

Oktober 2023

Rolling Stock Supply Contract

Between

Lokaltog A/S
Jættevej 50
4100 Ringsted
CVR no.: 26 15 90 40
("Lokaltog")

and

[indsæt]
[indsæt]
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CVR no. [indsæt]
("the Supplier")

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1. INTRODUCTION AND SCOPE OF CONTRACT

This contract sets out the legal conditions concerning Lokaltog's purchase of 14 BEMU trains from the Supplier for the replacement of Lokaltog's IC2 trains in Region Zealand.

In addition to the purchase of 14 trains, the Supplier shall deliver an initial package of reparable components and tools, and 15 years of spare parts supply.

Further, the contract includes the possibility for Lokaltog of buying 10 additional trains in accordance with the conditions of this contract, including 15 years of spare parts supply.

2. PRECEDENCE OF DOCUMENTS

The contract includes the following Appendices:

Appendix 1.1	BEMU and Reparable Components Prices
Appendix 1.2	Maintenance prices
Appendix 1.3	Reference Timetables, Utilization Plans and Energy Consumption Prices
Appendix 2	Requirements Specification
Appendix 3	Lokaltog's Conditions for performing Train Operation
Appendix 4	The Supplier's Offer
Appendix 5	Milestones and Payment Plan
Appendix 6	V&V Requirements
Appendix 7	Preliminary Takeover Requirements
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Appendix 9	Training
Appendix 10	CSR Policy
Appendix 11	Consortium Declaration (if relevant)
Appendix 12	Statement of Support (if relevant)
Appendix 13	Declaration regarding sanctions against Russia

In case of discrepancy between the main body of the contract and the Appendices, the provisions of the main body of the contract shall take precedence.

3. PRICING

3.1 Price

All prices are in EURO and excluding VAT.

The price for the delivery of 14 trains and an initial package of reparable components is EUR **[amount to be inserted]** in accordance with the Supplier's indication in **Appendix 1.1**.

Lokaltog shall buy spare parts from the Supplier in 15 years, and spare part prices are stated in **Appendix 1.2**. Reference is made to clause 13, Spare Parts and Obsolescence Management.

3.2 Indexation

The prices in Appendix 1.1 shall be fixed when signing the contract. However, this shall not apply for the prices for option trains, cf. clause 28.

The prices in Appendix 1.2, and the penalties in clause 17, are subject to indexation every year. The price for option trains, cf. Appendix 1.1, is subject to indexation until the option is exercised. If/when the option is exercised, the price for the option trains shall be fixed.

The index used is the Danish net price index, and index 100 is 2024Q4. The first price regulation shall take effect on 1 January 2026.

Every year in January, the Supplier shall submit to Lokaltog an updated Appendix 1.2, based on the agreed indexation, together with documentation illustrating that the updated prices are calculated in accordance with the contract.

4. **LOKALTOG'S REQUIREMENTS**

The Supplier shall deliver the trains in accordance with Lokaltog's requirements specification in **Appendix 2**.

In addition to fulfilling Lokaltog's requirements in Appendix 2, the Supplier undertakes to ensure that the trains comply with Lokaltog's conditions for performing train operation, specified in **Appendix 3**.

To the extent a specific quality is not specified in this contract with Appendices, the Supplier must apply best industry practice for regional trains in Denmark.

The trains shall comply with the Supplier's offer in **Appendix 4**. However, no obligation or requirement in Appendices 2 and 3 shall be disregarded by the Supplier with reference to the Supplier's offer in Appendix 4, unless this was expressly accepted by Lokaltog when entering this contract.

If the Supplier's offer, cf. Appendix 4, contains additional functionality, higher quality, etc., than necessary to comply with Lokaltog's requirements and operational concept, cf. Appendices 2 and 3, the Supplier is obliged to deliver such additional functionality, higher quality, etc.

5. **AUTHORITY APPROVALS**

It is the Supplier's responsibility to prepare and complete all relevant documents enabling Lokaltog to obtain all necessary authority approvals, permits and authorisations for putting the

trains into passenger operation in Denmark. The documents shall be completed in Danish or English. Lokaltog shall cooperate with the Supplier and shall sign documents and attend meetings with the Supplier and authorities when required in order to obtain the authority approvals.

6. DESIGN PHASE AND PRODUCTION PHASE

Delivery times and milestones are stated in the Milestone and Payment Plan in **Appendix 5**.

Following the signing of this contract, the design phase shall commence. During the design phase, and no later than 3 months after the signing of this contract, the final design of the trains shall be determined by the parties. In the design phase, Lokaltog is entitled to require changes that are not fundamental to the construction of the trains, and which have no, or an insignificant, impact on price or delivery time. By the end of the design phase, Lokaltog shall no longer be entitled to influence the design (design freeze, M3), unless Lokaltog submits a change request according to clause 22. The final design must comply with the provisions of this contract, including Appendices.

In the design phase, and no later than at the time of design freeze, the Supplier shall submit to Lokaltog the V&V plan (verification and validation plan), including as a minimum the tests and requirements listed in **Appendix 6**, for Lokaltog's approval. Further, the Supplier shall submit to Lokaltog a detailed time schedule, which includes dates for the tests, homologation process and delivery of the trains. The Supplier's detailed time schedule must comply with the Milestone and payment plan in Appendix 5 and must include a delivery flow of max. 3 trains per month.

During the production phase, the Supplier shall conduct the tests specified in the V&V plan. When a test has been completed, the Supplier shall submit to Lokaltog a test report documenting that a test has been successfully completed.

Further, the parties shall meet (physically or online, as required) every 3 months, and the Supplier shall report on the status of the production of the trains, including give a description of the tests conducted since last report, and including an indication of whether the Supplier complies with the milestone and payment plan in Appendix 5. If the Supplier is in delay, the Supplier shall describe which mitigating actions the Supplier will take to minimize the delay. In addition to the meeting, Lokaltog is – in case of delay – entitled, free of cost, to request a report describing the delay and the mitigating actions.

