

**K01**  
**STANDARD CONTRACT FOR SHORT-TERM IT PROJECT**

CONTRACT

between

.....  
.....  
.....

CVR No. ....

(hereinafter referred to as the customer)

and

.....  
.....  
.....

CVR No. ....

(hereinafter referred to as the supplier)

concerning

delivery and maintenance of an IT System for

.....

## CONTENTS

PREAMBLE .....	5
1 DEFINITIONS.....	5
2 SUPPLIER'S DELIVERY OBLIGATIONS .....	6
2.1 THE SYSTEM.....	6
2.2 THE CUSTOMER'S IT ENVIRONMENT.....	6
2.3 ASSOCIATED SERVICES.....	6
3 CLARIFICATION PHASE.....	6
4 RIGHT OF WITHDRAWAL.....	7
5 CHANGES.....	8
5.1 CUSTOMER'S REQUESTS FOR CHANGES.....	8
5.2 SUPPLIER'S REQUESTS FOR CHANGES .....	9
5.3 CHANGE LOG .....	9
6 PLACE OF DELIVERY.....	9
7 DELIVERY .....	10
7.1 TIME SCHEDULE AND ACCEPTANCE.....	10
7.2 CUSTOMER'S RIGHT OF POSTPONEMENT .....	10
8 OPTIONS .....	11
8.1 OPTIONS TO BE DELIVERED BY THE ACCEPTANCE DATE.....	11
8.2 OPTIONS TO BE DELIVERED AFTER THE ACCEPTANCE DATE.....	11
9 CUSTOMER'S PARTICIPATION .....	11
10 PRICES.....	12
10.1 GENERAL .....	12
10.2 SYSTEM PRICE AND TOTAL CONTRACT SUM .....	12
10.3 MAINTENANCE.....	12
10.4 LICENCE FEES .....	12
10.5 ASSOCIATED SERVICES.....	13
10.6 OPTIONS .....	13
11 TERMS OF PAYMENT.....	13
12 TESTING.....	13
12.1 ACCEPTANCE TEST .....	14
12.2 SERVICE LEVEL TEST .....	15
13 MAINTENANCE .....	15
14 SERVICE LEVELS AND INCENTIVES.....	16
14.1 SERVICE LEVELS .....	16
14.2 INCENTIVES.....	16
15 WARRANTY.....	16

15.1	GENERAL WARRANTY .....	16
15.2	LIABILITY FOR SUBCONTRACTORS .....	17
15.3	WARRANTED SERVICE LEVELS .....	17
15.4	WARRANTY PERIOD .....	17
16	SUPPLIER'S BREACH OF CONTRACT .....	17
16.1	DELAY .....	17
16.1.1	PENALTY .....	17
16.1.2	THE CUSTOMER'S OTHER REMEDIES .....	18
16.2	DEFECTS.....	18
16.2.1	REMEDYING.....	18
16.2.2	REDUCTION OF MAINTENANCE CHARGES.....	19
16.2.3	PROPORTIONATE REDUCTION.....	19
16.2.4	TERMINATION.....	19
17	CONDITIONS RELATING TO THE CUSTOMER.....	20
18	DAMAGES .....	20
19	FORCE MAJEURE.....	21
20	CHANGES WITHOUT THE SUPPLIER'S CONSENT .....	22
21	MANDATORY RULES .....	22
22	RIGHTS IN SOFTWARE AND DOCUMENTATION .....	22
23	THIRD PARTY'S RIGHTS.....	23
24	CONFIDENTIALITY .....	24
25	PROJECT ORGANIZATION.....	24
26	ASSIGNMENT.....	24
27	USE OF SUBCONTRACTORS .....	24
28	DISPUTES .....	25
29	RESERVATIONS.....	25
30	INTERPRETATION .....	26
31	SIGNATURES .....	26

## **LIST OF APPENDICES**

- Appendix 1: Time schedule.
- Appendix 2: Specification of requirements.
- Appendix 3: Schedule of payments.
- Appendix 4: Specification of hardware, software and documentation, including prices.
- Appendix 5: Description of associated services, including prices.
- Appendix 6: The customer's participation.
- Appendix 7: Specification of maintenance, including prices.
- Appendix 8: Tests.
- Appendix 9: Licence terms.
- Appendix 10: Service levels and incentives.
- Appendix 11: Project organization.
- Appendix 12: Procedure for changes.
- Appendix 13: Specification of options, including prices.

## **PREAMBLE**

The parties agree to cooperate throughout the process with a positive, professional and responsible attitude and to make a considerable effort to achieve the best possible result. In this connection, the parties shall show the flexibility that must be considered reasonable and usual in performing similar IT contracts.

The parties shall inform each other continuously on any matter deemed to have significance for the completion of an effective contract process.

## **1 DEFINITIONS**

*Working day:*

Monday to Friday, except national holidays, 24 December, 31 December and 5 June.

*Day:*

Calendar day.

*Installation date:*

The day on which the supplier demonstrates to the customer that the hardware is connected in a functional condition at the customer's localities.

*Specification of requirements:*

The specification of requirements prepared by the customer, including changes and additions, resulting from the supplier's tender.

*Acceptance date:*

The day on which the customer hands over its approval of the acceptance test of the system to the supplier.

*The system:*

The complete IT system to be delivered under the present contract.

## **2 SUPPLIER'S DELIVERY OBLIGATIONS**

### **2.1 THE SYSTEM**

The supplier shall deliver the hardware, software and documentation specified in Appendix 4.

The system and its individual components shall possess the properties and fulfil the requirements that appear from the present contract, and in particular from Appendix 2.

### **2.2 THE CUSTOMER'S IT ENVIRONMENT**

Appendix 2 specifies the IT environment into which the system is to be incorporated. Appendix 4 specifies the requirements made by the supplier in respect of this IT environment.

Provided that these requirements are fulfilled, the hardware, software and documentation delivered by the supplier in connection with the customer's IT environment shall be sufficient to fulfil the requirements of the present contract. This shall be subject to the precondition that no faults occur in the customer's IT environment that are of significance to the supplier's fulfilment of the requirements in the present contract.

### **2.3 ASSOCIATED SERVICES**

Agreements on associated services, specifying the content, scope, time, price and terms, are described in Appendix 5, including the customer's options on ordering additional services until the acceptance date.

## **3 CLARIFICATION PHASE**

Immediately after the conclusion of the contract, a clarification phase shall be initiated with the purpose of determining whether it will be expedient for the specification of requirements to be detailed or supplemented and whether the customer's IT environment is in accordance with the requirements in Appendix 4.

The clarification phase shall be conducted as a joint effort in which the supplier initiates the activities considered necessary for the supplier to obtain a further detailed

insight into the customer's business procedures, needs and IT environment. At the same time, the customer shall be given a detailed insight into the functions and capabilities of the software. On the basis of this, each party shall submit possible proposals for detailing and supplementing the specification of requirements.

The clarification phase shall be a brief and intensive process during which either of the parties shall make a substantive effort, including participation in analyses, workshops and demonstrations. The activities during the clarification phase are specified in Appendix 1.

To the extent that the parties on a preliminary basis reach an agreement on detailing and supplementing, a draft for this shall be prepared, and in this connection it shall be determined to what extent such detailing and supplementing shall have any impact on the time schedule, payments to the supplier, and other terms.

Following possible, necessary iterations and corrections, the complete draft for an amended specification of requirements, including a description of consequences, shall be presented to the customer for approval. Subsequently within 10 working days the customer shall notify in writing whether the draft can be approved.

In case no agreement can be reached on detailing or supplementing the specification of requirements, cf. the definition thereof, the specification of requirements shall remain applicable without amendments.

#### **4 RIGHT OF WITHDRAWAL**

Until the customer's approval under clause 3, second-last paragraph, or up to 10 working days after the time when it has been finally established that an agreement cannot be reached on detailing or supplementing the specification of requirements, the customer shall be entitled to withdraw from the present contract by means of a written notice to the supplier.

In case of such withdrawal, the obligations on both parties for further performance of the present contract shall cease.

Material such as reports, tables and diagrams - and knowledge - produced during the clarification phase up to the date of withdrawal, may be used by the customer for alternative fulfilment of the customer's needs. However, this right shall not extend to

prototypes or trade secrets related to the products that were to be delivered under the contract.

For such withdrawal, the customer shall pay a fee to the supplier. The fee is specified in Appendix 5.

