



Ministry
of Defence



TERMS AND CONDITIONS OF CONTRACT

For

MSS/102 Marine Rotating Electrical Machinery (MREM) Asset Availability Service For Surface Fleet And Submarine Fleet

By and Between:

The Authority:

DES Ships Commercial - Marine Systems Support
Ministry of Defence, Birch 3a #3324,
Abbey Wood, Bristol, BS35 8JH

and

The Contractor:

Devonport Royal Dockyard Limited
Devonport, Plymouth, PL1 4SG

Company Registration No: 02077752

(together “the Parties”)

Revision History

Date	Amendment No.	Amendment Description
01/04/21	0	Contract Award

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**MINISTRY OF DEFENCE
 Schedule of Requirements
 For**

MARINE ROTATING ELECTRICAL MACHINERY (MREM) ASSET
 AVAILABILITY SERVICE FOR SURFACE FLEET AND SUBMARINE
 FLEET

**CONTRACT No:
 MSS/102**

**Issued with:
 Amendment No: 0**

**on:
 01/04/2021**

Activity No	Description	Firm/ Fixed Price(s)
1	To deliver management of the availability service in accordance with the Statement of Support Requirement at Annex A.	See Annex B
2	To deliver the availability of Marine Rotating Electrical Machinery (MREM) in accordance with the Statement of Support Requirement at Annex A.	See Annex B
3	To provide emergent 'tasking' activity out with the scope covered by Activity 1 & 2 above.	See Annex B

CONDITIONS OF CONTRACT

The Contract is subject to the Terms and Conditions attached.

Part A. General Conditions

1. Defence Conditions

The Parties agree that the following standard Conditions shall apply to this Contract in addition to any DEFCONs expressly incorporated in Part B (Special Conditions):

DEFCON	Edition	Description
5J	11/16	Unique Identifiers
23	08/09	Special Jigs, Tooling and Test Equipment
68	02/19	Supply of Data for Hazardous Equipment, Materials and Substances
76	12/06	Contractor's Personnel at Government Establishments Note: For the purposes of this Contract, the Contractor's liability under Clause 3 of DEFCON 76 shall be limited to REDACTED (five million) per incident.
82	07/14	Special Procedures for Initial Spares Note: This Defcon applies to Activity 3 and will be included in the Task Approval Form where required.
113	02/17	Diversion Orders
117	10/13	Supply of Documentation for NATO Codification Purposes
127	12/14	Price Fixing Condition for Contracts of Lesser Value
129	07/19	Packaging (for Equipment s other than Munitions)
129J	11/16	The Use of the Electronic Business Delivery Form
501	11/17	Definitions and Interpretations
502	05/17	Specification Changes
503	12/14	Formal Amendments to Contract. Note: For the purposes of Condition Authority's duly authorised representative shall be named at Box 1 of Appendix to Contract
507	10/18	Delivery
513	11/16	Value Added Tax
514	08/15	Material Breach
515	02/17	Bankruptcy and Insolvency
516	04/12	Equality
518	02/17	Transfer (Assignment of Contract)
520	05/18	Corrupt Gifts and Payment of Commission
522	11/17	Payment and Recovery of Sums Due. Note: The Authority's preference is to set off any sums due against payments on the Contract, only where there are no upcoming payments

		on the Contract to set off sums due against, will the Authority set off sums due against payments on another Contract. Note: For clause 5 a reasonable time is agreed as; within 20 business days.
524	10/98	Rejection. Note: For the purposes of this DEFCON a period of twelve months shall apply.
524A	02/20	Counterfeit Materiel
525	10/98	Acceptance. Note: For the purposes of this DEFCON a period of nine months shall apply.
526	08/02	Notices
527	09/97	Waiver
528	07/17	Overseas Expenditure Import and Export Licences. Note: For the purposes of Condition 16, the periods are 30 calendar days.
529	09/97	Law (English)
530	12/14	Dispute Resolution (English Law)
531	11/14	Disclosure of Information
534	06/17	Sub-Contracting and Prompt Payment
537	06/02	Rights of Third Parties Note: It is expressly agreed by the Authority and Contractor that in accordance with Clause 2 of DEFCON 537 (Edn 06/02), the Contractor's Group (as defined below) shall be entitled to enforce the benefit only of any indemnities, exclusions or limitations of liability or any of them contained in the Contract in favour of the Contractor. For the purposes of this Condition only, the Contractor's Group means any parent or holding company or subsidiary company or companies (of any tier) of the Contractor or their respective officers, directors, employees, servants and agents or any of them.
538	06/02	Severability
539	08/13	Transparency
550	02/14	Child Labour and Employment Law
566	12/18	Change of Control of Contractor
601	04/14	Redundant Material
602A	12/17	Deliverable Quality Plan
604	06/14	Progress Reports
606	06/14	Change and Configuration Control Procedure
608	10/14	Access and Facilities to be Provided by the Contractor
609	08/18	Contractor's Records
611	02/16	Issued Property
612	10/98	Loss of or Damage to the Equipment
620	05/17	Contract Change Control Procedure
621B	10/04	Transport (if the Contractor is responsible for Transport). Note: For diversion orders only, the Authority will accept responsibility for offloading at non-MoD, Contractor and sub-contractor sites, subject to Babcock providing necessary details to the consignee to enable offloading and receipting to be arranged.
624	11/13	Use of Asbestos in Arms, Munitions or War Materials
625	10/98	Co-operation on Expiry of Contract
627	12/10	Requirement for a Certificate of Conformity
637	05/17	Defect Investigation and Liability

642	06/14	Progress Meetings
643	12/14	Price Fixing (Non-qualifying Contracts)
644	07/18	Marking of Equipment
647	04/19	Financial Management Information Note: the DEFCON 647 report shall be provided on the 10th day of the month.
649	12/16	Vesting
656B	08/16	Termination for Convenience – over £5M. Note: the periods of notice referred to in Conditions 1 and 6(b) of this DEFCON shall be two months and one month respectively.
658	10/17	Cyber
659A	02/17	Security Measures. Note: The Authority and Contractor agree that for the purposes of clause 5.b of this DEFCON 659A (Edn. 02/17), the Authority shall provide the Contractor with reasonable notice of a representative of the Authority requiring access to the Contractor's or subcontractors premises in order to allow the Contractor adequate time to arrange the necessary security clearances for the representative to enter these facilities. Reasonable notice shall be: (i) Minimum notice period: 48 hours, (ii) Standard practice: 5 working days.
660	12/15	Official-Sensitive Security Requirements
670	02/17	Tax Compliance
674	09/19	Advertising Subcontracts (DSPCR 2011)
678	09/19	SME Spend Data Collection
687A	07/19	Provision of A Shared Data Environment Service
691	03/15	Timber and Wood – Derived Products
694	07/18	Accounting for Property of the Authority
800	12/14	Qualifying Defence Contract
801	12/14	Amendments to Qualifying Defence Contracts – Consolidated versions
802	12/14	QDC: Open Book on subcontracts that are not Qualifying Sub-contracts (QSC)
804	03/15	QDC: Confidentiality of Single Source Contract Regulations Information

2. Intellectual Property Rights

DEFCON	Edition	Description
14	11/05	Inventions and Designs Crown Rights and Ownership of Patents and Registered Designs
15	02/98	Design Rights and Rights to use Design Information
16	10/04	Repair and Maintenance Information
21	10/04	Retention of records
90	11/06	Copyright
632	08/12	Third Party Intellectual Property – Rights and Restrictions

3. Quality Assurance Standards and Conditions

Standard	Description
AQAP 2105	NATO Requirements for Deliverable Quality Plans
DEFSTAN 00-45	Reliability Centered Maintenance
DEFSTAN 00-51	Environmental Management
DEFSTAN 00-56	Safety and Environmental Management
DEFSTAN 05-57	Configuration Management of Defence Material
DEFSTAN 05-061	Quality Assurance Procedural Requirements
DEFSTAN 05-099	Managing Government Furnished Equipment in Industry
DEFSTAN 05-135	Avoidance of Counterfeit Materiel
DEFSTAN 05-138	Cyber Security for Defence Suppliers
DEFSTAN 02-617	Magnetic Signature (applies to Submarine Fleet only)

