetings of the Executive Council. The NHO Board treats matters of greater importance and makes decisions on these unless they, pursuant to the by-laws, are the responsibility of the Executive Council or the General Meeting.

The NHO Board has a special responsibility to attend to the collective interests of the member companies.

The NHO Board makes decisions on matters delegated by the Executive Council or the General Meeting.

The NHO Board is the ultimate decision-making body for the joint administrative services of NHO-C, cf. § 2-5.

The NHO Board prepares all matters to be addressed by the Executive Council and the General Meeting.

If a minimum of three of the NHO Board's representatives should so require, a matter shall be brought before the Executive Council.

The NHO Board shall ensure proper organisation of the enterprise. The NHO Board provides guidelines for NHO's administration and establishes work tasks and authorisations for the Director General.

3. The NHO Board hires the Director General.
4. The NHO Board approves new national sector federations.

DIRECTOR GENERAL § 6-2

The Director General is responsible for the daily management and leads NHO's wage negotiations.

The Director General attends the General Meeting, meetings of the Executive Council and the NHO Board and has both the right to speak and the right to put forward motions.

The Director General is the executive officer of the Nomination Committee.

MEMBERSHIP FEE § 7-1

1. The membership fee for NHO is to finance NHO operations. The total membership fee comprises two separate parts, an association fee and a service fee.
2. The basis for calculation of the membership fee is the company's wage payment for the preceding calendar year. In special cases where calculation on such a basis will result in a membership fee charge that is clearly unreasonable compared to that paid by the other companies, the Executive Council can approve an exception.

In special cases the Board can make an exception to the general rules for membership fees for a period of up to 2 years. In such exceptional cases the period cannot be extended for an individual company beyond 2 years, with the exception of the scheme stipulated in § 2-3 no. 1, second paragraph.

The General Meeting fixes the amount of the annual fee, hereunder a minimum fee in two parts.

By the end of February, the member companies – using a form sent out by NHO – are to send in a statement of the number of employees (man-labour years) covered by the membership and wages paid out in the preceding year.

3. For recently established companies, the budgeted figures indicated in the membership application will provide the basis for the membership fee for the first year.

Companies that do not submit annual statements on time can be charged a monthly penalty.

The NHO Board can fix at own discretion an estimated membership fee for companies that do not submit on time the annual statements of number of employees (man-labour years) and wages paid out. It is not possible to demand a recalculation of estimated membership fees on the basis of wage sheets or statements submitted after the due date.

4. The membership fee is paid once a year.

Late payment interest will be charged on unpaid membership fees that are past due.

Members that have not paid outstanding membership fees can have their membership cancelled by the NHO Board and cannot become a member again before the outstanding debt has been paid. Outstanding membership fees, with accrued interest, will be claimed, where appropriate through legal channels.

NHO's LABOUR DISPUTE FUND § 8-1

The Labour Dispute Fund is an independent entity for accounting purposes.

The target balance of the Labour Dispute Fund is a minimum of 2.5 percent and a maximum of 3.75 percent of the total calculated wages of NHO's member companies bound by a collective agreement. The Labour Dispute Fund should not in the long-term be permitted to drop below 1.75 percent.

The Labour Dispute Fund is to be ensured through:

- a) Dividends on the fund's capital
- b) Penalties paid in
- c) Contributions in accordance with § 8-2

Compensation is paid out from the fund's assets to the member companies in accordance with the provisions of § 12-1.

NHO's Labour Dispute Fund is managed by the Executive Council, or by the NHO Board by authorisation, cf. § 5-1, subsection 4, last paragraph.

CONTRIBUTIONS TO NHO'S LABOUR DISPUTE FUND § 8-2

1. Contributions to NHO's Labour Dispute Fund are 0.35 per mill of the same basis for calculation of the membership fee.
2. If calculations of the amount of the Labour Dispute Fund should indicate that the level is below the minimum requirement, the General Meeting can approve, cf. § 8-1, an extra contribution to the Labour Dispute Fund. Calculation of the amount of the Labour Dispute Fund is to be done with a point of departure in the budgeted figures for year-end of the year in which the calculation takes place.

Companies that are not bound by a collective agreement are exempt from payment of contributions to NHO's Labour Dispute Fund.

