

Purchase Order Terms and Conditions

A. Core Terms and Conditions

1. Application of Terms and Conditions

- 1.1. The Core Terms and Conditions are applicable to all orders made by the Purchaser.
- 1.2. In addition, if the Purchase Order specification provides for:
 - 1.2.1. the purchase of Hardware, the additional terms set out in [Appendix A](#) applies; and/or
 - 1.2.2. the purchase of Services, the additional terms set out in [Appendix B](#) applies; and/or
 - 1.2.3. the purchase of Software/Licences and Associated Services ('Software/License'), the additional terms set out in [Appendix C](#) applies.

2. Signature

- 2.1. Unless otherwise stated, the Contractor shall return one (electronically) signed copy of the Purchase Order form to the Purchaser, confirming acceptance of the order under the terms and conditions specified in this Purchase Order.
- 2.2. Should the Contractor follow any directions other than from the Purchaser in the performance of this Purchase Order, it will be at the risk of the Contractor.

3. Order of Precedence

- 3.1. In the event of any conflict or inconsistencies between or among any of the documents comprising this Purchase Order, then the following order of precedence shall apply:
 - 3.1.1. The purchase order form and its annexes;
 - 3.1.2. The Purchaser's solicitation of offers (if any)
 - 3.1.3. This Terms and Conditions of this Purchase Order; and
 - 3.1.4. The Supplier's quotation, catalogue or agreement.
- 3.2. All other terms and conditions are rejected, unless expressly agreed to in writing by the Purchaser.
- 3.3. Changes in the terms and conditions of this contract may be made only by written agreement between Supplier and NATO.

4. Definitions

- 4.1. 'Contractor': the awardee(s) of this Purchase Order, which shall be responsible for the fulfilment of the requirements established in the Purchase Order.
- 4.2. 'Contracting Authority': means a person with the authority to enter into, administer, and/or terminate Purchase Orders.
- 4.3. 'Purchase Order': the agreement concluded between the Purchaser and Contractor, duly signed by both contracting parties.
- 4.4. 'Purchaser': The Purchaser is defined as the NCI Agency or its legal successor.

5. Language

- 5.1. Unless otherwise agreed, all communication, documentation, services, invoices must be in English. In addition, all documentation shall be ~~in~~ delivered electronically/digital format.

6. Changes

- 6.1. Any modification, including changes, additions or deletions and instructions under this Purchase Order shall not be binding unless issued in writing by the Purchaser (Contracting Authority) and agreed to by both parties.

7. Acceptance

- 7.1. 'Acceptance' means the Purchaser's written confirmation that the 'Hardware', 'Services', and/or 'Software/Licence' conform to the requirements set out in the Purchase Order.

8. Firm Fixed Price

- 8.1. Unless otherwise stated in the Purchase Order, the total price of the Purchase Order is Firm Fixed Price. The price shall include all costs in respect to identification, preservation, packaging, marking, quality assurance and inspection.

9. Taxes and Duties

- 9.1. The Purchaser, by virtue of its status under the terms of Article IX and X of the Ottawa Agreement is exempt from all direct taxes (including VAT) and all customs duties on merchandise imported or exported.
- 9.2. The Contractor agrees to verify prior to issuance of any invoice and in consultation with the

Purchaser, whether in the nation where the VAT would be due, the Purchaser is exempt from VAT at source or is entitled to claim reimbursement of VAT.

9.3. Where the Purchaser is exempt from VAT at source, the Contractor shall exclude VAT from the invoice. In addition, the Contractor shall include on the invoice the statement at Clause 9.3.1 and the appropriate country reference at 9.3.2 below:

9.3.1. *'It is certified that the Hardware, Services and/or Software listed are being purchased for official use by the North Atlantic Treaty Organisation and shall be supplied free of VAT in accordance with'; and*

9.3.2. The appropriate country reference:

9.3.2.1. for contractors from Belgium: *'Article 42 §3, 3° du code de la TVA et/ou exemption des droits d'accises/accises spéciaux DL 1/76.979 du 4/10/83';*

9.3.2.2. for contractors from other EEC countries: *'Article 151 from the EEC Council Directive 2006/112/EC and Article 13 from the EEC Council Directive 2008/118/EC';*

9.3.2.3. for contractors from non-EEC countries: *'Article IX and X of the Ottawa Agreement, dated 20 September 1951'.*

9.4. Outside of clause 9.3 above, the Contractor will cooperate with the Purchaser to provide all necessary documentation to ensure Purchaser obtains the VAT exemption.

10. Invoicing and Payment

10.1. All invoices shall be submitted electronically through the Agency's NEO iSupplier portal ([link](#)). All suppliers without access to the portal, are required to first register [here](#).

10.2. Each invoice shall include:

10.2.1. the Purchase Order number;

10.2.2. the following statement: *"This invoice is certified as true and correct, and the delivery of the above described items has been duly carried out and the payment therefore has not been received.";*

10.2.3. currency of the Purchase Order

10.2.4. description of 'Hardware'/'Services'/'Software'/'Licence';

10.2.5. quantities;

10.2.6. the unit, extended, and total prices;

10.2.7. Contractor's bank name, address, and account number;

10.2.8. VAT identification number; and

10.2.9. the appropriate VAT information as required by Clause 9 of the Core Terms and Conditions (Taxes and Duties).

10.3. Any fees charged by a bank in the receiving of an international payment for a Contractor, shall be borne solely by the Contractor and shall not be reflected on invoices nor charged to the Purchaser.

10.4. Payment Terms: NET30 after receipt and acceptance by the Purchaser of a valid invoice. Payment shall be made electronically. A valid invoice is in accordance with Clause 10.2 above.

11. Conformance to Laws and Regulations/Supplier Code of Conduct

11.1. The Contractor acknowledges that it and its subcontractors are responsible during the performance of this Purchase Order for ascertaining and complying with all applicable laws and regulations to include without limitation immigration, tax, social legislation, and health and safety.

11.2. The NCI Agency Supplier Code of Conduct located at <https://www.ncia.nato.int/business/do-business-with-us/code-of-conduct.html> is included by reference in this Purchase Order. In the event of any inconsistency in language, terms or conditions, this Purchase Order shall have precedence.

12. Export Control

12.1. The Contractor shall comply with, and process authorisations/licences pursuant to, all applicable laws and regulations governing export control.

12.2. The Contractor is obliged to indicate in the Purchase Order, if the 'Hardware', 'Services', and/or 'Software'/'Licence' is subject to export control regulations.

13. Health, Safety and Accident Prevention

13.1. If the Purchaser notifies the Contractor in writing of any non-compliance in the performance of this Purchase Order with health and safety rules and requirements prescribed on the date of this Purchase Order by applicable national or local laws, ordinances and codes, and the Contractor fails to take

immediate corrective action, the Purchaser may order the Contractor to stop all or part of the work until satisfactory corrective action has been taken. Such an order shall not entitle the Contractor to an adjustment of the Purchase Order price or other reimbursement for resulting increased costs, or to an adjustment of the delivery or performance schedule.

14. Protection of Purchaser Property

14.1. The Contractor shall use reasonable care to avoid damaging any Purchaser property. If the Contractor's failure to use reasonable care causes damage to any of this property, the Contractor shall replace or repair the damage at no expense to the Purchaser, as the discretion of the Purchaser. If the Contractor is unwilling or unable to make such repair or replacement, the Contractor shall be liable for the cost, which may be deducted from the Purchase Order price.

15. Indemnity

15.1. The Contractor will indemnify and hold harmless the Purchaser, NATO and its servants or agents, against any liability, loss or damage arising out of, or in connection with the Hardware, Services and/or Software/Licences under this Purchase Order.

15.2. The Contractor will indemnify the Purchaser, NATO and its servants or agents, against claims made against the Purchaser/NATO and its servants or agents, by their personnel, and their sub-Contractors (including their personal representatives) in respect of personal injury or death of such personnel or loss or destruction of or damage to the property of such personnel.

15.3. The Contractor will consult with the Purchaser (Contracting Authority) over the handling of any claim or action to which the provisions of this clause may be relevant and will consult with the Purchaser (Contracting Authority) over the handling of any such claim and conduct of any such action and will not without prior consultation and without the concurrence of the Purchaser (Contracting Authority) settle or compromise any such claim or action.

15.4. In the event of an accident resulting in loss, damage, injury or death arising from negligence or wilful intent of an agent, officer or employee of the Purchaser/NATO for which the risk has been assumed by the Contractor, the Contractor shall involve the Purchaser (Contracting Authority) in any investigation into the cause of the accident.

16. Delivery Dates / Period of Performance

16.1. The delivery dates or period of performance are as specified in the Purchase Order and are fixed target dates unless otherwise specified by in the Purchase Order .

17. Delay and Damages

17.1. In case of delay of any or all of the Purchase Order for which the Contractor is not responsible for, the dates of delivery or period of performance will be moved accordingly at the discretion of Purchaser. Other claims of the Purchaser remain unaffected.

17.2. In case of delay of any or all of the Purchase Order for which the Purchaser is not responsible, the Contractor is liable for any damages resulting from such delay equivalent to 0.1% of the total value of the order per day late. The total damages shall not exceed 10% of the total value of the order.

18. Force Majeure

18.1. The Contractor shall be liable for default unless non-performance is caused by an occurrence of Force Majeure beyond the reasonable control of the Contractor and without its cause, fault or negligence, such as: acts of God, acts of the public enemy, acts of sovereign governments which the Contractor could not reasonably have anticipated, fires, floods, epidemics/pandemics, quarantine restrictions, strikes, or unusually severe weather. The Contractor shall notify the Purchaser in writing without delay after the commencement of Force Majeure; relief from liability is from the date at which the Purchaser receives written notice. The Contractor shall remedy/overcome such occurrence with all reasonable dispatch, and shall promptly give written notice to the Purchaser when remedied/overcome and resume performance. If Force Majeure continues for more than ninety (90) days, the Purchaser may terminate the contract in accordance with Clause 19.1 of the Core Terms and Conditions (Termination).

19. Termination

19.1. Termination for the Purchaser's Convenience

In the event the Purchaser determines that the requirements of the Purchase Order are no longer required, the Contractor shall immediately stop all work and immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this Purchase Order, the Contractor shall be paid a percentage of the Purchase Order price reflecting the portion of the Purchase Order already delivered and accepted by the Purchaser prior to the notice of termination, and for any work performed or costs incurred

which could not have been reasonably avoided.

19.2. Termination for Default

The Purchaser may terminate this Purchase Order, or any part hereof, for cause, in the event of any default by the Contractor, or if the Contractor fails to comply with any of the terms and conditions (except in the case of failure to comply being caused by an occurrence of Force Majeure in accordance with Clause 18 of the Core Terms and Conditions (Force Majeure)), or fails to provide the Purchaser, upon request, with adequate assurances of future performance. In the event of termination for default, the Purchaser shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Purchaser for any and all rights and remedies provided by law.

20. Disputes and Arbitration

20.1. All disputes arising under, or which are related to this Purchase Order or with respect to its effectiveness, shall be resolved by consultation between the Parties. If no agreement can be found, either party may open arbitration proceedings in accordance with the following arbitration provisions.

20.2. The party instituting the arbitration proceedings shall advise the other party by registered letter, with official notice of delivery, of his desire to have recourse to arbitration. Within a period of thirty (30) days from the date of receipt of this letter, the Parties shall jointly appoint an arbitrator. In the event of failing to appoint an arbitrator, the dispute or disputes shall be submitted to an Arbitration Tribunal consisting of three arbitrators, one being appointed by the NCI Agency, another by the Contractor 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 fifteen (15) days following the expiration of the said first period, the appointment shall be made, within twenty-one (21) days, at the request of the party instituting the proceedings, by the Secretary General of the Permanent Court of Arbitration at The Hague.

20.3. 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. Any arbitrator must be of the nationality of any one of the member states of the NATO and shall be bound by the rules of security in force within NATO.

20.4. Any person appearing before the Arbitration Tribunal in the capacity of an expert witness shall, if he is of the nationality of one of the member states of the NATO, be bound by the rules of security in force within NATO; if he is of another nationality, no NATO classified documents or information shall be communicated to him.

20.5. An arbitrator, who, for any reason whatsoever, ceases to act as an arbitrator, shall be replaced under the procedure laid down in clause 20.2 above.

20.6. 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. 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 appointment of the arbitration expenses.

21. Governing Law

21.1. Except as otherwise stated in writing by the Purchaser (Contracting Authority), this Purchase Order shall be governed, interpreted and construed in accordance with the laws of the Kingdom of Belgium, with the exclusion of the conflict of law rules.

22. Eligibility

22.1. Eligible Contractors must be from Participating NATO Nations (ALBANIA, BELGIUM, BULGARIA, CANADA, CROATIA, THE CZECH REPUBLIC, DENMARK, ESTONIA, FINLAND, FRANCE, GERMANY, GREECE, HUNGARY, ICELAND, ITALY, LATVIA, LITHUANIA, LUXEMBOURG, MONTENEGRO, THE NETHERLANDS, NORTH MACEDONIA, NORWAY, POLAND, PORTUGAL, ROMANIA, SLOVAKIA, SLOVENIA, SPAIN, REPUBLIC OF TÜRKIYE, THE UNITED KINGDOM and THE UNITED STATES), unless otherwise specifically authorized by the Purchaser.

22.2. The intellectual property rights of system operating software shall reside in NATO member countries, and no license fees, or royalty charges shall be paid by the Contractor to firms, individuals or governments other than within the NATO member community unless otherwise specifically authorized by the Purchaser.

23. Release of Information

23.1. The Contractor shall not, without prior authorisation from the Purchaser, release to third parties any information pertaining to this Purchase Order, its subject matter, performance or any other aspect.

23.2. The Contractor shall seek the prior written approval of the Purchaser before publishing any press

release or disclosing any information, orally or in writing, in relation to the Purchase Order. The approval of the Purchaser shall be required for both the opportunity and the content of the information.

24. Post-contractual Obligations

24.1. At the end of the Purchase Order, the Contractor must immediately and without any additional request return all documents, aids, materials or objects received from the Purchaser for the purpose of Purchase Order execution. This also applies for any copies. Furthermore, all work products and results of any kind must be handed over to the Purchaser. Insofar as the Purchaser was granted the exclusive right to use, this applies to all copies created by the Contractor.

24.2. The Purchaser can demand the secure entire or partial deletion or destruction of said materials instead of the return of such. The Contractor has to certify its compliant conduct by corresponding declaration or any other reasonable manner.

25. Security

25.1. If any plans, specifications or other similar documents relating to the contract or the performance of same are marked "Cosmic Top Secret", "NATO Secret", "NATO Confidential", or "NATO Restricted", the Contractor shall safeguard NATO security by:

25.1.1. ensuring that no such document is accessible to any person not entitled to knowledge of such document;

25.1.2. complying with the national security regulations currently in force in its country; and

25.1.3. complying with any Purchaser-supplied Security Operating Instructions.

26. Personal Data Protection

26.1. Although NATO, as an international organization, is not subject to GDPR and national data protection law, it is committed to protecting the personal data that it processes. All processing of personal data will be done in accordance with applicable NATO policies and regulations.

27. Cyber Incident Reporting

27.1. The Contractor shall report to Purchaser without delay and take remedial action upon discovery or awareness of cyber incidents.

27.2. Cyber incident means actions taken directly or indirectly through the use of computer networks that result in a compromise or a potential compromise, or an actual or potentially adverse effect, on an information system and/or the information residing therein.

27.3. Compromise means disclosure of information to unauthorized persons, or a violation of the security policy of a system, in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object, or the copying of information to unauthorized media or external networks may have occurred.

27.4. Cyber incidents are considered cybersecurity issues. The Contractor shall establish and maintain a process for identifying, tracking, reviewing, reporting, and resolving cybersecurity issues. The Contractor shall provide all relevant information on cybersecurity issues from this process to Purchaser without delay. Without delay for the purposes of this clause means one calendar day or as soon as possible under the circumstances.

27.5. This clause is in addition to any other requirements placed upon the Contractor, and does not replace or modify any other requirement.

28. Privileges And Immunities

28.1. Nothing contained in or relating to this Purchase Order shall be deemed to constitute a waiver of any of the privileges and immunities enjoyed by the Purchaser and/or as submitting the Purchaser to any national court jurisdiction.

B. Appendix A – Hardware

The following Terms and Conditions apply for the purchase of Hardware and the delivery thereof.

1. General Terms

1.1. The installation and set-up of the purchased Hardware is the responsibility of the Purchaser unless otherwise agreed upon.

1.2. The Contractor sells and provides ownership of the Hardware to the Purchaser on the terms contained in the Purchase Order: the Core Terms and Conditions and Appendix A.

1.3. The documentation of the Hardware must be delivered in English in digital format, unless otherwise

agreed.

2. Delivery and Transfer of Risk

- 2.1.** All deliveries must be accompanied by the full and complete inventory within the Material Data Sheet (MDS) of all items and packing list to be delivered in electronic format at least 10 (ten) business days before the shipment. the MDS based on the data fields listed in Annex A
- 2.2.** Deliveries shall be made DDP to destination.
- 2.3.** Unless otherwise agreed, the place of performance is the place of the Purchaser's place of shipment indicated in this Purchase Order.
- 2.4.** The risk of accidental loss and/or accidental damage of Hardware lies with the Contractor. The risk transfers to the Purchaser only at the point when the Purchaser signs a delivery notice upon receipt of the Hardware at the place of performance.

3. Inspection

- 3.1.** The Contractor shall only tender for Acceptance those items that conform to the requirements of this Purchase Order.
- 3.2.** The Purchaser reserves the right to inspect or test any Hardware that has been tendered for Acceptance, at no cost to the Purchaser. The Purchaser may require repair or replacement of nonconforming Hardware at no increase in Purchase Order price. If repair/replacement will not correct the defects or is not possible, the Purchaser may seek an equitable price reduction, or reject the Hardware and terminate the Purchase Order, at no cost to the Purchaser.

4. Acceptance, Ownership and Title

- 4.1.** Ownership and title to all Hardware delivered under this Purchase Order will pass to the Purchaser upon Acceptance by the Purchaser.
- 4.2.** All packages and containers will be inspected by the Purchaser at final destination. For this, the Contractor shall ensure that:
 - 4.2.1.** all items requested have been accounted for;
 - 4.2.2.** all packages and pallets specified in the packing lists have been accounted for;
 - 4.2.3.** MDS information is correct and complete as per Annex A requirements;
 - 4.2.4.** no damage has occurred during transport;
 - 4.2.5.** there are no dead on arrivals (DOAs).
- 4.3.** The Purchaser will notify the Contractor regarding any discrepancies or rejection due to the Hardware provided being in non-conformance with the requirements of this Purchase Order within 15 business days, upon receipt on site.
- 4.4.** In such case as the Hardware has been delivered by the Contractor and offered for inspection and the Purchaser has either not made inspection or failed to provide written Acceptance or rejection of the hardware within thirty (30) calendar days of delivery, the Hardware will be determined to have been accepted by the Purchaser.

5. Notice of Shipment and Customs Documentation

- 5.1.** Notice of Shipment and Customs Clearance (only applicable for imports/exports crossing National Borders):
 - 5.1.1.** The Contractor shall be responsible for customs clearance of all shipments into the destination countries. It is the Contractors responsibility to take into account delays at customs.
 - 5.1.2.** The Contractor shall be responsible for the timely request of Custom Forms 302, required for duty free import/export of NATO supplies. However, this duty free status does not include any admin charges that may incur during the customs clearance depending on the HN regulations. Therefore, the Contractor shall be fully responsible for handling such admin charges without any additional cost to the Purchaser.
 - 5.1.3.** The written request for a 302 form shall be sent to the Purchaser PoC clearly stating the Consignor's and Consignee's name and address, PoC to receive the original Form 302. This request shall be accompanied by one packing list.
 - 5.1.4.** The Contractor shall ensure that forwarding agents are fully informed of the availability of Form 302 and how this form is utilised to avoid the payment of Customs Duties. Form 302 shall be

added to the shipment documents to be provided to the carrier.

- 5.1.5.** Following receipt of the request by the Purchaser, normally ten (10) business days are required for the issue of the form.
- 5.1.6.** These forms shall be originals and must be mailed or delivered by mail/express courier to the Contractor. If an express courier has to be used by the Purchaser to ensure that the form is available on time before shipment, all associated costs shall be reimbursed by the Contractor.
- 5.1.7.** If a Country refuses to accept the Form 302 and requires the payment of custom duties, the Contractor shall immediately inform the Purchaser by the fastest means available and obtain from the Custom Officer a written statement establishing that its country refuses to accept the Custom Form 302. Only after having received Purchaser's approval, shall the Contractor pay these customs duties.
- 5.1.8.** The Contractor shall add the Custom Form 302 to the shipping documentation. It shall be noted that documents have to be originals which need to be available for the goods to be cleared from Customs. Any unused Form 302 shall be returned to the Purchaser.

6. Packaging

- 6.1.** Packaging shall be adequate to protect hardware, equipment or supplies from any damage during transport fulfilling as a minimum the requirements of STANAG 4280 "NATO Levels of Packaging", NATO packaging level 4 (ref. Annex B), giving due consideration to shipping and other hazards associated with the transportation of consignments overseas even in case of:
 - 6.1.1.** OEMs use of commercial packaging
 - 6.1.2.** Electrostatic Discharge (ESD) sensitive devices
 - 6.1.3.** hazardous/dangerous goods and goods requiring safety test reports and certificates and/or export licenses.
- 6.2.** Packaging and any standard or special packaging materials and containers (boxes, pallets, shipping containers) required for the shipment of items shall be the responsibility of the Contractor at no extra cost to the Purchaser.
- 6.3.** The packing list shall include the following information as a minimum:
 - 6.3.1.** The Shipping Address
 - 6.3.2.** Package Number
 - 6.3.3.** Contract Number and CLIN as per SSS
 - 6.3.4.** Item Description
 - 6.3.5.** Part Number and Serial Number
 - 6.3.6.** Quantity
 - 6.3.7.** Method of shipment and destination
 - 6.3.8.** Weight and Volume details
 - 6.3.9.** Number of pallets/boxes
 - 6.3.10.** Name and address of the Contractor, Purchaser and Consignor
 - 6.3.11.** Name and address of the freight forwarder

7. Warranty

- 7.1.** The Contractor hereby warrants that all hardware delivered under this Purchase Order will, at the time of acceptance, be free from defects and damage and conform to the requirements of this Purchase Order. This warranty shall continue for a minimum of 12 months from the date of Acceptance by the Purchaser (Warranty Period).
- 7.2.** After Acceptance, if the Purchaser reports defects before the expiry of the limited Warranty Period, and the parties are conducting negotiations on that matter, the statute of limitation of the Warranty Period is suspended until any party refuses to continue negotiations. The statute of limitation will end earliest three months after the end of suspension.
- 7.3.** After Acceptance, the Purchaser will report any occurring defects and damages to the Contractor without delay. The Contractor will inspect defects reported to it immediately, at the latest within five (5) calendar days
- 7.4.** Unless otherwise agreed, the Purchaser has the right of choice how to remedy such a defect. The Purchaser shall choose between elimination of the defect by repair or replacement.
- 7.5.** If the Contractor fails to eliminate the defect within a reasonable period set for by the Purchaser or if

repair/replacement will not correct the defects or is not possible, the Purchaser may seek an equitable price reduction, or terminate the contract partially or as a whole under the Clause 19.2 of the Core Terms and Conditions (Termination), and the Contractor shall reimburse any amounts paid by the Purchaser.

C. Appendix B - Services (Non-Software)

The following Terms and Conditions apply for the provision of Services as agreed in this Purchase Order.

1. General Terms

- 1.1. The Contractor will provide its Services with the utmost care and correspondence with the current state of the art of conduct and service at the time the service is provided.
- 1.2. The Contractor is not authorized to present itself as a representative of the Purchaser.
- 1.3. Insofar as the Contractor provides Services for Hardware and/or Software/Licence (including firmware), these Services must not compromise the integrity, confidentiality and availability of the ICT – Infrastructure or parts thereof. Neither security nor confidentiality of the Purchaser should be infringed by way of:
 - 1.3.1. undesirable dropping/dischARGE of data;
 - 1.3.2. undesirable change/manipulation of data or logic structure;
 - 1.3.3. undesirable input of data or extension of features.
- 1.4. An activity is 'undesirable' if it was neither requested by the Purchaser in this Purchase Order or parts of the statement of work, nor offered by the Contractor together with a specific description of the activity and/or its functionality, nor expressly authorized by the Purchaser in individual cases ('opt-in').

2. Documentation and Reports

- 2.1. The Contractor will provide documentation for the Services provided at the latest within five (5) calendar days of completion. Unless otherwise agreed, documentation will be provided in English and in a pdf digital format. The Contractor is obliged to give the Purchaser access to the current state documentation upon request at any time.

3. Contractor Personnel

- 3.1. Designated personnel employed by the Contractor to provide Services must be qualified as agreed upon. Notwithstanding an agreement about qualifications, the Contractor will only employ personnel accordingly qualified to execute the purpose of this Purchase Order and the tasks therein. Notwithstanding, the Contractor will ensure that designated personnel possess at least an equal qualification, that complies with the requirements set out in this Purchase Order.

4. Delivery of Services

- 4.1. The Contractor shall provide services of a high quality standard, in accordance with the state of the art in the relevant industry and the provisions of this Purchase Order. Services includes but is not limited to: services performed, workmanship and material furnished or utilized in the performance of this Purchase Order.

5. Acceptance and Poor Performance

- 5.1. The Contractor shall only provide services that conform to the requirements of this Purchase Order.
- 5.2. The Contractor shall provide written notification of completion of services by email to the Purchaser within five (5) calendar days of completion.
- 5.3. The Purchaser shall provide the Contractor with notification of Acceptance, or of rejection due to the services provided being in non-conformance with the requirements of the Purchase Order.
- 5.4. The Purchaser may require re-performance of nonconforming services at no increase in Purchase Order price if the Services provided were not in conformance with the requirements of this Purchase Order. If re-performance will not correct the defects or is not possible, the Purchaser may seek an equitable price reduction or reject the services partially or as a whole and terminate the Purchase Order, at no cost to the Purchaser.
- 5.5. Other claims of the Purchaser, in particular for damages or reimbursement of expenses and the right to terminate the contract pursuant to Clause 19.2 of the Core Terms and Conditions (Termination), remain unaffected.

6. Ownership and Title

- 6.1. Ownership and title to all services performed under this Purchase Order will pass to the Purchaser

upon Acceptance by the Purchaser. In such case as the Services have been performed by the Contractor, and the Purchaser has failed to provide written Acceptance or rejection within thirty (30) calendar days of delivery, the Services will be determined to have been accepted by the Purchaser.

7. Intellectual Property Rights

- 7.1.** Foreground IPR. Unless the Contractor has advised the Purchaser before the acceptance of the purchase order on existing third parties or Contractor's rights arising otherwise than by virtue of this Purchase Order, and with due regard to national security regulations, all rights in the results of work undertaken by, or on behalf of, the Purchaser for the purposes of this Purchase Order, including any technical data specifications, report, drawings, computer software data, computer programmes, computer databases, computer software, documentation including software documentation, design data, specifications, instructions, test procedures, training material produced or acquired in the course of such work and, in particular, all rights, including copyright therein, will vest in and be the sole and exclusive property of the Purchaser.
- 7.2.** Background IPR. Pre-existing IPR shall remain the property of the Party who owns the IPR. The Purchaser hereby grants to the Contractor a royalty-free, non-exclusive, non-transferable license to use Purchaser Background IPR as required to allow the Contractor to perform its obligations under the Purchase Order. Upon completion of the services and on receipt of payment in full by the Contractor, the Contractor will grant to the Purchaser a perpetual, royalty-free, non-exclusive, non-transferable license to use Contractor's Background IPR as required to allow the Purchaser to use the deliverables produced by the Contractor for any objectives and business purpose related to or derived from this Purchase Order.
- 7.3.** All reports, presentations, etc. produced for the Purchaser under this Purchase Order are to include the following data legend on the title page: *"This material is the property of NATO and may not be reproduced without written permission."*

D. Appendix C – Software/License and Associated Services

1. Mutual Acceptance of Terms and Conditions

- 1.1.** By accepting this Purchase Order, the Contractor has accepted the Core Terms and Conditions and Appendix A, Appendix B and Appendix C, as applicable, of this Purchase Order. Based on the Contractor's mutual acceptance, the Purchaser likewise mutually accepts the Contractor's standard commercial license agreement.

2. Supply of Software/Licence and Associated Services and Inspection

- 2.1.** The Contractor shall supply the Software/Licence and any accompanying documentation on the date or within the period stated in this Purchase Order.
- 2.2.** The Purchaser has the right to inspect or test any Software/Licence that have been tendered for Acceptance, at no cost to the Purchaser.

3. Acceptance

- 3.1.** The Contractor shall provide notification of the delivery of the Software/Licence by email to the Purchaser within two (2) calendar days of provision.
- 3.2.** The Purchaser shall provide the Contractor with notification of Acceptance, or of rejection due to the Software/Licence provided being in non-conformance with the requirements of this Purchase Order.
- 3.3.** The Purchaser may require correction at no increase in Purchase Order price if the Software/Licence provided is not in conformance with the requirements of this Purchase Order. If correction is not possible, the Purchaser may seek an equitable price reduction or reject the services partially or as a whole and terminate the Purchase Order under Clause 19.2 of the Core Terms and Conditions (Termination), at no cost to the Purchaser.
- 3.4.** In such case as the Software/Licence has been delivered by the Contractor and offered for inspection and the Purchaser has either not made inspection or failed to provide written Acceptance or rejection of the Software/Licence within thirty (30) calendar days of delivery, the Software/Licence will be determined to have been accepted by the Purchaser.

4. Inconsistency

- 4.1.** If any of the terms and conditions of this Purchase Order of this Terms and Conditions conflicts or is inconsistent with the Contractor's standard commercial licence agreement, this Purchase Order shall have precedence.

5. Continued Performance

5.1. The Contractor or licensor shall not unilaterally revoke, terminate or suspend any rights granted to the Purchaser except as allowed by this Purchase Order. If the Contractor or licensor believes the Purchaser to be in breach of the agreement, the Contractor shall pursue its rights and remedies under Clause 20 of the Core Terms and Conditions (Disputes and Arbitration).

6. Updating Terms

6.1. After award, the Contractor may unilaterally revise Contractor's standard commercial software/license agreement, if the revision is not a "Material Change". A "Material Change" is defined as:

- 6.1.1.** terms that change the Purchaser's rights or obligations;
- 6.1.2.** terms that increase prices;
- 6.1.3.** terms that decrease overall level of service; and/or
- 6.1.4.** terms that limit any other Purchaser right addressed in this Purchase Order.

6.2. For revisions that will constitute a Material Change, the revised Contractor's standard commercial licence agreement must be incorporated into this Purchase Order through a mutually agreed Purchase Order Amendment.

6.3. Any revision that was not mutually agreed and that is inconsistent with any clause of this Purchase Order shall not be enforceable against the Purchaser, and the Purchaser shall not be deemed to have consented to the revision.

7. No Automatic Renewals

7.1. If any Software/Licence tied to periodic payment is provided under this agreement (e.g., annual software maintenance), such Software/Licence shall not renew automatically upon expiration of its current term without prior express consent by the Purchaser (Contracting Authority).

8. Audits

8.1. Any provision of this agreement permitting the Contractor or licensor to audit the end user's compliance with this agreement is hereby amended as follows:

8.2. Discrepancies found in an audit may result in a charge by the Contractor or licensor to the Purchaser. Any resulting invoice must comply with the proper invoicing requirements specified in Clause 10 of the Core Terms and Conditions (Invoicing and Payments).

8.3. This charge, if disputed by the Purchaser, will be resolved in accordance with Clause 20 of the Core Terms and Conditions (Disputes and Arbitration). No payment obligation shall arise on the part of the Purchaser until conclusion of the dispute process.

8.4. Any audit requested by the Contractor will be performed at the Contractor's expense, at no cost to the Purchaser.

9. Non-assignment

9.1. This agreement may not be assigned, nor may any rights or obligations thereunder be delegated, without the Purchaser's prior approval.

10. Commercial Computer Software/License

10.1. Notwithstanding any contrary provisions contained in the Contractor's standard commercial license agreement, the Contractor agrees that the Purchaser will have the rights that are set forth below to use, duplicate or disclose any Software/Licence delivered under this Purchase Order.

10.2. Software delivered under this Purchase Order may not be used, reproduced, or disclosed by the Purchaser except as provided in Clause 10.3 immediately below.

10.3. The commercial software/license may, as a minimum, be:

- 10.3.1.** Used or copied for use with the computer(s) for which it was acquired, including use at any Purchaser installation to which the computer(s) may be transferred;
- 10.3.2.** Used or copied for use with a backup computer if any computer for which it was acquired is inoperative;
- 10.3.3.** Reproduced for safekeeping (archives) or backup purposes;
- 10.3.4.** Modified, adapted, or combined with other software/license, provided that the modified, adapted, or combined portions of the derivative software incorporating any of the delivered, commercial software/license shall be subject to same restrictions set forth in this Purchase Order;
- 10.3.5.** Disclosed to and reproduced for use by support service Contractors or their subcontractors,

subject to the same restrictions set forth in this Purchase Order; and
10.3.6. Used or copied for use with a replacement computer.

10.4. If the commercial Software/License is otherwise available without disclosure restrictions, the Contractor licenses it to the Purchaser without disclosure restrictions.

11. Rights in Data

11.1. Except as otherwise stated, the data as described below is the property of the Purchaser on behalf of NATO and consequently no statement/action shall be made/taken to restrict the rights of the Purchaser in:

11.1.1. Data first produced in the performance of this Purchase Order;

11.1.2. Form, fit, and function data delivered under this Purchase Order;

11.1.3. Data delivered under this Purchase Order (except for restricted computer software) that constitute manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this Purchase Order; and

11.1.4. All other data delivered under this Purchase Order which was derived through use of the software/license.

Annex A - MATERIAL DATA SHEET (MDS) DATA FIELDS

Field	Description
Contract Line Item Number (CLIN)	(number-10 digits maximum) Sequence number assigned to a particular line item in a given Contract.
Nomenclature (short item description)	(text- 35 digits) Should start with the main item name (HW/SW) followed by a technical specification, and the next higher assembly names in hierarchical order.
EQRE (XB/ND)	Code (text-2 digits). Defines whether an item is repairable (ND) or not (XB) from a technical point of view.
True Manufacturer Part Number	True Manufacturer P/N (text-32 digits given to this item by the OEM).
True Manufacturer Code	(text-5 digits) This is an internationally recognized 5-digit code unique to the company manufactured the item. It corresponds to the "cage code" in the USA.
Vendor/Contractor Code (or complete name and address)	(text-5 digits) Company which sells the item or the complete system this item belongs to. The vendor is the company with which the Contract is placed but not necessarily the true manufacturer. The code is an internationally recognized 5-digit code unique to the company, corresponds to the "cage code" in the USA.
Vendor/Contractor Part Number	Vendor/Contractor P/N (text-32 digits). P/N is given by the company by which the item or the complete system this item belongs to is sold.
QTY ordered	(number-5 digits) The quantity ordered as individual item. In case the item is not ordered as individual item but is built-in in another assembly, enter "0" (zero) and complete fields: "P/N of next higher assembly" and "qty in next higher assembly". Serialized items shall have a quantity of 1.
Order Unit	(text-2 digits) Unit under which the item is sold, e.g. each, set, meter, etc.
Serialized Item Tag	(text-1 digit) Add a "Y" if the item has a serial number whether serial numbers is already known or not. If known, complete column "Serial Number".
Serial Number	If Serialized Item Tag is "Y" (yes) then add serial number here. (1 S/N per line).
Software Revision Level	Software Revision Level (text- 30 digits) If item carries a serial number and field "serial number" is completed, add SW revision level / version.
S/N Hardware Revision Level	Hardware Revision Level (text- 30 digits) If item carries a serial number and field "serial number" is completed, add HW revision level / version.
Other S/N attributes	Other Serial Number Attributes (text-to be defined).
Subject to Property Accounting	(text-1 digit). NCIA will decide whether or not item is subject to property accounting. This field will be completed Y or N by NCIA.
Currency	(text-3 digits) International 3-digit code (ISO) representing the currency in which the item purchase price (or the estimated value) is expressed.
Price	Item Price (number-11 digits). Unit price with 2 decimals.
Warranty Expiration Date	(date: DD/MM/YY) Shows the date on which the warranty of this item expires, which is usually N days after delivery to the Purchaser site.
Receiving/Inspection Depot	(TXT-2 digits) Information will be provided by the Purchaser's ILS Officer. This is the depot to where the vendor ships the material.
Issue to customer	(text-4 digits - to be completed by NCIA)
Extended Line Item Description	(text-no limit) Any additional information to be entered here, e.g. technical specifications, configuration, reference to technical drawings or manuals etc....
Part Number of next higher assembly	(text-32 digits) If item is built-in another assembly, indicate P/N of that assembly here.
Qty in next higher assembly	(number-3 digits max) This field shows the built-in quantity of the item in the next higher assembly, for configuration control.
Qty installed at Operating Unit (Customer Site)	This field is only applicable when the delivery is direct to an operating unit (customer site). However in that case it is mandatory. For non-serialized items it shows total quantity installed. For serialized items quantity shall only be 1.

ANNEX B – STANAG 4280 Packaging Levels									
NATO Packaging Level	STORAGE			ENVIRONMENTAL CONDITIONS			DISTRIBUTION		TESTS
	Location	Duration	Stacking Height	Diurnal Temp	Diurnal Relative Humidity	Rainfall	Transit By	Handling By	Vertical Drop Height* (Maximum)
1	Outdoors	1 year	2 – 4 metres depending on mass and shape of package	– 51°C to + 71°C	3% to 100% RH	Region Worldwide	Road, Rail, Sea, Air in open or enclosed conditions	Any method	1.0 m depending on mass and size of package
2	Outdoors	3 years	2 – 4 metres depending on mass and shape of package	– 46°C to + 63°C	14% to 100% RH	Region Europe	Road, Rail, Sea, Air in open or enclosed conditions	Any method	1.0 m depending on mass and size of package
3	In ventilated permanent buildings	5 years	2 – 4 metres depending on mass and shape of package	– 33°C to + 58°C	43% to 100% RH		Road, Rail, Sea, Air in enclosed conditions	Any method but use of mechanical handling equipment preferred	0.75 m depending on mass and size of package
4	In ventilated buildings	1 year	2 – 4 metres depending on mass and shape of package	– 33°C to + 58°C	43% to 100% RH		Road, Rail, Sea, in enclosed freight container conditions Air without transshipment	Minimal handling by mechanical handling equipment <i>only</i>	0.3 m always