

**STANDARD CONDITIONS OF DANISH REGIONS****Version: 01.07.2014**

- for purchase and delivery of consumable products
- for purchase and delivery of technical equipment
- for purchase and delivery of services

1. GENERAL PROVISIONS

- 1.1 These standard conditions were prepared for use in connection with minor purchases made by North Denmark Region, Central Denmark Region, Region of Southern Denmark, Region Zealand and Capital Region of Denmark either individually or jointly.
- 1.2 These standard conditions shall apply to the extent that they are not derogated from by written agreement between the Customer and the Supplier. If the purchase is regulated by a contract or framework agreement, including contracts or framework agreements concluded after a tender procedure, these standard conditions shall only apply if and to the extent this is stated in the contract, the framework agreement or the terms of the tender.
- 1.3 "Customer" shall mean the region(s), a unit/units thereunder or a representative/representatives of such region with which the Supplier concludes an agreement.
- 1.4 "Supplier" shall mean the party with which the Customer concludes a purchase agreement. If the Supplier uses sub-suppliers in connection with the performance of the agreement the Supplier guarantees the performance of the agreement to the same extent as if the Supplier had carried out the delivery itself.
- 1.5 "Service" means the performance of a work task provided by the Supplier or its representative. If, in addition to the work task, the service also includes components, spare parts etc. the relevant provisions in these standard terms for delivery of consumable products and technical equipment shall apply to these components, spare parts etc.
- 1.6 In case of disagreement between the Customer and the Supplier as to whether a product should be classified as a "service", "a consumable product" or "technical equipment" the Customer shall decide such disagreement based on a factual assessment.
- 1.7 "Working day" means Monday to Friday with the exception of Danish national holidays, 24 December, 31 December and Constitution Day (5 June).
- 1.8 The Supplier and its products shall comply with the Danish law in force at any time.
- 1.9 The Supplier, its employees and any sub-suppliers and their employees shall observe unconditional confidentiality with respect to information about the circumstances of the Customer or others of which they obtain knowledge in connection with the performance of this agreement.
- 1.10 The Supplier may use the Customer as ordinary reference. However, the Supplier may not, without prior written consent from the Customer, issue public statements about the agreement or publish any information about its contents and the Supplier may not use the Customer's name for advertising purposes without prior written consent from the Customer.

2. THE CONSIGNMENT**2.1 Quality/quantity**

- 2.1.1 All consignments of consumable products and technical equipment shall be accompanied by a delivery note with product designation and number, quantity, the Customer's order number and the recipient's name and place of delivery.

STANDARD CONDITIONS OF DANISH REGIONS

Version: 01.07.2014

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- for purchase and delivery of technical equipment
- for purchase and delivery of services

- 2.1.2 Services shall be accompanied by a job card with specification of time consumption, transport, any deliveries of products etc. with product designation and quantity, the recipient's name and place of performance and the Customer's order number, EAN number, name of the orderer and personal reference number.
- 2.1.3 Any special safety conditions related to the consignment or parts thereof shall be pointed out to the Customer in writing and the Customer shall be entitled to request special marking of such consumable products and technical equipment.
- 2.1.4 In connection with services involving service, repair etc. the Supplier undertakes to prepare a service report/repair report specifying the service/repair carried out, spare parts replaced, if any, identified faults and how these have been repaired.

2.2 Delivery

- 2.2.1 Delivery shall take place when the consignment of the right quantity and condition is made available to the Customer at the location designated by the Customer.

For technical equipment it is an additional requirement that it is delivered ready for use, but see clauses 2.2.4 - 2.2.6.

It applies especially to services that delivery has taken place when the services have been completed - at the designated location - as agreed, but see clauses 2.2.5 - 2.2.6.

- 2.2.2 It applies to consumable products and technical equipment that the Supplier is under an obligation to arrange and pay for the delivery of the product to the location designated by the Customer. The risk passes at the time of delivery.
- 2.2.3 Upon receipt of consignments of consumable products the Customer has 5 working days to verify whether the consignment fulfils the requirements of the agreement, also with respect to quantities and quality. However, this shall not apply to latent defects. In case of damaged packaging or missing packages the recipient shall immediately notify the carrier and make a note of it on the consignment note or the delivery note. The Supplier shall also be informed.

In addition to clauses 2.2.1 - 2.2.2, clauses 2.2.4 - 2.2.6 shall also apply to technical equipment:

- 2.2.4 If the consignment includes equipment which has to be tested delivery shall be deemed to have taken place when testing has been carried out and the consignment has been found to be in order by written approval from the Customer.

In addition to clauses 2.2.1 - 2.2.2, clauses 2.2.5 - 2.2.6 shall also apply to services:

- 2.2.5 If the consignment or service includes installation and/or assembly and/or programming the Supplier shall notify the Customer in writing when the work is completed. Within 10 working days the Customer shall either approve the performance of the consignment/service in writing or call a meeting for handing over of work, which the Supplier shall be obligated to attend.

If the Supplier does not attend this meeting the Supplier must accept the Customer's conclusions and assessments. The consignment/service shall be deemed to be delivered and the risk to have passed to the Customer when the meeting for handing over of work has taken place unless such meeting has revealed one or several material defects in the consignment/service. The latter provision shall also apply if such meeting

**STANDARD CONDITIONS OF DANISH REGIONS****Version: 01.07.2014**

- for purchase and delivery of consumable products
- for purchase and delivery of technical equipment
- for purchase and delivery of services

for handing over of work has revealed one or several defects which are individually considered immaterial but in combination constitute a material defect.

If one or several material defects have been identified a new meeting for handing over of work shall be held when the Supplier has notified the Customer that the defects have been remedied. The same shall also apply if such meeting for handing over of work has revealed one or several defects which are individually considered immaterial but in combination constitute a material defect. The equipment shall not be deemed to be delivered until the defects have been remedied and the equipment has been reported in writing to be ready for use and the Customer has approved this in writing.

Furthermore, the combination of one or several immaterial defects is considered to be material if such defects are not remedied within 10 working days from the first meeting for handing over of work. Otherwise, notwithstanding the provisions in clauses 2.2.5, 2nd paragraph, the equipment is not deemed to be delivered until the defects have been remedied and the equipment is reported in writing to be ready for use and the Customer has approved this in writing.

The Customer shall not be under an obligation to call a meeting for handing over of work if the delivery deadline agreed between the Parties has been exceeded and the Customer chooses to cancel the purchase, see clause 4.

- 2.2.6 If the Customer starts using the entire consignment or parts thereof before the time of handover, the liability and risk for the consignment or parts used shall pass to the Customer. In such cases, the period of remedy, clause 4.3, shall start at the time when use of the product is initiated.

2.3 Instructions/user manual

- 2.3.1 According to agreement with the Customer, the Supplier undertakes to give instructions to the Customer's employees to the extent such instructions are necessary for the Customer.

In addition to clause 2.3.1, clause 2.3.2 shall also apply to technical equipment:

- 2.3.2. Together with the delivery of the equipment, the Supplier shall also forward at least 2 brief user manuals/operating manuals in Danish for daily use.

The brief instructions in Danish shall be prepared for the following purposes:

1. to have the equipment function as intended,
2. to prevent incorrect use which may damage the equipment and ensure correct cleaning and disinfection etc., and
3. to protect the user and third parties to the greatest possible extent.

Furthermore, a Danish user manual/operating manual shall accompany the equipment if this is more comprehensive or detailed than the above manual.

A set of technical manuals and diagrams prepared in Danish, English or one of the other Scandinavian languages shall also be included in the consignment.

3. PRICE AND PAYMENT**3.1 Price**

- 3.1.1 The agreed prices are net prices exclusive of VAT in Danish kroner but inclusive of any indirect taxes (customs duty etc.).

**STANDARD CONDITIONS OF DANISH REGIONS****Version: 01.07.2014**

- for purchase and delivery of consumable products
- for purchase and delivery of technical equipment
- for purchase and delivery of services

3.1.2 The prices include all costs associated with the consignments, including delivery, installation, service and support etc.

3.2 Payment

3.2.1 The terms of payment are 30 days from date of invoice provided that the Customer has received a complete electronic invoice. The date of invoice shall not be earlier than the date of delivery.

3.2.2 Invoices shall be forwarded electronically in accordance with the statutory requirements in force at any time.

3.2.3 The invoice shall include date of invoice and invoice number, the name, address and CVR number of the Supplier, order number, the Customer's EAN number, personal reference/personal reference number at the Customer, the Customer's name and address, date of delivery, place of delivery, product designation and product number, prices (with and without VAT) and quantity. For services, time consumption, hourly rate and transport, if any, shall be stated.

4. BREACH BY THE SUPPLIER**4.1 Delays**

4.1.1 If the Supplier can expect a delay in delivery or in the performance of a service the Supplier shall immediately notify the Customer in writing stating the reason for the delay as well as the expected duration/extent of the delay.

4.1.2 As soon as the possibility of the Supplier delivering on time or performing the service on time must be considered to be nonexistent and no new delivery date has been agreed the Customer may cancel the purchase.

4.1.3 The Customer considers any delay to be material. Therefore, if the Supplier does not effect delivery at the agreed time or does not perform the service at the agreed time the Customer shall be entitled to cancel the relevant order in whole or in part, irrespective of the duration of the delay.

4.2 Defects

4.2.1 The Supplier shall be liable for faults and defects according to the general rules of Danish law unless otherwise provided in these standard conditions.

4.2.2 Notwithstanding the provision in clause 4.3 regarding remedy, the Customer shall be entitled to reject the consignment and terminate the agreement without notice if the consignment has defects which are not remedied within a reasonable period of time.

4.2.3 Notwithstanding the provision in clause 4.3 on remedy, the Customer shall be entitled to demand that the Supplier pays all documented losses suffered by the Customer as a result of the defective consignment.

4.3 Remedy

4.3.1 For at least 1 year after delivery/approved hand-over/performance of service, the Supplier shall remedy any faults and defects or perform replacement delivery free of charge.

4.3.2 The Supplier undertakes to initiate remedy within 2 Working days, see clause 1.7, after receipt of the Customer's claim.

**STANDARD CONDITIONS OF DANISH REGIONS****Version: 01.07.2014**

- for purchase and delivery of consumable products
- for purchase and delivery of technical equipment
- for purchase and delivery of services

4.3.3 The Supplier shall pay all costs of remedy.

4.3.4 If, despite a written request, the Supplier does not fulfil its remedy obligations, see the above clauses, the Customer shall be entitled to arrange for remedy or replacement delivery at the Supplier's cost after prior or concomitant notification to the Supplier.

In addition to clauses 4.3.1 - 4.3.4, clauses 4.3.5 - 4.3.8 shall also apply to technical equipment:

4.3.5 If, during the 1-year remedy period, any part of the consignment proves to be defective in use due to faults in material or workmanship or it does not function according to the specifications, the Supplier shall repair such faults in material, workmanship or construction at no cost for the Customer. This may take place either by replacement of components, units or defective parts or by performance of the necessary repair of the equipment or units thereof.

4.3.6 If equipment or parts thereof prove to be defective due to a construction fault, the Supplier's obligations under clauses 4.3.1 and 4.3.5 shall extend to the period during which the equipment has a utility value for the Customer - but not more than 10 years after delivery/approved hand-over of the equipment.

4.3.7 If part of the equipment needs to be replaced during the remedy period a new 1-year remedy period shall apply to the replaced part from the time of replacement. If a significant part of the equipment is replaced during the remedy period a new 1-year remedy period shall apply to the entire equipment from the time of replacement.

4.3.8 The Supplier shall be under an obligation to have access to all important spare parts necessary for operation of the equipment comprised by the consignment as long as it has a utility value for the Customer - but maximum 10 years.

4.4 Replacement purchase

4.4.1 If the purchase/order is cancelled the Customer shall be entitled to make a replacement purchase - and for services, have another supplier carry out the service in the same way - in accordance with the general rules of Danish law.

4.5 Third party rights

4.5.1 The Supplier guarantees that the Supplier's delivered services, consumable products and technical equipment do not violate third party rights, including property rights, patents and copyright. The Supplier shall be under an obligation to indemnify the Customer for any claim, including legal costs, raised against the Customer as a result of violation. The Customer shall not agree on a settlement of such claims without involving the Supplier in the process.

4.6 Product liability and liability in damages

4.6.1 In accordance with the general rules of Danish law on damages, Danish Product Liability Act and the general rules of Danish law on product liability, the Supplier shall be liable to the Customer for any loss suffered by the Customer as a result of the consignment or the service. However, a liability limit of DKK 2 million per loss event shall apply to damage to movable property and real property.

4.6.2 The Supplier shall be under an obligation to indemnify the Customer for any claim, including legal costs, raised against the Customer as a result of faults or defects in the consignment/service. The Customer shall not agree on a settlement of such claims without involving the Supplier in the process.

4.6.3 If claims are raised against the Customer due to conditions involving the consignment or service the Supplier shall also be under an obligation to have legal proceedings instituted against it before the court

**STANDARD CONDITIONS OF DANISH REGIONS****Version: 01.07.2014**

- for purchase and delivery of consumable products
- for purchase and delivery of technical equipment
- for purchase and delivery of services

which hears claims for compensation raised against the Customer.

- 4.6.4 The Supplier shall be under an obligation to maintain the usual professional liability insurance and product liability insurance, which shall cover the Supplier's liability for the consignment/service. At the Customer's request, the Supplier shall document the existence and scope of the insurance by presenting the insurance policy and documentation for payment of the premium.

4.7 Force majeure

- 4.7.1 The Supplier shall be liable for breach of the agreement unless such breach is due to circumstances for which the Customer bears the responsibility or risk or is caused by force majeure.
- 4.7.2 A force majeure situation exists when correct performance of the agreement is impossible and when this is due to extraordinary circumstances which the Supplier could not mitigate and ought not to have predicted such as war, unusual natural occurrences, fire, strike or lockout. With respect to strike and lockout it is a condition that these circumstances do not only affect the Supplier's business. The Supplier shall be under an obligation to have an emergency preparedness plan in so far as this is possible.
- 4.7.3 The Customer shall be exempt from liability under the same conditions as the Supplier, see clause 4.7.1.
- 4.7.4 Each party shall bear its own costs and own losses resulting from a force majeure event.
- 4.7.5 If the performance of the agreement or significant parts thereof has been rendered impossible due to force majeure for a period of more than 45 consecutive days or for more than 70 days within a period of 1 year the Customer may choose to terminate the agreement without notice. In such case, clause 4.7.4 shall apply.

5. BREACH BY THE CUSTOMER

- 5.1 If the Customer is not able to receive the consignment or service in whole or in part at the agreed time of delivery or time of performance the Customer shall pay all documented expenses and risks in this connection.
- 5.2 The Customer shall be responsible for notifying the Supplier in writing as soon as it becomes evident that the Customer cannot receive the consignment or service at the agreed time. A new delivery date shall be agreed immediately.
- 5.3 If the Customer does not effect timely payment of the purchase amount or parts thereof interest shall accrue from the due date in accordance with the Danish Interest Rate Act.

6. ASSIGNMENT OF OBLIGATIONS AND RECEIVABLES

- 6.1 The Supplier shall be solely responsible to the Customer.
- 6.2 The Supplier shall only be entitled to be represented by someone else in whole or in part upon written consent from the Customer. The Supplier shall be entitled to use sub-suppliers, which shall be stated at the conclusion of the agreement, but the Supplier shall be fully responsible for correct performance of the consignment. If the Supplier wishes to change sub-suppliers during the agreement period this shall be

**STANDARD CONDITIONS OF DANISH REGIONS****Version: 01.07.2014**

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- for purchase and delivery of technical equipment
- for purchase and delivery of services

approved by the Customer. The Customer cannot refuse approval without a valid reason.

- 6.3 The Supplier shall only be entitled to discount or assign its receivables to a third party in whole or in part upon written consent from the Customer.

7. DISPUTES

- 7.1 This agreement shall be governed by Danish law.
- 7.2 Disputes in connection with the agreement shall be settled by negotiation between the Parties. If the Parties are unable to reach an agreement on this an impartial mediator shall be appointed to solve the dispute. Expenses incurred for such mediator shall be paid by the Parties jointly.
- 7.3 If the dispute cannot be settled by negotiation or a mediator either Party shall be entitled to demand that the dispute is settled by the courts in the Customer's jurisdiction.