## **5 CHANGES**

During the period following the clarification phase, both parties may bring forward requests for changes according to the guidelines below.

Also in case of changes, delivery shall be made on the terms of the present contract unless otherwise agreed.

### **5.1 CUSTOMER'S REQUESTS FOR CHANGES**

The customer's requests for changes shall be forwarded in writing to the supplier.

Without undue delay after receipt the supplier shall prepare an estimate of the expected fee for preparing a proposal for a solution. The estimate shall be based on the hourly rates specified in Appendix 5 and the time expected to be spent. The estimate shall be submitted to the customer for approval. If the proposed solution is accepted, the supplier's fee for preparing the proposal shall be cancelled.

On receipt of the customer's approval of the estimate, the supplier shall initiate the procedure and submit a proposal for a solution, without undue delay and not later than 10 working days thereafter, with a minimum content as described in Appendix 12.

In case disagreement arises between the parties about the consequences of a requested change, the customer shall be entitled to get the necessary insight into the basis for the supplier's proposal for a solution. Where price calculation models and similar business secrets are involved, the supplier may require that the review be undertaken by an independent third party bound to observe confidentiality. The customer shall be entitled at any time to let an independent third party who is bound to observe confidentiality review the supplier's proposal for a solution. The customer shall always pay the expenses of the independent third party.

In case the proposal for a solution is not accepted, the supplier may charge a reasonable fee covering the preparation of the proposal. The fee shall be calculated according to the documented time spent and the hourly rates specified in Appendix 12, taking into account the supplier's estimate.

In case the supplier proves in the proposal for a solution that the requested change cannot be carried out owing to technical or significant functional reasons, the supplier may refuse to comply with a request for a change.

## **5.2 SUPPLIER'S REQUESTS FOR CHANGES**

In case the supplier desires to undertake changes in relation to what has been agreed, a request for this shall be submitted to the customer.

The supplier's request for a change shall have a minimum content as described in Appendix 12.

Without undue delay and at least no later than 10 working days after receipt, the customer shall deal with such request and notify whether the request can be met. Where necessary in order to avoid major loss on the part of the supplier, the customer must accept changes which affect the customer's benefit from the system only to an insignificant degree and which do not cause additional costs or loss to the customer.

## **5.3 CHANGE LOG**

The supplier shall maintain a joint change log containing all relevant documentation regarding changes, including dated requests for changes and proposals for solutions. A more detailed description of the process regarding changes is given in Appendix 12.

## **6 PLACE OF DELIVERY**

The supplier shall deliver the system at the localities mentioned in Appendix 2.

Associated services shall be delivered at the same place unless otherwise specified in Appendix 5.

## **7 DELIVERY**

### **7.1 TIME SCHEDULE AND ACCEPTANCE**

The supplier shall deliver its goods and services in accordance with the time schedule in Appendix 1.

Delivery shall be regarded as having taken place on the acceptance date.

The supplier shall bear the risk of the system until the acceptance date; however, the supplier shall only bear the risk of hardware until the installation date.

Rights of ownership (title), rights of use and other rights shall pass to the customer on the acceptance date. However, regarding those parts of the system where the customer in accordance with Appendix 3 undertakes payment before the acceptance date, the rights shall pass at the time of payment. Moreover, the rights to the system shall pass at the time of payment as described in clause 12.1, sixth paragraph.

### **7.2 CUSTOMER'S RIGHT OF POSTPONEMENT**

Subject to a written notice to the supplier of at least 20 working days, the customer shall be entitled to postpone any time limit fixed in the time schedule (following discussion hereof with the supplier) three times, provided that the customer's accumulated postponements of the time schedule do not exceed 60 working days.

In case the customer postpones one or more time limits, the supplier shall be entitled to require that all subsequent time limits be postponed by a corresponding number of working days, but in all cases at least 20 working days.

Payments shall be postponed correspondingly, and interest shall accrue according to the rules of the Interest Act during the period of postponement.

To the extent that the supplier experiences documented additional costs due to the postponement, these shall be refunded by the customer, cf. clause 11, last paragraph.