As regards homologation testing and other testing performed by the Supplier, Lokaltog shall provide, free of cost, the necessary depot and track access when such testing is performed on Lokaltog's infrastructure in accordance with the provisions of this contract.

7. DELIVERY AND TEST PHASE

7.1 Preliminary Takeover

The Supplier shall deliver the homologated trains at the Lokaltog workshop in Hårlev, in accordance with the Milestone and Payment Plan in Appendix 5 and the Supplier's detailed time schedule submitted to Lokaltog upon design freeze (M3), cf. clause 6.

No later than 5 calendar days after the delivery of a train, the Supplier shall demonstrate that the train complies with the preliminary takeover requirements in **Appendix 7**. For the preliminary takeover testing, Lokaltog shall provide, free of cost, a competent driver and track access. Upon the successful demonstration of compliance with the requirements in Appendix 7, Lokaltog shall issue a preliminary takeover certificate to the Supplier.

Upon issuance of the preliminary takeover certificate and Lokaltog's payment of the corresponding milestone payment, the risk of loss or damage to the train in question, as well as the ownership and title to the train, shall pass to Lokaltog, and a test phase shall commence.

7.2 Test Phase and Final Takeover

The test phase shall commence upon the preliminary takeover of a train. During the test phase, the train in question shall operate with passengers in a continuous period of 90,000 km or 6 months (whichever comes first) without the defects described in Appendix 8 and complying with the final takeover requirements in **Appendix 8**. Upon successful demonstration of compliance with the requirements in Appendix 8, Lokaltog shall issue a final takeover certificate to the Supplier.

8. SUPPLIER'S ORGANIZATION AND KEY RESOURCES

The Supplier has specified its organization and key resources in the Supplier's offer in Appendix 4.

The Supplier is not allowed to change the project organization described in the Supplier's offer, cf. Appendix 4, without Lokaltog's prior written accept.

The project manager, cf. Appendix 4, shall give priority to tasks within this contract.

The Supplier is not allowed to replace any key resources without the prior written consent of Lokaltog. However, this does not apply if the key resource is absent due to illness, maternity leave or resignation.

In any event, new key resources must have equivalent competencies, qualifications and experience as the former key resource, and the new key resource is subject to Lokaltog's written accept, which accept may not be unreasonably withheld.

If the Supplier does not comply with the obligations in this clause 8, the Supplier shall pay a penalty in accordance with clause 17.8.

9. TRAINING

The Supplier shall provide training for Lokaltog's loco drivers and maintenance staff in accordance with the requirements in **Appendix 9** and the Supplier's V&V plan in Appendix 6.

10. CSR AND QUALITY MANAGEMENT

The Supplier shall comply with Lokaltog's CSR Policy, as set out in **Appendix 10**, and shall ensure compliance with ISO9001 or an equivalent quality management system.

11. DOCUMENTATION

11.1 Documentation

No later than 1 month before preliminary takeover of the first train, cf. clause 7.1, the Supplier shall deliver to Lokaltog all documentation, including a documentation plan, relevant for the trains and their intended use (M10 in Appendix 5). The documentation must, as a minimum, include the documentation stated in the Supplier's V&V Plan and the below-mentioned documents:

- Spare Parts list, including Supplier part name, Supplier part number, description and quantity in the train (Danish or English)
- List of maintenance kits per inspection type, including a list of materials included in each maintenance kit (Danish or English)
- All documentation related to the homologation of the trains (English)
- Maintenance Schedule (Danish)
- Maintenance Instructions (Danish)
- Operating Manual (Danish)
- Technical Descriptions (Danish or English)
- Circuit Diagrams and Schematics (Danish or English)
- Safety Manual (Danish)
- Prerequisites of Maintenance (Danish)
- Evacuation instructions (Danish)
- List of safety critical components (Danish)
- A safety history of the train platform (Danish or English)

11.2 Lokaltog's right to use the documentation

Lokaltog is, without additional payment, entitled to use the documentation. This free right to use the documentation includes:

- A right to disclose necessary documentation to third parties, including competitors to the Supplier, acting on behalf of Lokaltog in connection with preventive and corrective maintenance, alterations, incorporation of new systems in the trains, etc.
- A right to copy, store, amend and supplement the documentation.
- A right to disclose necessary documentation to tenderers, including competitors to the Supplier, participating in tendering procedures conducted by Lokaltog.

If Lokaltog discloses necessary documentation to third parties, the third party shall enter into a non-disclosure agreement with Lokaltog. The Supplier is entitled to request information about which documentation is disclosed to a third party in accordance with this clause.

Lokaltog's free right to use the documentation includes the right to transfer the right to use the documentation to a third party buying or leasing the trains from Lokaltog, cf. clause 27.

11.3 Additional conditions until 7 years after PTO

During the first 7 years after PTO of the first train, the following shall apply in addition to the above. If Lokaltog considers disclosing documentation to competitors to the Supplier within the field of manufacturing trains or considers disclosing documentation as part of a public procurement procedure, Lokaltog shall initiate a constructive dialogue with the Supplier on the type and technical level of documentation necessary to meet Lokaltog's objectives. The dialogue shall in good faith include the possibility of excluding parts of the necessary documentation if disclosure of the documentation has a potentially significant negative impact on the Supplier. The Supplier shall provide substantiated grounds on how disclosure has a potentially significant negative impact on the Supplier.

If the parties do not agree on which documentation could be disclosed, either party shall be entitled to request the Danish Institute of Arbitration to propose an expert in accordance with the Institute's Rules for the Proposal of Experts in force at the time of the request. The parties shall share the costs of the expert and shall undertake to participate in an expeditious process and to act in accordance with the decision of the expert.

12. MAINTENANCE

From the issuance of the preliminary takeover certificate for the first train, Lokaltog shall perform preventive maintenance in accordance with the maintenance schedule provided by the Supplier in Appendix 1.2, and in accordance with the detailed, written maintenance instructions provided by the Supplier no later than 1 month prior to the delivery of the first train, cf. clause 11.1.

If the Supplier implements optimizations of the maintenance of the train platform in other contracts, the Supplier shall, to the extent possible, offer to implement these optimizations in

the maintenance plan and maintenance instructions provided to Lokaltog under this contract. In case of optimization, the Supplier shall provide Lokaltog with the necessary documentation requested by relevant authorities, and the Supplier shall submit to Lokaltog updated documentation. All optimizations shall be handled as a change request, cf. clause 22.

Until 15 years after the issuance of the final takeover certificate for the last train, Lokaltog is not – without a written accept from the Supplier – entitled to change the maintenance cycle or perform preventive maintenance which conflicts with the Supplier's maintenance instructions.

13. SPARE PARTS AND OBSOLESCENCE MANAGEMENT

13.1 Spare Parts, etc.

Until 15 years after the final takeover of the last train, Lokaltog is obliged to buy spare parts for preventive maintenance from the Supplier and shall not be entitled to buy such spare parts from third parties. This obligation does not apply to C-parts and consumables such as cable strips, bolts, nuts, screws, spacers, liquids, etc.

The Supplier shall deliver the materials for preventive maintenance in maintenance kits prepared by the Supplier for each inspection type and the prices and delivery times for the maintenance kits are specified in Appendix 1.2, "Material Price". The delivery times and prices are binding on the Supplier until 15 years after the final takeover of the last train.

The prices in Appendix 1.2 are subject to indexation, cf. clause 3.2, and if the Supplier does not deliver the maintenance kits in accordance with the delivery times stated in Appendix 1.2, the Supplier is subject to pay penalties, cf. clause 17.7.

Upon expiry of the 15-year period after final takeover of the last train, Lokaltog shall neither be obliged nor entitled to buy spare parts for preventive maintenance from the Supplier under this contract.

13.2 Obsolescence Management

Until 15 years after final takeover of the last train, the Supplier shall perform obsolescence management for the reparable components and spare parts necessary for the preventive maintenance of the trains. No later than 3 months before delivery of the first train, the Supplier shall submit to Lokaltog a description of the Supplier's obsolescence management process, including a specification of the resource responsible for the obsolescence management.

If a reparable component or a spare part necessary for the preventive maintenance is about to become obsolete, the Supplier shall inform Lokaltog, and the Supplier shall in due time ensure the sourcing or development of a replacement part with similar quality, function, and product life cycle as the obsolete part, at no extra cost to Lokaltog.

The Supplier shall provide Lokaltog with a datasheet of the replacement part, together with an updated list of test equipment, reparable components, tools, and spare parts.

After 15 years after final takeover of the last train, and for as long as the trains under this contract are in service, the Supplier shall ensure that test equipment, reparable components, special tools, and spare parts necessary for the operation and preventive maintenance of the trains can be manufactured and delivered to Lokaltog, and that the test equipment, reparable components, special tools, and spare parts have equivalent or better quality and product life cycle as the similar units in Appendix 1.1 and Appendix 1.2.

14. SITE VISITS

14.1 Lokaltog's right to site visits

Subject to 14 days' notice, Lokaltog, or/and a third-party advisor on behalf of Lokaltog, are entitled to inspect the trains under construction at the Supplier's or sub-supplier's production facilities. When submitting the notice, Lokaltog shall inform the Supplier which third party advisor, if any, will inspect the trains, and the Supplier shall within 5 days be entitled to refuse the third-party advisor in question if the Supplier has reasonable grounds to do so.

During a site visit, the Supplier shall ensure that relevant personnel and documentation is available to Lokaltog, and the Supplier shall answer the questions asked.

14.2 Lokaltog's right to attend tests

Lokaltog or/and a third-party advisor on behalf of Lokaltog are entitled to attend all tests conducted by the Supplier to establish that the trains are functioning and complying with the contract obligations. The Supplier shall notify Lokaltog of relevant tests with a reasonable notice, enabling Lokaltog to attend the tests. Lokaltog shall inform the Supplier which third-party advisor, if any, will attend the test, and the Supplier shall within 5 days be entitled to refuse the third-party advisor in question if the Supplier has reasonable grounds to do so.

15. WARRANTIES

15.1 General Warranty

The Supplier warrants that the trains comply with the requirements in this contract, including Appendices.

15.2 Defects Warranty

The Supplier warrants that the trains, reparable components, special tools, and spare parts under this contract are free of defects.

- Trains: from the issuance of the preliminary takeover certificate and until 2 years after issuance of the final takeover certificate, unless an extended warranty applies for a specific part of the delivered train, cf. clause 15.3; and
- Components reparable: 2 years after the unit has been delivered, unless an extended warranty applies for a specific component reparable, cf. clause 15.3; and
- Special tools and spare parts: 2 years after the unit has been delivered.

The Supplier shall have access to Lokaltog's workshop facility in Hårlev in connection with the handling of the defects.

If the Supplier's sub-suppliers offer a longer warranty period than set out in this clause, this longer warranty period shall apply under this contract between Lokaltog and the Supplier as well.

In case of replacement of an item, a new warranty period shall apply for the replaced item. However, no warranty obligation (warranty or re-warranty) shall apply after 48 months after the beginning of the original warranty period. For items covered by an extended defects warranty, see clause 15.3.

The defects warranty shall not apply if the defect is caused by vandalism, infrastructure or other events outside the Supplier's control.

15.3 Extended Defects Warranty

The following extended defects warranty periods shall apply to specific parts of the delivered trains and to the delivered components reparable, cf. Appendix 1.1:

Wheels	(5 years after delivery)
Converter	(5 years after delivery)
Inverter	(5 years after delivery)
Painting	(6 years after delivery)
Corrosion Car Body	(7 years after delivery)
Complete door set	(7 years after delivery)
Gear box	(7 years after delivery)
Axle reversing gear	(7 years after delivery)
Traction motor	(7 years after delivery)
Gangway	(7 years after delivery)
Infotainment system	(7 years after delivery)
HVAC	(7 years after delivery)
CCTV	(7 years after delivery)
Toilet system	(7 years after delivery)
Front Couplers	(7 years after delivery)
Pantograph	(7 years after delivery)

Braking System	(7 years after delivery)
Driver's seat	(7 years after delivery)
Wheel Axles	(15 years after delivery)
Battery Packs	(15 years after delivery)
Complete sliding steps	(15 years after delivery)
Car Body	(lifetime on structural damage)
Bogie Frames	(lifetime on structural damage)

These extended warranties apply to the wheels, converters etc. installed in the delivered trains and delivered as part of the initial delivery of components reparable, cf. Appendix 1.1. In case of replacement of one of the above-mentioned items, a new warranty period shall apply for the replaced item for the remaining time of the extended warranty period.

Until 2 years after final take over, the Supplier undertakes to remedy a defect covered by an extended warranty period within a reasonable response period and at no extra cost to Lokaltog, cf. clause 21. Thereafter and until the expiry of the extended defects warranty period, the Supplier's sole obligation under the extended defects warranty is to deliver free of costs and within a reasonable response period the replacement item, or to repair the item in accordance with clause 21.

After the expiry of the extended warranty period, an ordinary 2-year warranty, cf. clause 15.2, apply to wheels, converters, etc., delivered separately after the delivery of the trains. However, if the Supplier's sub-suppliers offer a longer warranty period, this longer warranty period shall apply under this contract between Lokaltog and the Supplier as well.

15.4 Preventive Maintenance Warranty

The Supplier warrants that each train complies with the preventive maintenance obligations and the yearly prices stated in Appendix 1.2 (column S in the sheet "Hours for maintenance" and column R in the sheet "Materiale Price"), from the issuance of the preliminary takeover certificate and until 15 years after the issuance of the final takeover certificate.

Lokaltog will keep record of the maintenance for each train and Lokaltog shall submit the maintenance records to the Supplier every 3 months.

Each year, the parties shall meet and go through the maintenance records. If the trains do not comply with the maintenance obligations and prices in Appendix 1.2, the Supplier is subject to pay penalties, cf. clause 17.3, and the Supplier is obliged to conduct relevant corrections to ensure compliance with the maintenance obligations and prices. The Supplier shall have access to Lokaltog's workshop facility in Hårlev in connection with the handling of the corrections.

New penalties apply every year in the event of non-compliance with the maintenance obligations.

15.5 Reference Timetable and Utilization Plan Warranty

From the issuance of the preliminary takeover certificate and until 15 years after the issuance of the final takeover certificate, the Supplier warrants that each train complies with Lokaltog's reference timetables and utilization plans in Appendix 1.3. If a train does not comply with the reference timetable and utilization plan warranty, the Supplier is subject to pay penalties, cf. clause 17.4.

15.6 MDBF Warranty

MDBF means Mean Distance Between Failure and a failure in this context is a failure which results in the train being taken out of service for more than 24 hours.

From the issuance of the preliminary takeover certificate and until 15 years after the issuance of the final takeover certificate, the Supplier warrants that the MDBF for each train is min. 45,000 km. If a train does not comply with the MDBF warranty, the Supplier is subject to pay penalties, cf. clause 17.5.

15.7 Energy Consumption Warranty

The Supplier warrants that each train complies with the energy consumption obligations in Appendix 1.3 (the total energy consumption in blue cells in column E in each of the reference timetables A, B and C) from the issuance of the preliminary takeover certificate and until 15 years after the issuance of the final takeover certificate.

Lokaltog will keep record of the energy consumption for each train, and Lokaltog shall submit the energy consumption records to the Supplier every 3 months.

Each year, the parties shall meet and go through the energy consumption records. If the trains do not comply with the energy consumption obligations in Appendix 1.3, the Supplier is subject to pay penalties, cf. clause 17.6, and the Supplier is obliged to conduct relevant corrections to ensure compliance with the energy consumption obligations. The Supplier shall have access to Lokaltog's workshop facility in Hårlev in connection with the handling of the corrections.

New penalties apply every year in the event of non-compliance with the energy consumption obligations.

15.8 Third Party Rights

The Supplier warrants that the trains, spare parts, tools, and reparable components under this contract do not infringe third party rights. If any third party submits claims against Lokaltog, Lokaltog will immediately notify the Supplier, and the Supplier shall defend Lokaltog at the Supplier's cost and indemnify Lokaltog in every respect.

16. PAYMENT PLAN AND GUARANTEES

16.1 Payment Plan

Lokaltog shall pay the contract price in accordance with the Milestone and Payment Plan in Appendix 5, which includes the following payment milestones:

- | | | |
|-------|--------------------------------------------------------|------|
| • M1 | Contract signing, insurances and performance guarantee | 20 % |
| • M4 | Inspection of main systems, etc. | 20 % |
| • M8 | Homologation documentation sent | 15 % |
| • M12 | Preliminary takeover, per train | 15 % |
| • M14 | Final takeover, per train | 20 % |
| • M15 | Final takeover, last train | 10 % |

As for the reparable components and documentation to be delivered 1 month before preliminary takeover of the first train (M10), the full contract price related specifically to the purchase of these items shall be paid by Lokaltog at milestone M10, cf. the Milestone and Payment Plan in Appendix 5.

16.2 Performance Guarantee

To ensure the Supplier's performance of all obligations under this contract, the Supplier shall no later than 10 working days after signing the contract provide an on-demand performance guarantee at an amount corresponding to 10 % of the contract price.

The guarantor must be rated A- or equivalent by at least two of the three rating institutions Moody's, Standard & Poor's or Fitch, and the guarantor and guarantee shall be subject to Lokaltog's approval.

The performance guarantee shall be reduced to 3 % of the contract price at final takeover of the last train. The performance guarantee shall remain in force until 2 years after final takeover of the last train.

16.3 Payment Guarantees

Upon payment of milestone payments M1, M4 and M8, cf. the Milestone and Payment Plan in Appendix 5, the Supplier shall provide Lokaltog with an on-demand advance payment guarantee equivalent to the amount of the milestone payment in question.

The guarantor must be rated A- or equivalent by at least two of the three rating institutions Moody's, Standard & Poor's or Fitch, and the guarantor and guarantee shall be subject to Lokaltog's approval.

All the payment guarantees will be released upon the preliminary takeover of the last train (M12-P5, last train).

16.4 Invoicing

Prior to forwarding an invoice regarding payment milestones, the Supplier shall document that the corresponding payment guarantee has been provided and send to Lokaltog a draft invoice for Lokaltog's approval within 10 working days.

If the Supplier is a Danish entity, the Supplier shall submit approved invoices electronically in accordance with the OIOUBL standard. If the Supplier is not a Danish entity, the Supplier is entitled to submit approved invoices in electronic format by e-mail.

Lokaltog shall pay the Supplier's approved invoices no later than 30 days after Lokaltog has received the approved invoice.

If Lokaltog claims penalties, damages, interest, or other claims under this contract, Lokaltog is entitled to set-off against the Supplier's invoices in accordance with Danish law.

17. DELAY AND PENALTIES

17.1 General

The payment of penalties does not release the Supplier from its obligations under this contract.

17.2 Delay and Delay Penalty

If the delivery of the trains is delayed, and this is due to Lokaltog, the Supplier is entitled to an extension of time, as well as payment for documented extra costs.

If the Supplier does not deliver the trains in accordance with milestone M12-1 in the Milestone and Payment Plan in Appendix 5, and the Supplier's detailed time schedule, cf. clause 6, and this is not due to Lokaltog, the Supplier shall pay a penalty to Lokaltog.

Penalties are accrued separately for each delayed train and the penalty per calendar day per delayed train is EUR 1,500.

The aggregate sum of penalties for delay shall not exceed EUR 7 million.

If the Supplier anticipates a delay, the Supplier shall immediately notify Lokaltog and submit a correction plan, including a description of the Supplier's mitigating actions.

17.3 Preventive Maintenance Penalty

From the issuance of the preliminary takeover certificate and until 15 years after the issuance of the final takeover certificate for each train, the Supplier is subject to pay a yearly penalty of EUR 30,000 per train if the preventive maintenance obligations and yearly prices in Appendix 1.2 are not met for the train in question. Reference is made to the preventive maintenance warranty in clause 15.4.

Each year, the parties shall meet and go through the maintenance records for all trains. If a train does not comply with the preventive maintenance obligations and yearly prices in Appendix 1.2, the Supplier is subject to pay the above-mentioned penalty. Penalties are accrued separately for each train. New penalties apply every year in the event of non-compliance with the maintenance obligations.

17.4 Reference Timetable and Utilization Plan Penalty

From the issuance of the preliminary takeover certificate and until 15 years after the issuance of the final takeover certificate for each train, the Supplier is subject to pay a yearly penalty of EUR 15,000 per train if a train does not comply with Lokaltog's reference timetables and utilization plans in Appendix 1.3.

In the event of disagreement as to whether a train complies with the reference timetables and utilization plans, the Supplier shall perform test drives of the reference timetables and utilization plans similar to the PTO test drives, cf. clause 7.1. If the train is able to perform the test drives, Lokaltog shall not be entitled to penalties and shall reimburse the Supplier's documented, reasonable expenses for preparing and conducting the test drives.

Penalties are accrued separately for each train, and new penalties apply every year in the event of non-compliance with the timetables.

17.5 MDBF Penalty

From the issuance of the preliminary takeover certificate and until 15 years after the issuance of the final takeover certificate for each train, the Supplier is subject to pay a penalty of EUR 1,500 per calendar day each time a train does not comply with the MDBF warranty in clause 15.6 and until the train is available for service again.

A new penalty applies each time there is less than 45,000 km between two failures.

17.6 Energy Consumption Penalty

From the issuance of the preliminary takeover certificate and until 15 years after the issuance of the final takeover certificate for each train, the Supplier is subject to pay a yearly penalty if the energy consumption obligations in Appendix 1.3 (the total energy consumption in blue cells

in column E in each of the reference timetables A, B and C) are not met for the train in question. Reference is made to the energy consumption warranty in clause 15.7.

The penalty per train per year is:

EUR 7,000 if the energy consumption exceeds the obligations in Appendix 1.3 by 0.1-5 %
EUR 15,000 if the energy consumption exceeds the obligations in Appendix 1.3 by 5.1-10 %
EUR 25,000 if the energy consumption exceeds the obligations in Appendix 1.3 by 10.1-15 %
etc.

Each year, the parties shall meet and go through the energy consumption records for all trains. If a train does not comply to the energy consumption obligations in Appendix 1.3, the Supplier is subject to pay the above-mentioned penalty. Penalties are accrued separately for each train. New penalties apply every year in the event of non-compliance with the energy consumption obligations.

In the event of disagreement as to whether a train complies with the energy consumption obligations in Appendix 1.3, the Supplier shall perform test drives of the reference timetable with "full load" of the train, cf. Appendix 1.3. If the train is able to perform the test drives while complying with the energy consumption stated in Appendix 1.3, Lokaltog shall not be entitled to penalties and shall reimburse the Supplier's documented, reasonable expenses for preparing and conducting the test drives.

17.7 Spare Parts Penalty

If the Supplier does not comply with the maintenance kit delivery times stated in Appendix 1.2, the Supplier shall pay a penalty of EUR 1,500 per calendar day until the maintenance kit in question has been delivered.

17.8 Key Resources Penalty

If, during the first 5 years after the signing of the contract, the Supplier does not comply with a key resource obligation in clause 8, the Supplier shall pay a penalty of EUR 7,000.

18. LIABILITY

18.1 Liability

The Parties' liability under this contract shall be decided in accordance with Danish law, and the Supplier shall also be liable for injury and damages caused by the Supplier's sub-suppliers of any tier.

The Supplier shall indemnify Lokaltog in every respect if a third party makes a claim against Lokaltog for which the Supplier is liable.

18.2 Joint and Several Liability

If the Supplier is a group of entities (e.g., a consortium) these entities shall be jointly and severally liable for the performance of this contract. Reference is made to the consortium declaration in **Appendix 11**.

If the Supplier, during the prequalification phase, has relied on the economic and financial resources of a third party, the third party shall be jointly and severally liable for the performance of this contract. Reference is made to the statement of support in **Appendix 12**.

18.3 Damages

The parties are entitled to damages according to Danish law.

To the extent a loss is covered by the payment of penalties, Lokaltog cannot claim damages.

18.4 Indirect Loss

The parties shall not be liable to each other for loss of profit, consequential loss, or any similar indirect loss. This shall not apply, however, in case of wilful misconduct or gross negligence.

18.5 Liability Cap

The parties' liability is limited to a maximum of EUR 15 million. This does not apply, however, in case of

- the Supplier' breach of third-party rights, cf. clause 15.8,
- gross negligence or wilful misconduct.

19. **INSURANCE**

19.1 Property Insurance

The Supplier must take out a property insurance in a reputable insurance company, covering loss or damage to the trains until preliminary takeover. The property insurance shall cover the replacement value of the trains.

No later than 14 days after the signing of this contract, the Supplier shall provide Lokaltog with an insurance certificate, confirming that the property insurance complies with the requirements of this contract and that it is in full force and effect.

19.2 Transportation Insurance

To the extent that transportation of the trains to the delivery place in Denmark is not covered by the Supplier's property insurance, the Supplier shall take out a marine cargo insurance, or similar insurance, in a reputable insurance company, covering the total loss or damage to the trains while in transit to the delivery place in Denmark and until preliminary takeover. The marine cargo insurance shall cover the replacement value of the trains.

No later than 1 month before commencement of the transportation of the trains, the Supplier shall provide Lokaltog with an insurance certificate, confirming that the marine cargo insurance has been taken out and that the insurance complies with the requirements of this contract and is in full force and effect.

19.3 Liability Insurance

The Supplier shall take out a liability insurance with an insurance sum of minimum EUR 15 million covering any liability, including product liability, of the Supplier, or parties acting on the Supplier's behalf, for loss or damage arising out of the execution of this contract. Lokaltog shall be named as additional insured, and the liability insurance shall be extended to cover cross liability between Lokaltog and the Supplier.

No later than 14 days after the signing of this contract, the Supplier shall provide Lokaltog with an insurance certificate, confirming that the liability insurance complies with the requirements of this contract and that it is in full force and effect.

The liability insurance shall remain in force until 5 years after final takeover of the last train.

20. SUB-SUPPLIERS

The Supplier is entitled to use sub-suppliers for the performance of parts of the obligations under this contract, but the Supplier shall not subcontract the contract in its entirety.

The Supplier shall be fully responsible and liable for acts and omissions of sub-suppliers of any tier, as well as for products delivered by such sub-suppliers, cf. clause 18.1.

Upon conclusion of the contract, the Supplier shall provide Lokaltog with a list of the major sub-suppliers, which the Supplier will use for construction of the trains.

Any change of major sub-suppliers used for the construction of the trains during the contract is subject to Lokaltog's prior written approval.

Change of sub-suppliers, on which the Supplier has relied during the prequalification process or as part of the Supplier's offer, may only take place if the new sub-supplier has equivalent competencies and qualifications, and if the new sub-supplier undertakes the same

responsibilities and liabilities as the former sub-supplier. The change of a sub-supplier is subject to Lokaltog's written approval.

21. DEFECTS

When becoming aware of a defect during the warranty period or the extended warranty period, Lokaltog shall notify the Supplier without undue delay. As soon as possible, and no later than 14 days after receipt of the notification from Lokaltog, the Supplier shall submit to Lokaltog a preliminary rectification plan, and, after 14 additional days, the Supplier shall submit to Lokaltog a detailed rectification plan.

In the 2-year warranty period, cf. clause 15.2, the Supplier undertakes to remedy the defect within a reasonable response period and at no extra cost to Lokaltog, and the Supplier shall provide documentation to Lokaltog that the defect has been remedied. Further, the Supplier shall update relevant documentation and software, and – if necessary – testing and certificates.

The Supplier shall have access to Lokaltog's workshop facility in Hårlev in connection with the handling of the defects.

If the Supplier does not remedy the defect within a reasonable response period and Lokaltog has submitted an additional 48 hours' written notice, Lokaltog is entitled to remedy the defect itself or by using a third party at the Supplier's expense.

For items with an extended warranty period, cf. clause 15.3, the Supplier undertakes to remedy the defect within a reasonable response period and at no extra cost to Lokaltog until 2 years after final take over. Thereafter and until the expiry of the extended warranty period, the Supplier undertakes to either deliver free of costs a replacement item without conducting the remedial work or to repair the item within a reasonable response period and in accordance with this clause 21. See clause 15.3.

22. CHANGE MANAGEMENT

22.1 Changes

Both parties are entitled to request changes to the deliveries of this contract.

Changes require a signed agreement. If the Supplier has made a change without a signed agreement, the Supplier shall not be entitled to payment, and the Supplier is obliged to reverse the work and bring it back to its original condition on Lokaltog's demand.

When Lokaltog requests a change, the change request process shall commence by Lokaltog submitting a change request to the Supplier, describing the requested change.

As soon as possible, and preferably no later than 15 working days later, the Supplier shall return to Lokaltog with a detailed description of the change to be performed and any consequential impact on the performance of the contract. It is the Supplier's responsibility that the change does not compromise the TSI compliance or the ability to obtain any approvals by the authorities. If the Supplier documents that the requested change compromises the TSI compliance or the ability to obtain approvals by the authorities, the Supplier is entitled to reject the change request.

The Supplier's detailed description must contain an account of the price increase or price decrease, including the underlying calculations, broken down into units, hours, etc. If the Supplier estimates that the change will have a negative impact on the delivery times specified in the Milestone and Payment Plan in Appendix 5 and the Supplier's detailed time schedule, cf. clause 6, the Supplier shall explain and document the delay.

The price may not exceed the lowest published price offered by the Supplier for identical units, for example, on the Supplier's webpage or in the Supplier's price list, and may in no event exceed the open market price.

In case of disagreement on a change request, the negotiation procedure in clause 32.2 shall apply. In urgent cases, and if the disagreement mainly is related to the price, Lokaltog may require – before the negotiation procedure is completed – that the Supplier performs the work in accordance with the change request in order to avoid delay.

22.2 Changes in Legislation

The Supplier's performance of the work under this contract shall comply with legislation and other mandatory public requirements and standards in force at any time.

In case of changes to legislation, other mandatory public requirements and standards, and ECTS, cf. requirement no. 3.6 in Appendix 2, after the signing of this contract, and provided the Supplier was not aware or should have been aware of said changes when signing the contract, the Supplier shall be entitled to reimbursement of any documented consequential additional costs incurred. Further, the Supplier shall be entitled to an extension of time, provided that the Supplier documents that the extension of time is necessary as a consequence of the change.

23. INTELLECTUAL PROPERTY RIGHTS

By the entering into this contract, Lokaltog obtains a royalty-free, unlimited and transferable right to use all and any intellectual property right belonging to the Supplier required for Lokaltog's application and operations of the trains and other deliverables under this contract.

This right includes application, operation, maintenance, repair, modification, updating, adaption, service, revision, change, and enhancement of the trains and other deliverables under this contract.

The Supplier confirms to have the proprietary rights, or the unlimited rights of use, including the rights to transfer such rights of use, to all required and assumed intellectual property rights to be able to grant these rights to Lokaltog.

No transfer of ownership of intellectual property rights are intended by this clause.

24. DATA PROTECTION

If the activities performed under this contract involve personal data, the parties agree that they generally act as separate controllers for the processing of personal data and are obligated as such in accordance with 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 and free movement of personal data (Data Protection Regulation).

In the event that the processing of personal data is necessary for the Supplier's delivery of trains and associated services, e.g., in connection with the Wi-Fi solution in the trains, the Supplier will, however, act as Data Processor as this term is defined in the Data Protection Regulation.

The parties shall in such event, and without separate payment to the Supplier, enter into a Data Processing Agreement in accordance with Article 28 of the Data Protection Regulation.

The Data Processing Agreement shall be based on the Danish Data Protection Agency's template. The parties shall not commence the processing of personal data until the Data Processing Agreement has been entered.

The Supplier shall as Data Processor ensure to only process data in accordance with Lokaltog's instructions as Data Controller, provided that such instructions are not in breach with any data protection and privacy legislation in force from time to time which apply to the processing of personal data under the Data Processor Agreement.

The parties' liability for claims made by data subjects or by any third parties due to a breach of any data protection and privacy legislation applicable to processings covered by a Data Processor Agreement entered between the parties shall be settled in accordance with the provisions laid down in – or the principles following from – article 82 of the Data Protection Regulation.

25. CONFIDENTIALITY

The parties shall keep strictly confidential any information relating to this contract. However, the parties shall be entitled to share information with sub-suppliers or advisors to the extent such sharing of information is necessary for the sub-supplier and advisors to conduct their work. The parties shall impose on sub-suppliers and advisors a similar obligation regarding confidentiality.

Notwithstanding the obligations to keep information confidential, this obligation shall not in any way limit the rights according to clauses 11 and 23.

Furthermore, a party is entitled to disclose information which is otherwise confidential if and to the extent the disclosure is required by applicable law or a decision from a court or a public authority.

The confidentiality shall remain in force after expiry of this contract.

26. STATEMENTS TO THE PUBLIC, ETC.

Any press release or publicity regarding Lokaltog's purchase of trains shall only be made by Lokaltog. Lokaltog's statements in this respect shall be loyal to the Supplier.

The Supplier is not entitled to use Lokaltog, or Lokaltog's purchase of trains from the Supplier, for advertising without the prior written consent of Lokaltog. However, the Supplier is entitled to include Lokaltog in a list of references.

27. ASSIGNMENT OF RIGHTS AND OBLIGATIONS

27.1 General

The Supplier is not entitled to assign its rights and obligations under this contract without the prior written consent from Lokaltog.

Lokaltog is entitled to assign its rights and obligations pursuant to this contract to another Lokaltog group entity, to regional or state authorities, and to other public bodies wholly or partly financed by public funding.

Furthermore, Lokaltog is entitled to assign its rights and obligations pursuant to this contract to a third party acquiring, leasing or otherwise obtaining the right of use to the trains. This includes the right to hand over to the third party all documentation regarding the trains which Lokaltog is entitled to according to this contract. In this situation, clause 11.3 shall not apply.

27.2 Lokaltog's Outsourcing of Maintenance

If Lokaltog outsources the maintenance of the trains to a third party, Lokaltog shall ensure that the rights and obligations in clauses 12 and 13 are transferred to the third-party maintenance company.

If Lokaltog outsources the maintenance of the trains to a third party, clause 11 regarding documentation shall apply.

28. OPTION

Lokaltog is entitled to order 2-10 additional trains in accordance with the conditions of this contract. Lokaltog may order the additional trains in 1 order no later than 1 December 2026.

The prices for the additional trains are stated in the Price Schedule in Appendix 1.1, and the prices are subject to indexation in accordance with clause 3.2.

The prices for spare parts supply for the additional trains shall be the same as the prices for spare parts supply for the first 14 trains (Appendix 1.2), and the prices are subject to indexation in accordance with clause 3.2.

The delivery time for the additional trains is to be decided by the Supplier but shall in no event exceed the longest delivery time stated in the Supplier's detailed time schedule, cf. clause 6, and the delivery flow may not exceed 3 trains per month. The Milestone and Payment Plan in Appendix 5 applies with the corrections resulting from the fact that the date of contract signing for the option trains is different from the date of contract signing for the first 14 trains.

If the option is exercised, the penalty cap in clause 17.2 and the liability cap in clause 18.5 shall be increased proportionately, i.e., if Lokaltog buys 5 option trains, the caps shall be increased by 5/14.

29. TERMINATION

29.1 Termination for Convenience

Neither party shall be entitled to terminate the contract for convenience.

29.2 Termination for Cause

After having provided a written notice and allowed the other party a reasonable period of time for remediation, a party may terminate the contract if the other party commits material breach of the contract.

The following non-exhaustive list of events shall be regarded as material breach by the Supplier:

- a) In the event of bankruptcy of the Supplier, the Supplier's ultimate parent company, or a third party on which the Supplier has relied on financially and economically, or if the Supplier, the Supplier's ultimate parent company, or a third party on which the Supplier has relied on financially and economically enters into financial restructuring or enters into negotiations for an arrangement with creditors.
- b) If the Supplier does not in due time submit one or more of the guarantees, cf. clause 16, or does not in due time take out one or more of the insurance policies, cf. clause 19.

c) If the penalty cap in clause 17.2 or the liability cap in clause 18.5 is exceeded.

In case of termination for cause, the parties shall be liable for any loss incurred by the other party in accordance with Danish law. However, the liability cap in clause 18.5 shall apply in this situation.

29.3 Termination due to breach of public procurement law

Lokaltog is entitled to terminate this contract, fully or partially, and subject to a reasonable notice if the Danish Complaints Board for Public Procurement or the courts annul Lokaltog's decision to enter into this contract, declare the contract ineffective, or order Lokaltog to terminate this contract in other respects.

The Supplier's claim for damages shall be settled in accordance with Danish law. Lokaltog shall in no event be liable for loss of profit, loss of production, or similar indirect loss.

However, in case the Supplier, upon signing this contract, anticipated, or should have anticipated, an obvious infringement of the procurement rules, the Supplier shall not be entitled to claim damages. The same applies if Lokaltog's termination of the contract is based on circumstances related to the Supplier's liability.

Furthermore, Lokaltog is entitled to terminate this contract, fully or partially, and subject to a reasonable notice, if the Supplier at the time of award of the contract was, or throughout the duration of the contract becomes, subject to a compulsory ground for exclusion in accordance with sections 134a, 135 and 136 of the Public Procurement Act (in Danish "udbudsløven") and the Supplier is not able to provide satisfactory documentation for the Supplier's reliability, cf. section 138 of the Public Procurement Act.

The Supplier is not entitled to any damages for loss in connection with termination based on sections 134a, 135 and 136 of the Public Procurement Act.

30. IMPORT AND EXPORT CONTROL

30.1 Import Control

The Supplier shall comply with the import control regulation of Denmark and the European Union, including **Appendix 13** regarding sanctions against Russia, when performing its obligations under this contract.

In the event of violation of this obligation, the Supplier shall indemnify Lokaltog in accordance with Danish law.

30.2 Export Control

Any future transfer from Lokaltog to a third party of the deliveries under this contract must comply with the export control regulation of Denmark and the European Union at the time of the transfer.

In the event of violation of this obligation, Lokaltog shall indemnify the Supplier in accordance with Danish law.

31. **FORCE MAJEURE**

If contractual performance is hindered by a force majeure event, the parties' obligations towards each other shall be suspended for the duration of the force majeure event, provided that the force majeure event is notified to the other party as soon as the party in question finds that a force majeure event have occurred.

A force majeure event is an event that

- is outside the parties' control; and
- has a certain qualified nature such as war, natural disasters, etc.; and
- was not reasonably foreseeable; and
- is not possible to overcome by reasonable measures.

For the avoidance of doubt, local strikes and local industrial disputes shall not be considered force majeure.

If the force majeure event continues for more than 180 days, each of the parties shall be entitled to terminate the contract and Lokaltog shall pay an amount equivalent to the deliveries received.

The parties shall not have any other claims against the other party.

32. **GOVERNING LAW AND DISPUTE RESOLUTION**

32.1 Governing Law

This contract shall be governed by Danish law, excluding rules on the choice of law and excluding the United Nations Convention on the International Sales of Goods (CISG).

32.2 Negotiations

The parties shall attempt to solve disputes through negotiations between the parties' project managers. If the dispute is not settled by the parties' project managers, the parties shall escalate the dispute to management representatives of the parties.

Lokaltog's project manager: Lars Kolding
Lokaltog's management representative: Kenneth Juul

Supplier's project manager: **[name]**
Supplier's management representative: **[name]**

Arbitral proceedings may not be initiated until the above-mentioned negotiations have been conducted.

32.3 Arbitration

Any dispute arising out of or in connection with this contract, including any disputes regarding its existence, validity, or termination, shall be finally settled by arbitration administered by the Danish Institute of Arbitration in accordance with the rules of arbitration adopted by the Board of the Danish Institute of Arbitration and in force at the time when the proceedings are commenced.

The arbitral tribunal shall be composed of three arbitrators appointed by the Danish Institute of Arbitration.

The place of arbitration shall be Copenhagen, and the procedural language shall be Danish, in writing as well as orally. However, foreign witnesses may be examined in English, and exhibits may be submitted in English.

32.4 Court proceedings or arbitral proceedings against third parties

The Supplier accepts that other parties may also be parties to the above-mentioned arbitration.

Further, the Supplier accepts to be joined as a party to court proceedings or arbitration proceedings between Lokaltog and other parties in disputes related to this contract.

Name:
Title:

Name:
Title:

Name:
Title:

Name:
Title: