Annex 2 – Draft contract

**CONTRACT CONCERNING**

**Solution to Automated Product Information Capturing**

**TABLE OF CONTENTS**

[1 CONTRACTING PARTIES 4](#_Toc48314641)

[2 CONTENT OF THE CONTRACT 4](#_Toc48314642)

[3 CONTRACT SCOPE 4](#_Toc48314643)

[**3.1** **Scope** 4](#_Toc48314644)

[**3.2** **Changes to the contract scope** 4](#_Toc48314645)

[4 THE TERM OF THE CONTRACT 5](#_Toc48314646)

[5 DELIVERY 5](#_Toc48314647)

[**5.1** **Delay** 5](#_Toc48314648)

[**5.2** **Defects** 5](#_Toc48314649)

[6 QUALITY 6](#_Toc48314650)

[7 PRICES AND PRICE ADJUSTMENT 6](#_Toc48314651)

[**7.1** **Price** 6](#_Toc48314652)

[**7.2** **Price adjustment** 7](#_Toc48314653)

[**7.3** **Fees** 7](#_Toc48314654)

[**7.4** **Bonuses for the customer and the customer’s employees** 7](#_Toc48314655)

[8 INVOICING 7](#_Toc48314656)

[9 PAYMENT TERMS 8](#_Toc48314657)

[10 COOPERATION 8](#_Toc48314658)

[11 Support and maintenance 8](#_Toc48314659)

[12 STAFF 8](#_Toc48314660)

[13 SUBCONTRACTORS 9](#_Toc48314661)

[14 Quality assurance 9](#_Toc48314662)

[15 PERSONAL DATA 9](#_Toc48314663)

[**15.1** **The supplier’s handling of personal data** 9](#_Toc48314664)

[16 DUTY OF CONFIDENTIALITY 10](#_Toc48314665)

[17 PUBLICITY 10](#_Toc48314666)

[18 WARRANTY 10](#_Toc48314667)

[19 SUPPLIER’S IMPARTIALITY 10](#_Toc48314668)

[20 RIGHTS 11](#_Toc48314669)

[21 LABOUR CLAUSE 11](#_Toc48314670)

[22 TERMINATION 12](#_Toc48314671)

[**22.1** **Termination of the contract for convenience** 12](#_Toc48314672)

[**22.2** **Termination as a result of a finding or judgement** 12](#_Toc48314673)

[23 INDEPENDENT AGREEMENT 12](#_Toc48314674)

[24 CONTINUED VALIDITY 12](#_Toc48314675)

[25 BREACH OF CONTRACT 12](#_Toc48314676)

[26 FORCE MAJEURE 13](#_Toc48314677)

[27 LIABILITY AND INSURANCE 13](#_Toc48314678)

[28 TRANSFER 14](#_Toc48314679)

[29 APPLICABLE LAW AND JURISDICTION 14](#_Toc48314680)

[30 SIGNATURES 15](#_Toc48314681)

# CONTRACTING PARTIES

This contract has been entered into between the following parties:

Danish Safety Technology Authority

Esbjerg Brygge 30

DK-6700 Esbjerg

27403123.

(hereinafter referred to as “the customer”)

and

[The name of the supplier]

[Address of the supplier]

[Postal code and town]

[Company registration number (VAT-number)]

(hereinafter referred to as “the supplier”)

# CONTENT OF THE CONTRACT

The content of the contract consists of the following documents:

* The contract (this document)
* Annex 1 – Questions, answers and changes to the procurement documents
* Annex 2 – Customer’s requirements specification
* Annex 3 – Supplier’s offer (including any list of offers)

If there is an inconsistency between the contract and the annexes, the contract takes precedence over the annexes. If there is an inconsistency between the annexes, an annex with a lower number takes precedence over an annex with a higher number.

However, any modifications, additions or amendments to the product that are agreed between the parties after the conclusion of this contract will take precedence over the other documents.

Suppliers’ standard terms and conditions do not form part of the contract.

# CONTRACT SCOPE

## **Scope**

The contract covers the delivery of a solution to automated product information capturing for the customer. The product are described in more detail in Annex 2 and 3.

All of the customer’s departments and institutions are covered by the contract.

## **Changes to the contract scope**

To the extent that this does not contravene the applicable procurement rules, the customer may request changes to contract scope.

The customer’s change request must be submitted in writing. The supplier shall then, if so requested by the customer, prepare a draft amendment annex describing any requirements for changes in the contract in regard to price, time and safety or security as a result of the change.

Any amendment to the contract takes effect only once the parties have entered into a written amendment annex to the contract. The supplier is not entitled to additional payment, unless a written amendment annex to the contract entitles the supplier to additional payment.

# THE TERM OF THE CONTRACT

The contract comes into force when it is signed by both parties and expires when delivery has been made, cf. section 5.

# DELIVERY

Delivery shall be performed in accordance with the demands of the customer’s requirements specification and the supplier’s offer.

## **Delay**

If the supplier does not deliver one or more products covered by Annex 3 within the delivery time, there is a delay, unless the delay is due to the customer's circumstances.

There is a delay, regardless of whether it is the entire purchase that is delayed, or just a part of it (partial delay).

#### The supplier's duty to notify and prevent

When a delay occurs, or a delay must be expected, it is the supplier's responsibility immediately to take effective steps to overcome the delay or - if this is not possible - to limit it.

The supplier must also immediately notify the customer in writing if a delay has occurred or can be expected, as well as state the reason for this and the expected duration of the delay. In the notification, the supplier must also state which measures the supplier intends to take with a view to overcoming or limiting the delay.

#### Penalty

If there is delay because of circumstances for which the supplier is liable, the supplier pays a daily fine. The fine is calculated per. working day of the total contract value. The fine is 0.25% per. working day.

Daily penalties for delay cannot exceed 10% of the total contract value. Accrued daily fines are paid weekly after the delay occurs at the written request of the customer. If the supplier has not received a written demand from the customer within 12 months after the agreed takeover date, the customer's right to the fine lapses.

## **Defects**

A defect in the delivery is present if it does not meet the guarantees given by the supplier, or it is does not function as the customer could reasonably expect on the basis of the content of this contract.

If the customer finds a defect, the customer must notify the supplier in writing within a reasonable time.

#### Duty to rectify and re-delivery

The supplier has a duty to initiate rectification of errors and deficiencies without undue delay. However, the supplier may choose to make a re-delivery if rectification is impossible or will impose disproportionate costs on the supplier. Rectification must be done in accordance with good supplier practice.

The supplier bears all costs in connection with the rectification, including costs for reinstallation if there has been a need for re-delivery.

If the supplier after two attempts has tried to rectify in vain, or if the attempts at rectification have not been completed within eight working days after the customer's complaint, the customer may demand re-delivery.

#### Annulment

If the defect in the service and products, produced by the supplier, is significant, the customer may annul the purchase.

If the defect relates to a part of the purchase, the customer is entitled to annul the part of the purchase that includes the defective product[s], unless a partial annulment will be unreasonably burdensome to the supplier.

If the customer wishes to annul all or part of the delivery, the customer must immediately notify the supplier in writing.

# QUALITY

The product covered by the contract shall comply with all applicable directives, laws, other regulatory requirements and industry standards at the time when the contract is entered into and throughout the term of the contract.

The product shall comply with the requirements specification and be in accordance with the supplier’s offer throughout the term of the contract.

The supplier must provide, at the customer's request, detailed information and documentation for the products covered by the contract, including submitting any product data sheets. To the extent that changes are made to product data sheets, the supplier must immediately, and on his own initiative, forward these to the customer.

# PRICES AND PRICE ADJUSTMENT

## **Price**

The prices of the products covered by the contract are specified in Annex 3.

Prices are exclusive of VAT, but inclusive of all forms of fees, charges, disbursement, travel expenses, secretarial assistance, duplication and other office expenses, etc., unless otherwise stated in the offer list and/or the requirements specification.

## **Price adjustment**

The prices are fixed throughout the term of the contract (including any extensions), but adjustments may be made in accordance with section 7.3.

Notification of price adjustments must be sent to Rbp@sik.dk.

If the supplier announces a price adjustment, the updated prices shall be sent together with the notification.

The party who receives a request for a price adjustment shall within 10 days after the receipt of written notice, announce whether the price change is acceptable.

## **Fees**

The parties may at any time request that prices shall be adjusted by the economic net consequence of changes in fees that becomes known after the contract is entered into and which are imposed or removed from the products covered by the contract.

## **Bonuses for the customer and the customer’s employees**

The turnover for this contract shall not form the basis for any payment of bonuses, discounts or any other form of compensation for the customer or the customer’s employees.

# INVOICING

The supplier may request payment once the task has been completed and approved as described in the requirements specification.

Invoicing shall conform to applicable rules concerning electronic settlement with public authorities.

Invoices shall be submitted electronically to the requesting department/institution (cf. EAN number 5798000028005).

The invoice shall include:

* Issue date (invoice date)
* Invoice number (number for identifying the invoice)
* The supplier’s VAT number
* The supplier’s name and address as well as the name and address of the customer
* The customer’s recipient
* Contract or order number (if exists)
* Description of the products provided – each product is described at its own line in the invoice
* Quantity and nature of the products provided
* Price exclusive of VAT
* VAT percentage and amount
* Latest timely payment date

The customer is entitled to reject invoices that are not received electronically, in which the above information is insufficient, or if the invoice is otherwise not in compliance with the Danish Act regarding Public Payments (in Danish: “lov om offentlige betalinger”).

# PAYMENT TERMS

The invoiced amount is due for payment 30 days after a satisfactory invoice has been submitted electronically, cf. section 8.

If the latest payment date does not fall on a banking business day, the payment date is postponed until the next banking day.

In case of late payment, the supplier is entitled to request interest in accordance with the provisions of the Danish Act regarding Interest on Overdue Payments (in Danish: “renteloven”).

# COOPERATION

Each of the parties appoints the employees who are responsible for day-to-day contact in relation to the contract.

The supplier’s responsible persons must keep the customer’s responsible persons informed regularly about the progress of the products covered by the contract.

The parties shall notify each other if during the performance of the contract there arises any uncertainty concerning the conditions, purpose or performance of a product.

The parties shall also notify each other if there is dissatisfaction with the other party’s efforts, work performance or quality of the work.

At a party’s request there shall be conducted a joint evaluation of the cooperation between the supplier and the customer.

# Support and maintenance

Support and maintanence shall be performed in accordance with the demands of the customer’s requirements specification and the supplier’s offer.

# STAFF

The supplier shall appoint the employees (both their own and those of any subcontractors), as specified in the supplier’s offer for performance of the services.

The supplier shall as far as possible avoid replacing employees or making significant changes in the roles of the employees during the performance of the services.

The supplier shall, in case of replacement of an employee, explain the reason for the replacement and appoint a new employee with at least the same professional qualifications as those possessed by the former employee.

The supplier’s replacement of employees must not affect the performance of the services and must not lead to additional costs or delays for the customer. This means, for example, that the customer shall not pay for a new employee to gain insight into the services and the customer’s needs, corresponding to the level of the replaced employee. The customer may reject a new employee if he/she is deemed not to have the same professional qualifications as the original employee.

At the customer’s request, the supplier must replace an employee if the request is reasonably justified.

# SUBCONTRACTORS

The supplier will use the following subcontractors in the performance of the contract:

* [enter name and company registration no. (VAT no.) of the subcontractors specified in the offer]
* [etc.…]

If the supplier has based specific parts of its offer on a subcontractor’s technical and professional capabilities, this subcontractor must perform these specific parts of the services, cf. section 144(3) of the Danish Public Procurement Act.

The supplier shall not without the prior written consent of the customer assign the performance of the contract or parts thereof to subcontractors, replace a subcontractor or change the roles between the supplier and a subcontractor.

When using subcontractors, the supplier guarantees and is liable for the subcontractor’s services to the same extent as the supplier guarantees and is liable for the supplier’s own circumstances.