## **8 OPTIONS**

### **8.1 OPTIONS TO BE DELIVERED BY THE ACCEPTANCE DATE**

The customer may order the options specified in Appendix 13 to be delivered simultaneously with the system and as part thereof. The customer's orders shall be placed within the relevant time limits specified in the same Appendix. In case the customer orders one of the options in due time, the items covered by the option shall become part of the system and shall be dealt with in every respect as if they had been included in the contract originally as part of the system, also with regard to testing, agreed acceptance date and system price, unless otherwise specified in Appendix 13.

### **8.2 OPTIONS TO BE DELIVERED AFTER THE ACCEPTANCE DATE**

The customer may order the options specified in Appendix 13 to be delivered after the acceptance date. The customer's orders shall be placed within the relevant time limits specified in the same Appendix.

The supplier shall consequently deliver the options in question by means of delivery of additional goods and services, including hardware, software and/or documentation, in accordance with the content of Appendix 13, also with regard to testing, time of delivery, prices, invoicing, terms, the bearing on the system (including the warrants in relation to this) and maintenance. Matters for which no details are specified in Appendix 13 shall be regulated in accordance with the provisions of the contract. To the extent that a proposal for a solution is to be prepared in case an option is ordered, this is specified in Appendix 13 and regulated by clause 5.1.

## **9 CUSTOMER'S PARTICIPATION**

Appendix 6 indicates the extent to which the customer shall contribute actively to the supplier's performance of the present contract, including making information available, making staff available, making premises and other facilities available, participating in the acceptance test, and performing the service level test.

The indications in Appendix 6 of the customer's participation are also outlined briefly in the time schedule in Appendix 1.

The indications in Appendix 6 shall be understood as estimates of the customer's contribution, and during the process a need for adjustments herein may arise, both in terms of extent and content. None of these adjustments may cause significantly increased costs to the customer.

The supplier shall notify the customer in writing immediately in case the customer does not contribute as agreed.

## **10 PRICES**

### **10.1 GENERAL**

All prices are given in Danish kroner (DKK).

The prices are inclusive of customs duties and other taxes apart from VAT. In the event that Danish taxes are altered, the prices shall be regulated by the economic net consequence thereof so that the supplier's position remains unchanged.

The prices are fixed unless otherwise specified.

The prices include insurance until the acceptance date; however, prices for hardware only include insurance until the installation date.

The prices include transport, but see also Appendix 5 (if applicable).

### **10.2 SYSTEM PRICE AND TOTAL CONTRACT SUM**

The system price and the total contract sum are specified in Appendix 3.

### **10.3 MAINTENANCE**

Prices for maintenance and adjustment thereof are specified in Appendix 7.

### **10.4 LICENCE FEES**

In case licence fees have to be paid on a current basis for the customer's use of software, such fees and the adjustment thereof are specified in Appendix 4 and/or Appendix 7.

## 10.5 ASSOCIATED SERVICES

Prices for associated services are specified in Appendix 5.

## 10.6 OPTIONS

Prices for options to be delivered by or after the acceptance date are specified in Appendix 13.

## **11 TERMS OF PAYMENT**

The customer shall pay in accordance with the schedule of payments in Appendix 3, provided that the supplier, at the time of invoicing, has performed all activities which the supplier is required to have performed by the time in question according to the time schedule in Appendix 1.

Maintenance charges and licence fees shall be paid by the customer as specified in Appendix 4 and/or Appendix 7.

As for goods and services ordered that do not appear from the schedule of payments, the customer shall pay for these after delivery has taken place.

However, the customer shall not be liable to pay earlier than 30 days after receiving a satisfactory invoice.

## **12 TESTING**

Testing of the system shall consist of an acceptance test and a service level test.

After a test has been passed, the customer shall issue a written approval thereof to the supplier without undue delay.

No review, commenting or approval on the part of the customer of any test can be taken as an implication of a change of the requirements that may be made under the present contract.

## 12.1 ACCEPTANCE TEST

The purpose of the acceptance test is primarily to determine whether the agreed functionality is present. The acceptance test shall be conducted by the supplier with the customer's active participation.

The procedure, content and approval criteria of the acceptance test are specified in Appendix 8.

If the customer approves the acceptance test with observed defects, these shall be specified in a list of defects. The customer shall only be under the obligation to approve the service level test when such defects have been remedied in all essentials.

In case the acceptance test does not fulfil the requirements for the result thereof and consequently cannot be approved, the supplier shall be entitled, subject to a notice of at least five working days, to repeat the full test until the customer might cancel the contract according to the terms for this.

