Netherlands Ministry of Defence Defence Materiel Organisation Directorate of Material Logistics p/a De Kromhout Kazerne Herculeslaan 1 3584 AB Utrecht (NL)





Date: 07 January 2021

Subject: Force Majeure Update

Cor. number: 2101

Dear Art. 10 (2) (e)

This letter is a follow up to our letter of 9<sup>th</sup> of September 2020, which we have not had a reply to. This update also shows new facts about the Force Majeure invoked by us.

As you know, a second COVID-19 pandemic is underway, which has presented our consortium with impossible tasks and timelines that can no longer be kept, let alone the chances of a third wave occurring over the balance of the year being very realistic. The first pandemic also shows that suppliers in particular have problems with their logistical arrangements, which means that the already announced delays do not seem to be catching up.

In addition to a number of other factors that are already known to you, we would again like to rely on ARTICLE 19: NON-IMPUTABLE FAILURES (FORCE MAJEURE):

To the extent that a failure to perform an obligation cannot be imputed to the Supplier, he shall not be in default nor be liable for damages nor owe any penalty, provided that he has notified the State of the failure and the reason thereof without delay and in any case within the period agreed for the performance of the obligation.

Over the past few months our suppliers and our own organization are experiencing the exact impact of COVID-19 phase 1 and 2 on our CLT project.

We have come to the conclusion that the suppliers all continue to deliver but with delays of 2-4 months, from all corners of the world and even though we have space in our factory to produce the units to this project without all the components we cannot build the units. Thus this means that we are more than 3-4 months late in our planning as of today. This is not just observed at the factories but the shipping yards are continuing to back up with average delays of approximately 5 weeks. Further, the personnel limitations due to illness, quarantine and fear from employees to come to work this has already an impact on us and the suppliers going forward.

In addition, the limitation of travel and therefore poorer communication has an adverse effect on the collaboration, especially with regard to the interpretation of matters, causing unnecessary delays in recent months, but certainly during the construction of test models to guide the design.

Art. 10 (1) (c), Art. 10 (2) (g)	
Effect on delivery:	
Art. 10 (2) (g)	
The spreaders will all be delivered within 2021 as we have less interference from shipping and COVID-19, with the current design (as test model).	
With kind regards,	
Art. 10 (2) (e) Project Manager LiSa	Art. 10 (2) (e) Project Manager LiSa