4. Defence Forms

4.1 In this Contract, references to Defence Forms (DEFFORMs) shall mean the latest version of that document available.

DEFFORM	Edition	Description
68	02/19	Hazardous Equipment, Materials or Substances Statement by the Contractor
110	10/04	Schedule of Requirements
111	12/17	Appendix – Addresses and other Information
129J	11/16	The Use of the Electronic Business Delivery Form
177	03/80	Design Rights and Patents (Sub-Contractors agreement)
315	02/98	Contract Data Requirements
316	05/98	Government Furnished Information
647	09/13	Financial Management Information
687C	06/01	Electronic Information Sharing Agreement

5. Special Processes

Description	Ref
PDS Tasking Procedures, Repair and Technical Support	Activity 3 to Annex A (SoSR)

Part B. Special Conditions

CORE CONDITIONS

1. Definitions and Interpretations

- 1.1. In addition to the provisions of DEFCON 501 (Definitions and Interpretations), the following words and expressions shall apply to this Contract:

Activity / Activities	Task (s) pertinent to the delivery of this Contract.
Applicable Law	Any applicable law, common law, legislation, proclamation, by-law, directive, decision, regulation, rule, order, notice, rule of court or delegated or subordinate legislation, and any applicable official request or requirement with which the relevant Party is bound to or is accustomed to comply.
Anticipated Contract Award Date	The date by which the Contractor signs and returns the Authority's acceptance of offer.
Authority Disclosed Data	"Authority Disclosed Data" means information relating to the Authority, the Contractor or the Contractor Deliverables disclosed to the Contractor or a Contractor Related Party including: (a) the Contract Notice; (b) the Pre-Qualification Questionnaire; (c) information, data and documents disclosed during the tendering process; and (e) the Clarification Responses.
Available	Means a Master Equipment which is serviceable, whether such Master Equipment is in the Authority's possession or not.
Beyond Economic Repair	The estimated cost of repair exceeds the Contract set value.
Business Day	Any day excluding Saturdays, Sundays and public and statutory holidays in England and Wales.
Master Equipment Availability	Means the making Available of Master Equipments by performing the necessary range of Activities in relation to Articles listed in Annex A02-A03.
Calendar Day	Any day including Saturdays, Sundays and public and statutory holidays in England and Wales.
Clarification Responses	Answers, updates and other clarifications provided by the Authority to the Contractor during the tendering process.
Commencement Date	01 Apr 2021

Concession	Permission to use, embody; deliver or release a product that does not conform in full to Contract requirements.
Configuration	The functional and physical characteristics of materiel as described in its technical documentation and later achieved in the product.
Configuration Audit	Checking an item for compliance with its configuration documentation.
Configuration Management	A discipline applying technical and administrative direction and surveillance to the following activities: a) Configuration Identification and Documentation; b) Configuration Change Management; c) Configuration Status Accounting and configuration data management; Configuration Audit
Continuous Engineering Support (CES)	The CES regime facilitates platform based through life support wholly in FT to optimise the delivery of operational need. There are no traditional Upkeeps and all dockings, programmed or unscheduled, will be undertaken during FT.
Contract Term	As set out in Condition 4 (Contract Term and Option(s)).
Contractor Deliverables	Means the Articles and/or the Services which the Contractor is required to provide under the Contract.
Contractor Related Party	means one or more of: (a) an officer, employee, representative, agent or adviser of the Contractor; (b) [a member of the Contractor Group]; (c) a Sub-Contractor and any further sub-Contractor of any tier; and (d) an officer, employee, representative, agent or adviser of a Sub-Contractor.
CP&F	The Authority's Contracting, Purchasing and Finance e-procurement system.
Defence Logistics Framework	A repository for MOD support policies and procedures
Delay	Means maintenance activity will not delay the platform programme, particularly the Ready for Sea Date (RFSD).
Delivery	Means in respect of the Equipment as described within this Contract and delivery of these to the User (principally, but not exclusively Navy Command), in accordance with Annex A, SoSR.
Disposal	The ultimate transfer of ownership of materiel no longer required within the MOD
Diversion Order	A request for the urgent delivery of a specified quantity of Contractor Deliverables to a consignee other than that stated in the Contract.

Equipment	Means new permanent capital, repaired and consumable spares or components as listed at Appendices A02-A03 to Annex A (SoSR).
Exit/Transition Plan	A list of processes to manage the exit / transition of a Contractor from performance of the Contract
Expiry Date	31 March 2031
External Cost	The design, engineering or other necessary costs exclusive of Contractor internal labour or subcontract fees, incurred by a supplier in the investigation and delivery of a solution to the proposed obsolescence issue.
Firm Price (s)	Means a price, agreed for the Articles or Services, or both, which is not subject to variation;
Fixed Price (s)	Means a price, agreed for the Articles or Services, or both, that is subject to variation in accordance with the variation of price provisions of the Contract
Fleet-Time (FT)	A period when a ship is available to Navy Command for tasking/patrol.
Foreground Information	Any Information which is generated in performance of this Contract.
Good Industry Practice	The exercise of such degree of skill, diligence, prudence and foresight as would reasonably and ordinarily be expected from a skilled and experienced person seeking to comply with his Contractual obligations and seeking to avoid liability arising under any duty of care that might reasonably apply to or to be expected from that person, complying with all applicable laws and engaged in the same type of undertaking and under the same or similar circumstances and Conditions as the Contractor or any sub-Contractor.
Government Furnished Equipment	Any Issued Property provided to the Contractor in accordance with DEFCON 611.
Hazard Log	The continually updated record of the Hazards, accident sequences and accidents associated with a system. It includes information documenting risk management for each Hazard and Accident.
Information	Any information scientific, technical or otherwise irrespective of the manner in which it is presented including in the form of software and whether or not it is protected or capable of protection as Intellectual Property.
Intellectual Property	Patents, utility models, rights (registered and unregistered) in any designs; applications for any of the foregoing; copyright; database and topography rights; confidential information and trade secrets; and all rights and forms of protection of a similar nature to these or having equivalent effect anywhere in the world.

Issued Property	Means any item of Government Furnished Equipment (GFE), including any Articles in connection with which the Contractor is required under the Contract to carry out any Service, issued or otherwise furnished to the Contractor in connection with the Contract by or on behalf of the Authority;
Lead Time	The period between placement of a Standard Purchase Order and delivery of Equipment.
Master Equipment/s	Means master equipments listed in Annex A - SoSR
Master Equipment Availability Target	The availability target for each Master Equipment are defined in the Terms and Conditions of Contract.
Monthly Progress Report	Means the regular monthly reports delivered by the Contractor to the Authority in accordance with Condition 27 of this Contract.
New Provider	A third party or parties Contracted (or to be Contracted) by the Authority to carry out services and/or works similar to the Contractor Deliverables after Contract Expiry Date or termination.
Obsolescence	Means where any article required by the Contractor in the performance of its obligations under the Contract: <ul style="list-style-type: none"> a) is superseded by new technology of higher specification or functionality; b) is no longer in production; c) has a method of manufacture which is no longer available; or is manufactured from a material which is no longer available;
Obsolescence Management	The process and activities for implementing plans to identify and mitigate risk when parts, spares, equipment, skills (people) and software etc. become obsolete.
Operational Defect (OpDef)	A defect of a part of a ship, submarine or equipment which may cause loss of readiness or availability
Packaging, Handling, Storage and Transportation	PHS&T shall be considered from the outset and incorporated within a PHS&T Plan for action. The full PHS&T Plan shall be completed 6 weeks after contract award and will be an active document which will be reviewed annually.
Performance Regime	The KPI management regime set out in the Terms and Conditions of Contract (Performance Mechanism).
Quality Plan	A plan which meets the requirements of AQAP 2105 and is in accordance with Paragraph 2.8 of Annex A, SoSR.
Quality Management	Activities and functions involved in determination of Quality policy and its implementation.
RN End-User	RN store room on ship or submarine