In case the customer puts the entire system or parts thereof into use before the acceptance test in order to handle the customer's business activities, the supplier shall be entitled to request the customer in writing to stop such use. In case the customer does not comply with the request within 20 working days, such parts of the system that have been put into use shall be considered accepted by the customer.

If the acceptance test cannot be passed in accordance with the time schedule in Appendix 1 owing to circumstances attributable to the supplier, the customer may choose to put the entire system or parts thereof into use as from the originally agreed acceptance date. In this case, the customer shall pay a reasonable proportion of the amount related to the approval of the acceptance test in accordance with the schedule of payments in Appendix 3. Commencement of use by the customer shall solely be allowed if this does not pose hindrances to the supplier's completion of the deliveries and carrying out of the agreed acceptance test.

The supplier's obligations to maintain the entire system or parts thereof, including providing hotline service etc., shall enter into force only upon the customer's approval of the acceptance test, notwithstanding commencement of use by the customer at an earlier stage.

## 12.2 SERVICE LEVEL TEST

The purpose of the service level test is to determine whether the delivery complies with the specified service objectives, cf. Appendix 10. The service level test shall be carried out by the customer assisted by the supplier to the extent described in Appendix 8.

The service level test shall be commenced by the customer not later than 20 working days after the acceptance date, otherwise the service level test shall lapse.

The procedure, content and approval criteria of the service level test and the stated completion date for the test are specified in Appendix 8.

The service level test shall continue until the approval criteria are fulfilled or until the customer might terminate the contract according to the terms for this.

## 13 MAINTENANCE

From the acceptance date the supplier undertakes to be in charge of the maintenance of all parts of the system, with the exceptions specified in Appendix 7.

The particular extent of the maintenance and the performance thereof are also specified in Appendix 7.

Subject to a written notice of 12 months to take effect as from the first of a month, the supplier may terminate the maintenance scheme; however this shall in no case expire earlier than four years after the acceptance date.

The supplier may however terminate the maintenance of software in case the producer thereof stops providing maintenance in Denmark. Such termination shall be subject to a notice of at least three months and shall not take effect earlier than as from the date on which the producer stops such maintenance.

Subject to a written notice of six months to take effect as from the first of a month, the customer may - unless otherwise expressly specified in Appendix 7 - terminate the maintenance scheme; however this shall in no case expire earlier than one year after the acceptance date.

Termination may be limited to one or more of the maintenance schemes set out in Appendix 7.

In case the supplier fails to comply with its maintenance obligations, the customer shall have the powers specified in clause 16 and 18, cf. clause 15.1 - 15.3.

## **14 SERVICE LEVELS AND INCENTIVES**

### **14.1 SERVICE LEVELS**

Appendix 10 describes the service levels to be fulfilled.

These service levels shall be fulfilled as from the acceptance date, unless otherwise specified in Appendix 10.

### **14.2 INCENTIVES**

In case an incentive programme has been agreed with the supplier, this is described in Appendix 10.

## **15 WARRANTY**

### **15.1 GENERAL WARRANTY**

The supplier warrants that the deliveries specified in Appendices 4 and 5 fulfil all requirements stipulated in the present contract.

In case the specified deliveries are not sufficient, the supplier shall be liable, without further payment and within the time limits stipulated in the present contract, cf. Appendix 1, to deliver such other or additional hardware, software, documentation and other goods and services that are necessary to perform the contract.

The supplier warrants that the goods and services delivered will fulfil the requirements of the present contract throughout the warranty period.

The supplier warrants that delivered hardware, software and documentation subject to maintenance will fulfil the requirements of the present contract throughout the maintenance period.

## 15.2 LIABILITY FOR SUBCONTRACTORS

The supplier shall be liable for the goods and services of its subcontractors under the present contract in exactly the same manner as for its own goods and services.

## 15.3 WARRANTED SERVICE LEVELS

The supplier warrants that the service levels described in Appendix 10 are complied with.

To the extent that compliance with the service levels is subject to a maintenance agreement being in force, this is specified in Appendix 10.

## 15.4 WARRANTY PERIOD

The warranty period shall be one year, running from the acceptance date and covering all delivered hardware, software and documentation. New parts delivered during the warranty period for replacement of defective parts shall be subject to warranty until expiry of the original warranty period, but always for at least three months counted from the time of replacement. Section 54 of the Sale of Goods Act has thus been derogated from.

# **16 SUPPLIER'S BREACH OF CONTRACT**

## 16.1 DELAY

### 16.1.1 PENALTY

In case the agreed acceptance date is exceeded owing to circumstances for which the supplier is accountable, the supplier shall pay a daily penalty. The penalty shall accrue each working day on the basis of the system price. The penalty shall be 0.25% per working day.

In case the service level test is not completed with the agreed result within the time limit therefore as specified in Appendix 8 owing to circumstances for which the supplier is accountable, a penalty shall be paid for each working day in excess thereof using the same guidelines as for exceeding the acceptance date.

However, the sum of all daily penalties for delay cannot exceed a total of 10% of the system price. Penalties accrued shall be paid weekly after the occurrence of a delay, subject to a written claim from the customer. If the supplier has not received a written claim from the customer within 12 months from the agreed acceptance date, the customer's right to the penalty shall lapse.

#### 16.1.2 THE CUSTOMER'S OTHER REMEDIES

In addition to clause 16.1.1, the general rules of Danish law on remedies in case of delayed delivery or non-delivery shall apply, subject to clause 18 and 19. It shall always be regarded a material breach of contract entitling the customer to terminate the contract immediately, wholly or partly at the customer's choice, if the agreed acceptance date or the time limit for completing the service level test is exceeded by more than 40 working days.

The rules in clause 16.2.4 regarding the execution of the termination shall be applicable.

#### 16.2 DEFECTS

A defect in the goods and services delivered shall be deemed to exist if these fail to fulfil the warranty given by the supplier, or do not possess such properties or do not work in such a manner as the customer might justly expect on the basis of the content of the present contract.

##### 16.2.1 REMEDYING

For those parts of the system that are covered by the maintenance scheme, the supplier shall remedy any defects as an element of this scheme in accordance with clause 13 and Appendix 7. To the extent that such remedy obligation is differentiated between the supplier's own goods and services and those of the supplier's subcontractors, this appears from Appendix 7.

For other parts of the system, the supplier shall arrange for defects to be remedied in case this is necessary in order for the service level test to be passed, or in case a complaint is made about a defect within the warranty period.

#### 16.2.2 REDUCTION OF MAINTENANCE CHARGES

In case the service levels described in Appendix 10 are not complied with, this shall be sanctioned by a reduction in maintenance charges in accordance with the details described in Appendix 10. This reduction shall exclude proportionate reduction in the maintenance charges. In case the same circumstances result in a reduction of maintenance charges as well as a daily penalty for delayed completion of the service level test, the customer shall solely be credited with the larger of these two amounts.

#### 16.2.3 PROPORTIONATE REDUCTION

The general rules of Danish law in respect of proportionate reduction shall apply.

#### 16.2.4 TERMINATION

The customer may solely terminate the contract if serious defects occur during the warranty period and if the defects have not been remedied within a reasonable period of time, cf. Appendix 7. The customer is entitled to limit such cancellation to a part of the contract.

In case of termination, the supplier shall immediately repay the amounts paid by the customer without any deduction for decrease in value or for ordinary use. The customer shall return those parts of the system that are affected by the termination in their present condition at the customer's localities. The supplier shall arrange for disassembling.

However, the customer shall be entitled to use parts of the system until alternative subsystems can be obtained. In that case, the amounts paid by the customer for the parts affected by the termination shall not be repaid before the return is carried through. For the period from the termination until the return, the customer shall pay a reasonable fee for the benefit enjoyed by the customer.

For the parts of the system affected by the termination, any agreement on maintenance shall lapse when the return is carried through.

In case the supplier fails to perform its maintenance obligations to a material extent during the warranty period, the customer is entitled to terminate the contract in whole

or in part. After expiry of the warranty period, the right to terminate shall only apply to the maintenance scheme or parts thereof.

## **17 CONDITIONS RELATING TO THE CUSTOMER**

In case the customer fails to perform its payment obligations under the present contract, the supplier shall be entitled to interest in accordance with the rules of the Interest Act.

