

# FRAMEWORK AGREEMENT

NCIA/NFPF/.....

Between

**NATO COMMUNICATIONS AND INFORMATION AGENCY**

Represented by

**THE GENERAL MANAGER, THE NCI AGENCY**

And

| THE NFP ORGANIZATION |

For

| ..... |

Current as of November 2023

## TABLE OF CONTENTS

### SIGNATURE PAGE

NOT - FOR PROFIT FRAMEWORK AGREEMENT WITH THE NCI AGENCY .....	1
PART I - SPECIAL PROVISIONS .....	2
1. TERM .....	2
2. DEFINITIONS .....	2
3. ELIGIBLE PURCHASERS .....	3
4. ORDERING PROCEDURE .....	3
5. PRICES .....	4
6. WARRANTY .....	4
7. PAYMENTS .....	4
8. MISCELLANEOUS .....	4
9. NFP ORGANISATION PERSONNEL WORKING AT PURCHASER'S FACILITIES.....	6
10. PURCHASER FURNISHED PROPERTY.....	6
11. INDEMNIFICATION.....	7
12. INSPECTION, ACCEPTANCE AND REJECTION OF SERVICES.....	7
13. PRICE FIXING.....	8
14. TAXES AND DUTIES .....	9
15. INVOICES .....	10
16. CHANGES.....	10
17. PURCHASER DELAY OF WORK .....	11
18. STOP WORK ORDER.....	12
19. ORDER OF PRECEDENCE .....	12
20. APPLICABLE LAW .....	13
21. DISPUTES AND ARBITRATION .....	13
22. DELAYS IN DELIVERY .....	14
23. TERMINATION FOR CONVENIENCE OF THE PURCHASER.....	14
24. SUB-CONTRACTS.....	17
25. INTELLECTUAL PROPERTY.....	17
26. CLAIMS .....	19
27. RELEASE OF CLAIMS.....	20
28. EXTRAS .....	21
29. LANGUAGE.....	21
30. SECURITY .....	21
31. HEALTH, SAFETY AND ACCIDENT PREVENTION.....	22
32. RELEASE OF INFORMATION .....	23
33. FORCE MAJEURE .....	23
34. NFP ORGANISATION'S RESPONSIBILITY ON ACCURACY OF ITS'S DATA.....	23
EXHIBIT A – PREFERRED CUSTOMER CERTIFICATE .....	24
EXHIBIT B –TASK ORDER (Template) .....	25
Statement of Work.....	27

## NOT - FOR PROFIT FRAMEWORK AGREEMENT WITH THE NCI AGENCY

[THE NFP ORGANISATION] and NATO COMMUNICATIONS AND INFORMATION AGENCY (The NCI Agency) represented by the General Manager agree that the Terms and Conditions contained in this Agreement ("Agreement"), shall govern the sale or licensing of Products and Services (as later defined) ordered under this Agreement.

[THE NFP ORGANISATION] has entered into this Agreement for and on behalf of itself. The geographic scope of this Agreement shall extend to the current member countries of the North Atlantic Treaty.

This Agreement establishes the Terms and Conditions under which The NCI Agency may request services from NFP Organisations. The General Terms and Conditions part of this agreement shall be superseded by the online version of the General NFP Terms and Conditions that will be made available by The NCI Agency on its website and kept current. This Agreement does not obligate NFP Organisation to provide any services unless an Order has been executed. The following Sections and Exhibits contained in the Agreement form an integral part thereof:

- Part I -- Special Provisions
- Part II -- General Provisions
- Exhibit A -- Preferred Customer Certificate
- Exhibit B -- Task Order (Template)

[THE NFP ORGANISATION] and The NCI Agency have read this Agreement, understand it, and agrees to be bound by its Terms and Conditions or any modification included and mutually agreed in the specific Task Orders. The NCI Agency and [THE NFP ORGANISATION] further agrees that this Agreement constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior proposals, negotiations, and communications, oral and written between the Parties or their representatives. Deviations from this Agreement shall be binding only when mutually agreed in writing by the Authorised Representatives of The NCI Agency and [THE NFP ORGANISATION].

Orders placed referencing this Agreement are subject exclusively to its terms which may only be amended or supplemented by written agreement of [THE NFP ORGANISATION] and Eligible Purchasers.

The NCI Agency  
Boulevard Leopold III  
B-1110 Brussels, Belgium

[THE NFP ORGANISATION]  
[ADDRESS]

\_\_\_\_\_  
Title:  
Date:

\_\_\_\_\_  
Title:  
Date:

## PART I - SPECIAL PROVISIONS

### 1. TERM

- 1.1 This Agreement shall become effective (the "Effective Date") upon the date of last signature by the Parties. It will automatically expire after 5 (five) years from the signature date. Should either Party wish to terminate the Agreement, it has to communicate its intention to the other Party in written form with 30 (thirty) days' notice.
- 1.2 Any expiration or termination of this Agreement will not alter the rights, duties and obligations of NFP Organisation or Purchaser, or any discounts granted, for any Orders accepted by NFP Organisation under this Agreement prior to the date of expiration or termination of the Agreement. Such Orders shall remain governed by the present Agreement until their full completion.

### 2. DEFINITIONS

- 2.1 "Authorised Representative of NFP Organisation" means | please specify position. |
- 2.2 "Authorised Representative of NATO, NATO Body or NATO Member Nation" means the General Manager, the Chief of Acquisition of The NCI Agency and any designated representative of an Eligible Purchaser.
- 2.3 "Contract" means a mutually binding legal relationship obligating the Contractor to furnish the supplies or services and the Purchaser to pay for them. A contract, except as otherwise authorised, is in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and bilateral contract modifications.
- 2.4 "Contractor" means any entity working on a project for any Eligible Purchaser.
- 2.5 "Deliverable" means any and all goods (including movable and immovable goods) to be delivered pursuant to the terms of this Contract including, without limitation components, intermediate assemblies, parts, end products, hardware, documentation, data, software.
- 2.6 "Effective Date" is the date specified on the signature page when the Initial Term of this Agreement begins.
- 2.7 "Eligible Purchaser" or "Purchaser" means the entity identified in paragraph 3 which may benefit of the Terms and Conditions of this agreement, if they express so in any subsequent agreement between them and NFP Organisation.
- 2.8 "Governmental Agency" means any governmental agency, including military forces, of a NATO Member Nation.
- 2.9 "Member Nation" means any of the Member Nations of NATO.
- 2.10 "NATO" means the North Atlantic Treaty Organisation.

- 2.11 "NATO Body" means any entity created by the North Atlantic Council (or Defence Planning Committee) and to which either the Agreement on the Status of the North Atlantic Treaty Organisation, National Representatives and International Staff (20 September 1951) or the Protocol on the Status of International Military Headquarters set up pursuant to the North Atlantic Treaty (28th August 1952) applies.
- 2.12 "Order" means any instrument or document, e.g. Purchase Order or Task Order, used for the procuring of Products or Services under this Agreement.
- 2.13 "Parties" means The NCI Agency and NFP Organisation.
- 2.14 "Partnership for Peace (PfP) Countries" means those countries who are signatories to the Partnership for Peace Agreement dated 10 January 1994.
- 2.14.1 "Facilities" means premises and their furnished equipment.
- 2.15 "Services" means all items included in the 'List of Product and Services Categories considered for NFP Framework Application' of the relevant 'Procedures governing the use of NFP Framework Agreements'.
- 2.16 "Standard Terms and Conditions" are the Terms and Conditions contained in this Agreement.
- 2.17 "Sub-contract" means any Agreement, Contract or Order made by NFP Organisation with any other party in order to fulfil any part of an Order.
- 2.18 "Sub-contractor" means any party directly or indirectly under a "sub-contract".

### **3. ELIGIBLE PURCHASERS**

- 3.1 The following entities are eligible to reference and use the terms and conditions of this Agreement, subject to the provisions specified in paragraph 4:
  - 3.1.1 All NATO Bodies
  - 3.1.2 Governmental Agencies of NATO Member Nations as per 2.8 above
- 3.2 Partnership for Peace Countries may be eligible to the Terms and Conditions of this Agreement, subject to a case-by-case agreement between The NCI Agency and NFP Organisation.

### **4. ORDERING PROCEDURE**

- 4.1 All Orders under this Agreement shall contain, as a minimum, the information detailed in Exhibit B, and shall be subject to acceptance by NFP Organisation.
  - 4.1.1 Orders may be placed with NFP Organisation for the Products or Services identified in the NFP Categories of Products and Services List. Orders may be placed hereunder for Products or Services not included herein, subject to determination of availability and price by NFP Organisation.

- 4.1.2** NFP Organisation accepts that The NCI Agency shall not be liable in any form for any Order issued and concluded between a Purchaser, other than by The NCI Agency itself, and NFP Organisation.

- 4.2** Assignment: Authorised Representatives of NATO, NATO Bodies or NATO Member Nations may assign Orders at their discretion provided there is no further change to the terms of the Order, especially as regards payment. NFP Organisation reserves the right to approve any assignment.

## **5. PRICES**

- 5.1** All Products prices shall be quoted as firm fixed prices.

## **6. WARRANTY**

- 6.1** Software Warranty. NFP Organisation warrants that each Software delivered will conform to all requirements specified in the Order. This will also include Software design specifications, including software configuration. Regardless of the Purchaser initiation of or participation in developing Software design or specifications, each Software delivered under this Contract will conform to the essential Performance requirements set forth in this Contract, as those essential Performance requirements measured, tested, and verified by tests and procedures set forth in the Order. For each Software delivered the Contractor Warranties shall extend to all defects discovered within 12 (twelve) months from the date of acceptance of the Software by the Purchaser.

- 6.2** People Warranty. NFP Organization warrants to provide qualified personnel, as specified in the Order. Should the person(s) be unable or unwilling to perform the tasks specified in the Order, as determined by the Purchaser within a reasonable timeframe, the Purchaser shall notify the NFP Organization of the performance issue, and the NFP Organization shall have 15 (fifteen) calendar days to correct the issue with the incumbent. If the NFP Organization is unable to correct the performance issue within this time period, the NFP Organization warrants to provide a suitable replacement within 30 (thirty) days. Nothing in this clause shall prevent Purchaser from requiring the immediate removal of NFP Organization personnel for misconduct or security concerns.

## **7. PAYMENTS**

- 7.1** Valid invoices (properly supported and certified) may be submitted to the Purchaser upon acceptance and payment will be made within 30 (thirty) days from receipt of such invoices, unless otherwise agreed between NFP Organisation and the Purchaser. The payment terms for Services shall be specified on each Order.

- 7.2** Payment of invoices shall be made to the NFP Organisation's designated financial institution.

## **8. MISCELLANEOUS**

- 8.1** Failure by either Party to enforce any provision shall not be deemed a waiver of future enforcement of that or any other provision. In the event that any portion or provision of this Agreement shall be held unenforceable or one is declared void, the remaining portions and/or provisions of this Agreement shall remain in full force and effect.

- 8.2** NFP Organisation may only re-assign any Order under this Agreement to a third party with the prior written approval by Purchaser, which will not be unreasonably withheld. NFP Organisation or their legal successor shall always be responsible for their obligations under this Agreement and for actions of their assigned representatives.
- 8.3** All notice and communications between NFP Organisation and the Purchaser shall be written and conducted in English.
- 8.4** Formal communications shall be personally delivered or sent by email, registered mail, email, courier or other delivery service to the following official point of contact (until change of notice shall be given):
- 8.4.1** NFP Organisation
- Name: *to be inserted by the NFP Organisation*  
Department: *[to be inserted by the NFP Organisation]*  
Address: *[to be inserted by the NFP Organisation]*  
e-mail: *[to be inserted by the NFP Organisation]*
- 8.4.2** The NCI Agency
- Name: Acquisition Office  
Department: NFPP Programme  
Address: NATO HQ  
Boulevard Léopold III  
B-1110 Brussels, Belgium  
e-mail: [NFPF@ncia.nato.int](mailto:NFPF@ncia.nato.int)

**PART II - GENERAL PROVISIONS (to be superseded by the online version that will be made available by the NCI Agency on its website and kept current)**

**9. NFP ORGANISATION PERSONNEL WORKING AT PURCHASER'S FACILITIES**

- 9.1** The term "Purchaser Facilities" as used in this clause shall be deemed to include sites, property, utilities, ships or vessels owned or controlled by NATO, NATO Bodies or NATO Member Nations or NATO Contractor and the term "Facility Representative" shall be deemed to refer to the authority designated by the Representative responsible for such site, property, utility, ship or vessel.
- 9.2** The Facility Representative shall provide such available administrative and technical facilities for NFP Organisation's personnel working at the Purchaser's Facilities for the purpose of the Agreement as in the opinion of the Facility Representative may be necessary for the effective and economical discharge of work under this Agreement. These facilities may be provided at no cost at the discretion of the Facility Representative. NFP Organisation shall be responsible for ascertaining what necessary facilities may be provided and whether they will be provided free of charge, or determining what charges are payable.
- 9.3** NFP Organisation shall, except as otherwise provided for in the Agreement, make good or, at the option of the Purchaser, pay compensation for all damage occurring to any Purchaser's Facilities occasioned by NFP Organisation or by their servants, agents or subcontractors, arising from their presence on Purchaser Facilities in connection with the Agreement; provided that this Condition shall not apply to the extent that NFP Organisation is able to show that any such damage was not caused by NFP Organisation's neglect or default, or the neglect or default of NFP Organisation's servants, agents or subcontractors.
- 9.4** All property of NFP Organisation while at a Purchaser Facility shall be at risk of NFP Organisation and the Purchaser shall accept no liability for any loss or damage, except to the extent that any loss or damage is the result of a wilful act, negligence or default on the part of the Purchaser's employees or agents.

**10. PURCHASER FURNISHED PROPERTY**

- 10.1** The term "Purchaser Furnished Property" as used in this clause refers to any item of Hardware, material, document, technical data, information and Software or any other item of property furnished by the Purchaser to the NFP Organisation required or useful for the performance of the Task Order.
- 10.2** In the event that Purchaser Furnished Property is received by NFP Organisation in a condition not suitable for its intended use, NFP Organisation shall immediately notify the Purchaser. The Purchaser shall within a reasonable time of receipt of such notice replace, re-issue, authorise repair or otherwise issue instructions for the disposal of Purchaser Furnished Property agreed to be unsuitable. The Purchaser shall, upon timely written request by NFP Organisation, equitably adjust any affected provision of the Order pursuant to the procedures of the "Changes" clause hereof.

- 10.3** Title to Purchaser Furnished Property shall remain in the Purchaser. NFP Organisation shall maintain adequate property control records of Purchaser Furnished Property in accordance with sound industrial practice.
- 10.4** Unless otherwise provided in the Order, NFP Organisation, upon delivery to them of any Purchaser Furnished Property, assumes the risk of, and shall be responsible for, any loss thereof or damage thereof except for reasonable wear and tear, and except to the extent that such property is consumed in the performance of the Order.
- 10.5** Upon completion of the Order, or at such earlier dates as may be specified by the Purchaser, NFP Organisation shall submit, in a form acceptable to the Purchaser, inventory schedules covering all items of Purchaser Furnished Property not consumed in the performance of the Order or not theretofore returned to the Purchaser. NFP Organisation shall prepare for shipment, deliver FOB origin, or otherwise dispose of Purchaser Furnished Property as may be directed or authorised by the Purchaser. The net proceeds of any such disposal shall be credited to the contract price or paid in such other manner as the Purchaser may direct.
- 10.6** NFP Organisation shall not modify any Purchaser Furnished Property unless specifically authorised by the Purchaser or directed by the terms of the Order.

## **11. INDEMNIFICATION**

- 11.1** NFP Organisation shall indemnify and hold the Purchaser harmless against claims for injury to NFP Organisation employees, agents, or subcontractors, or damages to property of NFP Organisation or others arising from NFP Organisation's possession or use of Purchaser Furnished Property or Facilities in the performance of work as specified in an Order; except to the extent that NFP Organisation is able to show any such injury or damage was caused by Purchaser's wilful act or negligence.

## **12. INSPECTION, ACCEPTANCE AND REJECTION OF SERVICES**

- 12.1** Unless otherwise specifically provided for in the Order, all Services covered by this Agreement, shall be provided in a professional manner consistent with industry standards and specific Key Performance Indicators in the Order, if any.
- 12.2** The Purchaser has the right to inspect and test all Services called for by the Order, to the extent practicable at all places and times during the term of the Order. The Purchaser shall perform inspections and tests in a manner that will not unduly delay the work.
- 12.3** If any of the Services performed do not conform with 12.1 above or any other Order requirements, the Purchaser may require the Contractor to perform the Services again in conformity with such requirements, for no additional fee. When the defects of Services in design, material, workmanship or manufacturing quality, or otherwise not in conformity with the requirements of the Order, cannot be corrected by reperformance, the Purchaser may:
  - 12.3.1** Require the Contractor to take necessary action to ensure that future performance conforms to Order requirements; and
  - 12.3.2** Reduce any fee payable under the Order to reflect the reduced value of the Services performed.

- 12.4** If the Contractor fails to promptly perform the Services again or take the action necessary to ensure future performance in conformity with Order requirements, the Purchaser may:
- 12.4.1** By Order or otherwise, perform the Services and reduce any fee payable by an amount that is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute within the meaning of the clause of this Agreement entitled "Disputes"; or
- 12.4.2** Terminate the contract for convenience as provided in the clause of this Agreement entitled "Termination for Convenience of the Purchaser".
- 12.5** Acceptance of Services shall take place when the Purchaser confirms their acceptance in accordance with the procedure specified in the Order, or if none is so specified then the Purchaser shall be deemed to have accepted the Services without prejudice to any other remedies, when the Purchaser has not exercised its right of rejection of the Services within any period
- 12.6** The Contractor shall provide and maintain an inspection system acceptable to the Purchaser covering the Services under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Purchaser during contract performance and for as long afterwards as the Order requires.

### **13. PRICE FIXING**

- 13.1** Offers for sole source procurement, changes, modifications, and claims in excess of €500,000 (EUR Five Hundred Thousand) shall be priced in accordance with this provision and the Purchaser's Pricing Principles as set out in Appendix 1 to this provision, or the National Government Pricing Rules and Regulations for NFP Organisation's own country where in force.
- 13.1.1** For the purposes of verifying that cost or pricing data submitted in conjunction with paragraph 13.1 above are accurate, complete and current, the Purchaser shall, until the expiration of 3 (three) years from the date of final payment of all sums due under the Agreement, have the right of access to the NFP Organisation's facilities to examine those books, records, documents and other supporting data. This may permit adequate evaluation and verification of the cost or pricing data submitted along with the computations and projections used therein which were available to the NFP Organisation as of the date of the NFP Organisation's price proposal.
- 13.2** Price Reduction for Defective Cost or Pricing Data.
- 13.2.1** If any price, including profit or fee, negotiated in connection with this Agreement or any cost reimbursable under this Agreement was increased by any significant sums because:
- 13.2.1.1** NFP Organisation furnished cost or pricing data that was not complete, accurate and current as certified in NFP Organisation's Certificate of Current Cost or Pricing Data provided in accordance with paragraph 13.1.
- 13.2.2** Then the price or cost shall be reduced accordingly and the Order shall be modified in writing as may be necessary to reflect such reductions.

### 13.3 Certificate of Current Cost or Pricing Data.

- 13.3.1** At the time of negotiating any price, including profit or fee, NFP Organisation shall be required to submit a Certificate of Current Cost or Pricing Data as required by Exhibit A.
- 13.3.2** Such Certificate will certify that, to the best of the NFP Organisation's knowledge and belief, cost or pricing data submitted to the Purchaser in support of any proposal for a price, price adjustment or claim, are accurate, complete and current, as per the completion of the negotiations or, in the case of a claim, as per the submission date of the claim.
- 13.3.3** All such certificates shall be in the format shown below and shall be dated and signed by a responsible officer of the NFP Organisation. It is the NFP Organisation's responsibility to ensure a responsible officer is designated.

#### CERTIFICATE OF CURRENT COST OR PRICING DATA

This is to certify that, to the best of my knowledge and belief, cost or pricing data as submitted, either actually or by specific identification in writing to the Purchaser or their representative in support of \_\_\_\_\_ are accurate, complete and current as of \_\_\_\_\_.

Day/ month/ year

Firm \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

\_\_\_\_\_  
Date of Execution

### 14. TAXES AND DUTIES

- 14.1** NATO, NATO Bodies and certain other Eligible Purchasers are exempt from all taxes and all customs duties on Products and Services imported or exported hereunder. The NFP Organisation therefore, certifies that the prices stipulated under this Agreement do not include amounts to cover such taxes or customs duties. The NFP Organisation shall be responsible for determining whether such exemptions apply for other Eligible Purchasers, as defined above.
- 14.2** In cases where taxes and duties are levied, the NFP Organisation should seek reimbursement directly from the authorities concerned in compliance with the applicable procedures. The Purchaser shall provide reasonable assistance in claiming reimbursement.
- 14.3** In the event that reimbursement is not made by the authorities concerned, and providing that NFP Organisation has complied with applicable procedures, Purchaser shall reimburse the full amount of the payments upon receipt of NFP Organisation's invoice indicating such tax or duty as a separate item or cost and fully identified by reference to any governmental law, regulation and/or instruction pursuant to which such tax or duty is enforced.

- 14.4** Following payment by the Purchaser of the taxes and/or duties pursuant to paragraph 14.3, should NFP Organisation receive a rebate of any amount paid by Purchaser, NFP Organisation shall immediately notify Purchaser, and the amount of such rebate shall be credited or reimbursed to the Purchaser, as directed. NFP Organisation shall be responsible for taking any all action that could reasonably be required in order to obtain such rebate.

## **15. INVOICES**

- 15.1** Invoices shall be prepared and submitted electronically by NFP Organisation to [accountspayable@ncia.nato.int](mailto:accountspayable@ncia.nato.int), or another mutually agreed manner, and shall contain: NFP Framework Agreement number; Order number (if any); description of Products or Services; sizes; quantities; unit prices; and extended totals (exclusive of taxes and duties for which relief is available). Details of Bills of Lading or Freight Warrant numbers and weight of shipment shall be identified on each invoice as appropriate.
- 15.2** In addition, where applicable and on request by Purchaser, documentary evidence of acceptance (as defined in the Agreement) shall be submitted together with each invoice.
- 15.3** All invoices shall be addressed to the designated authority specified by Purchaser.

## **16. CHANGES**

- 16.1** The Purchaser may at any time, by written order designated or indicated to be a change order, and without notice to the sureties, if any, make changes within the scope of any Order, in any one or more of the following:
- 16.1.1** Specifications (including drawings and designs);
  - 16.1.2** Method and manner of performance of the work;
  - 16.1.3** Marking, method of shipment and packing;
  - 16.1.4** Time and place of delivery; and
  - 16.1.5** Purchaser Furnished Property and Facilities.
- 16.2** Any other written or oral order (which, as used in this paragraph 16.2, includes direction, instruction, interpretation, or determination) from the Purchaser that causes a change shall be treated as a change order under this clause, provided, that NFP Organisation gives the Purchaser written notice within 30 (thirty) days after receipt of such change order stating:
- 16.2.1** the date, circumstances, and source of the order; and
  - 16.2.2** that NFP Organisation regards the order as a change order, and that the order is accepted in writing by the Purchaser as a change order. The timely written notice requirement, as detailed above, remains in force in all cases, even where, for example, the Purchaser has positive knowledge of the relevant facts.

- 16.3** Except as provided in this clause, no order, statement, or conduct of the Purchaser shall be treated as a change order under this clause or entitle the NFP Organisation to an equitable adjustment.
- 16.4** If any such change order causes an increase or decrease in NFP Organisation's cost, or the time required for the performance of any part of the work under the Order, whether or not changed by any such order, the Purchaser shall make an equitable adjustment and modify the Order in writing accordingly. However, except for a "proposal for adjustment" (hereafter referred to as "proposal") based on defective specifications, no proposal for any change under paragraph 16.2 shall be allowed for any costs incurred more than 30 (thirty) days before NFP Organisation gives written notice as required. In the case of defective specifications for which the Purchaser is responsible, the equitable adjustment shall include any increased cost reasonably incurred by NFP Organisation in attempting to comply with the defective specifications. Where the cost of property made obsolete or excess as a result of a change is included in the NFP Organisation's claim for adjustment, the Purchaser shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute within the meaning of the clause of this Agreement entitled "Disputes." However, nothing in this clause shall excuse NFP Organisation from proceeding with the Order as changed.
- 16.5** NFP Organisation must submit any proposal under this clause within 30 (thirty) days after:
- 16.5.1** Receipt of a written change order under paragraph 16.1; or
- 16.5.2** the furnishing of a written notice under paragraph 16.2, by submitting to the Purchaser a written statement describing the general nature and amount of the proposal, unless this period is extended by the Purchaser. The statement of proposal for adjustment may be included in the notice under paragraph 16.2.
- 16.6** No proposal by NFP Organisation for an equitable adjustment shall be allowed if asserted after final payment and acceptance under the Order.

## **17. PURCHASER DELAY OF WORK**

- 17.1** If the performance of all or any part of the work is delayed or interrupted by an act of the Purchaser in the administration of the Order, which act is not expressly or implicitly authorised by the Order, or by their failure to act within the time specified in the Order (or within a reasonable time if not time is specified), an adjustment shall be made for any increase in the cost of performance of the Order caused by such a delay or interruption and the Order modified in writing accordingly. Adjustments shall be made also in the delivery or performance dates and any other contractual provision affected by such delay or interruption. However, no adjustment shall be made under this clause for any delay or interruption:
- 17.1.1** to the extent that performance would have been delayed or interrupted by any other clause, including the fault or negligence of NFP Organisation; or
- 17.1.2** for which an adjustment is provided under any other provision of this Agreement.
- 17.2** No claim under this clause shall be allowed:

- 17.2.1 for any costs incurred more than 20 (twenty) days before NFP Organisation shall have notified the Purchaser in writing of the act or failure to act involved; and
- 17.2.2 unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of such delay or interruption, but not later than the date of final payment under the Order.

## 18. STOP WORK ORDER

- 18.1 The Purchaser may, at any time, by written order to NFP Organisation, require NFP Organisation to stop all, or any part, of the work called for by the Order for a period of 90 (ninety) days after the order is delivered to NFP Organisation, and for any further period to which the Parties may agree. Any such order shall be specifically identified as a Stop Work Order issued pursuant to this clause. Upon receipt of such an order, NFP Organisation shall forthwith comply with its terms and take all reasonable steps to minimise costs incurred allocable to the work covered by the order during the period of work stoppage. Within a period of 90 (ninety) days after a stop work order is delivered to NFP Organisation, or within any extension of that period to which the Parties shall have agreed, the Purchaser shall either:
  - 18.1.1 cancel the stop work order, or
  - 18.1.2 terminate the work covered by such order in accordance with paragraph 23, Termination for Convenience of the Purchaser.
- 18.2 If a stop work order issued under this clause is cancelled or the period of the order or any extension thereof expires, NFP Organisation shall resume work. An equitable adjustment shall be made in the delivery schedule or Contract price, or both, and the Order shall be modified in writing accordingly, if:
  - 18.2.1 the stop work order results in an increase in the time required for, or in NFP Organisation's cost properly allocable to, the performance of any part of the Order; and
  - 18.2.2 NFP Organisation asserts a claim for such adjustment within 30 (thirty) days after the end of the period of work stoppage; provided that, if the Purchaser decides the facts justify such action, they may receive and act upon any such claim asserted at any time prior to final payment under any Order.
- 18.3 If a stop order is not cancelled and the work covered by such order is terminated for the convenience of the Purchaser, the reasonable costs resulting from the stop work order shall be allowed in arriving at the termination settlement.

## 19. ORDER OF PRECEDENCE

- 19.1 In the case of any inconsistencies herein, the order of precedence of the contractual documents is as follows:
  - 19.1.1 the Task Order (TO);
  - 19.1.2 the Special Provisions;
  - 19.1.3 the General Provisions; then

**19.1.4 Exhibits and Appendices.**

**19.2** Except where inconsistency between the terms of this Agreement and those contained in any Order have been expressly agreed between the Purchaser and NFP Organisation, the terms of this Agreement shall take precedence.

**20. APPLICABLE LAW**

**20.1** This Agreement and each subsequent Order under this Agreement between The NCI Agency and the NFP Organisation shall be governed by and construed in accordance with the private contract law of the Kingdom of Belgium. Orders signed between NFP Organisation and any other Purchaser under this Agreement shall be governed by the laws applicable to the country of the Purchaser, unless otherwise agreed between the Purchaser and NFP Organisation.

**21. DISPUTES AND ARBITRATION**

**21.1** In the event of a dispute under this Agreement or any Order issued hereunder, the Parties shall attempt to settle their difference in an amicable manner. However, in the event that a settlement cannot be made under this Agreement within a reasonable period of time, the Parties agree to institute arbitration proceedings in the manner provided in the following Arbitration provision and such disputes shall finally be settled thereby, unless otherwise agreed between the Purchaser and NFP Organisation.

**21.1.1** NFP Organisation agrees to submit to the Arbitration Tribunal only such issues, facts, evidence and proof which NFP Organisation had beforehand identified and submitted to the Purchaser for decision. The jurisdictional authority of the Arbitration Tribunal shall be restricted to consider only those identical issues, facts, evidence and proof so identified and submitted to the Purchaser.

**21.1.2** The party instituting the arbitration proceedings shall advise the other party by registered letter, with official notice of delivery, of their desire to have recourse to arbitration. Within a period of 30 (thirty) days from the date of receipt of this letter, the parties shall jointly appoint an arbitrator. In the event of failure to appoint an arbitrator the dispute or disputes shall be submitted to an Arbitration Tribunal consisting of three arbitrators, one being appointed by the Purchaser, another by NFP Organisation and the third, who shall act as President of the Tribunal, by these two arbitrators. Should one of the parties fail to appoint an arbitrator during the 15 (fifteen) days following the expiration of the first period of 30 (thirty) days, or should the two arbitrators be unable to agree on the choice of the third member of the Arbitration Tribunal within 30 (thirty) days following the expiration of the said first period, the appointment shall be made, within 21 (twenty-one) days, at the request of the party instituting the proceedings, by the Secretary General of the Permanent Court of Arbitration at The Hague.

**21.1.3** Regardless of the procedure concerning the appointment of this Arbitration Tribunal, the third arbitrator will have to be of a nationality different from the nationality of the other two members of the Tribunal.

**21.1.4** Any arbitrator must be of the nationality of any one of the NATO Member Nations and shall be bound by the rules of security in force within NATO.

- 21.1.5** Any person appearing before the Arbitration Tribunal in the capacity of an expert witness shall, if they are of the nationality of one of the NATO Member Nations, be bound by the rules of security in force within NATO; if they are of another nationality, no NATO classified documents or information shall be communicated to them.
- 21.1.6** An arbitrator, who, for any reason whatsoever, ceases to act as an arbitrator, shall be replaced under the procedure laid down in paragraph 21.1.2.
- 21.1.7** The Arbitration Tribunal will take its decisions by a majority vote. It shall decide where it will meet and, unless it decides otherwise, shall follow the arbitration procedures of the International Chamber of Commerce in force at the date of signature of the present Agreement.
- 21.1.8** The awards of the arbitrator or of the Arbitration Tribunal shall be final and there shall be no right of appeal or recourse of any kind. These awards shall determine the apportionment of the arbitration expenses.
- 21.2** The place of arbitration shall be Brussels, Belgium, in the case of dispute under this Agreement or under any subsequent Order between NFP Organisation and The NCI Agency, and shall be the country of the Purchaser in the case of a dispute between NFP Organisation and any other Purchaser, unless otherwise agreed between the Purchaser and NFP Organisation.

## **22. DELAYS IN DELIVERY**

- 22.1** NFP Organisation agrees to notify Purchaser in the event that it anticipates difficulty in meeting delivery schedule. Receipt of such notice shall not be deemed a waiver by Purchaser of rights or remedies which it may have for failure to meet an agreed delivery date. Notwithstanding the above NFP Organisation shall be deemed to be in delay without notice from the Purchaser and only by simple expiry of the due delivery date.

## **23. TERMINATION FOR CONVENIENCE OF THE PURCHASER**

- 23.1** The performance of work under an Order may be terminated by the Purchaser in accordance with this clause in whole, or from time to time in part, whenever the Purchaser shall determine that such termination is in the best interest of the Purchaser. Any such termination shall be effected by delivery to NFP Organisation of a Notice of Termination specifying the extent to which performance of work under an Order is terminated, and the date upon which such termination becomes effective.
- 23.2** After receipt of a Notice of Termination and except as otherwise directed by the Purchaser, NFP Organisation shall:
  - 23.2.1** stop work under the Order on the date and to the extent specified in the Notice of Termination;
  - 23.2.2** place no further orders or sub-contracts for Products or Services except as may be necessary for completion of such portion of the work under the Order as is not terminated;
  - 23.2.3** terminate all orders and sub-contracts to the extent that they relate to the performance of work terminated by the Notice of Termination;

- 23.2.4** complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and
- 23.2.5** take such action as may be necessary, or as the Purchaser may direct, for the protection and preservation of the property related to an Order which is in the possession of NFP Organisation and in which the Purchaser has or may acquire an interest.
- 23.3** After receipt of a Notice of Termination, NFP Organisation shall submit to the Purchaser their termination claim, in the form and with certification prescribed by the Purchaser. Such claim shall be submitted promptly but in no event later than 6 (six) months from the effective date of termination, unless one or more extensions in writing are granted by the Purchaser, upon request of NFP Organisation made in writing within such six-month period or authorised extension thereof. However, if the Purchaser determines that the facts justify such action, they may receive and act upon any such termination claim at any time after such six-month period or any extension thereof. Upon failure of NFP Organisation to submit their termination claim within the time allowed, the Purchaser may determine based on information available to them, the amount, if any, due to NFP Organisation by reason of the termination and shall thereupon, pay to the NFP Organisation the amount so determined.
- 23.4** Subject to the provisions of paragraph 23.2, NFP Organisation and the Purchaser may agree upon the whole or any part of the amount or amounts to be paid to NFP Organisation by reason of the total or partial termination of work pursuant to this clause, which amount or amounts may include a reasonable allowance for profit on work done; provided that such agreed amount or amounts exclusive of settlement costs shall not exceed total contract price as reduced by the amount of payments otherwise made and as further reduced by the contract price of the work not terminated. The Order shall be amended accordingly and NFP Organisation shall be paid the amount agreed. Nothing in paragraph 23.6 of this clause, prescribing the amount to be paid to NFP Organisation in the event of failure of NFP Organisation and the Purchaser to agree upon the whole amount to be paid to NFP Organisation by reason of the termination of work pursuant to this clause, shall be deemed to limit, restrict, or otherwise determine or affect the amount or amounts which may be agreed upon to be paid to NFP Organisation pursuant to this paragraph 23.4.
- 23.5** In the event of the failure of NFP Organisation and the Purchaser to agree as provided in paragraph 23.4 upon the whole amount to be paid to NFP Organisation by reason of the termination of work pursuant to this clause, the Purchaser shall pay to NFP Organisation the amounts determined by the Purchaser as follows, but without duplication of any amounts agreed upon in accordance with paragraph 23.4:
- 23.5.1** for completed Products or Services accepted by the Purchaser, and not therefore paid for, a sum equivalent to the aggregate price for such Products computed in accordance with the price or prices specified in the Order, appropriately adjusted for any saving of freight or other charges;
- 23.5.2** the total of:

- 23.5.2.1** the costs incurred in the performance of the work terminated including initial costs and preparatory expense allocable thereto, but exclusive of any costs attributable to Products or Services paid or to be paid for under paragraph 23.5.1;
- 23.5.2.2** the cost of settling and paying claims arising out of the termination of work under sub-contracts or orders, which are properly chargeable to the terminated portion of the Order, exclusive of amounts paid or payable on account of Products delivered or Services furnished by sub-contractors or vendors prior to the effective date of the Notice of Termination, which amounts shall be included in the costs payable under 23.5.2.1 above; and
- 23.5.2.3** a sum, as profit on 23.5.2.1 above, determined by the Purchaser to be fair and reasonable; provided, however, that if it appears NFP Organisation would have sustained a loss on the entire Order, had it been completed, no profit shall be included or allowed and an appropriate adjustment shall be made reducing the amount of the settlement to reflect the indicated rate of loss; and
- 23.5.3** the reasonable costs of settlement, including accounting, legal, clerical and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Order and for the termination and settlement of sub-contracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection, or disposition of property allocable to the Order.
- 23.6** The total sum to be paid to NFP Organisation under paragraphs 23.5.1 and 23.5.2 shall not exceed the total contract price as reduced by the amount of payments otherwise made and as further reduced by the contract price of work not terminated. Except for normal spoilage, and except to the extent that the Purchaser shall have otherwise expressly assumed the risk of loss, there shall be excluded from the amounts payable to NFP Organisation, as provided in paragraphs 23.5.1 and 23.5.2.1, the fair value, as determined by the Purchaser, of property which is destroyed, lost, stolen, or damaged so as to become undeliverable to the Purchaser or to a buyer.
- 23.7** NFP Organisation shall have the right of appeal, under the clause of this Agreement entitled "Disputes", from any determination made by the Purchaser under paragraphs 23.4 or 23.6, except that if NFP Organisation has failed to submit their claim within the time provided in paragraph 23.3 above and has failed to request extension of such time, they shall have no such right of appeal. In the case where the Purchaser has made a determination of the amount due under paragraphs 23.4 or 23.6, the Purchaser shall pay NFP Organisation the following:
- 23.7.1** if there is no right of appeal hereunder or if no timely appeal has been taken, the amount so determined by the Purchaser, or
- 23.7.2** if an appeal has been taken, the amount finally determined on such appeal.
- 23.8** In arriving at the amount due to NFP Organisation under this clause there shall be deducted:
- 23.8.1** all unliquidated advance or other payments on account theretofore made to NFP Organisation, applicable to the termination portion of the Order;

- 23.8.2** any claim which the Purchaser may have against NFP Organisation in connection with the Order; and
- 23.8.3** the agreed price for, or the proceeds of the sale of, any materials, supplies, or other things acquired by NFP Organisation or sold, pursuant to the provisions of this clause, and not otherwise recovered by or credited to the Purchaser.
- 23.9** If the termination hereunder is partial, prior to the settlement of the terminated portion of the Order, NFP Organisation may file with the Purchaser a request in writing for an equitable adjustment of the price or prices specified in the Order relating to the continued portion of the Order (the portion not terminated by the Notice of Termination), and such equitable adjustment as may be agreed upon shall be made in such price or prices.
- 23.10** The Purchaser may from time to time, under such terms and conditions as it may prescribe, make partial payments and payments on account against costs incurred by NFP Organisation in connection with the terminated portion of an Order whenever in the opinion of the Purchaser the aggregate of such payments shall be within the amount to which NFP Organisation will be entitled hereunder. If the total of such payment is in excess of the amount finally agreed or determined to be due under this clause, such excess shall be payable by NFP Organisation to the Purchaser upon demand, together with interest calculated using the average of the official base rate(s) per annum as notified by the Banque Nationale de Belgique or such other official source as may be determined by the Purchaser, for the period from the date the excess is received by NFP Organisation to the date such excess is repaid to the Purchaser, provided, however, that no interest shall be charged with respect to any such excess payment attributed to a reduction in NFP Organisation's claim by reason of retention or other disposition of termination inventory until 10 (ten) days after the date of such retention or disposition or such later date as determined by the Purchaser by reason of the circumstances.
- 23.11** Unless otherwise provided for in the Order, NFP Organisation, from the effective date of termination and for a period of 3 (three) years after final settlement under the Order, shall preserve and make available to the Purchaser at all reasonable times at the office of NFP Organisation, but without direct charge to the Purchaser, all their books, records, documents, and other evidence bearing on the costs and expenses of NFP Organisation under an Order and relating to the work terminated hereunder, or, to the extent approved by the Purchaser, photographs, micro-photographs, or other authentic reproductions thereof.

## **24. SUB-CONTRACTS**

- 24.1** Unless specified otherwise in the corresponding Task Order, the NFP Organisation is not allowed to sub-contract the work contracted under the NFPF Task Order, in whole or in part.

## **25. INTELLECTUAL PROPERTY**

- 25.1** The term "IP", as used in this Agreement, shall mean all intellectual property, including any invention, discovery, development, method, process, composition, work of authorship, concept, trade secret, and know how (whether or not patentable or copyrightable) that is or has been conceived, made, created, authored, developed, or reduced to practice, and therefore:

**25.1.1** “Background IP” shall be deemed to refer to all right, title, and interest in and to any pre-existing intellectual property, including all IP owned, conceived, made, created, authored, developed, or reduced to practice by either the Purchaser or the NFP Organisation, respectively, prior to the commencement of this Agreement; whereas

**25.1.2** “Foreground IP” shall be deemed to refer to any IP that is conceived, made, created, authored, and/ or developed in the course of this Agreement.

## **25.2 Purchaser background IP**

**25.2.1** NFP Organisation is licensed to use, non-exclusively and royalty-free, any Purchaser Background IP that is or will be made available for the sole purpose of carrying out the Work and until completion of the Work.

**25.2.2** NFP Organisation shall not use any Purchaser Background IP other than for carrying out the Work without the prior written agreement of the Purchaser. Any such agreement shall include the terms relating to such use.

**25.2.3** The Purchaser gives no warranty as to the validity of any Purchaser Background IP. NFP Organisation shall not do anything or act in any way that is inconsistent with or prejudicial to the ownership by the Purchaser of any Purchaser Background IP.

## **25.3 NFP Organisation Background IP**

**25.3.1** Any use of NFP Organisation Background IP for carrying out the Work pursuant to the Contract shall be free of any charge to Purchaser. NFP Organisation hereby grants to NATO a non-exclusive, royalty-free, and irrevocable licence to use and authorise others to use any NFP Organisation Background IP for the purpose of exploiting or otherwise using the Foreground IP.

**25.3.2** Any use of NFP Organisation Background IP is not limited to the number of users or the number of licenses required by the Contract for the use of system. The Purchaser reserves the right to use NFP Organisation Background IP for any number of users and number of licenses as required, at no additional cost to the Purchaser.

## **25.4 Foreground IP**

**25.4.1** All Foreground IP is the property of the NFP Organization. NATO shall ensure that a suitable arrangement is in place between its employees, agents, consultants, and itself regarding the NFP Organization’s Foreground IP to fulfil its obligations under this clause.

**25.4.2** NFP Organization hereby immediately grants to NATO, all NATO commands, agencies and organizations, and all NATO nations, a worldwide, non-exclusive, royalty free, perpetual, and irrevocable license to use and authorize others to use any NFP Organization Foreground IP for NATO mission purposes.

**25.4.3** NFP Organization may not distribute any deliverable developed by NFP Organization under this Agreement that embodies, incorporates, or is a derivative work of Purchaser’s Background IP without Purchaser’s prior written consent.

**25.4.4** For the avoidance of doubt, nothing in this clause 25.4 shall relieve NFP Organization of its obligations under this Agreement to protect from unauthorized

use and disclosure all Purchaser Background IP and other confidential information belonging to or furnished by Purchaser.

- 25.4.5** NFP Organisation shall provide the Purchaser, at the latest upon delivery of the Work and thereafter for the duration of the warranty and any purchased CLS agreement period, with full documented records of information in relation to the Work, including but not limited to, all drawings, specifications and other data that is necessary or useful to maintain and operate the Work.

## **25.5 Third Party IP**

- 25.5.1** Any use of Third Party IP for the purpose of carrying out the Work pursuant to the Contract shall be free of any charge to the Purchaser. NFP Organisation hereby grants to NATO a non-exclusive, royalty-free, and irrevocable licence to use and authorise others to use any Third Party IP for the purpose of exploiting or otherwise using the Foreground IP.
- 25.5.2** Any use of Third Party IP is not limited to the number of users or the number of licenses required by the Contract for the use of system. The Purchaser reserves the right to use the Third Party IP for any number of users and number of licenses as required, at no additional cost to the Purchaser.
- 25.5.3** Where Third Party IP is the subject of a licence or other agreement between the third party and the Purchaser or NFP Organisation, the NFP Organisation shall not use any Third Party IP for the purposes of carrying out work pursuant to the Contract without the prior written approval of the Purchaser. NFP Organisation shall inform Purchaser in advance of any restrictions on the Purchaser's use.
- 25.5.4** If, after the award of the Contract, NFP Organisation becomes aware of the existence of any Third Party IP which NFP Organisation is using or believes is needed for the performance of the Contract, NFP Organisation shall immediately give the Purchaser a written report identifying such IP and if they are compliant with the other provisions in the contract. Any Third Party IP under this clause is subject to the prior written approval by the Purchaser.
- 25.5.5** The Purchaser may consider open source solutions alongside proprietary ones in developments provided that such solutions are fully compliant with the requirements of this Contract. The NFP Organisation shall disclose in advance, the open source license associated with the contemplated open source solution. The Purchaser reserves the right to refuse the incorporation of open source solutions that are deemed inadequate for incorporation in a NATO application (e.g. post-back obligations).

## **26. CLAIMS**

- 26.1** NFP Organisation shall assert claims in writing and by registered mail, and in accordance with the terms set out below:
- 26.2** Claims shall be submitted within:
- 26.2.1** the time specified in the Clause or Article under which NFP Organisation alleges to have a claim. If no time is specified in the clause or Article under which NFP Organisation intends to base its claim, the time limit shall be 45 (forty-five) days from

the date NFP Organisation has knowledge or should have had knowledge of the facts on which it bases its claim;

**26.2.2** 3 (three) months after final payment, release of guarantees or performance bond provided under the Order, whichever occurs last. This shall only apply to those claims for which NFP Organisation could not have had earlier knowledge and were not foreseeable.

**26.3** NFP Organisation shall be foreclosed unless it presents complete documentary evidence, justification and cost for each of its claims within three months from the assertion date of such claims. Claims shall be supported by specifically identified evidence (including applicable historical and planned cost and production data from NFP Organisation's books and records). Opinions, conclusions or judgmental assertions not supported by such evidence shall be rejected.

**26.3.1** An individual breakdown of cost is required for each element of NFP Organisation's claims at the time of claim submission or for any material revision of the claim.

**26.4** NFP Organisation shall present, at the time of submission of a claim, an attestation as follows:

"I ..... the responsible senior official authorised to commit the ..... with respect to its claims dated ..... being duly sworn, do hereby depose and say that: (i) the facts described in the claim are current, complete and accurate; and (ii) the conclusions in the claim accurately reflect the material damages or contract adjustments for which the Purchaser is allegedly liable."

---

SIGNATURE

**26.5** Failure to comply with any of the above requirements shall result in automatic forfeiture of the claim. This foreclosure takes effect in all cases and also where, for example, the claim is based on additional orders, where the facts are known to the Purchaser, where the claim is based on defective specifications of the Purchaser or an alleged negligence in the precontractual stage.

**26.6** No claim arising under this Agreement may be assigned by NFP Organisation without prior approval of the Purchaser.

## **27. RELEASE OF CLAIMS**

**27.1** Prior to final payment under this Agreement, NFP Organisation and each assignee under this Agreement shall execute and deliver a release discharging the Purchaser, its officers, agents and employees from all liabilities, obligations and claims arising out of or under this Agreement subject only to the following exceptions:

**27.1.1** Specified claims in stated amounts or in estimated amounts where the amounts are not susceptible to exact statement by NFP Organisation;

**27.1.2** Claims for reimbursement of costs (other than expenses of NFP Organisation by reason of its indemnification of the Purchaser against patent liability) including reasonable expenses incidental thereto, incurred by NFP Organisation under the provisions of this Agreement relating to patents.

**27.1.3** An infringement resulting from specific written instructions from the Purchaser under the Order.

**27.1.4** An infringement resulting from changes or additions to the Products and Services subsequent to final delivery and acceptance under the Order.

## **28. EXTRAS**

**28.1** Except as otherwise provided in an Order, no payment for extras shall be made unless such extras and the price therefore have been authorised in writing by the Purchaser.

## **29. LANGUAGE**

**29.1** In the event of any inconsistency between the original English text of this Agreement and any translation into another language, the original English text will govern.

**29.2** All written correspondence and reports provided by and to NFP Organisation shall be, as a minimum, in English.

## **30. SECURITY**

**30.1** NFP Organisation shall comply with all security measures as are prescribed by the Purchaser and the National Security Authority or designated Security Agency of each of the NATO Member Nations in which the Agreement is being performed. NFP Organisation shall be responsible for the safeguarding of classified information, documentation, material and other Products entrusted to them or generated by them in connection with the performance of an Order.

**30.2** In particular NFP Organisation undertakes to:

**30.2.1** appoint an official responsible for supervising and directing security measures in relation to the Order and communicating details of such measures to the Purchaser on request;

**30.2.2** maintain, preferably through the official responsible for security measures, a continuing relationship with the National Security Authority or designated Security Agency charged with ensuring that all NATO or National classified information involved in the Order is properly safeguarded;

**30.2.3** abstain from copying by any means, without the authorisation of the Purchaser, the National Security Authority or designated Security Agency, any classified documents, plans, photographs or other classified material entrusted to NFP Organisation;

**30.2.4** furnish, on request, information to the National Security Authority or designated Security Agency pertaining to all persons who will be required to have access to NATO or National classified information;

**30.2.5** maintain at the work site a current record of its employees at the site who have been cleared for access to NATO or National classified information. The record should show the date and level of clearance;

- 30.2.6** deny access to NATO or National classified information to any person other than those persons authorised to have such access by the National Security Authority or designated Security Agency;
- 30.2.7** limit the dissemination of NATO or National classified information to the smallest number of persons as is consistent with the proper execution of the Order;
- 30.2.8** comply with any request from the National Security Authority or designated Security Agency that persons entrusted with NATO or National classified information sign a statement undertaking to safeguard that information and signifying their understanding both of their obligations under national legislation affecting the safeguarding of classified information, and of their comparable obligations under the laws of the other NATO Member Nations in which they may have access to classified information;
- 30.2.9** report to the National Security Authority or designated Security Agency any breaches or suspected breaches of security, suspected sabotage, or other matters of security significance which would include any changes that may occur in the ownership, control or management of the facility or any changes that affect the security arrangements and security status of the facility and to make such other reports as may be required by the National Security Authority or designated Security Agency, e.g. reports on the holdings of NATO or National classified information;
- 30.2.10** apply to the Purchaser for approval before subcontracting any part of the work, if the subcontract would involve the subcontractor in access to NATO or National classified information, and to place the subcontractor under appropriate security obligations no less stringent than those applied to its own contract;
- 30.2.11** undertake not to utilise, other than for the specific purpose of the Order, without the prior written permission of the Purchaser or its authorised representative, any NATO or National classified information furnished to them, including all reproductions thereof in connection with the Order, and to return all NATO or National classified information referred to above as well as that developed in connection with the Order, unless such information has been destroyed, or its retention has been duly authorised with the approval of the Purchaser. Such NATO or National classified information will be returned at such time as the Purchaser or its authorised representative may direct;
- 30.2.12** classify any produced document with the highest classification of the NATO or national classified information disclosed in that document.

## **31. HEALTH, SAFETY, AND ACCIDENT PREVENTION**

- 31.1** If the Purchaser notifies NFP Organisation in writing of any non-compliance in the performance of the Order, with safety and health rules and requirements prescribed on the date of the Order by applicable national or local laws, ordinances and codes, and NFP Organisation fails to take immediate corrective action, the Purchaser may order NFP Organisation to stop all or part of the work until satisfactory corrective action has been taken. Such an order to stop work shall not entitle NFP Organisation to an adjustment of the contract price or other reimbursement for resulting increased costs, or to an adjustment of the delivery or performance schedule.

## **32. RELEASE OF INFORMATION**

- 32.1** Except as otherwise specified elsewhere in the Order, and to the extent that it is demonstratively unavoidable and without prejudice to the "Security" Clause, NFP Organisation or its employees shall not, without prior authorisation from the Purchaser, release any information pertaining to the Order, its subject matter, performance thereunder or any other aspect thereof.

## **33. FORCE MAJEURE**

- 33.1** If the performance of this Agreement, or any obligation hereunder is prevented, restricted or interfered with by reason of fire, flood, earthquake, explosion or other casualty or accident, strikes or labour disputes, war or other violence, including acts of terrorism, any law, order, proclamation, regulation, ordinance, demand or requirement of any governmental agency, or any other act, event or condition whatsoever beyond the reasonable control of the affected Party, the Party so affected, upon giving prompt notice to the other Party, shall be excused from such performance to the extent of such prevention, restriction or interference, provided, however, that the Party so affected shall take all reasonable steps to avoid or remove such cause of non-performance and shall resume performance hereunder with dispatch whenever such causes are removed.

## **34. NFP ORGANISATION'S RESPONSIBILITY ON ACCURACY OF ITS' DATA**

- 34.1** In case of change of any nature in NFP Organisation's data including, but not limited to change(s) in name, ownership, address, and other changes of similar nature, NFP Organisation is obliged to inform The NCI Agency about the change(s) at the earliest possible moment that NFP Organisation becomes aware of the change(s).
- 34.2** Information about all changes shall be presented in the form of official registered letter, addressed to The NCI Agency Point Of Contact (POC), indicated in Clause 8 - Miscellaneous of the Part I - Special Provisions of the Framework Agreement.
- 34.3** If The NCI Agency becomes aware of the change(s) described in paragraph 34.1 above from any other source than official registered letter received from the Organisation, The NCI Agency reserves the right to suspend NFP Organisation's Framework Agreement immediately after The NCI Agency becomes aware of the change(s) and until the issue is fully clarified.
- 34.4** In case of change(s) The NCI Agency reserves the right to re-assess the eligibility of the Organisation to the NFPF.

## EXHIBIT A – PREFERRED CUSTOMER CERTIFICATE

*[NFP Organisation Name]* warrants that the prices set forth in this Agreement, and appendices thereto, are as favourable as those extended to any Government, Agency, Company, Organisation or individual purchasing or handling like quantities of equipment and/or parts covered by the Agreement under similar conditions.

In the event that prior to complete delivery under this Agreement NFP Organisation offers any of such items in substantially similar quantities under similar conditions to any customer at prices lower than those set forth herein, NFP Organisation shall so notify the Purchaser and the prices of such items shall be correspondingly reduced by a supplement to this Agreement. Price in this sense means "Base Price" prior to applying any bonus, export tax reduction, turn-over tax exemptions and other reductions based on National Policies.

*[NFP Organisation Name]*

---

Title:

Date:

## EXHIBIT B –TASK ORDER (Template)

**Task Order No 20[XX:XX]**

**For .....**

**Reference: NFP [XXX]**

Title	.....
Points of Contact:	NFP Entity PM: Name: Position: Organisation: Address: Phone: Email:
	The NCI Agency PM: Name: Position: Organisation: Address: Phone: Email:
Objective	The scope of this Task Order is to .....
	Security Classification  This project can include the exchange of information up to NATO Unclassified.
	Schedule:
Description	<u>Statement of Work</u> : As described in Appendix A to this Task Order.
	<u>Intellectual Property</u> : .....

<p>Finance</p>	<p>The total costs associated with the work to be carried out as part of this Task Order amounts to a firm fixed price amount of EUR .....</p> <p><i>[insert payment terms]</i></p> <p>The invoices will be sent to: .....</p> <p>The NCI Agency will pay the invoice within 30 days from receipt of the invoices.</p>
<p>Signatures:</p>	<p>For the NFP Entity:</p> <p>Date</p> <p>For The NCI Agency:</p> <p>Date:</p>

**APPENDIX A**  
**TO: XXXX**

**Statement of Work**