Safety Case	A structured argument, supported by a body of evidence that provides a compelling, comprehensible and valid case that a system is safe for a given application in a given environment.
Safety Case Report	A report that summarises the arguments and evidence of the Safety Case, and documents progress against the Safety Programme.
Ships Signal	A communication format sent from a RN vessel. Further information Can be found at BR 69, BR 98, BR 232 and RNCPD 9.
Standard Priority System	MOD policies and procedures for processing of demands for both forward and reverse supply chain, including levels of urgency
Standard Purchase Order	An Authority generated demand for Contractor Deliverables raised through CP&F.
Successor Contractor	Means a Contractor awarded a Contract to provide substantially the same services previously provided to the awarding Authority as part of the same requirement.
Supply Chain	A network between the Contractor and its Supplier's to deliver this Contract.
TLS Required Level (s)	A quantity of serviceable stock held in HMNB Clyde stores ready to issue at short notice.
Trident Low Stock	TLS is an associated management lever used to ensure that stock protection is in place thereby reducing risk to a break in Continued at Sea Deterrence (CASD).
Task Approval Form (TAF)	The form at Annex Q used by the Authority to request Contractor Deliverables under this Contract.
Task	A request from the Authority for Contractor Deliverables to be provided by the Contractor in relation to Activity 3 placed using a Task Authorisation Form.
Upkeep	A Maintenance Period outside the vessels Fleet-Time for which the Authority compiles the Work Package, negotiates the contract, engages a prime Contractor and oversees the work.

1.2 The following abbreviations shall apply to this Contract:

Abbreviation	Meaning
A&As	Alterations and Additions
AAS	Asset Availability Service
ALARP	As Low As Reasonably Practicable
APM	Association of Project Management
AQAP	Allied Quality Assurance Publications
BER	Beyond Economic Repair
BPA	Blank Purchase Agreement
BR	Beyond Repair
BR	Book of Reference
CAAS	Cost Assurance and Analysis Service
CAL	Consolidated Allowance List
CES	Continuous Engineering Support
CM	Configuration Management
CMP	Configuration Management Plan
COM	Class Output Manager
COTS	Commercial Off the Shelf
CP&F	Contracting, Purchasing and Finance
COSHH	Control of Substances Hazardous to Health
CRISP	Comprehensive Royal Naval Inventory Systems Project
CWBS	Contractor Work Breakdown Structure
DC	Defence Condition
DE&S	Defence Equipment and Support
DESA	Defence Equipment Sales Authority
DFOMO	Deputy Fleet Operations Maintenance Officer
DRACAS	Data Reporting Analysis and Corrective Action System
DS	Defence Standard
FMECA	Failure Modes Effects and Criticality Analysis
FT	Fleet Time
GQAR	Government Quality Assurance Representative
HMNB	Her Majesty's Naval Base
IMC	Inventory Management Code

Abbreviation	Meaning
IPC	Illustrated Parts Catalogue
ISO	International Organization for Standardization
ITN	Invitation to Negotiate
JIC	Job Instruction Card
KPI	Key Performance Indicator
PMP	Project Management Plan
LfE	Learning from Experience
PHS&T	Packaging, Handling, Storage and Transportation
LPD	Landing Platform Dock
LRU	Lowest Replaceable Unit
MCM	Mine Counter-Measures
MCMV	Mine Counter-Measures Vessels
ME	Master Equipment
MERPD	Master Equipment Performance Reporting Dashboard
MG	Motor Generator
MOD	Ministry of Defence
MREM	Marine Rotating Electrical Machinery
MSS	Marine Systems Support
NATO	North Atlantic Treaty Organisation.
NSN	NATO Stock Number
ODMS	Operational Defect Data Management System
OMP	Obsolescence Management Plan
OPDEF	Operational Defect
PDS	Post Design Services
PGMU	Power Generation and MCAS (Machinery Control and Surveillance) Update
PRM	Project Review Meeting
PUMA	Pre- Upkeep Material Assessment
QA	Quality Assurance
QAFP	Quality Assurance Focal Point
QEC	Queen Elizabeth Class
QMP	Quality Management Plan
QMS	Quality Management System

Abbreviation	Meaning
QP	Quality Plan
RCCM	Risk Classification Control Matrix
RCM	Reliability Centred Maintenance
RDD	Required Delivery Date
RFA	Royal Fleet Auxiliary
RFSD	Ready For Sea Date
RIC	Repair Indicator Code
RMP	Risk Management Plan
RN	Royal Navy
S2022	Royal Navy Shortcoming Report
S2022A	Royal Navy Defect Acquaint
SDA	Submarine Delivery Agency
SDD	Ship Definition Database
SEMP	Safety and Environmental Management Plan
SIO	Single Item Ownership
SM	Submarine
SME	Subject Matter Expertise
SOSR	Statement of Support Requirements
SPO	Standard Purchase Order
SQEP	Suitably Qualified Experienced Personnel
SRMH	Single Role Mine Hunter
SSBN	Ship Submersible Ballistic Nuclear
SSDD	Surface Ship Definition Database
SSDT	Support Solution Development Tool
SSN	Ship Submersible Nuclear
STOROB	Store Rob
TAF	Task Approval Form
TDOL	Technical Documents on Line
TLS	Trident Low Stock
TS	Technical Services
UIN	Unit Identity Number
UMMS	Unit Maintenance Management System

2 General

2.1 The Contractor warrants and represents, that:

- 2.2.1 it has the full capacity and authority to enter into, and to exercise its rights and perform its obligations under, the Contract;
- 2.2.2 from the Effective Date of Contract and for so long as the Contract remains in force it shall give the Authority Notice of any litigation, arbitration (unless expressly prohibited from doing so in accordance with the terms of the arbitration), administrative or adjudication or mediation proceedings before any court, tribunal, arbitrator, administrator or adjudicator or mediator or relevant authority against itself or a Subcontractor which would adversely affect the Contractor's ability to perform its obligations under the Contract;
- 2.2.3 as at the Effective Date of Contract no proceedings or other steps have been taken and not discharged (nor, to the best of the knowledge of the Contractor, threatened) for its winding-up or dissolution or for the appointment of a receiver, administrative receiver, administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues;
- 2.2.4 for so long as the Contract remains in force it shall give the Authority Notice of any proceedings or other steps that have been taken but not discharged (nor to the best of the knowledge of the Contractor, threatened) for its winding-up or dissolution or for the appointment of a receiver, administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues.

2.3 Unless the context otherwise requires:

- 2.3.1 The singular includes the plural and vice versa, and the masculine includes the feminine and vice versa.
- 2.3.2 The words “include”, “includes”, “including” and “included” are to be construed as if they were immediately followed by the words “without limitation”, except where explicitly stated otherwise.
- 2.3.3 The expression “person” means any individual, firm, body corporate, unincorporated association or partnership, government, state or agency of a state or joint venture.
- 2.3.4 References to any statute, enactment, order, regulation, or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation, or instrument as amended, supplemented, replaced or consolidated by any subsequent statute, enactment, order, regulation, or instrument.
- 2.3.5 The heading to any Contract provision shall not affect the interpretation of that provision.
- 2.3.6 Any decision, act or thing which the Authority is required or authorised to take or do under the Contract may be taken or done only by the person (or their nominated deputy) authorised in Annex D (DEFFORM 315 - Contract Data Requirements) to take or do that decision, act, or thing on behalf of the Authority.
- 2.3.7 Unless excluded within the Conditions of the Contract or required by law, references to submission of documents in writing shall include electronic submission.

3 Entire Agreement

- 3.1 This Contract constitutes the entire agreement between the Parties relating to the subject matter of the Contract. The Contract supersedes, and neither Party has relied upon, any prior negotiations, representations and undertakings, whether written or oral, except that this condition shall not exclude liability in respect of any fraudulent misrepresentation

4 Contract Term and Option

- 4.1 The Contract shall commence on the Commencement Date and shall expire, subject to the provisions of any right of early termination, on the Expiry Date unless otherwise extended by the Authority.

Option

- 4.2 The Contractor hereby grants to the Authority the following irrevocable “Option” (“the “Option””) in accordance with the Terms and Conditions set out in this Contract, provided that the Authority exercises such “Option” by written notice as set out below and it being agreed that the Authority has no obligation to exercise the “Option”.

The Contractor grants the Authority the Option:

4.2.1 Option

The Authority may separate the services required under the Contract into two discrete requirements. To remove the entirety of the Submarine Fleet activities from the Contract and novate these to a new Contract (“the Submarine Contract”) between the Contractor and the Authority’s Submarine Delivery Agency (SDA). After the exercise of the “Option” the Contract shall continue on the same Terms and Conditions save that the price will be reduced as per the Price Schedule to reflect the elements of the requirement which have been removed from its scope. The Submarine Contract shall be on the same Terms and Conditions as the Contract. In particular, the Contractor shall not propose or be entitled to any changes to the Contract Terms and Conditions in respect of its obligations or liabilities or to make changes to the way in which the price is calculated.

The Contractor notes and agrees that upon Contract Award they have unequivocally accepted and are bound by the terms of the Option.

If the Authority wishes to exercise this Option, it shall give the Contractor no less than 6 (six) months’ notice in writing. The Option shall take effect on the date falling 6 (six) months after such notice, or on such later date as specified in the notice.

5 Precedence of Documents

- 5.1 If there is a conflict or inconsistency between any of the terms in the main body of this Contract and the Annexes, the following order of precedence shall apply to resolve that conflict:
- 5.1.1 General Terms and Conditions of the Contract;
 - 5.1.2 Special Terms and Conditions of the Contract;
 - 5.1.3 Annexes to the Terms and Conditions of the Contract;
 - 5.1.4 Attachments and Appendices to the Annexes to the Terms and Conditions of the Contract;

- 5.1.5 Guidance; and
- 5.1.6 Good Industry Practice.

- 5.2 If a Party becomes aware of any inconsistency within or between the documents referred to in Condition 5.1 above, such Party shall promptly notify the other and the Parties will seek to resolve such inconsistency, provided that either Party considers the inconsistency to be material then the matter shall be determined in accordance with DEFCON 530 (Dispute Resolution).
- 5.3 The Contractor shall not seek to limit its obligations or liability under this Contract by imposing, incorporating or relying on its (or its sub-tier suppliers) Conditions of sale whether or not such Conditions may be printed on or included in documentation (including order acknowledgements and in comments fields) provided to the Authority and shall indemnify the Authority for any and all costs, claims, liabilities, demands arising from such Conditions of sale.

6 Scope and Specification

- 6.1 The Contractor shall undertake work as detailed in Annex A (Statement of Support Requirements) and in accordance with the specification set out therein. This includes the provision of an Asset Availability Service to support equipment listed in Appendices A02-A03. The Contract covers the provision of a management service to deliver availability of Marine Rotating Electrical Machinery (MREM) including manufacture, procurement, repair and technical support. The contractor shall provide:
- 6.1.1 Activity 1: Service Management;
 - 6.1.2 Activity 2: Equipment Availability;
 - 6.1.3 Activity 3: Post Design Services.
- 6.2 Any requirement for the authorisation of individual tasks by the Authority shall be specified elsewhere in the Contract. All work shall be carried out to the satisfaction of the Authority's Project Manager. No guarantee can be given as to the level of effort which will be required under this Contract, nor does the Authority bind itself to receive and pay for services other than those actually demanded.
- 6.3 For the avoidance of doubt, work undertaken by the Contractor for the period of the Contract shall be limited to the Contractor Deliverables specified within Annex A for equipment listed in Appendices A02-A03 and shall not be extended to services outside of such definition unless a formal Contract amendment is placed in accordance with Condition 11 (Formal Amendments to Contract).

7 Cost of Contract

- 7.1 Costs which are incurred in developing and administering this Contract shall lie with the Party incurring such cost. For the avoidance of doubt, neither Party shall be responsible for any costs incurred by the other of whatsoever nature, save where these costs are properly incurred under the terms of the Contract.

8 No Partnership

- 8.1 It is not the intention or the desire of the Parties to create, nor shall anything in this Contract, either expressly or by implication, give rise to the creation or constitution of a Partnership as envisaged in the Partnership Act 1890. The commitments contained in this Contract are not intended to create a separate business from those operated either by the Authority or the Contractor. Neither Party to this Contract shall be entitled nor have the authority to bind the other in any contractual or legal obligation. Neither Party shall hold himself out to any third party as having the authority to so bind the other.

PARTIES RIGHTS AND OBLIGATIONS

9 Storage Transportation and Delivery

- 9.1 All storage and transport requirements for Equipment and Defined Services under the scope of this Contract will be the responsibility of the Contractor. A controlled environment must be provided in accordance with the Conditions specified within DEFCON 129, Packaging (For Equipment other than Munitions).

10 Disposal of Assets (GFI)

- 10.1 All asset disposal requirements for Equipment under the scope of this Contract shall be the in accordance with the Conditions specified within the Management Disposal Plan in accordance with Defence Logistics Framework, Volume 7, Part 2: ILS Management.

11 Formal Amendments to the Contract

- 11.1 In addition to the provisions of DEFCON 503 (Formal Amendments to Contract) and DEFCON 620 (Contract Change Control Procedure), nothing said, done or written by any person, nor anything omitted to be said, done or written by any person, (including any employee or servant of the Authority) shall in any way:

- 11.1.1 affect the rights of the Authority, or
- 11.1.2 modify, affect, reduce or extinguish the obligations and liabilities of the Contractor under the Contract, or
- 11.1.3 be deemed to be a waiver of rights of the Authority; unless made in writing and signed by the Authority's Commercial Officer (see Box 1 of DEFFORM 111 – Appendix to Contract) as the duly authorised representative of the Authority.

- 11.2 The Authority shall have no liability for any work undertaken by the Contractor which is the subject to an amendment, prior to the conclusion of any amendment in accordance with DEFCON 503 and DEFCON 620.

- 11.3 The Contractor shall maintain a register of all proposed and agreed amendments in the format prescribed at Appendix 1 to Annex R (Contract Change Register)

12 Obligations of the Authority

- 12.1 The Authority shall comply with all Applicable Laws in the performance of its obligations under this Contract.

13 Obligations of the Contractor

- 13.1 The Contractor shall provide the Contractor Deliverables to the Authority in accordance with:
- 13.1.1 the Statement of Support Requirements (SoSR) at Annex A; and
 - 13.1.2 all Appendices;
 - 13.1.3 Annex B (Pricing Schedule); and
 - 13.1.4 all applicable Defence Conditions (DEFCONS) and Defence Standards (Def Stans), legislation and regulations applicable; and
 - 13.1.5 all applicable Contract plans as required by (SoSR) at Annex A; and
 - 13.1.6 all associated Out of Scope Tasks which shall be in the format contained at Annex Q (Task Approval Form).

14 Standards of Performance

- 14.1 The Contractor shall (and the Contractor Related Parties shall) provide the Contractor Deliverables in compliance with:
- 14.1.1 all applicable Laws; and
 - 14.1.2 Good Industry Practice; and
 - 14.1.3 all applicable standards.
- 14.2 Further to 14.1.2 the Contractor shall work to the latest Good Industry Practice at the time of SPO. In the event of a material change to Good Industry Practice resulting in a cost impact to the Contractor exceeding £40,000 per change over the Contract term;
- 14.2.1 The Contractor shall notify the Authority of the implications of such change to the Contract and provide evidence to substantiate the estimated cost impact.
 - 14.2.2 The Authority will direct the contractor to; adopt the latest Good Industry Practice or continue to work to the previous Good Industry Practice.
 - 14.2.3 Where in accordance with 14.2.2 the Contractor is directed to adopt the latest Good Industry Practice, the Contractor and the Authority shall negotiate in good faith to determine whether an adjustment to the Contract price is appropriate.
- 14.3 Further to 14.1.3 the Contractor shall work to the latest standard at the time of SPO. In the event of a material change to any standard listed at Part A (3) resulting in a cost impact to the Contractor exceeding £40,000 per standard over the Contract term;
- 14.3.1 The Contractor shall notify the Authority of the implications of such change to the Contract and provide evidence to substantiate the estimated cost impact.
 - 14.3.2 The Authority will direct the contractor to; adopt the latest standard version or continue to work to the previous standard version.
 - 14.3.3 Where in accordance with 14.3.2 the Contractor is directed to adopt the latest standard, the Contractor and the Authority shall negotiate in good faith to determine whether an adjustment to the Contract price is appropriate.

15 Contractor Related Parties

- 15.1 The Contractor shall at all times remain directly liable to the Authority for the due and proper performance of its obligations under this Contract and shall be responsible and liable for the acts and omissions of the Contractor Related Parties in relation to this Contract and the Services as if they were the acts and omissions of the Contractor.
- 15.2 Without limitation in respect of its actual knowledge, the Contractor shall for all purposes of this Contract be deemed to have such knowledge in respect of the Contractor Deliverables and other obligations under this Contract as is held (or ought reasonably to be held) by any Contractor Related Party.

16 Authority Disclosed Data

- 16.1 Subject to Condition 19 (Fraudulent Statements):
- 16.1.1 the Authority does not make any representation or give any warranty or undertaking as to the relevance, completeness, accuracy or fitness for any purpose of any of the Authority Disclosed Data; and
- 16.1.2 neither the Authority nor any Authority Related Party shall be liable to the Contractor in Contract, tort (including the tort of negligence) or for breach of any statutory duty or otherwise as a result of:
- a. any inaccuracy, omission, unfitness for any purpose or inadequacy of any kind whatsoever in the Authority Disclosed Data; and or
 - b. any failure to make available to the Contractor any materials, documents, drawings, plans or other information relating to the Contract or the competition.

17 Contractor's Due Diligence

- 17.1 On entering into this Contract, the Contractor agrees it has been given an opportunity to carry out a review and investigation of the documents provided during the tendering process and the Clarification Responses, and shall not in any way be relieved from any obligation under this Contract nor shall it be entitled to make any claim against the Authority (or an Authority Related Party) as a consequence of:
- 17.1.1 any information not being provided in the tendering process or the Clarification Responses where such information is not material;
- 17.1.2 any fact or circumstance that has been fairly disclosed during the tendering process or the Clarification Responses;
- 17.1.3 any fact or circumstance which the Contractor, or its agents or advisers were, or ought reasonably to have been, aware of as a result of the tendering process or the Clarification Responses; or
- 17.1.4 any fact or circumstance which a Tenderer, acting in accordance with Good Industry Practice, would have been aware of having made reasonable due diligence enquiries.

18 No Relief

- 18.1 Subject to Condition 19 (Fraudulent Statements), the Contractor shall not in any way be relieved from any obligation under this Contract nor shall it be entitled to make any claim against the Authority (or an Authority Related Party) on the basis that it has relied upon any information, whether obtained from the Authority, Authority Related Party or other third party.

19 Fraudulent Statements

- 19.1 Nothing in this Contract shall exclude any liability which the Authority would otherwise have to the Contractor for statements made fraudulently or fraudulent omissions to make statements prior to the date of this Contract.

20 Severability

- 20.1 If any provision of the Contract is held to be invalid, illegal or unenforceable to any extent then:
- 20.1.1 such provision shall (to the extent that it is invalid, illegal or unenforceable) be given no effect and shall be deemed not to include in the Contract but without invalidating any of the remaining provisions of the Contract; and
 - 20.1.2 the Parties shall use all reasonable endeavours to replace the invalid, illegal or unenforceable provision by a valid, legal and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid, illegal or unenforceable provision.

21 Waiver

- 21.1 No act or omission of either Party shall by itself amount to a waiver of any right or remedy unless expressly stated by that Party in writing. In particular, no reasonable delay in exercising any right or remedy shall by itself constitute a waiver of that right or remedy.
- 21.2 No waiver in respect of any right or remedy shall operate as a waiver in respect of any other right or remedy.

22 Assignment of Contract

- 22.1 Subject to DEFCON 518 (Transfer (Assignment of Contract)) Neither Party shall be entitled to assign the Contract (or any part thereof) without the prior written consent of the other Party.

23 Third Party Rights

- 23.1 Notwithstanding anything to the contrary elsewhere in the Contract, no right is granted to any person who is not a Party to the Contract to enforce any term of the Contract in its own right and the Parties to the Contract declare that they have no intention to grant any such right.

24 Transparency

- 24.1 Subject to Condition 24.2 but notwithstanding DEFCON 531 (Disclosure of Information), the Contractor understands that the Authority may publish the Transparency Information to the

general public. The Contractor shall assist and cooperate with the Authority to enable the Authority to publish the Transparency Information.

- 24.2 Before publishing the Transparency Information to the general public in accordance with Condition 24.1, the Authority shall redact any Information that would be exempt from disclosure if it was the subject of a request for Information under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004, and any Information which has been acknowledged by the Authority at Appendix B – Contractor’s Commercially Sensitive Information.
- 24.3 The Authority may consult with the Contractor before redacting any Information from the Transparency Information in accordance with Condition 24.2. The Contractor acknowledges and accepts that its representations on redactions during consultation may not be determinative and that the decision whether to redact Information is a matter in which the Authority shall exercise its own discretion, subject always to the provisions of the Freedom of Information Act 2000 or the Environmental Information Regulations 2004.
- 24.4 For the avoidance of doubt, nothing in this Condition 24 shall affect the Contractor’s rights at law.

25 Monthly Progress Report

- 25.1 The Contractor shall provide Monthly Progress Reports, in accordance with DEFCON 604 and Paragraph 2.3.2.d of Activity 1 of Annex A (SoSR), monthly throughout the Contract, or as reasonably required by the Authority, to establish the Equipment Availability performance levels being provided under the Contract and any order(s).

26 Supply of Contractor Deliverables and Quality Assurance

- 26.1 The Contractor shall provide the Contractor Deliverables to the Authority, in accordance with the terms of the Contract and as specified in Annex A (Statement of Support Requirement) and shall allocate sufficient resource to the provision of the Contractor Deliverables to enable it to comply with this obligation.
- 26.2 The Contractor shall:
- 26.2.1 Comply with the Quality Assurance requirements specified in Annex A in providing the Contractors Deliverables; and
 - 26.2.2 Discharge its obligations under Contract with all due skill, care, diligence and operating practice by appropriately experienced, qualified and trained personnel; and the;
 - 26.2.3 Standards and Conditions and the Quality Management requirements detailed in Paragraph 2.8 to Activity 1 of Annex A (SoSR).
- 26.3 The provisions of Condition 26 shall survive any performance, acceptance or payment pursuant to the Contract and shall extend to any remedial services provided by the Contractor.

27 Environmental Management

- 27.1 The Contractor shall ensure that all activities performed under the Contract shall comply with certified environmental management standards based on ISO 14001 or equivalent.

28 CE Marking

28.1 The Contractor shall comply with the CE Marking European Union (EU) Directives and where Equipment comply with the CE Marking EU Directives the Supplier shall either mark the Equipment with the appropriate CE marking or identify on appropriate delivery paperwork. Where the Equipment is exempt from the CE Marking EU Directives the Contractor shall notify the Authority in writing prior to delivery.

29 Continuous Improvement

29.1 During the Term of the Contract, the Contractor will identify and notify the Authority areas of improvement which may be of benefit to the Authority. Such opportunities shall be identified in the Contractor's Monthly Progress Reports.

29.2 If the Authority and/or the Contractor identify a significant process change that could potentially lead to an improvement, then a Cost Benefit Analysis (CBA) shall be undertaken by the Party generating that improvement for agreement by the other Party.

29.3 The CBA shall identify the benefits to be gained from such a change both in terms of cost, technical and process improvement. In the event both Parties agree the CBA then the proposed improvement shall be implemented through formal Contract amendment in accordance with Condition 11 (Formal Amendments to Contract).

30 Self-to-Self Delivery

30.1 Where it is stated in Annex A (Statement of Support Requirement) or elsewhere in this Contract that any Contractor Deliverable is to be Delivered by the Contractor to its own premises, or to those of a Subcontractor ('self-to-self delivery') the risk in such a Contractor Deliverable shall remain vested in the Contractor until such time as it is handed over to the Authority

ACTIVITIES, PRICING AND PERFORMANCE**31 Pricing & Payment****Activity 1 – Service Management for the duration of the Contract**

31.1 The Firm and Fixed Prices agreed for Activity 1 are set out at Annex B1. Such prices are Firm Prices for the first three (3) years and are not subject to any variation in any respect whatsoever. Fixed Prices for the remaining seven (7) years shall be calculated in accordance with Condition 32, Variation of Price.

