



Framework Agreement

No. 460000XXXX

Regarding overhaul, repair, supply of parts, test, technical support and education
on Breeze Eastern Rescue Hoist PN BL-29900-63

between

the Danish Ministry of Defence Acquisition and Logistics Organisation

Lautrupbjerg 1-5

DK-2750 Ballerup

Denmark

CVR (VAT no.) 16 28 71 80

(in the following referred to as "DALO")

and

[Company name]

[Legal identification code]

[Address]

[Postal code and city]

[Country]

(in the following referred to as "the Supplier")



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1. PREAMBLE

The Parties have this date entered into the following Agreement,

Whereas the Supplier agrees to perform overhaul, test and repair on Breeze Eastern Rescue Hoist PN BL-29900-63 and associated sub components.

Whereas the Supplier agrees to supply spare parts, technical support and education on Breeze Eastern Rescue Hoist PN BL-29900-63 and associated sub components.

Whereas the DALO intends to use the Deliverable for the EH101 Helicopter.

Whereas the Supplier acknowledges and agrees that:

- (a) The requirements specifications for the Deliverables of the Agreement are the result of a resource intensive approval and procurement process carried out by DALO in accordance with the Danish Act no. 1564/2015, as amended, on Public Procurement (in Danish: "Udbudsloven").
- (b) DALO has relied on the Supplier's representations about time and quality, as stated in the offer, as the basis for the Agreement, and
- (c) DALO has therefore determined that the value of the Agreement to DALO is based on the Deliverables being received without delay and at the agreed standard and quality.

2. DEFINITIONS

"Agreement" shall mean this framework agreement with its Appendices and Special Appendices and any subsequent amendments.

"Buyer" shall mean DALO or any other division of the Danish Ministry of Defence using the Agreement, cf. clause 3.

"Commencement" shall mean the date of the latest signature of the Agreement.

"Day" shall mean a calendar day.

"Defect" shall mean the non-performance of a Delivery Item, i.e. when the Delivery Item does not conform to the Purchase Order, the provisions of the Agreement (including being Fit for Purpose), applicable industry standards and/or good workmanship. Defect includes System Defects, if any.

"Defects Liability Period" shall mean a period in which the Supplier warrants that the Deliverables and Delivery Items conform to all quality standards specified in the Agreement.

"Deliverables" shall mean the Spare Parts and Services specified in Appendices A.1, A.2.

"Delivery" shall mean the physical handing over and/or completion of the Delivery Item from the Supplier to the Buyer.

"Delivery Item" shall mean the Spare Parts and/or Services with supporting documentation, cf. clause 4, to be delivered to the Buyer by the Supplier pursuant to a specific Purchase Order.

"Fit for Purpose" with respect to Services shall mean that the Services are provided by qualified and trained personnel and that they are provided while respecting all relevant standards as generally accepted within the industry for the performance of the work in Denmark and so as to allow that the Buyer's purpose of procuring the Service can be achieved.

"Fit for Purpose" with respect to Spare Parts shall mean that materials and assembly quality are of good quality as generally accepted within the industry and sufficiently durable to render the Deliverables fit for the purpose specified in clause 3, without giving rise to the need for repair or changes within the Defects Liability Period.

"Order Confirmation" shall mean the Supplier's written confirmation that the Spare Parts/Services stated in the Buyer's Purchase Order shall be delivered.

"Party" shall mean DALO or the Supplier, jointly the "Parties".

"Penalty" shall mean a fixed and agreed amount that DALO is entitled to charge from the Supplier in case of delay, regardless of whether or not DALO can prove a loss resulting from the delay.

"Purchase Order" shall mean the Buyer's written order for a Delivery Item with the Supplier.

"Quotation" shall mean the Suppliers written offer for a Service to be settled on the basis of time spent specifying any needs and estimating time for performing the Service as requested by the Buyer in the Request for quotation.

"Request for quotation" shall mean the Buyer's written or oral request for a Service to be settled on the basis of time spent to the Supplier.

"Services" shall mean the services specified in Appendix A.1 and which the Buyer may purchase under the Agreement.

"Spare Parts" shall mean the items specified in Appendix A.2 and other spare parts which the Buyer may purchase under the Agreement.

"Start of Performance" shall mean the date and time, where the Supplier shall commence the performance of a Delivery Item concerning Services, such performance is completed at Delivery.

"Subcontractor" shall mean any person named in a Purchase Order as a subcontractor or any person used by the Supplier for the performance of a Purchase Order and/or the Agreement.

"System Defect" shall mean a Defect latent in all or almost all (at least 75 %) of the Delivery Items already delivered.

"System Defects Liability Period" shall mean a period in which the Supplier warrants that the Deliverables are free from System Defects as specified in the Agreement.

"Warranty" shall mean a guarantee from the Supplier whereby the Supplier undertakes to repair or replace the Delivery Items, when the Delivery Items do not conform to all the requirements of the Agreement.

"Working Day" shall mean any day excluding Saturdays, Sundays, Danish public holidays, including - but not limited to - the Day of Christmas Eve, the Day of New Year's Eve, and Constitution Day (*5th of June*).

3. PURPOSE OF AND PARTIES TO THE AGREEMENT

The Agreement concerns the

overhaul, repair, supply of parts, test, technical support and education
on Breeze Eastern Rescue Hoist PN BL-29900-63.

The Agreement covers the Spare Parts and Services described in Appendices A.1 and A.2 and any subsequent amendments thereof.

The DALO intends to use the Spare Parts and Services included in the Deliverables for Hoist on EH101 Helicopter.

The Agreement is entered into by DALO. However, all divisions of the Danish Ministry of Defence, including all divisions of the Danish Defence which are subject to the command of the Chief of Defence shall be entitled to use the Agreement for the purchase of Deliverables on the terms and conditions of the Agreement.

Any such division using the Agreement by issuing a Purchase Order shall then – with respect to the issued Purchase Order - be the Buyer within the meaning of the Agreement. When DALO undertakes the purchasing itself by issuing a Purchase Order, the Buyer shall be DALO.

Where "DALO" is stated in the Agreement it shall mean that only DALO shall be entitled to enforce the relevant provision of the Agreement, even though the Agreement is used by other divisions of the Ministry of Defence.

4. THE SUBJECT MATTER AND PURCHASING SCOPE

4.1 Requirements of the Deliverables

The Deliverables shall

- conform in all respects to the requirements and descriptions set out in Appendices A.1 and A.2 and the requirements specified in the Purchase Order,
- be Fit for Purpose,
- conform to applicable industry standards and/or good workmanship, and
- comply with all relevant laws and regulations, including any government requirements applicable in Denmark, at the time of Delivery of the Delivery Item.

Delivery of a Delivery Item shall take place after receiving a Purchase Order from the Buyer in accordance with the procedure set out in clause 6.

The Agreement as well as any other document related to the Agreement shall be drawn up in English.

Units of weights and measures shall be expressed in terms of the metric system.

The Deliverables shall comply with all relevant laws and regulations, including any government requirements applicable in Denmark, at the time of Delivery of the Delivery Item. Such compliance shall include any requirements with respect to the legality and safety of the Deliverables.

In the performance of the Agreement, the Supplier shall comply with the requirements and specifications regarding labour clause, corporate social responsibility (CSR) and international sanctions set out in Appendix B and submit information in this respect in accordance with the requirements set out in Appendix B and B.1.

4.2 Purchasing Scope

The Buyer intends to use the Agreement for current purchases of Deliverables, but the Buyer shall not be obliged to buy any minimum quantity of Deliverables.

It is DALO's intention to make the Supplier the main supplier of the Deliverables until expiry of the Agreement.

The Buyer shall however be entitled to purchase similar Deliverables from other suppliers.

5. NATO CODIFICATION – N/A

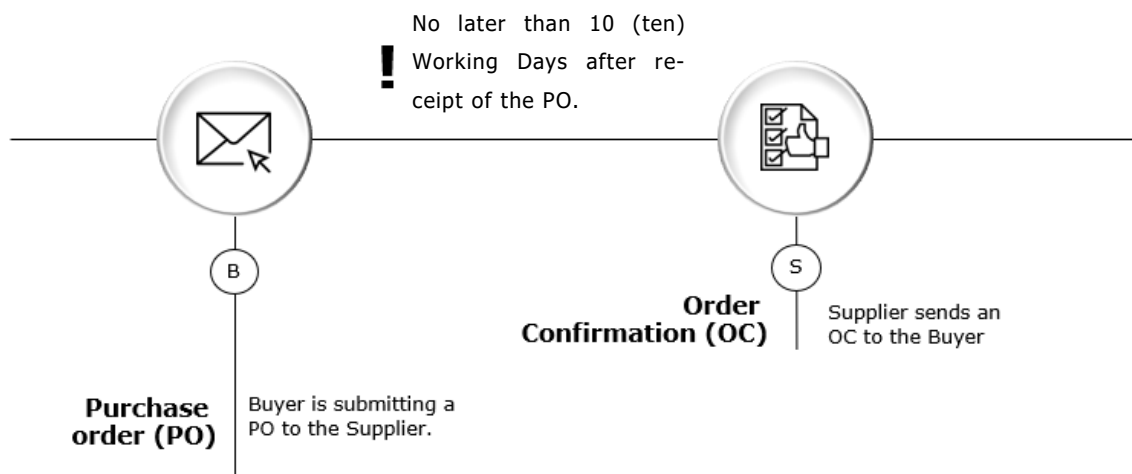
6. ORDERING PROCEDURE AND TERMS OF DELIVERY

The Buyer may place an order for Services and/or Spare Parts by submitting a Purchase Order to the Supplier at the e-mail [INSERT].

Delivery shall take place within the times of Delivery stated in Appendix A.1 and A.2. The time of Delivery shall be calculated from the time when the Buyer places a Purchase Order.

No later than 10 (ten) Working Days after receipt of the Purchase Order the Supplier shall send an Order Confirmation to the Buyer.

For illustration purposes only – and without prejudice to the provisions of this clause 6 – reference is made to the below illustration regarding the ordering procedure:



6.1 Services

In the Purchase Order, the Buyer shall state the nature, number and, if necessary, the scope of the Services to be supplied by the Supplier and, if necessary, where and when to supply the Services.

6.1.1 Supplier's personnel at the Buyer's facilities

The Services shall be performed at the locations stated in Special Appendix 11 or the location stated by the Buyer in the Purchase Order.

When the personnel of the Supplier is at the premises/locations of the Buyer, the Buyer shall be responsible for ensuring that such personnel are instructed of any special conditions concerning safety and health. The Supplier's personnel shall comply with such instructions.

6.1.2 Fixed-price services

Where the Services are to be delivered at a fixed-price, cf. Appendix A.1 and D.1, Delivery shall be made at the prices stated in Appendix D.1.

6.1.3 Services to be settled on the basis of time spent

Where the Services are to be settled on the basis of time spent, cf. Appendix D.1, the Supplier shall within 5 (five) Working Days after the Buyer's submission of a Request for Quotation, send a Quotation to the Buyer, which shall at least include the following information:

- Any needs and estimated time (number of hours) necessary for the performance of the Services described
- The date and time, where the Supplier will commence the performance of the Services and the time of Delivery
- The spare parts to be used
- If necessary, the extent of the Buyer's participation in the form of personnel and/or equipment and facilities, etc.

After receipt of the Quotation from the Supplier, the Buyer shall notify the Supplier within 10 (ten) Working Days whether the Buyer wishes to order the Services by sending a Purchase Order.

As stated in clause 6 the Supplier shall no later than 5 (five) Working Days after receipt of the Buyer's Purchase Order send an Order Confirmation to the Buyer for Services ordered.

The Services shall then be performed, as ordered.

The information provided in Quotation regarding the expected number of hours to be spent and spare parts to be used by the Supplier for the performance of the task shall be binding on the Supplier. However, if the task turns out to be more extensive or different than expected by the Supplier and this is due to circumstances which the Supplier could not or should not have taken into account at the time of submission of the Quotation, the Supplier is entitled to payment for hours spent and spare parts used beyond the stated number in the Quotation and to an extension of the time of Delivery, if this is caused by the change of the task. The Supplier can only exercise this right (to additional payment and time extension) if the Supplier without undue delay gives notice thereof to the Buyer once it is established that the task cannot be performed as set out in the Quotation.

If the Supplier submits notification to the Buyer that the Services cannot be delivered within the stated number of hours or with the spare parts stated or within the time limit stated, the Buyer shall be entitled to inform the Supplier that the Service is to be terminated or reduced.

In this case, the Supplier shall not be entitled to damages or compensation for the part of the Service which shall not be delivered.

6.1.3.1 Timesheet

Where, according to Appendix D.1, the Supplier is entitled to payment on the basis of time spent, the Supplier shall bill time on an hourly basis specifying each and all persons for whom payment is charged. The timesheet shall include information about the nature and

extent of the task performed, the commencement and completion time of the task performed, the name and position of the person(s) having performed the Services, as well as information about the hourly rate applicable, cf. Appendix D.1.

Upon request, the timesheet shall be provided to the Buyer without undue delay.

6.1.4 Time limit for Delivery

The Service shall be provided within the time limit set out by the Supplier in the Quotation, unless the Supplier is entitled to an extension of the time limit, cf. clause 6.1.3.

6.2 Spare Parts

6.2.1 Terms of Delivery

The Delivery shall be **FCA INCOTERMS 2020**:

[The Supplier's place of Business]

The Supplier must at the time of Delivery allow access for the Buyer's carrier to the Supplier's normal place of business at the arranged time.

If the Buyer sends a Spare Part to the Supplier for repair, the Buyer shall send the Spare Part **DAP INCOTERMS 2020** to the Supplier's place of business or other place of repair nominated by the Supplier. When the repair is completed the Spare Part shall be returned to the Buyer **FCA INCOTERMS 2020**.

Unless otherwise specified by the Buyer, the Delivery Item shall include all the Spare Parts stated in the Purchase Order.

Delivery Items shall be packed and marked as specified in Appendix F.

6.2.2 Delivery note

The Delivery Item (or the partial delivery) shall be accompanied by a delivery note containing at least the following information:

- a) The item number, stated in the Purchase Order, of the Spare Parts delivered, including quantity per item number
- b) sender and recipient
- c) date of dispatch
- d) short description of the Spare Parts delivered, including material number and serial number
- e) price per unit and total price

Upon receipt, the Buyer shall sign the delivery note to confirm that the Delivery Item has been received. This shall not be deemed to constitute the Buyer's acceptance of the Delivery Item's conformity with the Agreement and/or the Purchase Order.

6.3 Cancellation of Purchase Orders

Upon notice to the Supplier, the Buyer shall be entitled to cancel a Purchase Order wholly or partly.

Upon cancellation the Supplier shall be entitled to compensation for the Supplier's documented costs related to the cancellation.

7. PRICES AND TERMS OF PAYMENT

7.1 General

The Supplier shall be entitled to the prices set out in Appendices D.1 and D.2 for the Deliverables included in the Delivery Item.

The prices set out shall, in accordance with FCA INCOTERMS 2020, include all costs of packaging, pallets, administration- and processing charges, insurance, documentation, etc., to be paid by the Supplier.

The Supplier shall be entitled to no other reimbursement, compensation, etc.

The prices shall be stated in US Dollars (USD). The currency is not subject to change.

All taxes, duties and government charges, that the Supplier is obligated to pay in accordance with FCA INCOTERMS 2020, or in connection with the Agreement, including custom, however exclusive of Danish VAT (in Danish: Moms), shall be considered included in the price.

Where adjustments in supplier-specific applicable Danish taxes and duties result in a documented change in the Supplier's costs of importation, exportation, raw material prices or transportation in relation to the items comprised by the Deliverables, the price stated in Appendix D.1 or D.2 shall be adjusted so as not to affect the Supplier with respect to this change in costs. This implies that due to changes in supplier-specific applicable Danish taxes and duties, prices may be adjusted both upwards and downwards. Claims for an adjustment of the price due to changes in taxes and duties shall be submitted no later than 3 months after the relevant adjustment of the tax or duty has become effective; otherwise the right of the Parties to claim a price adjustment shall lapse.

Where the Supplier has a guideline price list or any other published price list, the prices set out in Appendix D.1 and D.2 shall not exceed the prices published by the Supplier in Europe.

Where the Supplier has offered the Buyer a discount on the Supplier's published list prices, each of the Supplier's prices shall not exceed the Supplier's published list price less such discount.

The prices set out in Appendix D.1 and D.2 inclusive of any price adjustment pursuant to the Agreement shall in no event exceed the Supplier's published list prices, and the Supplier shall in such event promptly reimburse the Buyer of any excess amount charged.

The Supplier guarantees that the prices offered are not less favourable than the market price for equivalent deliverables defined below.

The following elements shall be taken into account in the evaluation of which deliverables should constitute equivalent deliverables:

1. The equivalent deliverables shall have the same functionalities and quality as the Deliverables and be Fit for Purpose,
2. the equivalent deliverables shall be approvable by DALO's Quality Department or be certified by an external certification authority or in any other way be considered a well reputed product by the market, and
3. the equivalent deliverables shall have a unit price that makes price comparison possible.

The market price shall then be the price for the equivalent deliverables. This does not include prices of the equivalent deliverables subject to extraordinary price reductions.

If the market changes resulting in a reduction of the Supplier's prices offered to other customers, or if DALO can establish that the market price for equivalent deliverables is lower than the prices stated in Appendix D.1 and D.2, then the Supplier shall without undue delay with effect from such price reduction/DALO's substantiated request be obliged to reduce the prices of Appendix D.1 and D.2 correspondingly. Any excess amount charged shall promptly be reimbursed to DALO.

The above shall apply in addition to any price adjustment in accordance with Special Appendix 13.

Upon written notice, the Buyer shall be entitled to offset any claims against any amounts owed to the Supplier whether or not the latter arise out of the Agreement.

7.2 Payment of Services and costs of travel etc.

If the price of the Service, cf. Appendix D.1, is based on an hourly rate, the Supplier shall be entitled to payment for the number of hours spent.

The Services shall be performed at the locations stated in Appendix A.1 or the location stated by the Buyer in the Purchase Order. If the Supplier upon the Buyer's request shall perform a specific Service at a location more than 70 (seventy) kilometers from the premises stated in Appendix A.1 or the location stated by the Buyer in the Purchase Order, the Supplier shall be entitled to reimbursement costs of travel, food, and accommodation in

addition to the prices stated in Appendix D.1. Costs of travel shall be calculated in accordance with the Tax Assessment Consolidated Act No. 806 of 08/08/2019 (in Danish: "Ligningsloven") section 9 (4) and 9A, with the exception, that the Supplier shall at all times only be compensated the fixed rate for driving above 20.000 km, cf. § 4, no. 2, of the most recent Danish executive order on the Danish Tax Assessment Council's rates concerning the deduction for transport between home and workplace and payment of the tax-free allowance for commercial transport, as amended (in Danish: "Bekendtgørelse om Skatterådets satser vedrørende fradrag for befordring mellem hjem og arbejdsplads og udbetaling af skattefri godtgørelse for erhvervsmæssig befordring").

The Supplier shall in this event be entitled to payment for the travel time from departure from the premises stated in Appendix A.1 and until arrival at the location of the performance of the Service (and, in the same manner for the return journey), in addition to payment for performance of the Service and in addition to payment of costs of travel, food, and accommodation as stated above. Travel shall be made in a cost and time efficient manner.

Payment of travel time shall be 50 % of the hourly rate stated in Appendix D.1 for the actual travel time spent on the journey.

Documentation for cost of travel etc. must be submitted by e-mail, preferably in PDF-format (or equivalent).

The Supplier shall only be entitled to reimbursement costs under this clause, if the relevant costs have been incurred by the Supplier with the prior written approval from the Buyer.

For spare parts delivered as part of a Delivery Item with the Services, clause 7.3 shall apply.

7.3 Payment of Spare Parts

In addition to the information stated in clause 7.4, the invoice shall contain information about marking of the Delivery Item as set out in Appendix F. Copy of delivery note duly signed by the Buyer, cf. clause 6.2.2, shall be sent with the invoice.

7.4 Invoicing

7.4.1 Domestic Suppliers

[The section will be removed in the final framework agreement in case of a foreign Supplier]

Domestic Suppliers shall submit invoices in accordance with the Danish Public Payments Consolidated Act No. 798 dated 28 June 2007, as amended, (*lovbkg. nr. 798 af 28. juni 2007, som ændret, om offentlige betalinger m.v.*) concerning electronic invoicing to

Forsvarsministeriets Regnskabsstyrelse (Danish Defence Accounting Agency)
Arsenalvej 55, 9800 Hjørring, Denmark

The invoice shall be submitted in OIOUBL format or in PEPPOL format with reference to purchase order number 45xxxxxxx, Agreement No. 460000XXXX electronic invoicing address (EAN location number), and reference person (staff number) to the contact person from the Buyer assigned to this purchase order. Agreement No. 460000XXXX, shall also be stated in the electronic invoice. Further information is available at:

<http://oioubl.info/classes/da/index.html>

<https://peppol.eu/downloads/post-award/>

If the invoice is submitted from a scanning bureau, it is still the Supplier's responsibility that the invoice complies with applicable requirements concerning e-invoicing. The Buyer will reject any invoice which does not comply with applicable requirements concerning e-invoicing.

7.4.2 Foreign Suppliers

[The section will be removed in the final framework agreement in case of a domestic Supplier]

Foreign Suppliers shall submit invoices in PEPPOL format or in PDF format with reference to purchase order number 45XXXX, Agreement No. 460000XXXX and reference person (staff number) to the contact person from the Buyer assigned to this purchase order. Invoices sent in PDF format shall be submitted to both FRS-KTP-KRE-INVOICE@MIL.DK and FMI-KTP-SC-IMPORT@mil.dk. Invoices sent in PEPPOL format shall be submitted to FMI-KTP-SC-IMPORT@MIL.DK.

If possible, the foreign suppliers can submit the invoice electronically in OIOUBL format.

If foreign suppliers have a Danish CVR number, the terms applicable to domestic suppliers become effective.

7.4.3 All Suppliers (both domestic and foreign)

In order to be authorized for payment, invoices must contain the following information:

1. Name, address and business registration number (CVR number) of the Supplier or, with respect to suppliers abroad, similar business registration number.
2. Name and address of the Buyer.
3. The Supplier´s contact person (name and telephone number).
4. Invoice date (date of issue) and number.
5. Terms, including date, of payment.
6. Payment details, bank account number, SWIFT code an IBAN No., as applicable.
7. Price, inclusive of all taxes, duties and custom, but exclusive of Danish VAT, for the individual Delivery Items, and total invoice amount.
8. The amount of Delivery Items per item number.
9. Information about the Services performed and the price thereof distributed per Service and, if relevant, with a statement of the hours spent.
10. Information about spare parts used (if relevant).
11. Information about expenses for travel, food, and accommodation to be reimbursed by the Buyer (if relevant).
12. Information about any other expense for which the Supplier is entitled to reimbursement, including travel time (if relevant).

The following documents shall accompany the invoice:

1. The Work and Services Report cf. clause 8 (if relevant).
2. Documentation for travel, food and accommodation expenses (if relevant).
3. With respect to Services to be paid according to hours spent, the time sheet, cf. clause 6.1.3.1 (if relevant).

If an electronic invoice does not comply with the requirements above, the invoice will be rejected and returned as incorrect and no payment will take place. Likewise, no interest will be paid for the period until a correct electronic invoice has been submitted.

Payment from the Buyer in accordance with the stipulations of the Agreement shall not in any way constitute acceptance by the Buyer of the Delivery Item's conformity with the Agreement and/or the Purchase Order, including timely receipt.

Invoicing shall not take place sooner than the time of delivery and shall be subject to non-defective delivery.

The invoice is due for payment 30 (thirty) days after the Supplier has electronically forwarded a satisfactory invoice.

Interest for late payment shall be claimed and calculated in accordance with the Danish Interest Consolidated Act no. 459 of 13 May 2014 (in Danish: "Renteloven").

The Buyer shall not be liable for non-payment if the Buyer is unable to make electronic payment due to circumstances on the part of the Supplier.

8. REPORTING AND THE BUYER'S INSPECTION

8.1 Work and Services Report

When the Supplier has completed a Delivery Item containing Services, the Supplier shall send to the Buyer a work and services report, containing a description of the work performed, the price of the Delivery Item and, if relevant, a list of the spare parts used in connection with the Delivery Item. The hourly timesheet cf. Clause 6.1.3 shall be attached to the report if Services have been charged according to hours spent.

The report submitted shall be signed by the Buyer and returned to the Supplier within 10 (ten) Working Days after receipt.

The Buyer shall be entitled, but not obliged, to inspect the Supplier's work prior to signature of the report. If the Buyer's inspection should show that the Supplier has not performed his duties as required, the Supplier shall be obliged to remedy the Defects.

The Buyer's signing of the report shall not prejudice the Buyer's right to claim any remedy for breach.

8.2 Other reporting

Upon the Buyer's request, the Supplier shall submit a statement of the Buyer's total purchases under the Agreement in the preceding calendar year. The statement shall identify the Deliverables purchased by the Buyer, the quantities of each Spare Part and Service, the price per unit of each Spare Part and Service and the total value of the purchases. The information shall be submitted in a common spreadsheet format (such as Excel or equivalent).

The Buyer shall be entitled at any time to demand that the Supplier produce documentation, or, as agreed by the Buyer, otherwise make statements to the effect that the Deliverables used by the Supplier in the performance of the Agreement comply with all the terms and specifications of the Agreement.

The documentation or statement shall be submitted no later than 15 (fifteen) Working Days after the Buyer's formal request.

Where reasonable doubts are raised by the Buyer in writing as to the compliance of the Spare Part or Service with the terms and specifications of the Agreement, the Supplier shall then promptly inform the Buyer of the action the Supplier will take in order to remedy the matter.

The matter shall be remedied no later than 90 (ninety) Days after the Buyer's notification, however no later than 120 (one hundred and twenty) Days after the Supplier became aware of the circumstances giving rise to doubt.

8.3 The Buyer's inspection

The Buyer shall be entitled, but not obliged, at any time to inspect the quality of the Deliverables and/or the production facilities of the Supplier or any Subcontractor. If the Buyer's inspection should show that the Deliverables, or the conditions in which the Deliverables are produced, do not comply with the terms of the Agreement, such non-compliance shall constitute a Defect and may constitute a material breach, cf. clause 15.1.2.

The Buyer's inspection or lack of inspection shall not imply an approval of the Deliverables, or the conditions in which the Deliverables are produced, being in accordance with the requirements under the Agreement and shall not prejudice the Buyer's right to claim any remedy for breach.

8.3.1 The Buyer's personnel at the Supplier's facilities

The Buyer shall be entitled, but not obliged, to inspect the Supplier's production facilities. When the personnel of the Buyer is at the facilities of the Supplier for such inspection, the Supplier shall be responsible for ensuring that such personnel are instructed of any special conditions concerning safety and health. The Buyer's personnel shall comply with such instructions.

9. THE SUPPLIER'S ORGANISATION AND SUBCONTRACTORS

The Supplier shall maintain the organisation, the know-how embedded therein, and any other facilities and resources, including agreements with Subcontractors, required to perform the Agreement.

The Supplier shall, subject to clause 9.1, be entitled to engage and replace Subcontractors for the performance of the Agreement. The Supplier shall ensure that Subcontractors undertake to comply with obligations equivalent to those undertaken by the Supplier towards the Buyer in relation to labour clause, corporate social responsibility and international sanctions (Appendix B) and security.

The Supplier's use of Subcontractors, including independent contractors, shall not limit the Supplier's liability in any event.

Subcontracting involving access for the Subcontractor to classified information is subject to the approval of the Buyer. Approval shall be obtained before beginning negotiations with a view to sub-contract any part of the work which would involve classified information. Subcontractors located or incorporated in countries that are not members of NATO or EU and have not signed a security agreement with Denmark may not be approved on grounds of security and other national security interests.

9.1 Information regarding Subcontractors

The Supplier shall prior to subcontracting any work under the Agreement give DALO notice regarding the use of Subcontractors under the Agreement to perform work or supply goods. Such notice shall as a minimum include the following information about each of the Sub-contractor(s):

- (a) Name, legal identification code and address
- (b) Contact information (telephone number/e-mail) and legal representative
- (c) Full particulars of the work to be subcontracted
- (d) Approximated amount of the work to be subcontracted
- (e) Names of key personnel at the Subcontractor's facilities involved in the sub-contracted work.

The information shall be provided to DALO no later than at Commencement (if known), or otherwise without undue delay when the Subcontractor has been chosen by the Supplier. Information concerning any changes in the information given and concerning any new Sub-contractor participating or replacing a Subcontractor shall also be provided to DALO without undue delay.

DALO may at any time demand that the information in (a)-(e) above and any changes herein is provided concerning each of the subcontractors in the chain of subcontractors used by the Subcontractor(s).

10. WARRANTY

The Warranty under this clause shall be valid in the Defects Liability Period and with respect to System Defects in the System Defects Liability Period.

The Supplier represents and warrants that any Delivery Item is delivered/performed in accordance with the Agreement and thus conforms to all requirements stated therein, including the Fit for Purpose obligation, applicable industry standards and good workmanship.

The Supplier represents and warrants that qualified and appropriate resources shall at all times be available so as not to impede the performance of any Purchase Order by normal absence (holiday, seminars, illness, etc.) and staff departures.

All costs in connection with Warranty claims shall be bore exclusively by the Supplier.

The Supplier shall not be under any liability to DALO and/or the Buyer in pursuance of this clause in respect of fair wear and tear and/or in the following event namely:

- (1) if the Delivery Item or any part thereof have not been operated, maintained, overhauled and stored in accordance with the applicable manuals and documentation (including service bulletins) supplied by the Supplier; and/or
- (2) if the Delivery Item or any part thereof have been repaired or modified otherwise than by the Supplier in any way which have impaired its or their safety or operation or efficiency; and/or
- (3) if the Delivery Item or any part thereof have been subjected to any abnormal condition or to misuse or have suffered any accident or combat damage; and/or
- (4) if any Spare Part supplied by the Supplier has been replaced by a part not approved by the Supplier and not supplied by the Supplier.

The above mentioned exclusions shall only apply if the event in question caused the non-compliance and/or non-functioning of a Deliverable or any part thereof.

The Warranty shall be valid and in force notwithstanding any prior inspection, control or acceptance the Delivery Items.

10.1 Commencement and duration

The Defects Liability Period and the System Defects Liability Period commences after the Delivery of each Delivery Item.

The Defects Liability Period and the Systems Liability Period for a Delivery Item commences at Delivery. However, the commencement of the Defects Liability Period and the Systems Liability Period is conditioned upon all related documentation – if any - to such Delivery Items being delivered to DALO.

All Defects/System Defects which have occurred in the Defects Liability Period/System Defects Liability Period shall be covered by the Warranty. During the Defects Liability Period/System Defects Liability Period, the Supplier shall remedy or replace all Defects without costs to the Buyer.

10.1.1 Defects Liability Period

The Defects Liability Period shall cover a period of 24 (twentyfour) months.

If the Supplier has offered a longer Defects Liability Period (warranty) on specific items, this shall apply. However, for the Defects Liability Period the Supplier's warranty must as a minimum comply with the requirements in the Agreement.

The Defects Liability Period shall be extended in case of Delivery of defective Delivery Items (both Defects and System Defects), so that a new Defects Liability Period (but not a new System Defects Liability Period) begins for the Delivery Items in question when they have been delivered without Defects.

10.1.2 System Defects Liability Period

The System Defects Liability Period shall cover a period of 36 (thirty-six) months.

System Defects shall include, but are not limited to, design Defects, production method Defects, Defects in materials used, software Defects, Defects in general documentation (such as instructions of use, assembly instructions, or installation guides) causing constant or frequent Defects in a given item.

The Supplier shall notify the Buyer if the Supplier becomes aware of any System Defect in similar items delivered by the Supplier to other customers.

In the event of a System Defect, the Supplier shall replace or modify, free of charge, all the Delivery Items according to the Agreement in order to eliminate the cause of the (System) Defect in question in all the Deliverables without deviating from the specifications.

11. INTELLECTUAL PROPERTY RIGHTS

The Supplier represents and warrants that the Buyer's acquisition, import, use and possible subsequent export of the Deliverables/any Delivery Item shall not violate any third party rights of any kind.

The provisions of Special Appendix 8 shall apply.

12. DELAY AND PENALTY

If the Supplier fails to provide timely Delivery, and this is not due to circumstances that entail a right on the part of the Supplier to postpone the time of Delivery, see clause 12.1, or force majeure, see clause 16, such delay shall constitute delay in performance, whether or not the entire or only a part of the Delivery Item is delayed (partial delay/back order).

Where a delay occurs or is expected to occur, the Supplier shall promptly take effective steps to remedy or - if this is not possible - to reduce such delay.

The Supplier shall furthermore promptly notify the Buyer in writing that delay has occurred or is expected to occur and state the cause of such delay and its expected duration. In the notification, the Supplier shall state the steps which will be taken by the Supplier to remedy or reduce the delay. In addition, the Supplier shall notify the Buyer on an ongoing basis about the delay that has occurred or is expected to occur, including when Delivery is expected.

In the event of delay of a Delivery Item, in whole or in part, the Buyer shall be entitled to charge a Penalty from the Supplier due to the delay, see below. However, the Buyer may choose not to charge a Penalty if the delay is due to circumstances that are beyond the

Supplier's control, but without entailing a right on the part of the Supplier to postpone the time of Delivery, see clause 12.1, or in case of force majeure, see clause 16. The decision of whether or not to charge a Penalty in case of the Supplier's delay shall rest exclusively with the Buyer.

However, the Buyer shall only be entitled to charge a Penalty if the agreed time of Delivery is exceeded by more than 7 Days (for example, if the agreed time of Delivery is 10 Days, a Penalty shall only accrue if Delivery takes place on the 18th Day or later). If the mentioned limit is exceeded, and the Buyer is entitled to charge a Penalty, the Penalty shall be calculated for the entire period of the delay, i.e., from the first Day of the delay (for example, if the agreed time of Delivery is 10 Days, and Delivery takes place on the 18th Day, the Penalty shall be calculated from and including the 11th Day and thus not from the 18th Day only).

The Penalty shall be calculated per Day on the basis of the price of the delayed Delivery Item or delayed part of the Delivery Item.

The Penalty for each delay of a Delivery Item or part of a Delivery Item (e.g. a specific product line/position on a Purchase Order or part of such product line/position) shall amount to 0,25 % per Day of the price of the delayed item. However, the Penalty amount shall not exceed 10 % of the price of the delayed item.

Notwithstanding the above, the Penalty for each Purchase Order must never be less than 3.000 (three thousand) DKK or amount equal to 3.000 DKK (three thousand), which covers the internal administration costs of DALO.

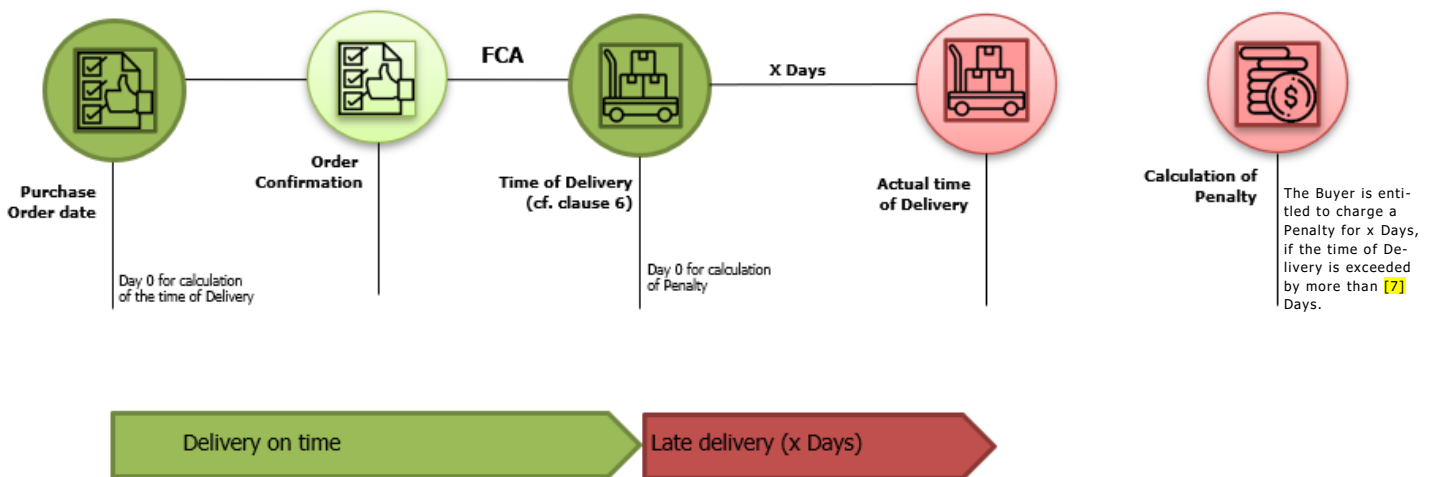
The Penalty shall be payable or offset weekly in arrears.

If the Supplier has not received a written notice of payment of Penalty from the Buyer within 12 months after the Penalty has fallen due, or if the Buyer has failed within the same time-limit to set off the amount of the Penalty against payments to be made by the Buyer to the Supplier, then the Buyer shall forfeit the right to the accrued Penalty.

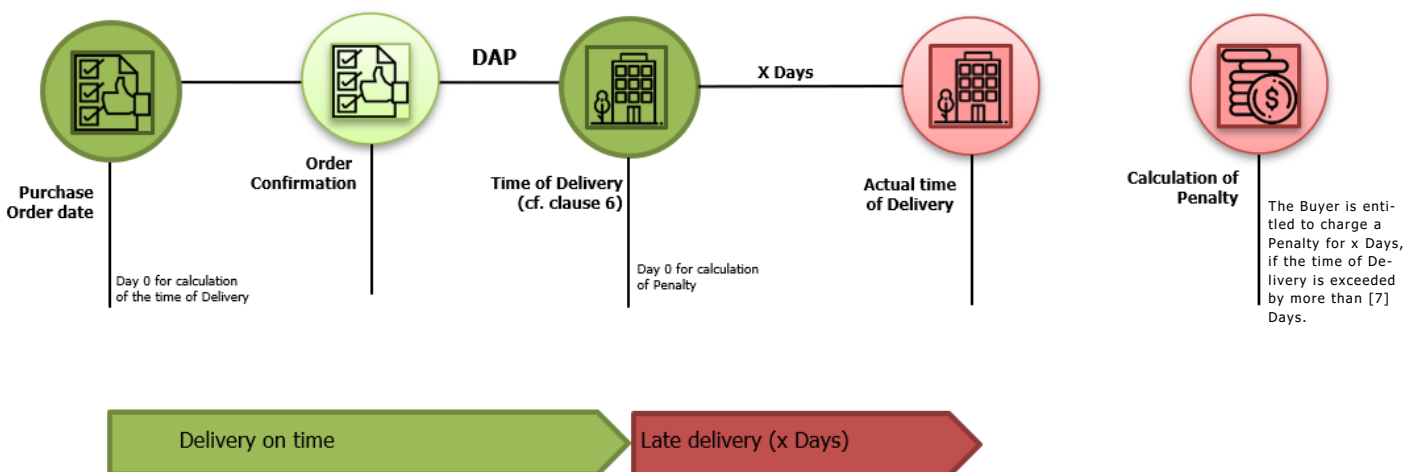
The Buyer shall not be entitled to any damages for delay in addition to Penalty for delay.

For illustration purposes only – and without prejudice to the provisions of this clause 12 – reference is made to the below illustration regarding delay and Penalty:

Penalty



Penalty



12.1 The Supplier's right to postpone the time of Delivery

Where the Buyer is in delay of Deliveries, approvals, Delivery of information, etc., that are necessary for the Supplier's timely performance of the Agreement, the Supplier shall be entitled to a proportionate postponement of the date of Delivery of such parts of the Deliverables that are related to the Buyer's delay, if the Supplier can show a clear causal link with the Buyer's delay.

The Supplier shall also be entitled to postpone the time of Delivery where the postponement has become necessary due to circumstances that are not attributable to the Supplier; that are outside the Supplier's control; and that the Supplier cannot reasonably overcome, including for example by using another subcontractor. Such circumstances might be, for example, unusual breakdowns in supply chains, widespread shortage or significantly extended Delivery Periods from subcontractors with respect to raw materials, semi-manufactures etc. that are included in the Delivery Item, or public orders and prohibitions that are not attributable to the Supplier. It is furthermore a pre-condition that the circumstances occurred after the Effective Date, and that the Supplier could not reasonably have anticipated the circumstances at the Effective Date.

The postponement of the time of Delivery is subject to the Supplier having given the Buyer written notice about the required time extension without undue delay after the Supplier became aware of the circumstances that are expected to cause the Supplier to be unable to deliver a Delivery Item within the agreed time of Delivery. The notice shall include the cause of the delay and, where the postponement is not due to the circumstances of the Buyer, Documentation of the cause of the delay, including that the circumstances were not foreseeable by the Supplier at the Effective Date or can be reasonably overcome by the Supplier. The Documentation shall be sufficient for the Buyer's validation of the matter in question and may, for example, consist of statements from subcontractors or other relevant bodies, or public orders or prohibitions impacting on the Supplier's capability of fulfilling the Delivery Deadline.

The Supplier's notice to the Buyer claiming a postponement of the time of Delivery shall not suspend the already agreed time of Delivery. The specific time extension, as well as the grounds for and Documentation of the extension, is thus subject to the Buyer's written approval before becoming effective. Where the time extension, as well as the grounds for

and Documentation of the extension, is not approved by the Buyer, the Supplier shall provide further grounds and Documentation for the requested time extension if the Supplier wishes to maintain its claim. Where the Buyer does not approve the time extension until after the originally agreed time of Delivery, the Supplier shall not be in delay. Where the Buyer cannot approve the time extension because the conditions in this respect, see above, are not complied with, the Supplier shall be in delay from the time of the originally agreed time of Delivery.

The time of Delivery shall not be extended any further than the period of time to which the matter impacting on the Supplier's capability of timely Delivery has given rise. Irrespective of whether the Supplier is granted a right of postponement of Delivery, the Supplier shall take reasonable steps to continuously seek to avoid or mitigate the delay as much as possible.

13. DEFECTS

The Supplier shall be notified within reasonable time of any Defects found. Reasonable time shall never be less than 14 (fourteen) Days. Immediately hereafter, the Supplier shall confirm the receipt of such notice and take necessary action to mitigate the Buyer's loss or the disruption caused by the Defects.

The Supplier shall be entitled to remedy the Defect (repair) if this can take place immediately after receipt of the above notification and without costs or undue delay to the Buyer.

If such remedial action cannot be made within the time frame stipulated, or the remedial action fails to remedy the Defect, the Supplier shall deliver new Delivery Items (redelivery) in replacement of the defective Delivery Items at the Supplier's cost.

If redelivery cannot take place without undue delay or costs to the Buyer, or does not lead to the Delivery Items being free of Defects, the Buyer shall be entitled to claim a price reduction, whereby the Buyer shall only pay such price for the defective Delivery Items as is deemed fair and reasonable taking into account the nature and number of the Defects in question, including the ability to fulfill the Fit for Purpose obligation.

The Buyer's rights under this clause shall be without prejudice to the Buyer's use of any other remedies of breach.

If Defects are characterised as a System Defect, the Supplier shall replace or modify, free of charge, all the Delivery Items previously delivered according to the Agreement in order to eliminate the cause of the Defect in question in all the Delivery Items without deviating from the specifications. If the Supplier can document that the System Defect in question is limited to a specific product type produced within the same batch or batches, the replacement or modification of the Delivery Items may be limited to those Delivery Items produced within the same batch or batches.

In case of a System Defect DALO is furthermore entitled to claim an appropriate price reduction in accordance with the above mentioned principles.

If Defects are remedied by replacing an item or part of an item, a new Defects Liability Period for such replaced items shall begin, cf. clause 10.1.1.

14. DAMAGES, INSURANCE AND LIABILITY CAP

The Parties shall be liable in damages pursuant to the general rules of Danish law.

However, neither Party shall be liable for business interruption loss, loss of profits, nor other indirect loss, unless the loss is caused by gross negligence or willful misconduct on the part of the Party causing the loss, or if the loss concerns the Supplier's liability for a) product liability for personal injury or b) violation of intellectual property rights, cf. clause 11.

The Supplier shall take out and maintain product liability insurance and general liability insurance at a level ensuring coverage for personal injury and property damage caused by the Delivery Items or the use of the Delivery Items in accordance with good industry standard.

Upon the Buyer's request, the Supplier shall submit to the Buyer a copy of insurance policies to demonstrate the existence and the level of coverage. However, the Supplier shall be

entitled to delete information concerning the amount of policy premium payment before such submission to the Buyer.

The Parties' liability under the Agreement shall be limited to 25 million DKK. This liability cap shall not include Penalties paid according to clause 12 and shall not apply in case of willful misconduct or gross negligence. This liability cap shall apply equally to the total liability of all Buyers under the Agreement.

15. TERMINATION

With respect to the Buyer's cancellation of a Purchase Order clause 6.3 shall apply.

15.1 Termination for Cause

Where breach has occurred or is expected to occur, the Party in breach shall promptly notify the other Party in writing of the breach, the cause of the breach, and when the breach is expected to be remedied. The Supplier shall furthermore promptly notify DALO in writing in the event of any breach of the Buyer's obligations caused by any other party than DALO.

15.1.1 Buyer's termination of a Purchase Order

The Buyer shall be entitled to promptly terminate a Purchase Order, in whole or in part, if the Supplier is in material breach of such Purchase Order. The following breaches shall always be deemed to constitute material breach of the Purchase Order, which shall entitle the Buyer to terminate the Purchase Order (the list is not exhaustive):

- a) If the maximum Penalty as set out in clause 12 has been reached.
- b) If the Delivery Item is subject to a Defect and the Supplier has failed to remedy the Defect by repair or redelivery within a reasonable period of time.
- c) If the Supplier has committed several breaches which, separately, are not material, but which as a whole are material to the Buyer.
- d) If any event stated in Special Appendix 8, clause 5 occurs.
- e) If the Supplier is in breach of the Warranty obligations with respect to the Delivery Item, cf. clause 10.
- f) If the Agreement has been terminated by DALO, cf. clause 15.1.2.

Where the conditions for termination of a Purchase Order are complied with, and where the Buyer is unable to reasonably exploit or use of one or more previous and/or future Delivery Items due to the interconnection of the Delivery Items, the Buyer shall be entitled to terminate such previous and/or future Delivery Items.

The Supplier shall not be entitled to payment for terminated Purchase Orders.

With respect to Spare Parts covered by the termination, the Buyer shall return the Spare Parts in the condition in which they are found at the premises of the Buyer. The Supplier shall collect such Spare Parts or, alternatively pay for transportation. Spare Parts used by the Buyer shall not be covered by the termination. The Buyer shall still pay for such Spare Parts, unless the termination is due to Defects in the consumed Spare Parts rendering the Spare Parts unfit for purpose.

The Buyer shall be entitled to use the Spare Parts covered by the termination, in whole or in part, until alternative Spare Parts can be procured. In this case, reimbursement shall only take place when the Spare Parts are returned. The Buyer shall make reasonable payment for the use of these Spare Parts.

Upon termination, the Supplier shall promptly reimburse the Buyer the payment of the Deliverables covered by the termination without any deduction.

The Supplier shall not be entitled to terminate a Purchase Order, unless the Buyer fails to make timely payment hereof, and such failure has not been remedied upon notice in writing to the Buyer and DALO of not less than 60 (sixty) Days.

15.1.2 Termination of the Agreement

15.1.2.1 DALO's termination of the Agreement

DALO shall be entitled to terminate the Agreement, in whole or in part, with a notice of 30 (thirty) Days, if the Supplier commits a material breach of the Agreement, unless the Supplier has remedied such breach within this period. This shall also apply if the breach is committed against another Buyer than DALO. However, in case of breach of the labour

clause, CSR requirements and/or international sanctions, as set out below, such breach shall be handled in accordance with the procedure set out in Appendix B.

The following breaches (the list is not exhaustive) shall always be deemed to constitute a material breach:

- a) If the Supplier fails to offer the Deliverables set out in Appendix C.1.
- b) If the Supplier has repeatedly committed material breach of a Purchase Order.
- c) If the Supplier has failed to comply with the requirements of NATO codification of the Spare Parts in accordance with clause 5, and the Supplier has failed to take remedial measures to fulfil such requirements within the time-limits stated in the Buyer's written notice.
- d) The Supplier's failure to take out or maintain insurance pursuant to clause 14.
- e) If a Buyer is met with a legitimate claim from a third party due to violation of third party rights by the Buyer's acquisition or use of the Delivery Item, and the Supplier is unable to cease the violation.
- f) Failure to promptly remedy a defect upon the Buyers or DALO's request and/ or failure to compensate in full any damage caused in the performance of the Agreement.
- g) In the event of repeated and/or serious non-compliance with the requirements related to the labour clause, CSR requirements and/or international sanctions, cf. clause 4.1 and Appendix B.
- h) In the event of several breaches at the same time which, separately, are not material but which, as a whole, are material to the Buyer, or repeated individual breaches have been committed which, separately, do not constitute material breach.
- i) If, pursuant to Danish legislation on investment screening (at the conclusion of the Agreement Act No. 842 of 10 May 2021 (the Investment Screening Act, in Danish "investeringsscreeningsloven")), an injunction is issued to terminate the Agreement and/or the Supplier's possible authorisation to enter into the Agreement is revoked
- j) In the event of the Supplier's bankruptcy, unless the Danish Consolidated Act no. 11 of 6 January 2014 on Bankruptcy as amended (in Danish "Konkursloven"), prevents this. In this case the bankruptcy estate must, within 2 Working Days after receipt of an inquiry in writing from DALO, announce whether or not the bankruptcy estate wants to become a party to the Agreement.

- k) In the event of the Supplier's commencement of restructuring proceedings, unless the Danish Consolidated Act no. 11 of 6 January 2014 on Bankruptcy as amended (in Danish "Konkursloven"), prevents this. In this case, the reconstructor must, within 2 Working Days after receipt of an inquiry in writing from DALO, announce whether or not the Supplier wants to remain a party to the Agreement.

The Supplier shall not be entitled to terminate the Agreement due to the Buyer's failure to make payment, if the Buyer has notified the Supplier of Defects in the Delivery Item, or if the Buyer has given written notice of setoff, or if the Buyer is otherwise entitled to retain the purchase sum in whole or in part pursuant to the terms of the Agreement. The Buyer shall not set off or retain any amounts exceeding the claim calculated by the Buyer.

In the event of the DALO's termination of the Agreement, the Supplier shall be obliged to repay the full sales price without deduction of payment for Services which due to the termination become unfit for the Buyer's purpose, even where these Services are not subject to a Defect.

In the event of the DALO's termination of the Agreement, the Buyer shall be entitled to return any Spare Parts which, in the Buyer's view, are unfit for use due to the termination. With respect to Spare Parts returned by the Buyer, the Supplier shall reimburse the total sales price without deduction.

If any Services have been supplied related to the Spare Parts returned due to the termination, the Supplier shall reimburse the total sales price of such Services if the Services due to the return of the Spare Parts become unfit for the Buyer's purpose (for instance, training in relation to returned Spare Parts).

15.1.2.2 Supplier's termination of the Agreement

If the Buyer repeatedly fails to make timely payments of specific Purchase Orders, this shall constitute a material breach of the Agreement.

The Supplier shall give a notice in writing of not less than 60 (sixty) Days to the Buyer and DALO that the Agreement will be terminated. The Buyer or DALO shall then be entitled to

remedy the breach by payment within the time-limit, in which case the Supplier shall not be entitled to terminate the Agreement.

15.2 Termination due to violation of the public procurement rules

15.2.1 Buyer's termination of a Purchase Order

The Buyer shall be entitled to terminate a Purchase Order as set out in Appendix G.

15.2.2 DALO's termination of the Agreement

DALO shall be entitled to terminate the Agreement as set out in Appendix G.

15.3 Termination due to compulsory grounds for exclusion

15.3.1 Grounds for exclusion present at the time of award

Pursuant to § 185 (1), 2) of the Public Procurement Act, a contracting authority may terminate a contract where the supplier was subject to one of the grounds for exclusion under §§ 135-137 at the time of award of the contract with subsequent exclusion of the supplier from the procurement procedure. The Parties' agree that this also applies if the Agreement is subject to the Defence and Security Directive.

If DALO ascertains that the Supplier or any Subcontractor(s) at the time of award of the Agreement was subject to a compulsory ground for exclusion as stated in or equivalent to §§ 135 and 136 of the Public Procurement Act, DALO shall give the Supplier an appropriate time limit to document that the Supplier is reliable in accordance with or equivalent to § 138 of the Public Procurement Act.

If the Supplier has not provided documentation for the Supplier's reliability satisfactory to DALO within the time limit, DALO shall be entitled to terminate the Agreement with a written notice of 1 (one) month.

Correspondingly, DALO shall give the Supplier an appropriate time limit to document that the Supplier is reliable in accordance with or equivalent to § 138 of the Public Procurement Act, if the compulsory ground for exclusion (a) concerns any Subcontractor(s) on which the Supplier is based in accordance with or equivalent to § 144 (5) of the Public Procurement

Act, or (b) concerns any Subcontractor(s) where the Supplier on DALO's request has submitted a declaration stating that the Subcontractor(s) are not subject to grounds for exclusion in accordance with or equivalent to § 177 (5) of the Public Procurement Act.

If the reliability of the Subcontractor in question has not been documented satisfactory to DALO within the time limit, the Supplier shall replace the Subcontractor and give notice to DALO with whom the Subcontractor is replaced by in accordance with or equivalent to §§ 177 (5) and 147 of the Public Procurement Act.

DALO may demand any pending Deliverables under the Agreement that has not yet been made shall be suspended during the self-cleaning period. The Supplier is not entitled to any payment for suspended deliverables.

The Supplier is further not entitled to any damages/compensation for loss in connection with suspension or termination.

15.3.2 Grounds for exclusion emerged throughout the duration of the Agreement

If the Supplier or any Subcontractor(s) throughout the duration of the Agreement becomes subject to a compulsory ground for exclusion in accordance with or equivalent to §§ 135 (1) or (2) of the Public Procurement Act, the Supplier shall immediately give written notice to DALO.

Furthermore, the provisions set out in clause 15.3.1 apply correspondingly.

16. FORCE MAJEURE

If a force majeure event occurs, the Parties' obligations towards each other shall be suspended for the time being, provided that the force majeure event is notified to the other Party with supporting arguments and particulars describing the nature and extent of the force majeure event.

Force majeure is defined as an event that is (a) beyond the control of the Parties, and of a certain qualified nature (war, hostilities, riots, pandemics, nuclear or natural disasters,

etc.); (b) unforeseeable or not reasonably foreseeable on Commencement; and (c) should not be overcome through reasonable work arrangements or funds.

It is a condition for claiming force majeure that the notice, including the reasons, is provided within 5 Working Days after the event causing the force majeure event occurred, see para. (a) above.

It is specifically agreed that any export restriction shall not be regarded as a force majeure event, unless the Supplier documents that appropriate measures have been timely taken to obtain and maintain all relevant export and licenses and other clearances necessary for the Delivery, and upon the occurrence of such force majeure event, without undue delay, investigate whether substitute Deliverables can be lawfully obtained from other sources. In case such delivery of substitute Deliverables is possible, the Supplier shall deliver such without undue delay.

If the force majeure event continues beyond 120 (one hundred and twenty) Days – not necessarily consecutive, but within the same 180 (one hundred and eighty) Days – each Party shall be entitled to terminate the Agreement. In such instance, the Supplier shall be entitled to receive payment for Deliverables delivered until the force majeure event occurred.

Notwithstanding the foregoing, if the force majeure event only extends to some and not all Delivery Items, the Buyer(s) in question shall be entitled, but not obliged, to claim Delivery of such Delivery Items.

Neither Party shall make any claim against the other Party based on a force majeure event.

17. SPECIAL PROVISIONS

17.1 Special Appendices

For the performance of the Agreement, the Special Appendices and special provisions set out in the clauses below shall also apply.

Special Appendix 1 : Quality requirements, quality management and quality assurance

Special Appendix 8 : Intellectual property rights

Special Appendix 11 : The Buyer's participation

Special Appendix 13 : Price adjustment

Special Appendix 14 : Documentation requirements

17.2 International operations – N/A

17.3 Industrial Cooperation Contract – N/A

17.4 Security Classification – N/A

18. PUBLICATION

The Supplier shall not make any press statements or undertake any publicity, advertising or marketing campaigns, including - but not limited to - recruitment, specifically referring to the Agreement without the prior written consent from DALO.

19. NOTICES

Unless otherwise stated in the Agreement, any notice between the Parties shall be in writing and be sent by e-mail to:

The Supplier:

DALO:

Technical matters:

Other matters:

For notices regarding Purchase Orders, notice shall be sent to the contact person stated in the Purchase Order.

The Parties shall give notice of any changes regarding new contact person or contact information.

20. AMENDMENTS TO THE AGREEMENT

The Agreement shall not be amended in any other way than by written amendment signed by both Parties in order to be legally valid. Such amendment shall be numbered consecutively. An electronic version of the signed agreement on amendments (e.g. in PDF) has the same validity as the original signed version of the agreement on amendments.

However, changes regarding the Supplier's contact information (addresses, e-mail, point of contact), DALO's name, e-mail and point of contact and correction of obviously incorrect NATO Stock Number and changes to electronic procurement system can be made by e-mail between the Parties. Such changes shall be valid when both Parties have confirmed receipt of such an e-mail.

21. ASSIGNMENT AND CHANGE-OF-CONTROL

21.1 The Supplier

The Supplier shall not transfer any obligations or rights arising out of the Agreement to any other party without the prior written approval of DALO.

If the ownership of the Supplier changes, in whole or in part, during the term of the Agreement, the Supplier shall inform DALO thereof in writing.

If the Supplier or the owner(s) of the Supplier is a company with limited liability/has securities admitted to trading on a regulated market, this provision shall only apply if the change of ownership gives rise to a notification requirement under the Danish Companies Consolidated Act no. 763 of 23 July 2019 with amendments (in Danish: "Selskabsloven" med ændringer)/the Danish Consolidated Act no. 377 of 2 April 2020 regarding Capital Markets with amendments (in Danish: bekendtgørelse af lov om kapitalmarkeder "kapitalmarked-sloven" med ændringer) or would give rise to such a notification requirement if the Danish Companies Act/the Danish Act regarding Capital Markets did apply.

If the change of ownership of the Supplier in DALO's opinion might threaten the proper performance of the Agreement in regard to safety and security approval, DALO shall be entitled to issue a written notice to the Supplier with a time limit of 30 (thirty) Days to

remedy the issue. If DALO has not received documentation within the time limit that appropriate remedial action has been taken, DALO shall have the right to terminate the Agreement in its entirety with a written notice of 10 (ten) Days.

DALO shall also be entitled to terminate the Agreement, if the new owner or controlling party is a person or a company incompatible with the status as supplier of war material, cf. also the Danish War Material Act, Consolidated Act no. 1004 of 22 October 2012 (in Danish: Lov om krigsmateriel mv.).

21.2 DALO and the Buyer

DALO shall be entitled to transfer the obligations and rights of the Agreement to another state authority or public body wholly financed by the Danish State.

The Buyer shall be entitled to transfer a Purchase Order to another state authority or public body wholly financed by the Danish State.

22. PRECEDENCE AND INTERPRETATION

The Agreement constitutes the entire agreement and understanding between the Parties, as regards the Delivery of Purchase Orders, as supplemented by the Purchase Order in question. The Agreement shall take precedence of any previous agreements, understandings, negotiations, and communication between the Parties, whether oral or written. Any part of the tender documents which is not included in the Agreement shall not form part of the contractual basis.

If there is a discrepancy between the wording of the Agreement, the wording of Appendices A-G and/or the wording of the Special Appendices set out in clause 17 and/or the wording of the Purchase Order, the documents shall take precedence in the following order:

1. This framework agreement
2. The Special Appendices and special provisions set out in clause 17
3. Appendix A
4. Appendices B + D-G.
5. Appendix C

6. The Purchase Order unless otherwise specifically stated in the Purchase Order.

A waiver by either Party of any right under the provisions of the Agreement shall not be deemed as or constitute a waiver of other rights under the Agreement (regardless of whether the provisions resemble each other), and such waiver shall not constitute a permanent waiver of that right, unless the Agreement is amended as set out in clause 20.

A failure or delay by either Party to exercise any right arising out of or in connection with the Agreement, whether express or implied, shall not constitute a waiver of that right, nor shall it preclude or restrict the further exercise of that right.

If any provision of the Agreement is found by any competent public authority, court or arbitration tribunal to be invalid, illegal or unenforceable, that provision shall be deemed not to form part of the Agreement, and the validity and enforceability of the other provisions of the Agreement shall not be affected.

DALO and the Supplier shall then use their respective best efforts to negotiate in good faith an enforceable replacement provision that, to the greatest extent possible while complying with the procurement rules, reflects the intent or serves the purpose of the severed provision.

23. DURATION, OPTION FOR RENEWAL EXPIRY OF THE AGREEMENT AND RE-POSSESSION

23.1 Duration

The Agreement shall become effective at Commencement. The Agreement shall expire without notice 4 years after Commencement.

23.2 Option for renewal – N/A

23.3 Expiry of the Agreement

Upon the expiry or termination of the Agreement - regardless of its cause - the Supplier shall submit to DALO systematized information regarding all Delivery Items. This information shall be submitted in a common spreadsheet format (such as Excel or equivalent)

and contain the information set out in clause 8.2. Furthermore, the Supplier shall cooperate, to the extent required, with any new supplier with respect to the handover of the responsibilities to such new supplier. The Supplier shall receive no separate remuneration for such assistance.

23.4 Repossession of the Buyer's assets on the Supplier's facilities

If any of the Buyer's assets has been placed at the Supplier's facilities (e.g. for repair services), the Supplier must mark these as the Buyer's property. Additionally, the Buyer shall, upon expiry or termination, be entitled to access the Supplier's facilities in order for the Buyer to retrieve such assets. The Supplier shall assist the Buyer herewith.

24. SURVIVABILITY

At expiry of the Agreement or if the Parties agree, by an amendment to the Agreement, that the Agreement should no longer be in force, the following obligations and provisions, shall however remain in force:

1. The Supplier's obligations regarding warranty in clause 10.
2. The Supplier's obligations regarding intellectual property rights in clause 11 and Special Appendix 8.
3. The Supplier's obligations concerning publication in clause 18.
4. The provision in clause 25 regarding Governing Law and Arbitration.
5. Any outstanding Purchase Orders.

25. GOVERNING LAW AND ARBITRATION

Any dispute arising out of or in connection with the Agreement, including any Purchase Order, shall be governed and construed in accordance with Danish law, substantive as well as procedural, however excluding choice-of-law rules and the United Nations Convention on the International Sale of Goods (CISG)

Any dispute arising out of or in connection with the Agreement, including any disputes regarding the existence, validity or termination thereof or regarding any Purchase Order,

shall be settled by arbitration administered by The Danish Institute of Arbitration in accordance with the rules of arbitration adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced.

The arbitration tribunal shall consist of 3 arbitrators. DALO and the Supplier shall each be entitled to appoint an arbitrator. The chairman of the arbitration tribunal shall be appointed by the Institute. The seat of the arbitration court shall be in Copenhagen and the language of the proceedings English. Danish speaking witnesses shall be examined in Danish unless the Parties agree otherwise. In case Danish speaking witnesses appear before the tribunal then the Parties or the Institute shall be requested to organise fully qualified and officially accredited independent English / Danish interpreters.

26. AUTHORISING SIGNATURES

The Agreement shall be signed by the Supplier and DALO.

By their signatures to the Agreement, the signatories warrant that they have the authority to commit the Party to the Agreement on whose behalf the Agreement is signed.

An electronically stored version of the signed original Agreement (e.g. PDF) shall have the same validity as the original signed copy.

DALO and the Supplier agree by their signature to the Agreement that Appendix G to the Agreement shall constitute a separate agreement between DALO and the Supplier, which shall be valid whether or not the Agreement should be found ineffective.

For and on behalf of DALO:

For and on behalf of the Supplier:

Date:

Date:

Signature

Signature

Name in capital letters

Name in capital letters

Witness to the signature

Witness to the signature

Name in capital letters

Name in capital letters