3. The General Meeting – ordinary or extraordinary – can for the period until the next ordinary General Meeting empower the NHO Board – in connection with work cessation – to levy an extra contribution to the Labour Dispute Fund for members not taking part in the work cessation. The extra contribution is not to exceed a half-year membership fee for each month the cessation is in effect.

Such an extra contribution cannot be claimed from members that are not bound by a collective agreement.

ADMINISTRATION AND RESERVE FUND § 9-1

NHO can set up an administration and reserve fund. The fund's assets are employed by the Executive Council, or by the NHO Board by authorisation. Dividends go to the fund.

MANAGEMENT OF NHO'S ASSETS § 10-1

NHO's assets are placed in easily marketable securities, funds, property and bank account.

The NHO Board establishes in further detail the guidelines for finance management.

NEGOTIATIONS AND LABOUR DISPUTES § 11-1

1. None of NHO's member companies are to enter into negotiations with, or directly apply to, the employees' central organisations or their subordinate organisations, regarding wage and working conditions, without this being in agreement with the relevant national sector federation or NHO.

The member companies can only enter into local negotiations when the organisational collective agreement in question does not stand in the way of this. Local negotiations that can have consequences for the formation of new organisational collective agreements cannot take place without the consent of the relevant national sector federation or NHO.

Enquiries to, or negotiations with, the employees' central organisations take place through and are led by NHO.

Otherwise, the national sector federations carry out their negotiations themselves, but NHO has the right to be represented.

2. Before negotiations on the formation of collective agreements are commenced, the national sector federations, and where relevant, the companies themselves if they are not members of any national sector federation, shall confer with NHO regarding the main parameters for the negotiations. NHO shall at all times receive orientation on the developments of the negotiations and the proposals submitted by the parties.
3. Each organisational collective agreement is to be approved by NHO, and NHO's approval must therefore be acquired before notice of approval can be given. An approved collective agreement cannot be changed without the consent of NHO.
4. Before a national sector federation or individual company terminates its organisational collective agreement, NHO is to be given notice as soon as possible. Should NHO decide that the termination could have unfortunate consequences for other professions or companies, the matter is to be put before the NHO Board. Should the NHO Board find that the termination should not take place, but a demand for this is nonetheless adhered to, the termination can be made effective in the event a national sector federation approves it by a minimum 2/3 voting majority. In such a case, the member companies' right to strike compensation is repealed.

If the Executive Council wants to terminate an organisational collective agreement without there having been submitted a claim for this or without the consent of a national sector federation or individual company, the resolution for this must be passed by a minimum 2/3 majority after the national sector federation or individual company if possible has had the opportunity to make a statement.

§ 11-2

1. Notice of walkout in connection with local/coordinated collective bargaining

The Executive Council can resolve that notice be given of a full or partial walkout of those member companies encompassed by the collective bargaining process. Before the Executive Council makes its decision, affected member companies and national sector federations must be given the opportunity to comment.

The NHO Board can resolve to expand a notice of walkout given by an employee organisation to also apply to all or some of the member companies that are encompassed by the collective bargaining process. Before a final decision is made, the affected national sector federations and member companies must be notified.

The NHO Board may entrust the decision to the Executive Council.

2. Walkout in connection with central/coordinated collective bargaining

The Executive Council can resolve a full or partial walkout of all member companies encompassed by the collective bargaining process. Before the Executive Council makes its decision, all affected member companies and national sector federations must be given the opportunity to comment.

The NHO Board can resolve to expand a previously notified walkout by an employee organisation by also notifying a walkout of all or some of the remaining member companies encompassed by the collective bargaining process. Before the NHO Board makes its decision, affected member companies and national sector federations must be given the opportunity to comment.

The NHO Board may entrust the decision to the Executive Council.

3. Notice of walkout in connection with negotiations relating to a single collective agreement (sectoral negotiations)

With the consent of the NHO Board, a national sector federation can resolve that notice be given of a full or partial walkout of member companies encompassed by the collective agreement. The national sector federation's proposed resolution must be sent to affected member companies and national sector federations with members encompassed by the collective agreement for comment.

The NHO Board may entrust the decision to the Executive Council.