31.2 Firm and Fixed Prices for Activity 1 shall be paid by the Authority in accordance with Condition 33 and DEFCON 522.

Activity 2 – Equipment Availability

31.3 The Firm and Fixed Prices agreed for Activity 2 are set out at Annex B1 of these Terms and Conditions. Such prices are Firm Prices for the first three (3) years and are not subject to any

variation in any respect whatsoever. Fixed Prices for the remaining seven (7) years shall be calculated in accordance with Condition 32, Variation of Price.

- 31.4 Firm and Fixed Prices for Activity 2 shall be paid by the Authority in accordance with DEFCON 522 and remain subject to Condition 34 Performance Management.

Activity 3 – Post Design and Technical Services

- 31.5 Activity 3 will be controlled through the TAF process at Annex A and priced in accordance with Annex B2 Hourly Labour, Prices and Annex B3 Travel and Subsistence.
- 31.6 Prices in Annex B2 are Firm Prices for the first three (3) years and are not subject to any variation in any respect whatsoever. Fixed Prices for the remaining seven (7) years shall be calculated in accordance with Condition 32, Variation of Price.
- 31.7 Prices in Annex B3 are Firm Prices for the first three (3) years and are not subject to any variation in any respect whatsoever. Fixed Prices for the remaining seven (7) years shall be calculated in accordance with Condition 32, Variation of Price.
- 31.8 A TAF profit rate shall be agreed between the Authority and the Contractor in April each year, this profit rate will apply to all TAFs for the financial year (1st April – 31st March) in which it is agreed. The annual profit rate shall be in accordance with the Defence Reform Act 2014 and SSCR. In the event that the Authority and Contractor fail to agree an annual profit rate by the last Business Day of April of the respective financial year, any TAFs for that financial year shall have the profit rate agreed individually.

Payment

- 31.9 Payment shall be made monthly in arrears (one twelfth of the annual price) and shall be intrinsically tied to the Contractor's Level of Performance under Condition 34 (Performance Measurement). The Contractor's Level of Performance and the monthly sum to be invoiced shall be agreed with the Authority's Project Manager following satisfactory review of the progress report in respect of the period in which the invoice is made. Payment will be made via the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.

32 Variation of Price (VOP)

- 32.1 The prices stated in Annex B are Firm prices for Years 1-3 of the Contract. The prices do not include provision beyond this date for increases or decreases in the market price of the Equipment being purchased or repaired. Any such variation shall be calculated in accordance with the following formulae:

Activity 1 , Activity 2 (Storage Facilities and PHS&T) & Activity 3

- 32.2 Any price variation for:
- i. Activity 1 (in entirety),
 - ii. Activity 2 (Storage Facilities and PHS&T prices only),
 - iii. Activity 3 (in entirety),
- shall be calculated in accordance with the following formula:

$$V = P (a+b (O_i/O_0)) - P$$

Where:

V represents the variation of price

P represents the FIXED price as stated in Annex B

O represents the index K8ZU 'Top - Level SPPI - All Services GSO (SIC 2007) Output

O₀ represents the average of Index K8ZU All Services GSO (SIC 2007) Output for the base period 1st April 2020 to 31st March 2021.

O_i represents the average of Index K8ZU All Services GSO (SIC 2007) Output across the financial year (1st April – 31st March) prior to the period for which variation is being added.

a represents the Non-Variable Element (NVE) which shall be 10%.

b represents the Variable Element which shall be 90%.

$$a+b =1$$

32.3 The Index referred to in 32.2 above shall be taken from the following Dataset:

OUTPUT Price Index ONS Publication - Services producer price inflation time series

Activity 2

32.4 Any variation for the Activity 2 'Provision of Spares (Repair)' line only shall be calculated in accordance with the following formula:

$$V = P (a+b (O_i/O_0)) - P$$

Where:

V represents the variation of price

P represents the FIXED price as stated in Annex B

O represents the index K38E 'OPPI - Repair and Installation Services of Machinery and Equipment (SIC 2007)'

O₀ represents the monthly average of Index K38E 'OPPI - Repair and Installation Services of Machinery and Equipment (SIC 2007) Output for the base period 1st April 2020 to 31st March 2021.

O_i represents the monthly average of Index K38E 'OPPI - Repair and Installation Services of Machinery and Equipment (SIC 2007) Output across the financial year (1st April – 31st March) prior to the period for which variation is being added.

a represents the Non-Variable Element (NVE) which shall be 10%.

b represents the Variable Element which shall be 90%.

$$a+b =1$$

32.5 The Index referred to in 32.4 above shall be taken from the following Tables:

OUTPUT Price Index ONS Publication MM22 Table 2 'Price Indices of UK OUTPUT: All Manufacturing and Selected Industries'

32.6 Any variation for the Activity 2 'Provision of Spares (New Buy)' prices shall be calculated in accordance with the following formula:

$$V = P (a+b (O_i/O_0)) - P$$

Where:

V represents the variation of price

P represents the FIXED price as stated in the Annex B

O represents the index K389 'OPPI - Machinery and equipment nec GSO

O₀ represents the monthly average of Index K389 (Machinery and equipment nec GSO) Output for the base period 1st April 2020 to 31st March 2021.

O_i represents the monthly average of Index K389 (Machinery and equipment nec GSO) Output across the financial year (1st April – 31st March) prior to the period for which variation is being added.

a represents the Non-Variable Element (NVE) which shall be 10%.

b represents the Variable Element which shall be 90%.

$$a+b =1$$

32.7 The Index referred to in 32.6 above shall be taken from the following Tables:

OUTPUT Price Index ONS Publication MM22 Table 2 'Price Indices of UK OUTPUT: All Manufacturing and Selected Industries'

32.8 Indices published with a 'B' or 'F' marker, or a suppressed value, in the last 3 years are not valid for Variation of Price conditions and shall not be used. Where the price index has an 'F' marker or suppression applied to it during the term of the Contract, the Authority and the Contractor shall agree an appropriate replacement index or indices. The replacement index or indices shall cover, to the maximum extent possible, the same economic activities as the original index or indices.

32.9 In the event that any material changes are made to the indices (e.g. a revised statistical base date) during the period of the Contract and before final adjustment of the final Contract price, then the re-basing methodology outlined by the Office for National Statistics (ONS, the series providers) to match the original index to the new series shall be applied.

- 32.10 In the event the agreed index or indices cease to be published (e.g. because of a change in the Standard Industrial Classification) the Authority and the Contractor shall agree an appropriate replacement index or indices, which shall cover to the maximum extent possible the same economic activities as the original index or indices. The methodology outlined by the Office for National Statistics used for rebasing indices (as in Condition 32.9 above) shall then be applied.
- 32.11 Notwithstanding the above, any extant index / indices agreed in the Contract shall continue to be used as long as it is / they are available and subject to ONS revisions policy. Payments calculated using the extant index / indices during its / their currency shall not be amended retrospectively as a result of any change to the index or indices.
- 32.12 The Contractor shall notify the Authority of any significant changes in the purchasing / manufacturing plan on the basis of which these provisions were drawn up and agreed, or of any other factor having a material bearing on the operation of these provisions such as to cause a significant divergence from their intended purpose, in order that both parties may consider whether any change in this provision would be appropriate.
- 32.13 Prices shall be adjusted taking into account the effect of the above formula as soon as possible after publication of the relevant indices or at a later date if so agreed between the Authority and the Contractor. Where an index value is subsequently amended, the Authority and the Contractor shall agree a fair and reasonable adjustment to the price, as necessary.
- 32.14 Claims under this Condition shall be submitted to the Bill Paying Branch, certified to the effect that the requirements of this condition have been met.

33 Reports Payment Plan

- 33.1 The Contractor shall receive a monthly payment for satisfactory delivery of Activity 1 reports, in accordance with the 'Labour (reports) - value for KPI 1' line of Annex B1 to the Terms and Conditions.
- 33.2 Activity 1 reports shall be submitted to the Authority's Contract Management Team via e-mail no later than the fifth working day of the Calendar Month (except where a due date is stated in Annex A - SoSR) on a rolling basis; the scope of which shall cover the reporting period.
- 33.3 Activity 1 reports subject to this payment are listed below.

Report	SOSR Reference	Interval
Weekly Stores Position Report	2.6.1 c	Weekly
Monthly Progress report	2.3.2 d	Monthly
Spend Against Plan Report	2.12 e	Monthly
Obsolescence Report	2.10.2 b	Quarterly
Learning from Experience (LFE) report	2.2.3 xii	Annual
DEFCON 694 PSA Report	2.6.1 b	Annual
Annual Obsolescence Review	2.10.2 c	Annual
Annual Strategic Review Report	2.15 b	Annual
Mid-Term Strategic Review Report	2.16 a	5 Years
Five Year Key Performance Report	2.16 e	5 Years

- 33.4 The monthly payment for Activity 1 reports shall only be released upon delivery to the satisfaction of the Authority of all reports due in the respective month.

34 Performance Measurement

- 34.1 The Contractor shall claim the agreed Firm/ Fixed price quoted against all line items priced. In accordance with the level of performance achieved against the contractually agreed Key Performance Indicators (KPIs) detailed at Condition 35 this may be adjusted following monthly and annual reviews.
- 34.2 Under this mechanism the following process shall be used:
- 34.2.1 The Contractor shall record, using the Performance Management Record (PMR) at Annex K, all Equipment Availability levels under Activity 2 of the SoSR for each calendar month throughout the life of the Contract. These records shall be monitored by the Contractor and submitted as part of the Monthly Progress Report for review and agreement by the Authority no later than 5 Business Days after the end of each month;
- 34.2.2 On the first Business Day of each calendar month the Contractor shall identify, using MERPD data, all Surface Fleet Master Equipment and Spares Availability levels as a percentage, up to 2 decimal points e.g. X.XX% and present the evidence in Annex K in full for the previous calendar month and provide the Authority with the report within 5 Business Days for review and agreement by the Authority;
- 34.2.3 On the first Business Day of each calendar month the Contractor shall identify, using MERPD data, all of the Submarine Fleet Master Equipment, Spares and TLS Availability levels as a percentage, up to 2 decimal points e.g. X.XX% and present the evidence in Annex K in full for the previous calendar month and provide the Authority with the report within 5 Business Days for review and agreement by the Authority;
- 34.2.4 Appertaining to the four (4) discrete Surface Performance Indicators, should the Availability levels fall below 95% on any PI within one performance period (one calendar month) the Authority shall recover the appropriate price refund for each calendar month, as calculated by Annex K;
- 34.2.5 Appertaining to the seven (7) discrete Submarine Fleet Master Equipment Performance Indicators, should the Availability levels fall below 95% on any PI within one performance period (one calendar month) the Authority shall recover the appropriate price refund for each calendar month, as calculated by Annex K;
- 34.2.6 Notwithstanding Conditions 34.2.4 and 34.2.5 above, in the event that the Contractor consistently/repeatedly fails to meet the requirements of the Contract then the Authority shall, without limiting any of its other rights and remedies, be entitled to exercise (at its sole discretion) its right to terminate, in whole or in part, in accordance with DEFCON 514 (Material Breach).

35 Key Performance Indicators

35.1 Performance under Activity 1 to Annex A (SoSR) shall be measured by the contractor monthly in accordance with the following KPI:

KPI 1: Submission of Reports by the Required Deadline			
Measure	Reports delivered on time and to the satisfaction of the Authority		
Reports subject to KPI 1	Report	SOSR Reference	Interval
	Weekly Stores Position Report	2.6.1 c	Weekly
	Monthly Progress report	2.3.2 d	Monthly
	Spend Against Plan Report	2.12 e	Monthly
	Obsolescence Report	2.10.2 b	Quarterly
	Learning from Experience (LfE) report	2.2.3 xii	Annual
	DEFCON 694 PSA Report	2.6.1 b	Annual
	Annual Obsolescence Review	2.10.2 c	Annual
	Annual Strategic Review Report	2.15 b	Annual
	Mid-Term Strategic Review Report	2.16 a	5 Years
Five Year Key Performance Report	2.16 e	5 Years	
Performance Bands			
Band	Performance Level		
Green	100% of reports delivered on time to the satisfaction of the Authority		
Red	< 100% of reports delivered on time to the satisfaction of the Authority		

35.2 Reports subject to KPI 1 shall be submitted to the Authority’s Contract Management Team via e-mail no later than the fifth working day of the Calendar Month (except where a due date is stated in Annex A - SoSR) on a rolling basis; the scope of which shall cover the previous reporting period.

35.3 Performance under Activity 2 to Annex A (SoSR) shall be measured by the contractor monthly in accordance with the following KPIs:

KPI 2: Availability of MREM Surface Fleet Master Equipments & Spares		
PI	MREM Surface	Monthly Target
REDACTED		

KPI 3: Availability of MREM Submarine Fleet Master Equipments, Spares & TLS		
PI	MREM Submarine	Monthly Target
REDACTED		

35.6 A worked example of KPI's 2 & 3 is provided at Annex K.

KPI Mitigating Factors

35.7 The Authority shall not hold the Contractor responsible for KPI failure to the extent that failure is directly attributable to:

35.7.1 The transfer of less than the required stock holding as required by the Contractors inventory model. This clause shall be valid for year 1 of the Contract, except for the items listed at Annex S, for which the clause shall be valid for the lead time of item starting from the Contract Commencement Date.

35.7.2 The Authority not accepting or rejecting a maintenance proposal within the timescale at SoSR 2.7.6 b. Only when the Authority has accepted or rejected the maintenance proposal shall this clause cease to apply.

35.7.3 The Authority rejecting a maintenance proposal. If the rejected proposal is later accepted the KPI relief shall cease to apply.

35.7.4 The Authority failing to satisfy the Contract obligation at SoSR 2.17.1 a.

35.8 The Authority, throughout the life of the Contract, reserves the right to remove or amend KPIs or any individual PI in accordance with Condition 11 (Formal Amendments to Contract).

36 Performance Improvement Plan

- 36.1 If the Contractor fails to attain a 95% Availability Level in accordance with Condition 35, against either:
- i. the same single PI; or
 - ii. against any two (2) or more PIs for three (3) consecutive PI Reporting Periods;
- 36.2 then the Contractor shall provide to the Authority within twenty (20) Business Days a draft Performance Improvement Plan.
- 36.3 The Authority shall (acting reasonably) either approve the draft Performance Improvement Plan within twenty (20) Business Days of receipt or it shall inform the Contractor why it cannot accept the draft Performance Improvement Plan. In such, circumstances, the Authority and the Contractor shall meet to discuss the Authority's concerns. The Contractor shall submit a revised Performance Improvement Plan to the Authority for approval within ten (10) Business Days of the meeting, which the Authority shall (acting reasonably) either approve or reject within ten (10) Business Days of receipt. If the Contractor does not receive notice from the Authority that it does not accept the draft Performance Improvement Plan within the twenty (20) Business Day period or, if applicable, the further ten (10) Business Day period, the Contractor's draft Performance Management Plan shall be deemed to have been agreed.
- 36.4 Once agreed, the Contractor shall promptly start work on and comply fully with the terms of the Performance Improvement Plan.
- 36.5 If a Performance Management Plan cannot be agreed, then either Party may escalate the matter for resolution in accordance with DEFCON 530 (Dispute Resolution).
- 36.6 A failure by the Contractor to provide a draft Performance Improvement Plan within the required timescales at Condition 36.2 a Performance Improvement Plan shall constitute a material breach and the Authority reserves the right to terminate this Contract in accordance with DEFCON 514 (Material Breach) in such an event.