Under this contract, subcontractors cannot raise any claims against the customer, including claims for payment or compensation.

# Quality assurance

The supplier is obliged to submit, at the customer's request, information on complaints and any recalls, the nature thereof, derived patterns and trends, as well as the supplier's remedial and preventive measures.

This overview is not limited to deliveries to the customer only, but complaints from other customers can be anonymised.

# PERSONAL DATA

## **The supplier’s handling of personal data**

If the supplier handles personal data on behalf of the customer as part of the performance of the contract, the supplier is obliged to ensure that the supplier’s handling of personal data complies with the personal data laws applicable in Denmark at any time – currently in particular the General Data Protection Regulation[[1]](#footnote-1) and the Danish Data Protection Act (in Danish: “databeskyttelsesloven”)[[2]](#footnote-2).

The supplier and its employees are obliged to handle personal data in such a way that guarantees sufficient security and confidentiality, hereunder protects against unauthorized access or use of the personal data, to which the supplier gains access in connection with the performance of the contract. The supplier shall hereunder ensure that personnel, which are authorized to handle personal data in connection with the performance of this contract, are committed to confidentiality or are under a lawful obligation to appropriate duty of confidentiality, cf. section 16.1.

The supplier is not entitled to process personal data independently as part of the performance of the contract for the supplier’s own purposes or to disclose information to third parties, unless such use or disclosure is explicitly required by EU-law or national law.

# DUTY OF CONFIDENTIALITY

The customer is as a public authority subject to applicable public administrative regulations, hereunder the duty of confidentiality, which follows from section 27 of the Danish Act on Public Administration (in Danish: “forvaltningsloven”). When performing tasks for a public authority, the supplier shall undertake a similar duty of confidentiality, cf. section 152a of the Danish Criminal Code (in Danish: “straffeloven”). The supplier shall notify the personnel, which are engaged in the performance of the contract, of this duty of confidentiality.

The customer is furthermore subject to the rules of public access in the public administration, hereunder the rules of public access to documents. After the circumstances, the customer can be entitled and obliged to grant public access to the extent that follows from relevant regulation.

# PUBLICITY

The supplier is entitled to include the customer in a simple reference list, after the performance of the delivery. Any other publicity regarding the content of this contract requires prior written consent of the customer.

# WARRANTY

The supplier guarantees that the deliveries, including any support and service, in all respects meet all requirements of the contract. The warranty period for the individual delivery ends at the same time as the complaint deadline.

However, if the supplier has assumed warranty obligations in addition to the complaint deadline, these warranty obligations will continue to apply until their termination as stated by the supplier.

If, after the time of delivery, the supplier has rectified defects, an independent warranty period applies to these deliveries corresponding to the complaint period calculated from the time of repair or delivery.

# SUPPLIER’S IMPARTIALITY

The supplier guarantees that the supplier has not undertaken, and will not undertake, any task that may cause reasonable doubt about the supplier’s ability to perform duly the services under this contract.

The supplier may in the performance of the services and without being obliged to inform the customer thereof provide advice to or provide services to other customers whose interests may be in conflict with those of the customer, provided that no conflicts of interest arise for the supplier as regards the tasks to be performed for the customer.

The supplier may not engage employees if there is reasonable doubt as to their ability to protect fully the customer’s interests in connection with the performance of the contract. Similar requirements apply to the any of the supplier’s subcontractors and their employees.

The supplier shall immediately notify the customer of any matter, which may question the impartiality of the supplier or any subcontractors.

# RIGHTS

The customer acquires the right of ownership, copyright and any other intellectual property rights to material produced by the supplier in the performance of the services, including reports, any sub-reports, data, supporting documents and survey material. The customer’s acquisition of the rights takes place on an ongoing basis as the supplier prepares the material.

The customer decides whether any reporting should be published and the customer has the exclusive right to publish the results and may also use the material and the results, wholly or in part, in all contexts in which the customer considers it relevant.

The supplier retains right of use relating to the general expertise developed in connection with performance of the task.

