Document title: Response to legal questions 17 APRIL 2026

Response 1:

The Client confirms that, as currently drafted, the Contract does not include a general price regulation mechanism. However, in order to ensure a balanced and sustainable commercial framework over the duration of the Contract, the Client is open to including a limited indexation mechanism.

The Client proposes that such indexation, if included, would be structured along the following principles:

- Indexation shall apply only to recurring fees, including maintenance and support services, hourly rates, and other ongoing service payments.
- The Delivery Payment and other one-time payments shall remain fixed and non-indexed.
- Adjustment may take place once annually, with effect from 1 January.
- Adjustments shall be based on a recognised and relevant cost index on the Faroe Islands, such as the price index published by Statistics Faroe Islands (Hagstova Føroya), or an equivalent index.
- The adjustment shall be calculated based on the development in the index over a 12-month period (e.g. October to October).
- Annual adjustments shall be subject to a cap of 2 % per year.
- Negative indexation shall apply correspondingly.

The detailed formulation will be included in Appendix 11 and finalized during the clarification and negotiation phase.

Tenderers are requested to base their offers on this approach.

Response 2:

The Client confirms that clause 23.1 sets out the general principle that provisions in Appendix 13 which go beyond regulating the content and scope of the right of use (e.g. maintenance, liability, duration, etc.) shall, as a starting point, be disregarded as between the Parties.

At the same time, the Client acknowledges that Standard Software is typically subject to third-party licence terms, and that such terms may include certain limitations, including in relation to maintenance and duration of use.

Accordingly, clause 23.2 should be understood to allow that:

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- the scope and nature of the Client's right of use of Standard Software may be defined by the applicable licence terms set out in Appendix 13, including certain inherent limitations,
- and that reasonable and customary restrictions relating to third-party maintenance and duration of use may be accepted where these follow from the rights holder's standard licensing model.

However, such limitations must not undermine the overall balance of the Contract, including the Client's ability to ensure continued operation, maintenance, and transition of the Solution, particularly in an exit scenario.

In case of any conflict, the provisions shall be interpreted with a view to reconciling the Supplier's standard licence terms with the Client's legitimate need for operational continuity and long-term usability of the Solution.

The Client is open to discussing specific licence terms during the clarification phase to ensure an appropriate balance in this respect.

Response 3:

The Client confirms that the provisions must be interpreted in light of the overall structure and purpose of the Contract, including the distinction between different termination scenarios.

Clause 20.2 applies specifically in situations of termination with immediate effect due to material breach, where a restitution-based settlement applies. In such cases, and to the extent that the Supplier repays amounts received, the rights to the affected parts of the Supplier's services will revert to the Supplier as part of the unwinding of the contractual relationship.

Appendix 13, clause 2.1, stating that the right of use is irrevocable and non-terminable by the Supplier, applies as a general principle governing the Client's right of use during the normal performance of the Contract and in termination scenarios that do not involve such restitution (e.g. termination for convenience by the Client).

Accordingly:

- in case of termination for convenience by the Client, the Client's acquired rights of use to delivered and paid-for Software remain in force in accordance with the Contract,
- in case of termination due to the Client's material breach, general principles of contract law and the specific circumstances will determine the extent to which rights may be affected,
- in case of termination with immediate effect involving repayment under clause 20.2, rights may revert to the Supplier for the affected parts of the Delivery as part of the contractual unwinding.

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The provisions are thus not contradictory but apply to different situations and must be interpreted accordingly.

Response 4:

The Client confirms that the purpose of clause 2.1.1 is to ensure that the Client has the necessary flexibility to engage third parties in relation to the Software, including for operation, maintenance, development, and other relevant activities.

This right reflects the Client's need to ensure continuity, independence, and the ability to organise its operations appropriately, including through third-party suppliers. Accordingly, clause 2.1.1 also covers situations where third parties perform activities that may overlap with services otherwise provided by the Supplier under the Contract. However, any such engagement will not in itself relieve the Supplier of its contractual obligations, except to the extent explicitly provided for in the Contract (e.g. clause 5.7).

In order to address the concerns raised, the Client is open to clarifying the provision. The following wording could be included in Appendix 13, clause 2.1.1:

"The Client may engage third parties to perform activities relating to the Software, including operation, maintenance, development and support. Such third parties shall act on behalf of and under the responsibility of the Client. The Client shall ensure that such third parties are subject to appropriate confidentiality obligations in respect of the Software and any associated source code.

The Client shall not, without reasonable grounds, engage third parties that are direct competitors of the Supplier for the purpose of performing services that are materially equivalent to the Supplier's services under this Contract.

For the avoidance of doubt, this limitation shall apply only to activities performed under this Contract and shall not restrict the Client's right to conduct separate procurements or to award contracts to any third party, including competitors of the Supplier, in relation to other systems, services, or integrations."

The Client's use of third parties shall not in itself relieve the Supplier of its obligations under the Contract.

Response 5:

(i) Public Institution
The term "Public Institution" shall be understood to cover public authorities and publicly owned or controlled entities operating within the healthcare and social sectors in the Faroe Islands.

This includes, in particular, entities responsible for the delivery, administration, or support of healthcare and social services, such as hospitals, primary care providers, municipal healthcare and social services, and other relevant public authorities within these sectors.

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The term is intended to ensure the necessary flexibility for cooperation and allocation of responsibilities across the healthcare and social sectors, but does not extend beyond such public sector entities.

(ii) Takeover Date
The Client acknowledges that the term "Takeover Date" is not defined in Appendix 0 and is not used consistently across the Contract and appendices.

For the purposes of interpretation of the Contract, any reference to "Takeover Date" shall therefore be understood as a reference to the defined term "Acceptance Date".

The Client will ensure that this is formally aligned in a subsequent contract update to ensure full consistency across the Contract documents.

Response 6:

The Client confirms that the maintenance and support fee shall not become payable in full upon approval of the first partial delivery test.

The Contract must be understood in light of its phased implementation structure. The Delivery may be divided into Partial Deliveries, each subject to its own partial delivery test, and approved Partial Deliveries may be deployed before final acceptance of the full Delivery. The Supplier is required to provide maintenance and support for such approved Partial Deliveries prior to the final Acceptance Date, and the Client is to pay the corresponding fees as stated in Appendix 11.

Accordingly, the maintenance and support fee shall apply strictly on a pro rata basis, reflecting the implementation cadence and the actual scope of the Solution that has been approved and taken into operation at the relevant time.

This means that:

- only the part of the fixed annual maintenance and support fee relating to the approved and deployed Partial Delivery becomes payable,
- the remaining part of the fee becomes payable only as additional Partial Deliveries are approved and brought into operation,
- and the full fixed annual maintenance and support fee becomes payable only when the full Solution has been accepted or otherwise fully taken into operation in accordance with the Contract.

The Client will clarify Appendix 11 accordingly, so that the payment mechanism expressly reflects pro rata payment in line with the phased implementation of the Solution.

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Response 7:

The Client confirms that the exit fee model will be specified in Appendix 11.

The following model is intended to apply:

- In case of the Customer's termination of the Contract with respect to maintenance and support later than 4, 5, 6 or 7 years from the Acceptance Date of the first Partial Delivery, the Supplier shall be entitled to an exit fee.
- Maintenance and support shall be non-terminable by the Customer for the first 2 years from the commencement of the first Partial Delivery.
- No exit fee shall apply in case of termination during the clarification phase or during delivery of the Solution. In such case, the Customer shall only pay for the hours performed by the Supplier up to the time of termination, however capped at the agreed price for the clarification phase (cf. clause 19.1).

The exit fee shall be specified by the tenderer in Appendix 11 in accordance with the following structure:

Time of termination	Exit fee (DKK)
After 4 years, but before 5 years (from Acceptance Date of the first Partial Delivery)	[to be completed by Tenderer]
After 5 years, but before 6 years	[to be completed by Tenderer]
After 6 years, but before 7 years	[to be completed by Tenderer]
After 7 years, but before 8 years	[to be completed by Tenderer]

The exit fee shall fall due for payment at the time of termination.

The Client expects that the exit fee reflects a decreasing level over time, taking into account that the Supplier's initial investments will be amortised during the contract period.

Response 8:

The Client confirms that the intention is to maintain a single, overall liability cap covering both the delivery phase and the operational phase, in order to ensure a clear and consistent allocation of risk under the Contract.

At the same time, the Client acknowledges the considerations raised regarding the relative value of the operational phase.

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On that basis, the Client is open to adjusting the overall liability cap so that it reflects both the delivery payment and a portion of the operational value of the Contract. The client would prefer a structure with a combined cap corresponding to:

- the delivery payment; plus
- an amount equivalent to up to 12 months' maintenance and support fees.

Such an approach would maintain a single, unified liability cap while ensuring a more balanced reflection of the Contract's total value.

Response 9:

The Client acknowledges the considerations raised and is open to clarifying the interaction with the change management process.

Accordingly, the Client proposes the following clarification:

- The Client may adjust Service Levels, including measured transactions, within the scope of the existing Service Level framework with prior notice, as set out in Appendix 7.
- Such adjustments are intended to be operational in nature and within the overall scope and structure of the Contract.
- To the extent that an adjustment demonstrably results in material additional cost or effort for the Supplier, the Supplier may request that the impact is handled in accordance with the change request procedure set out in clause 5.

For the avoidance of doubt:

- the implementation of the adjustment shall not be conditional upon prior agreement under the change request procedure,
- however, any documented and agreed net impact on cost or effort may be subject to adjustment in accordance with the outcome of such procedure.

This approach is intended to ensure that the Client retains the necessary flexibility to adapt the Solution, while providing a fair and structured mechanism for addressing material impacts.

The Client is open to reflecting this clarification in Appendix 7.

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Response 10:

The Client confirms that tenderers are expected to propose a payment schedule covering one-time payments in Sub-Appendix 11A. This payment schedule should be based on relevant milestones in the time schedule set out in Appendix 1.

Accordingly:

- the proposed payment schedule shall be included in Sub-Appendix 11A,
- and should clearly describe the link between milestone achievement and the corresponding payments.

The Client does not prescribe a fixed or mandatory structure for the payment schedule but expects that:

- payment triggers are aligned with objectively verifiable milestones,
- payments reflect actual progress and delivery of value,
- and the structure supports an appropriate balance between the Parties.

The Client expects that key milestones, such as (as applicable):

- completion of major delivery phases,
- approval of Partial Deliveries (including relevant tests),
- and final Acceptance,

are reflected in the proposed payment schedule.

The Client reserves the right to discuss and adjust the proposed payment schedule during the dialogue and negotiation phase to ensure alignment with the Contract's structure and risk allocation.

Response 11:

The Client confirms that the term "non-mandatory rules" is intended to refer to generally recognised standards, guidelines, and best practices that are relevant to the Solution and the Supplier's performance under the Contract, but which do not have the force of law.

This includes, for example:

- recognised industry standards,
- relevant technical standards and norms,
- guidelines issued by competent authorities or industry bodies,

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- and generally accepted good practice within the relevant domain (e.g. healthcare IT).

The purpose of including "non-mandatory rules" is to ensure that the Solution is not only legally compliant but also aligned with professional and technical standards that can reasonably be expected for a solution of this nature.

However, the obligation is not intended to be unlimited. Accordingly:

- the Supplier is only required to comply with such non-mandatory rules to the extent that they are relevant, generally recognised, and applicable to the Solution,
- and compliance is assessed against what can reasonably be expected from a professional supplier acting in accordance with good industry practice.

The Client does not intend this provision to impose an obligation to comply with all existing guidelines or recommendations irrespective of relevance or proportionality.

Response 12:

See question 1 above.

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