If the NHO Board does not consent, the national sector federation can request that the matter be brought before the Executive Council.

The national sector federation can resolve to expand a previously notified walkout by an employee organisation to also apply to all or some of the remaining member companies encompassed by the collective agreement. Before the national sector federation makes its decision, affected member companies and the NHO's administration must be notified.

4. Walkout in connection with negotiations relating to a single collective agreement (sectoral negotiations)

With the consent of the NHO Board, the national sector federation can resolve a walkout of all or some of the member companies within the collective agreement area.

The national sector federation's proposed resolution must be sent to affected member companies and national sector federations with members encompassed by the collective agreement for comment.

If the NHO Board does not consent and the matter is not subsequently forwarded to the Executive Council, the national sector federation may request that the matter be brought before the Executive Council.

The NHO Board may entrust the decision to the Executive Council.

5. Notice of walkout or actual walkout in support of another national sector federation or individual company

The Executive Council can resolve to give notice of or execute a full or partial walkout in support of a national sector federation or individual company, cf. § 2-2, subsection 3, which is involved in a labour dispute, when a reasoned request therefor has been submitted by the national sector federation or company in question.

6. Executive Council procedures

When a proposal to give notice of or execute a full or partial walkout has been submitted to the Executive Council, a meeting of this body must be convened at no less than 4 days' notice. The proposal must simultaneously be sent to the national sector federations and member companies that are encompassed by the proposal. Comments on the proposal must be submitted to the Executive Council.

In order for a passed resolution to be valid, a minimum of 31 of the Executive Council's members must be present and the resolution must be passed with a minimum 3/4 majority of those present.

The Executive Council can give the NHO Board the authority to determine the date for implementation of the approved walkout, the order of the companies concerned and all questions in connection with this.

§ 11-3

During full or partial lockout, or blockade of any company, NHO can either directly or through the national sector federation in question, prohibit the employment of the employees or their organisation members by members of NHO.

§ 11-4

During labour disputes among members of NHO, none of the members may act against the interests of NHO, of the national sector federations or the members involved in the labour dispute.

No member company may, without the permission of NHO, take over execution of a commission that a company involved in a labour dispute had taken on before the conflict broke out.

If a company, whether it is a member of NHO or not, during a labour dispute acts against the interests of the companies involved in the conflict, NHO's members can, for a specific time period, be bound to break off all contact with the company in question. If a member of NHO acts at variance with such an injunction, the provisions of § 13-4 will potentially come into effect.

COMPENSATION § 12-1

Member companies that are registered as bound by collective agreements are entitled to compensation to the extent that the balance of the Labour Dispute Fund covers this, unless the Executive Council finds that the financial burden of the cessation of work or its continuation must be borne by the company in question. The NHOs Board can give an exemption to the one-year provision.

Compensation is not paid to companies that are not directly involved in the labour dispute.

For companies or industries where the standard compensation rules seem unreasonable, the Executive Council can deviate from these.

Otherwise, the Executive Council establishes the specific rules for calculation of the compensation.

NHO's president and vice president can, upon an application by a national sector federation, pre-approve compensation pursuant to this paragraph.

Members who have not sent in on time the statements mentioned in the by-laws' § 7-1, or who have not paid in the membership fee within 4 weeks after notice requiring payment has been given, do not have the right to compensation. Members who have submitted demonstrably incorrect statements as a basis for calculation of the membership fee, cf. § 7-1, lose correspondingly their right to compensation. The Executive Council makes the decision regarding when and on what terms the right to compensation will again enter into force.

Any claim for compensation that is submitted later than 3 months after the work cessation comes to an end will be annulled, unless the Executive Council should decide otherwise.

Disputes regarding compensation claims cannot be brought to a court of justice for settlement.

§ 12-2

The Executive Council can with a 3/4 majority resolve that compensation during a general strike, general lockout or similar extensive work cessation shall be reduced or be fully revoked. Correspondingly, the Executive Council can with a 3/4 majority due to special circumstances pass a resolution for up to 1 year at a

time, whereby compensation according to the discretion of the NHO Board is wholly or partly revoked for those members whom in this time period are involved in a strike or lockout. The NHO Board can in such cases be allowed to offer the members loans. Such loans should generally not exceed the amount the company in question would have received in compensation in accordance with § 12-1.

GENERAL PROVISIONS § 13-1

The member companies are bound to send NHO the statistics statements and other information necessary for the organisation's activities.

§ 13-2

Companies bound by collective agreements are bound to follow the provisions pertaining to the relation between the employer and employee approved by the Executive Council, or – with the approval of the Executive Council – by the national sector federation with which the companies are affiliated.

Decisions made by national sector federations regarding working conditions must be approved by NHO before they are implemented in the event that these decisions can have consequences for other member companies.

§ 13-3

The members must not take on duties if the fulfilment of these can be hindered by work cessation as a consequence of a strike or lockout, without due consideration being made for exemption from all liability as a consequence of such non-fulfilment or delay ("strike clause"). The Executive Council can permit exceptions to this.

§ 13-4

Any company or national sector federation that violates these by-laws, acts at variance with a decision made in accordance with the by-laws or in another manner demonstrates improper conduct in matters that concern NHO-C, pursuant to a decision by the NHO Board or the board of the national sector federation in question when such a decision is approved by the NHO Board, can be excluded as a member of NHO and the respective national sector federation. Companies that are a part of NHO's community bound by collective agreements can also

- Be fined in the amount of NOK 5,000–3,000,000 to be paid into the Labour Dispute Fund, or
- Be deprived of the right to labour dispute compensation in accordance with § 12-1 for a specified time period.

In particularly serious cases for these companies, a combination of the three forms of sanction can be employed.

A resolution regarding the type of sanctions can be appealed to the Executive Council, which with a 2/3 majority decides whether the resolution shall be changed.

The period for lodging an appeal is two months.

Decisions in accordance with this section cannot be brought before a court of justice.

WITHDRAWAL § 14-1

No company or national sector federation can withdraw from NHO before it has been a member for 2 years. If, during the first two years that the company is a member, labour dispute compensation has been paid out

that exceeds the amount the company has paid in contributions to the Labour Dispute Fund, the company is not permitted to withdraw until it has been a member for four years. Alternatively, the company can pay the Labour Dispute Fund the difference between compensation paid out and contributions paid in, and thereby acquire the option of withdrawal after two years. Withdrawal must take place in writing and with 6 months' notice.

If a notice of withdrawal from a company bound by a collective agreement has not been received before the date when the agreement in effect expires, the company cannot withdraw from NHO until expiration of the new agreement. Loans that the company has received from NHO must be paid back in connection with the withdrawal. The NHO Board can deny a company bound by a collective agreement the right to withdraw during a labour dispute.

If a company bound by a collective agreement withdraws from NHO and the collective agreement in question expires before the withdrawal date, the NHO Board can decide that the company shall withdraw from NHO and from the national sector federation in question on the expiration date of the collective agreement.

If a member company is transferred to a new owner or contractor, it will remain a member of NHO, with the same rights and obligations as previously, unless the Executive Council decides otherwise. Any reservations on this point must be included in all contracts for transfer to a new owner or contractor.

AMENDMENTS TO THE BY-LAWS § 15-1

Amendments to these by-laws can only be passed by a General Meeting (ordinary or extraordinary), and proposals must be sent to the General Meeting's delegates and NHO's national sector federations at least 2 months in advance.

For a resolution to be valid it is required that at least 3/4 of the members present at the General Meeting vote for the proposal.

NHO's DISSOLUTION § 16-1

A resolution for NHO's dissolution must be passed with a minimum 3/4 majority of the General Meeting delegates present.

A proposal for dissolution must be made known to NHO's member companies and national sector federations a minimum of 3 months in advance.

Dissolution proposals must be submitted by the Executive Council.

§ 16-2

Upon dissolution of NHO, the organisation's accumulated assets, hereunder assets in the Labour Dispute Fund are frozen for at least 10 years to make possible transfer to a new organisation, pursuant to the resolution of the last functioning Executive Council. If such an organisation has not been formed within this period, the available funds are to be employed in the promotion of Norwegian business and industry, according to the provisions specified by the last functioning Executive Council. Resolutions are passed by a 2/3 majority.