The supplier shall secure the necessary rights and permits that are a prerequisite for the services. The supplier is responsible for ensuring that fulfilment of this contract does not violate any third party rights, including ownership or intellectual property rights. The supplier shall indemnify the customer against any claim that may arise as a result of a violation of third-party rights.

# LABOUR CLAUSE

The supplier shall ensure that employees of the supplier and of any eventual subcontractors, which contribute to the fulfilment of the contract, are secured wages (including special benefits), work hours, and other working conditions that are not less beneficial than those that apply to work of equivalent nature in accordance with a collective agreement made between, within the given field, the most representative parties of the labour market in Denmark, and which applies in all of Denmark’s territory. “Contribute to the fulfilment of the contract” means work performed in Denmark for the purpose of fulfilment of the contract.

The supplier must ensure that employees of the supplier and of any subcontractors, which contribute to the fulfilment of the contract, are informed of the terms set out in the labour clause.

The customer may at any time request relevant documentation that the wages and working conditions of the employees comply with the obligations stipulated in the labour clause.

The customer may require that the supplier upon written request provides relevant documentation within 10 working days, such as pay slips and time sheets, payroll accounts and employment contracts, from both the supplier’s own and any subcontractors’ employees.

The customer may seek advice from relevant employers’ and/or employees’ associations in connection with the customer’s assessment of whether the supplier or subcontractors comply with the labour clause.

If the supplier fails to comply with its obligations under the labour clause and this results in a justified claim for additional wages, etc. from the employees, the customer may withhold the supplier’s remuneration in order to settle such claims.

# TERMINATION

## **Termination of the contract for convenience**

Both parties can terminate the contractwith 1 months’ notice. Upon termination of the contract, the supplier may demand payment for the work performed until the termination comes into force.

If the contract is terminated, the parties will not be entitled to any other form of remuneration or compensation, including compensation for operating losses, loss of profits or other indirect losses, other remuneration or the like.

## **Termination as a result of a finding or judgement**

If a court or the Danish Complaints Board for Public Procurement:

* annul the customer’s decision to award this contract to the supplier,
* declares this contract “ineffective”,
* considers an amendment to this contract to be an amendment to the substantial elements that would have required a new contract notice, or
* otherwise orders the customer to terminate this contract, wholly or in part,

this contract may be terminated at any time during the contract term, wholly or in part, by the customer with 30 days’ notice up to the 1st day of a month. Regardless of when the contract is terminated as a result of a finding or a judgement, the supplier cannot claim compensation in such a case.

# INDEPENDENT AGREEMENT

The parties agree that section 22.2 of the contract constitutes an independent agreement between the parties, which is in force, regardless of whether the contract is otherwise declared to be ineffective.

# CONTINUED VALIDITY

All provisions of the contract, which by their nature shall continue notwithstanding termination of the contract, regardless of the grounds for termination, including, but not limited to, provisions regarding liability, rights and duty of confidentiality, shall continue to be in force after the termination of the contract.

# BREACH OF CONTRACT

Each party is required to immediately notify the other party in writing of any breach that has occurred or when a breach is expected to occur and to specify the reason for the breach and the time when the breach is expected to be remedied.

If a party substantially or repeatedly, without each breach being substantial, breaches its obligations under this contract, the other party may terminate this contract in writing.

Each of the following situations shall always be considered as a substantial breach that entitles the customer to terminate the contract by means of written notice to the supplier with immediate effect:

* The supplier enters into restructuring negotiations, or there is other significant degradation of the supplier’s financial situation which jeopardizes the proper performance of the contract.
* The bankruptcy of the supplier, if the bankruptcy estate does not indicate that it will enter into this contract within 10 working days after receiving a written request from the customer.
* The supplier terminates the activities to which the contract relates, or if there are other circumstances that jeopardize the proper performance of the contract.
* Failure to comply with the provisions regarding on quality, cf. section 6.
* Failure to comply with the duty of confidentiality, cf. section 16.
* Failure to comply with the provision on cooperation, cf. section 10.
* Failure to comply with the provisions regarding personal data, cf. section 15.

The above situations are not exhaustive.

Furthermore, the general rules of Danish law on breach of contract apply, including the general rules on delayed or failed delivery. Should the customer choose to terminate the contract for cause, wholly or in part, as a result of delay, the customer is entitled to procure products covered by the contract from third parties (compensatory purchase) at the supplier’s expense. Any additional costs relating to compensatory purchases may be offset any claim against the supplier.

Any failure of the product to fulfil this contract and its associated annexes, or if the product is not as the customer may rightly expect, will in any event constitute a defect in the supplier’s product.

The supplier is obliged, at the customer’s request, to remedy identified defects as soon as possible. If it is not possible to remedy the defect or the supplier has tried in vain and repeatedly to remedy a defect, the customer may instead choose to demand a proportionate reduction in payment to the supplier. The proportionate reduction is determined by the extent and nature of the defect, but cannot exceed the payment for the delivery.

# FORCE MAJEURE

Under this contract, a party is not liable to the other party insofar as the matter is due to circumstances beyond the control of the party and which the party should not have foreseen at the time of the conclusion of this contract, nor could have avoided or overcome after the conclusion of the contract.

The party, who wishes to invoke this force majeure provision, shall notify the other party without undue delay, but no later than 5 working days after the force majeure event has occurred.

If a force majeure situation lasts for more than 40 working days or if the force majeure situation is of such a nature or duration that fulfilment of the contract is considered impossible, the other party is entitled to terminate this contract without notice. None of the parties is liable towards the other party for termination due to force majeure.

# LIABILITY AND INSURANCE

The parties are liable for damages under the general rules of Danish law.

However, the parties may not claim compensation for operating losses, profit losses or other indirect losses.

The supplier is obliged to indemnify the customer for any claim, including legal costs, which may be raised against the customer by third parties and which are caused by errors or defects in the delivery, a product damage or the supplier's damaging behavior.

The supplier must maintain a business and product liability insurance throughout the term of the contract. The scope of coverage of the supplier’s insurance shall correspond to the contract scope and the industry standard.

The supplier shall also have taken out any other statutory insurance, including occupational injury insurance for the employees.

The customer can at any time request documentation of insurance coverage.

# TRANSFER

The customer has the right to transfer its rights and obligations under this contract, wholly or in part, to another public authority.

The supplier may not transfer its rights or obligations under this contract, wholly or in part, to a third party without the written consent of the customer.

# APPLICABLE LAW AND JURISDICTION

This contract is subject to Danish law.

In the event of disagreement between the parties in connection with this contract, the parties shall, with a positive, cooperative, and responsible attitude seek to initiate negotiations aimed at resolving the dispute. If necessary, negotiations shall be escalated to the highest level in the organizations of the parties.

If the parties are unable to reach a settlement by negotiation within 30 days of the first inquiry, on the request of a party, the dispute shall be attempted resolved by mediation led by a mediator appointed by the parties. If the parties have not reached an agreement on the choice of mediator within 10 working days after one of them has requested mediation, any of the parties may apply to the Danish Mediation Institute to appoint a mediator. Mediation shall be conducted in accordance with the rules for handling cases at the Danish Mediation Institute.

Mediation is initiated by one of the parties submitting a written request for mediation to the other party, copying in the Danish Mediation Institute. The mediator shall be appointed within 8 working days after the Danish Mediation Institute has received a request for mediation. At a minimum, the parties are obliged to attend the first meeting called by the mediator. However, each of the parties is entitled to initiate legal proceedings if postponement thereof may lead to forfeiture, for example due to obsolescence.

If, after attempting mediation, the parties are unable to find a solution, each party may at its discretion, initiate litigation. The place of jurisdiction is the customer’s domicile.

# SIGNATURES

**On behalf of the customer On behalf of the supplier**

Date Date

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Signature Signature

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Title and name of signatory Title and name of signatory

1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). [↑](#footnote-ref-1)
2. Act no. 502 of 23 May 2018 on supplementary provisions for a regulation on the protection of individuals with regard to the processing of personal data and on the free movement of such data (the Data Protection Act). [↑](#footnote-ref-2)