

(Lov om foreldelse av fordringer.)

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Nr. 18

Act no 18 of 18 May 1979 relating to the Limitation Period 4
for Claims

§ 1 (Introductory provisions)

1. Claims for money or other performances are subject to the limitation periods in accordance with the provisions of this Act, unless otherwise prescribed by statute.
2. With respect to the limitation period in the international sale of goods, the New York Convention of 14 June 1974 shall apply as rendered in the Norwegian translation published in Norsk Lovtidend (The Norwegian Law Gazette). The King may nevertheless prescribe that the Convention shall not apply to purchase contracts when both seller and buyer have their relevant places of business in the Nordic countries (Norway, Denmark, Finland, Iceland and Sweden).

General limitation period

§ 2 (Duration of the limitation period)

The general limitation period shall be 3 years.

§ 3 (Commencement of limitation period)

1. The limitation period runs from the date on which the creditor first has the right to demand performance.
2. For claims arising from breach of contract, the limitation period runs from the date when the said breach commences.
3. If a contract can or shall be considered terminated before the time for performance is due or a claim considered accrued before the date otherwise prescribed, on account of the debtor's breach of contract or some other occurrence, the limitation period in respect of claims based on such occurrence shall only commence to run from the date on which the creditor serves notice on the debtor that he will invoke the grounds for terminating the contract or the grounds on account of which the claim has accrued. If such notice is not served, the limitation period shall run from the date otherwise prescribed for the accrual of the claim.
4. If the seller or a previous link in the distribution chain has guaranteed the article under sale by undertaking redress or assuming other liability, the period of limitation in respect of

claims based on such guarantee shall run from the date on which the purchaser serves notice of the grounds on which the claim is based, but at the latest from the date the guarantee expires. The same shall apply if a person performing a service or the like has guaranteed the result of such service.

Special limitation periods

§ 4 (Bank deposits etc.)

The limitation period in respect of claims on a bank, post-office giro or public funds for deposits or valuables handed in for safekeeping shall only expire 20 years after such deposits or valuables were handed in except for interest claims subject to §§ 2 and 3. The limitation period shall begin to run anew when the creditor disposes over the deposits or valuables by withdrawal or lodges funds to his account or when the bank enters the interest in its books. An institution which, in pursuance of law, acquires funds for its operations by receiving deposits from an indeterminate group of depositors shall be considered the equivalent of a bank.

§ 5 (Promissory notes and financial loans)

1. If a promissory note has been issued in respect of a claim, the limitation period shall be 10 years, except for interest or company dividends and subsequently due instalment payments as described in § 6.

2. The 10-year limitation period shall also apply to claims based on financial loans, except interest. This 10-year limitation period shall not apply to loans granted by the seller or by any other person under an agreement with the seller for financing purchases on credit.

§ 6 (Pensions, maintenance allowances etc.)

A claim which has been agreed or established, concerning pensions, annuities, pensioned farmer's provision, maintenance allowances or other contributions accruing at specific intervals and not representing instalment payments on the principal, shall be subject to a limitation period of 10 years from the day the last instalment was paid. If no payment has been effected, this limitation period shall run from the date on which the creditor could have demanded the initial performance. The individual

periodic instalments which have accrued are however subject to the limitation periods under §§ 2 and 3, save that the limitation period for claims for maintenance allowances shall be 10 years.

§ 7 (Surety)

When a claim is secured by guarantee or other corresponding security, the limitation period shall run, in respect of the guarantor, in accordance with the same rules which apply to the principal claim. The fact that fulfilment cannot be demanded from the guarantor before payment has been unsuccessfully sought from the principal debtor, or that the guarantee in other respects is of a subsidiary nature, does not affect the above limitation period.

§ 8 (Recourse claims)

If several debtors are liable to the creditor and one of them discharges his debt before the limitation period has expired in respect of him, the period of limitation for his recourse claim against a co-debtor shall be one year after the discharge of the debt. Nevertheless, the claim shall not become statute barred before the expiry of the limitation period to which he would be entitled if the discharged claim had been transferred to him. If the creditor's claim against the co-debtor had lapsed at the time of discharge of the debt, the recourse claim can only be asserted if the co-debtor has been notified within reasonable time of the discharge of the debt. If, prior to the discharge of the debt, the period of limitation has been interrupted or prolongation has been agreed under § 28, it shall be further required that the co-debtor has been notified of this within a reasonable period of time.

§ 9 (Claims for damages)

Claims for damages or redress which do not arise from a contract shall be subject to a limitation period of 3 years from the date on which the injured party obtained, or should have himself acquired, necessary knowledge of the damage and the person responsible. Nevertheless, the limitation period shall be at the latest 10 years from the date on which the damage occurred, or 20 years after the commission of the tort or other basis for liability ceased. The same shall apply to claims for damages or redress resulting from injury to person or damage to a thing

even if the claim arises from a contract. This does not, however, apply to claims based on a purchase contract.

Supplementary limitation periods

§ 10 (Ignorance or other hindrances)

1. If the creditor has not asserted the claim because he lacked the necessary knowledge of the claim or of the debtor, the period of limitation shall expire at the earliest one year after the date on which the creditor obtained or should have obtained such knowledge.

2. If the limitation period cannot be interrupted on account of a Norwegian or foreign statute or other insurmountable hindrance not ascribable to the creditor's own circumstances, the limitation period shall expire at the earliest one year after the date on which the hindrance ceased.

3. The limitation period cannot be prolonged in pursuance of this section by more than a total of 10 years. The limitation periods in § 9, second sentence in respect of claims for damages etc may not be prolonged in pursuance of this section. In other respects this section shall apply to other limitation periods or supplementary limitation periods in accordance with this Act.

§ 11 (Claims in connection with penal cases)

Even if the limitation period has expired, claims for damages, redress or confiscation arising from a punishable offence, may be asserted in the course of a penal case in which the debtor has been found guilty of the offence under which liability has been incurred. Such claims may also be brought by a separate action at law instituted within one year after the judgment of conviction in the penal case has become res judicata. The same shall apply where the debtor has accepted a writ of fine option in respect of circumstances mentioned above.

§ 12 (Claims against guardians etc and certain claims in respect of company affairs)

1. If the claim is due:

- a) to a legally incapable person against a guardian or a public trustee or
- b) to a legal personality - such as a joint-stock company, association or foundation - against a co-owner or member of an agency representing such a personality, the limitation

period in respect of liability which the debtor concerned has incurred in this capacity, shall expire at the earliest one year after such a function has ceased. If the relevant person or legal personality who can assert the claim on behalf of the creditor obtains knowledge of the circumstances on which the claim is based prior to the expiry of the function, the limitation period shall commence to run from this earlier date. This provision shall also apply to the relationship between a bankrupt debtor and the executors of the estate.

2. In respect of a claim following a commitment which in accordance with a company contract rests on a member to make a contribution to the company's assets, the limitation period shall only commence to run when the membership has ceased and the company has been notified to this effect.

§ 13 (Legal notice)

If legal notice has been issued by the debtor or his estate within the expiry of the limitation period, or if other public summons has been made inviting creditors to notify their claims within a specific set time limit, the limitation period shall not expire before the expiry of this time limit. In respect of claims asserted within the proper time limit, the limitation period shall not commence to run before one year has elapsed after the time limit for notification of claim has expired. In bankruptcy, official composition of debt or probate settlement of estate cases §§ 18, 21 and §22, subsections 2 and 3 shall apply.

Interruption of limitation periods

§ 14 (Acknowledgement)

A limitation period shall be interrupted when the debtor has expressly in word or deed acknowledged his debt to the creditor, for example by a promise to pay or by payment of interest

§ 15 (Legal steps etc.)

1. A limitation period shall be interrupted when the creditor takes legal steps against the debtor in order to obtain judgment, survey valuation, arbitration award or similar decision. The same applies when the debtor takes such steps in order to obtain a judgement confirming the claim. Likewise a limitation period shall be interrupted by a request for decision on the estate's

claim against a part beneficiary or legatee, in accordance with § 11, second paragraph, second sentence of the Act of 21 February 1930 relating to the Settlement of Estates.

2. If the claim is asserted before a Court of Law, the limitation period is interrupted:

- a) ... by the institution of conciliation proceedings or by a writ of summons, or
- b) by the fact that the assertion of the claim has been presented or invoked as counter-claim in litigation between the parties.

3. If it has been agreed that a dispute in respect of a claim shall be settled by arbitration, or if there are grounds for some other particular decision proceeding, the limitation period shall be interrupted by the creditor taking such steps on his part as are necessary to institute the proceedings. The provision in subsection 2 *litra b* shall apply correspondingly.

§ 16 (Administrative decision etc.)

1. A limitation period is interrupted when the creditor brings the claim up for decision by an administrative agency especially empowered to decide a dispute in respect of the claim. This applies even if the administrative decision can be reviewed by other agencies or can be brought before the Courts. If the case is prepared by another agency, it is sufficient that the claim is brought before this agency in order to have the claim decided.

2. The rules in subsection 1 shall apply correspondingly in respect of claims which are brought before a complaints instance established by the debtor or the trade organization of which he is a member or through their assistance. The same applies if the debtor accepts the claim being brought in before an already established complaints instance.

§ 17 (Enforcement of claims)

1. If the creditor has a legal basis for the enforcement of his claim, the limitation period is interrupted by a demand for enforcement (distrainment or full coverage).

2. If the claim may be recovered by distrainment, the limitation period is interrupted by a distrainment petition addressed to the authority concerned, or if this authority is the same as that undertaking the distrainment procedure by setting the date for such

distrainment within the expiry of the limitation period.

3. For claims which in pursuance of law can be recovered by deduction from salary or other performances, the limitation period is interrupted when an injunction in respect of such deduction is presented to the debtor concerned.

4. In respect of maintenance contributions to be recovered in a foreign state, the limitation period is interrupted by the person entitled to the contribution presenting a demand for such recovery to the relevant authority in this Realm or in the foreign state in accordance with a convention between Norway and this state.

§ 18 (Bankruptcy, composition of debt and settlement of estate)

1. When the creditor demands bankruptcy proceedings or probate settlement of estate, the limitation period in respect of his claim is thereby interrupted.

2. If the debtor's estate is made subject to receivership, official composition of debt or probate settlement, the limitation period in respect of all claims which are notified within the expiry of the notification time limit is thereby interrupted. If in the case of composition of debt proceedings no specific notification time limit has been set, the same shall apply to all claims which are notified before the composition of debt meeting is held to deal with the debtor's composition of debt proposals.

3. The effects of such interruption shall also have effect for the debtor and his heirs.

§ 19. (Warning of institution of proceedings)

1. If proceedings in accordance with § 15 or § 16, subsection 1, have been instituted within proper time against one of several debtors, the claim shall be regarded as having been instituted in proper time against the other debtors if the creditor, before the limitation period has expired, has given them due warning of the institution of proceedings in the manner prescribed in § 80 of Act no 6 of 13 August 1915 relating to Judicial Procedure in Civil Cases and subsequently proceeds with his claim against the person concerned within one year after the case has been concluded by amicable settlement, judgment or in some other manner.

2. The same rule shall apply if the claim depends on a legal issue about which proceedings have been instituted by or against the creditor.

The effect of interruption of limitation period

§ 20 (New limitation period following acknowledgement of debt)

... When a limitation period is interrupted by debt acknowledgement under § 14, a new limitation period shall commence to run under the rules of this Act from the date of acknowledgement or from the later date when the creditor at the earliest has the right to demand fulfilment.

§ 21 (New limitation period following institution of proceedings, decision etc.)

1. If the limitation period is interrupted by the institution of proceedings under §§ 15 - 19, no limitation period shall apply as long as the proceedings last or enforced deduction from the debtor continues.

2. If the claim is established by an amicable court settlement, judgment or other decision as stated in §§ 15 or 16, a new limitation period of 10 years shall begin to run from the date the amicable court settlement was concluded, judgment rendered or other decision adopted, or from the later date when the creditor at the earliest can demand fulfilment. Claims in respect of interest or dividends falling due at a later date shall nevertheless be subject to the limitation periods in accordance with §§ 2 and 3 and periodic instalment payments falling due at a later date in accordance with § 6.

3. If enforcement of claim proceedings are instituted under subsections 1, 2 or 4 of § 17 without the creditor receiving full coverage of his claims, a new limitation period of 10 years shall begin to run from the conclusion of the enforcement of claims proceedings. If the claim is acknowledged under bankruptcy proceedings or probate settlement of estate, a new limitation period of 10 years shall begin to run from the date the estate settlement proceedings were concluded, in the event, by a decision of a superior instance, even if the claim has been specially acknowledged previously. The second sentence of subsection 2 shall apply correspondingly.

§ 22 (Supplementary limitation period following dismissal of claim etc.)

1. If proceedings instituted under §§ 15, 16 or 17 do not lead to an amicable settlement or a decision in substance, as mentioned in §§ 15 or 16, or to enforcement proceedings having been instituted and this cannot be ascribed to wilful intent on the part of the creditor, the effects of such proceedings instituted in due time shall last for one year after the conclusion of the case. If the creditor has not been notified of this within a reasonable period of time, the limitation period shall run from the date when it came to the creditor's knowledge that the case was concluded or when he should have sought information thereon. Nevertheless, the effect ceases at the latest 3 years after the conclusion of the case. The same shall apply if a deduction order in accordance with subsection 3 of § 17 has not been proceeded upon or when deduction ceases in respect of the debtor concerned. The same shall apply in so far as the creditor does not obtain full support in decisions under § 16.

2. If a demand for bankruptcy proceedings or probate settlement, cf. § 18, is not proceeded upon, or if a claim notified in due time is not acknowledged in the estate, the effect of the interruption shall last for one year after the decision has been made, in the event by a superior instance, not to proceed upon the demand or not to acknowledge or try the claim. If a formal decision in this respect has not been adopted and notified to the creditor, the limitation period shall run from the date the proceedings were concluded, in the event by decision of a superior instance.

3. In composition of debt cases the provision in subsection 2, second sentence, shall apply correspondingly to a legally notified claim.

§ 23 (Interruption and decision abroad)

1. If the creditor takes steps to interrupt the limitation period as mentioned in § 15 or § 16, subsection 1, against the debtor in a foreign state before the expiry of the limitation period under this Act, and where abroad there is a reasonable venue for the case, the interruption shall take effect in this Realm as well, as long as the proceedings are being conducted. § 22, subsection 1 shall apply correspondingly, if such proceedings do not lead to an amicable settlement or a decision in substance as mentioned in §§ 15 or 16, subsection 1.

2. If a claim is established by amicable court settlement or by decision in substance recognized in this Realm, a new limitation period of 10 years shall run according to the rules in § 21, subsection 2. If the decision cannot be recognized in this Realm, the effect of claim proceedings instituted in due time under subsection 1 of this section shall nevertheless last for one year after the date the decision was made, but only to the extent that the decision acknowledges the claim.

The effects of limitation

§ 24 (Loss of right to fulfilment of claim, interest etc.)

1. Upon limitation the creditor loses his right to fulfilment of claim.
2. The limitation of a claim also includes interest, dividends or similar supplementary performances.

§ 25 (The situation with more than one debtor)

1. The fact that limitation has set in in respect of one of several debtors has no effect on the creditor's claim against the others unless otherwise agreed.
2. In the case of guarantee or corresponding security, the claim against the guarantor shall nevertheless be considered statute-barred if limitation has set in in relation to the principal debtor before the claim was asserted against the guarantor by means of steps as described in §§ 15 to 19, unless otherwise agreed.

§ 26 (Counter-claims)

The limitation of a claim does not mean that the creditor loses his right of counter-claim, provided that:

- a) this right has been agreed, or
- b) the claim against which the counter-claim is made derives from the same legal context as the statute-barred claim and has arisen prior to this claim becoming statute-barred.

§ 27 (Mortgage etc.)

1. When the claim is statute-barred, the following shall lapse:
 - a) statutory mortgage which is not registered in the Land Register or in a special legal register,
 - b) mortgage in accordance with an indemnity bond as security for

possible debt liability,

c) mortgage in respect of claims for interest or other performance which fall due at specific intervals and which do not represent instalment payments on a principal debt outstanding.

2. Rights deriving from retention of ownership to or pledge in surrendered chattels shall lapse when the claim to the purchase sum becomes statute-barred. This, however, shall not apply when the right in pursuance of the law has been duly registered in the Land Register or in a special legal register.

3. In other respects the period of limitation has no influence on mortgages and rights of retention (liens).

4. In respect of rights based on rent charges on real property, only the individual performances shall be subject to limitation.

General provisions

§ 28 (Agreement relating to the prolongation or the curtailment of the limitation period)

1. The debtor may not with binding effect agree that limitation shall not set in accordance with the provisions of this Act. After the claim has arisen, he may nevertheless agree to prolong the period of limitation effective up to three years at a time from the date of such agreement, although not in excess of 10 years after the date the limitation period would otherwise have run out.

2. The limitation period for claims in connection with bonds etc may be prolonged by express provision in the promissory document.

3. The limitation period for claims in respect of interest or dividend warrant may be prolonged by agreement, but not curtailed

4. Agreement that limitation may set in earlier than under this Act may wholly or partly be set aside in so far as it would be unreasonable or contrary to proper business conduct to invoke it.

§ 29 (Calculation of time limits etc.)

1. In limitation periods under this Act the day which according to its number in the month corresponds to the day from which the time limit is calculated shall be included. If a corresponding day is lacking, the time limit shall run out on the last day of the month.

2. If the time limit expires on a Saturday, a public holiday or a day which in accordance with legislation is the equivalent of a public holiday, the time limit shall be prolonged to the first subsequent working day.

3. Interruption in due time on the part of the creditor has taken place when the necessary document has reached the authority or person concerned, or when it is posted in this Realm to the person concerned, before the time limit has expired. The provisions in § 146, third and fourth paragraphs of Act no 5 of 13 August 1915 relating to the Courts of Justice shall apply correspondingly.

§ 30 (Relationship to special legislation)

If in other statutes special limitation periods or other special provisions concerning limitation periods in respect of certain claims are laid down, the provisions of this Act shall apply unless otherwise indicated by the other statute or the special nature of the case.

Entry into force etc.

§ 31 (Entry into force)

This Act shall enter into force on 1 January 1980, § 1, subsection 2, from the date prescribed by the King. It shall also be applicable to claims which have previously arisen but not become statute-barred before the stated date in accordance with the then applicable rules. Limitation pursuant to this Act shall however in no case set in before the end of the year 1982, unless the claim would also have been statute-barred at an earlier date pursuant to the provisions applicable when the Act entered into force.