Furthermore, the supplier shall be entitled to terminate the present contract, provided that the supplier has submitted a written notice to the customer stating that the customer, in a manner to be further specified in the notice, has failed to perform its payment obligations, and that failure to pay within 40 working days will result in termination of the contract, and subsequently provided that the customer has not fulfilled its payment obligations before expiry of this time limit.

In case one or more time limits are exceeded as a result of conditions relating to the customer, the customer's right to postpone shall be reduced correspondingly.

In case the customer does not contribute to the project as described in Appendix 6 and this results in delays of one or more of the time limits given in the time schedule, cf. Appendix 1, the supplier shall be entitled to an objectively reasoned postponement of its time limits as well as interest on any postponed payments.

The customer shall continuously refund the supplier's documented additional costs resulting from the customer's failure to contribute.

## **18 DAMAGES**

The parties shall be liable to pay damages in accordance with the general rules of Danish law. For conditions that involve payment of penalties, damages may only be claimed to the extent that the customer documents a loss in excess of the penalty. However, in all circumstances, the total amount of the damages and any penalties shall be limited to the system price.

The parties shall not in any case be liable for operating loss, consequential damage, or any other indirect loss. Loss of data shall be regarded as an indirect loss.

The limitations above shall only be applicable if the loss cannot be ascribed to gross negligence or wilful conduct by the party causing the loss.

The supplier's product liability shall be governed by the general rules of Danish law. Furthermore, the supplier shall maintain in force product liability insurance for five years after the acceptance date. The liability for property damage shall be limited to an amount of DKK 5 million for each damage-causing event.

For those parts of the system that are covered by a maintenance agreement, the product liability insurance shall be maintained in force throughout the maintenance period.

## **19 FORCE MAJEURE**

Under the present contract, neither the supplier nor the customer shall be regarded as liable to the other party for circumstances beyond the party's control and which the party, when signing the contract, could not have foreseen (including strikes), or could not have avoided or overcome. Circumstances experienced by a subcontractor shall only be regarded as force majeure in case the subcontractor is faced with an obstacle falling within the first sentence of the present clause and which the supplier could not have avoided or overcome.

Force majeure in the case of delay may only be claimed for the number of working days for which the force majeure situation lasts. In case a time limit for the supplier is postponed as a result of force majeure, the payments associated therewith shall be postponed correspondingly.

Force majeure may only be claimed if the party in question has given written notice thereof to the other party not later than five working days after the occurrence of force majeure.

The party who has not been affected by the force majeure situation is entitled to cancel the contract in case the agreed acceptance date is exceeded by 60 working days as a result of force majeure. In the event of such cancellation, both parties shall return as soon as possible the items they have received from the other party, and no other claims shall then exist between the parties.

## **20 CHANGES WITHOUT THE SUPPLIER'S CONSENT**

In case the customer carries out changes in the system or makes changes in the IT environment contrary to the requirements in Appendix 4 without the supplier's consent, and this has a significant impact on the correct functions of the system, the supplier is entitled to claim future exemption from any obligation in relation to the items delivered, including remedying of defects and carrying out maintenance, to the extent that this is reasonably justified. If the customer reestablishes the original situation, the supplier's obligations shall be restored.

The supplier is entitled to check that the original situation has been reestablished and to claim a reasonable payment for this, calculated according to the time spent.

The supplier hereby gives its prior consent to the customer and/or the customer's service operator carrying out usual maintenance and operation, provided that this does not involve intervention contrary to Appendix 7 and Appendix 9.

## **21 MANDATORY RULES**

The supplier warrants that the goods and services delivered are in compliance with relevant mandatory rules such as these exist at the time of concluding the present contract.

However, specific mandatory rules for the customer and for the customer's sector shall not be complied with unless such rules are described in Appendix 2, or unless a solution for the specific sector in question is delivered.

## **22 RIGHTS IN SOFTWARE AND DOCUMENTATION**

The customer solely acquires a right of use in the software and documentation delivered. This shall apply to standard products as well as adjustments, special developments and the like. The right of use shall be of indefinite duration unless otherwise expressly specified in Appendix 4. The right of use shall also imply a right to carry out further developments and changes unless otherwise specified in Appendix 9.

The customer shall not be entitled to copy software and documentation to a wider extent than necessary for the operation and safety of the system. The customer may assign the operation of the system to a third party.

A more detailed description of the content of the right of use in software and documentation is also given in Appendix 9. However, Appendix 9 cannot be taken as an implication that the specification of requirements will not be complied with.

The purpose of Appendix 9 is exclusively to define the specific content of the right of use, including limitations on the right to assign the right of use. In case Appendix 9 contains other conditions in addition thereto, e.g. in relation to duration, installation, breach of contract, maintenance, warranty, liability, etc., the parties agree that such conditions shall be left out of account in all relations between the supplier and the customer.

In the event that the customer, owing to requirements from subcontractors, is to sign licence terms directly with these, such licence terms shall be disregarded in all relations between the supplier and the customer to the extent that such conditions do not concern the content and extent of the right of use. Thus the supplier shall also indemnify the customer for any claims from subcontractors which rely on the licence terms in question and which are not imposable on the customer under the present contract.

Similarly, the customer shall have the right of use to any change, including updating, of software and documentation delivered under the present contract, e.g. as an element of the maintenance scheme.

## **23 THIRD PARTY'S RIGHTS**

The supplier warrants that the items delivered do not violate the rights of others, including patents and copyrights.

This warranty shall be subject to the condition that the customer notify the supplier in writing immediately when the customer becomes aware of any violation of rights and that the customer assists the supplier during the case to the extent necessary.

## **24 CONFIDENTIALITY**

The parties shall observe confidentiality to the usual extent with regard to all matters that do not fall within general knowledge.

The supplier may include the customer on its list of references, but may not otherwise use the customer's name for marketing purposes.

Following discussion with the supplier, the customer shall decide how the conclusion of the contract is to be made public.

## **25 PROJECT ORGANIZATION**

For the purpose of ensuring optimal performance of the contract, a project organization shall be established as described in Appendix 11.

Until approval of the service level test, neither of the parties may replace its project manager without the other party's consent, unless such replacement is due to the project manager's personal situation, including termination of employment or similar circumstances. The new project manager shall have at least the same overall qualifications.

## **26 ASSIGNMENT**

The customer is entitled to assign its rights and obligations under the present contract to another public institution if the activities previously carried out by the customer are assigned to this other institution, notwithstanding anything contained in Appendix 9.

The supplier cannot assign its rights and obligations under the present contract to a third party without the customer's written consent. The customer may not deny such consent without fair reason.

## **27 USE OF SUBCONTRACTORS**

The supplier cannot leave the performance of the contract to subcontractors to a wider extent than specified in the contract without the customer's written consent. The customer may not deny such consent without fair reason.

## **28 DISPUTES**

The present contract shall be governed by Danish law.

Should any disagreement arise between the parties in connection with the present contract, the parties shall seek to initiate negotiations for the purpose of solving the dispute with a positive, cooperative and responsible attitude. If necessary, efforts shall be made to escalate such negotiations to a high level within the parties' organizations. In case no solution is obtained thereby either, the parties shall seek to obtain an agreement on jointly appointing an independent and expert mediator who may mediate and propose non-binding solutions for solving the dispute.

When the procedure described in the second paragraph hereof has been attempted, either of the parties shall be entitled to demand that the disagreement be solved finally through arbitration.

The arbitration tribunal shall be composed of three members appointed by the president of the High Court within whose jurisdiction the customer's head office is located. The chairman shall fulfil the requirements for being a judge. The parties may submit a recommendation in respect of the two other members, who shall be appointed with proper regard for the special expertise that must be considered desirable for judging the dispute brought before the arbitration tribunal.

Failing a majority decision, the chairman shall have the casting vote.

The arbitration tribunal shall decide its own procedure. The award of the tribunal, which must be reasoned, shall be given as soon as possible and preferably within six months after appointment of the arbitration tribunal.

## **29 RESERVATIONS**

The present contract shall only be binding on the customer provided that the necessary funding is available. The necessary funding must have been made available not later than the date given in Appendix 1, otherwise the supplier shall be released from the contract.

**30 INTERPRETATION**

Any conditions in the tender documents, in the supplier's tender, in previous correspondence etc. which have not been repeated in this contract cannot subsequently be invoked as a basis for the interpretation.

**31 SIGNATURES**

Place:

Date:

For the customer:

Place:

Date:

For the supplier: