

## **ANNEX 6A CONTRACT TEMPLATE**

### **CONTRACT ON THE SUPPLY OF ONE 3D METAL ADDITIVE MANUFACTURING MACHINE USING SELECTIVE LASER MELTING TECHNOLOGY (SLM)**

#### **1. PARTIES AND CONTACT PERSONS**

Customer: Nivalan Teollisuuskylä Oy (hereinafter "Customer")  
The Customer's contact persons in contract-related matters:

Supplier: nn (hereinafter "Supplier")  
Business Identity Code / Business registration number / VAT:  
The Supplier's contact person in contract-related matters:

In addition, both are referred to as the "Party" or the "Parties".

#### **2. APPLICABLE GENERAL CONTRACT TERMS**

To the extent that it is not otherwise specifically agreed in this Contract or the annexes, the JYSE 2014 Supplies contract terms (hereinafter "JYSE") shall apply to this Contract.

#### **3. DEFINITIONS**

In addition to JYSE Section 1, the following definitions are used in this Contract:

"Supply" refers to Supply, specified in this Contract.

"Prices annex" refers to the price annex that is part of this Contract.

"Contract" refers to this Contract.

"Description of Delivery " refers to the Annex of this Contract, which specifies the delivery of Supply detailed in this Contract with Description of Delivery includes the content and the purpose of the delivery, technical features and requirements, delivery schedule and date, the criteria of approval (acceptance and the final acceptance tests and hand over of supplies, schedule of removing defects), schedule and the actual time of the training and the training session with descriptions, customer-approved subcontractors, reports, documentation and itemised bills, penalties if quality level is not acceptable.

#### **4. OBJECT OF THE CONTRACT**

The object of the contract is the delivery of "one 3D metal additive manufacturing machine using Selective Laser Melting technology (SLM)" (hereinafter the "Supply") in accordance with the invitation to tender dated 16 June 2016 and the Supplier's tender dated **dd month 2016**.

Supply must be suitable for the purpose stated in Annex "Description of Delivery". "Description of Delivery" will be defined in accordance with the

invitation to tender dated 16 June 2016 and the Supplier's tender dated dd month 2016.

The Supplier shall provide to the Customer manuals, drawings as well as other information and documents needed for installation, repair, maintenance and appropriate use of the Supply included in the acquisition. The information and documents must be in Finnish or in English language.

Installation of the Supply is included into the Contract. In addition, before the final acceptance, the Supplier shall organize operational training for up to 10 persons with duration of 5+3 days (+2 days if offered in the tender). The training shall take place in the Customer premises in address Nivalan Teollisuuskylä Oy/ELME Studio -laboratory area, Pajatie 5, FIN-85500 Nivala, FINLAND. The actual time of the training and the training session is described in more detail in the Annex "Description of Delivery". The training shall be carried out in Finnish or in English language.

The general useful life of the Supply is 15 years. Maintenance and spare parts must be available at least during the before mentioned time.

## **5. SUBCONTRACTORS**

In place of the first sentence of JYSE paragraph 3.2, the Parties note that the Supplier may contract some of its tasks under this Contract to subcontractors that have been approved by the Customer during the tender process. In other regards, the Supplier is not authorised to contract any tasks under this Contract to subcontractors without the Customer's express written consent. Customer-approved subcontractors are listed in the Description of Delivery annex.

In addition to JYSE Section 3, if the Supply/services is delivered at a facility under the direct oversight of the Customer, the Supplier has to indicate to the Customer the name, contact details and legal representatives of its subcontractors, involved in such services, in so far as known at this point in time and any changes to this information during the course of the contract as well as of the required information for any new subcontractors which it subsequently involves in such services.

## **6. TERM OF CONTRACT**

This Contract shall take effect from its signing and shall remain valid until the Supplies are delivered and accepted and the Supplier has performed its obligations under the warranty period in a manner acceptable to the Customer.

## **7. PRICES**

The prices is specified in the Prices annex.

The prices of the Supply include all costs incurred to the Supplier by providing the Supply, such as any indirect taxes and fees, excluding value-added tax, payable by the Supplier and applicable at the deadline for tenders. The Customer will not compensate the Supplier for any costs in addition to agreed prices, including travel or accommodation costs. If the Customer compensates the Supplier for travel costs in exceptional cases, the State's Travelling Regulations shall apply. Compensation of travel costs must, in all cases, be agreed on in writing with the Customer before

travelling. The price shall include also packing costs, relevant documentation, maintenance and operator's manuals.

## **8. TERMS OF PAYMENT**

The Customer shall pay the price of the Contract to the Supplier as follows:

10 % of the contract price after the signing of the contract, when the Supplier has posted security to the satisfaction of according JYSE Section 7 Security.

60 % of the contract price after the accepted installation and commissioning.

30 % of the contract price after the final acceptance test when accepted fully. This is not the same as accepted as installed. The fully acceptance is due maximum of 30 days from the acceptance of installation.

The term of payment is calculated from the date of the acceptance of the delivered Supply/service and receipt of the invoice in accordance with the Contract.

The due date is 30 days from the arrival of acceptable invoice.

Reports, documentation and itemised bills for the Supply/Services must be delivered to the Customer as described in annex "Description of Delivery".

If a total price is agreed for the Supply, the price shall not be exceeded without the Customer's written consent.

## **9. TERMS OF DELIVERY**

Delivered to a place specified by the customer. Unpacked at the place shown by the Customer, transport insurance paid by the Supplier, waste materials carried away.

Delivered Duty Paid, DDP (Nivalan Teollisuuskylä Oy/ELME Studio laboratory, Pajatie 5 FIN-85500 Nivala FINLAND) Incoterms 2010.

The Supply shall be delivered within xx days/weeks/months after signing this Contract and not later than 22 weeks after signing this Contract.

Delivery day and schedule of the Supply will be described with details in the Description of Delivery [will be completed in contract negotiations].

Delay terms including penalties according JYSE 2014 Supplies Section 10 Delay.

## **10. ACCEPTANCE AND HANDOVER OF SUPPLIES**

The Customer shall inspect the Supply in 30 days from the moment when the Supplier has handed over the Supply for inspection in accordance with the Contract. The Supplier shall assist the Customer in executing the acceptance inspection in agreed way. The set time for the inspection shall

be prolonged with the time the Supplier reasonably needs for removing of defects, revising and approving the reparations.

The approval process is following:

- The Customer designs test pieces for full platform (later test pieces).
- The test pieces are evaluated together with the Supplier.
- Test pieces are made at the manufacturing plant of the Supplier so that the Customer has presentatives at the manufacturing plant when parts are made. Material is AISI 316L.
- When the Supply is delivered to Nivala, installation is done and the first training session is over, the Customer will make the test parts with two materials. This is done separately of the training session and there is no need for the presence of the personnel from the Supplier's organization. The materials are AISI 316L and Titanium or its alloy. This will take about 4 weeks after the Supply has arrived to Nivala.

The criteria of approval is defined in more detailed manner in annex Annex "Description of Delivery" [will be completed in contract negotiations].

The reasonable period for making a claim is 30 days. The claim must be made in written. Reasonable time referred in JYSE paragraph 9.5 for removing defects is defined in more detail in annex "Description of Delivery".

If the defects are significant or recurrent, the Customer shall have the right to terminate the Contract in accordance with JYSE Section 15

## **11. COMPENSATION FOR DAMAGES**

In addition to what is agreed in to JYSE Section 14:

Direct damages consist of compensation for direct expenses due to the breach, such as notices of defect and repair of defect, price difference (lost profit).

Indirect loss consist of loss due to reduction on interruption in production or turnover, other loss arising because the Supply cannot be used as intended, loss of profit arising because a contract with a third party has been lost or breached, loss due to damage to property other than the goods sold and other similar loss that is difficult to foresee.

## **12. CONFIDENTIALITY**

In addition to what is agreed in JYSE Section 17, the Parties note that the rules on confidentiality shall continue after the termination of the Contract.

## **13. TERMINATION AND CANCELLATION OF THE CONTRACT**

In addition to the circumstances specified in JYSE Section 15, the Customer shall have the right to terminate the Contract if The Customer ceases its operation.

Instead of JYSE paragraph 15.1 (Termination of the procurement contract in special situations) the following shall apply:

The customer has the right to terminate the procurement contract with immediate effect if the supplier is burdened by a mandatory criterion for exclusion referred to in Directive on public procurement (2014/24)\* or by a mandatory criterion for exclusion provided in section 53 subsection 1 (5) of the Act on Public Contracts (348/2007) (work discrimination through undue influence). In addition, the customer has the right to terminate the procurement contract with immediate effect if the supplier is burdened by a discretionary criterion for exclusion referred to in section 54 subsection 1 (4-6). The customer has the right to terminate the procurement contract with immediate effect, even if the criterion arose after the beginning of the contractual relation. [\*If the contract constitutes a concession, the Directive number is (2014/23/EU). If the contract constitutes a procurement by entities, operating in the water, energy, transport and postal services sectors the Directive number is (2014/25/EU).]

If the service is produced by a group, the supplier has, on the customer's demand, obligation to change any group member, who is burdened by a mandatory criteria for exclusion referred above, or, who does not meet requirements set by the Customer in Invitation to tender, even if the criterion for exclusion or non-compliance arose after the beginning of the contractual relation. If the Supplier fails to change the group member, the customer has the right to terminate the procurement contract with immediate effect.

In addition to the above-mentioned situations and situations set forth in JYSE paragraph 18.2, the customer is entitled to terminate the contract, if 1) The customer ceases to operate, 2) The service becomes unnecessary.

The supplier is obliged to forward to the Customer needed extract of criminal record issued by the competent authority of the supplier's country of establishment as soon as the extract is available from the authorities. If the supplier fails to provide the extract of criminal record, the customer is entitled to terminate the contract.

#### **14. CONTRACT AMENDMENTS**

Written contract amendments referred to in JYSE Section 18 may only be made by the persons granted with power of signature in the Customer and Supplier's organization.

The contact persons specified in the Contract have no right to amend the Contract.

#### **15. CONTRACT ANNEXES AND THE ORDER OF PRECEDENCE OF DOCUMENTS**

The contract documents are complementary. In the event of any conflict between the contract documents, the following order of precedence applies (annex with a lower number is of the first rank):

1. Contract
2. Description of Delivery (annex x)
3. Prices list (annex x)

- 4. Other annexes identified during contract negotiations, amend as required. (annex x)
- 5. General Terms of Public Procurement in Supply Contracts, JYSE 2014 Supplies (annex x)

**16. SIGNATURES AND CONTRACT COPIES**

Two identical copies of this Contract have been drawn up, one for each Party. Signatures will be made in Nivala, Finland.

CUSTOMER  
City dd month yyyy

SUPPLIER  
City dd month yyyy

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Position/Title

\_\_\_\_\_  
Position/Title

- ANNEXES
- Description of Delivery (annex x )  
(Will be defined in accordance with the invitation to tender dated 16 June 2016 and the Supplier's tender dated dd month 2016.)
  - Prices list (annex x) (from Supplier's tender dated dd month 2016)
  - Other annexes identified during contract negotiations, amend as required. (annex x)
  - General Terms of Public Procurement in Supply Contracts, JYSE 2014 Supplies (annex x)