37 Delivery / Collection

- 37.1 Where any Equipment to be supplied under the Contract is to be delivered other than being handed over by the Contractor to the Authority, where any Equipment is to be delivered by the Contractor to his own premises or to those of a Sub-Contractor ('self-to-self delivery'), the risk shall (notwithstanding the provisions of DEFCON 612 (Loss of or Damage to the Equipment)) remain vested in the Contractor until such time as the Equipment is handed over to the Authority.
- 37.2 Where the Contractor Deliverables are to be Delivered by the Contractor (or a third party acting on behalf of the Contractor), the Contractor shall, unless otherwise stated in writing:
- 37.2.1 contact the Authority's Representative (Transport) as detailed in box 10 Appendix A (Addresses and Other Information) in advance of the Delivery Date in order to agree administrative arrangements for Delivery and provide any Information pertinent to Delivery requested;
 - 37.2.2 comply with any special instructions for arranging Delivery in Annex A (Statement of Support Requirements);

- 37.2.3 ensure that each consignment of the Contractor Deliverables is accompanied by, (as specified in Annex A (Statement of Support Requirements), a DEFFORM 129J (The Use of the Electronic Business Delivery Form) in accordance with the instructions; and
- 37.2.4 be responsible for all costs of Delivery.
- 37.3 Where the Contractor Deliverables are to be Collected by the Authority (or a third party acting on behalf of the Authority), the Contractor shall, unless otherwise stated in writing:
- 37.3.1 contact the Authority's Representative (Transport) as detailed in box 10 of Appendix A (Addresses and Other Information) in advance of the Delivery Date in order to agree specific arrangements for Collection and provide any Information pertinent to the Collection requested;
- 37.3.2 comply with any special instructions for arranging Collection in Annex A (Statement of Support Requirements);
- 37.3.3 ensure that each consignment of the Contractor Deliverables is accompanied by, (as specified in Annex B (System Requirements Document)), a DEFFORM 129J in accordance with the instructions;
- 37.3.4 ensure that the Contractor Deliverables are available for Collection by the Authority from the Consignor (as specified in Annex A (Statement of Support Requirements)) by the Delivery Date between the hours agreed by the Parties; and
- 37.3.5 in the case of Overseas consignments, ensure that the Contractor Deliverables are accompanied by the necessary transit documentation. All Customs clearance shall be the responsibility of the Authority's Representative (Transport).
- 37.4 Title and risk in the Contractor Deliverables shall only pass from the Contractor to the Authority:
- 37.4.1 on the Delivery of the Contractor Deliverables by the Contractor to the Consignee in accordance with Condition 37.2; or
- 37.4.2 on the Collection of the Contractor Deliverables from the Consignor by the Authority once they have been made available for Collection by the Contractor in accordance with Condition 37.3.
- 37.5 The Authority may from time to time issue instructions that vary the transport or consignment arrangements in the Contract. These instructions will be the subject of an amendment in accordance with Condition 11 (Formal Amendments to Contract) which shall provide for any resulting change in the contract price or delivery timescales or both.

38 Late Delivery

- 38.1 If a delay occurs in respect of the Contractor delivering Equipment on or before the Delivery date but they do not comply with the requirements of the Contract then, without limiting any of its other rights or remedies, and whether or not it has accepted the Equipment, the Authority may exercise the remedies set out in DEFCON 524 Rejection.
- 38.2 The Authority's rights and remedies under this Condition is in addition to its rights and remedies implied by statute and common law.

39 Beyond Economic Repair (BER)

- 39.1 For the purposes of this Contract, an item shall be considered BER if the required repair shall cost greater than 75% of the replacement Equipment bought new. The Contractor shall submit to the Project Manager full details of any Equipment considered BER. The Contractor shall then await further instructions from the Authority's Project Manager and, if it is decided to proceed with the repair, formal instruction to proceed shall be raised by the Authority's Project Manager.
- 39.2 If any Equipment is found to be BER. The Commercial Branch shall authorise, either:
- 39.2.1 complete disposal of the Equipment as scrap or otherwise to the best advantage of the Authority; or
 - 39.2.2 further work to enable serviceable components/assemblies to be identified, segregated and stored against future use. Remaining unserviceable Equipment are to be disposed of.

40 Diversion Orders

- 40.1 The Authority shall notify the Contractor at the earliest practicable opportunity if it becomes aware that a Contractor Deliverable is likely to be subject to a Diversion Order.
- 40.2 The Authority may issue a Diversion Order for the urgent delivery of the Contractor Deliverables identified in it. These Contractor Deliverables are to be delivered by the Contractor using the quickest means available as agreed by the Authority.
- 40.3 The Authority reserves the right to cancel the Diversion Order.
- 40.4 If the terms of the Diversion Order are unclear, the Contractor shall immediately contact the Representative of the Authority who issued it for clarification and/or further instruction.
- 40.5 If the Diversion Order increases the quantity of Contractor Deliverables beyond the scope of the Contract, it is to be returned immediately to the Authority's Commercial Representative with an appropriate explanation.
- 40.6 The Contractor shall be entitled to reasonable additional delivery and packaging costs incurred in complying with the Diversion Order or cancellation. Claims are to be submitted by the Contractor to the Authority's Commercial Representative together with applicable receipts and agreed as an amendment to the Contract in accordance with Condition 11 (Amendments to Contract). The Contractor shall comply with the requirements of the Diversion Order upon receipt of the Diversion Order.

41 Service Warranty

- 41.1 The Contractor warrants that in the performance of the Services it shall:
- 41.1.1 assign to the Contract those of its employees, subcontractor or agency members of staff who are suitably qualified and experienced to perform the Services; and
 - 41.1.2 use reasonable skill and care in its workmanship; and
 - 41.1.3 adhere to all applicable Laws and good industry practice.

- 41.2 The Contractor shall not be obliged to make any particular individual available for the purposes of Condition 41.1 above and the Contractor shall at any time or times be entitled to replace any individual with another provided that if, in the reasonable opinion of the Authority, any Contractor's employee, subcontractor or agency member of staff is unsatisfactory for the particular Services on which they are engaged, or in proven cases of gross misconduct or dishonesty, the Contractor shall replace the member of staff concerned within a reasonable period of time.

FINANCIAL INSPECTION AND REVIEW

42 Rights of Audit

- 42.1 The Contractor shall grant the Authority's nominated representative(s) or agent(s) reasonable access to the Contractor's systems and records relating to the Contract from the Contract Commencement Date. Contract Records shall be kept for a period of six years after completion of the Contract.
- 42.2 The Contractor shall keep full and accurate records (including, without limitation, foreground information, financial documents including Supplier quotations/tenders evidencing expenditure and income) with respect to the Contract. The Authority reserves the right to use this information for re-tendering purposes.
- 42.3 The Contractor shall grant the Authority and its authorised representative(s) or agent(s) the right of access at all reasonable times to visit the Contractor's premises and to inspect and/or take copies from the records, relating to the Contract, and the Contractor shall provide all reasonable assistance at all times during the currency of the Contract, and for six years after completion of all work there under, for the purposes of allowing the Authority and/or its authorised representative(s) or agent(s) to obtain such information as is necessary to:
- 42.3.1 fulfil the Authority's obligations to supply information in relation to Parliamentary, Governmental, judicial or other administrative purposes; or
 - 42.3.2 carry out an audit of the Contractor's compliance with the obligations set out in the Contract including, without limitation, the Contractor's obligations with respect to the meeting of performance and quality standards, the security and confidentiality of data, computer integrity and other security requirements; or
 - 42.3.3 investigate suspected fraud or other impropriety by the Contractor, the Ministry of Defence and/or any third party in relation to the Contract, in which case the provisions of this Condition shall be to the powers of the law enforcement authorities granted by law; or
 - 42.3.4 verify the accuracy of and appropriate application of charges and prices and any proposed or actual variations to the charges and prices in accordance with the Contract.
- 42.4 Subject to DEFCON 531 (Disclosure of Information) the Authority and its authorised representatives and/or agents shall treat as confidential all data and records accessed during any audit carried out pursuant to this Condition.
- 42.5 The Authority shall give a minimum of five (5) Business Days' notice of the exercise of its audit rights under this Condition, except:

- 42.5.1 where overriding Government circumstances dictate (e.g. Ministerial /Parliamentary requirements); or
- 42.5.2 in the circumstances set out in Condition 42.5.3, in which case the Authority shall be entitled to conduct an audit without notice; and
- 42.5.3 that there shall be a standing right for the Authority or its agent (s) to carry out a spot check audit in conjunction with progress meetings held at the Contractor's premises.

43 Open Book Accounting

- 43.1 The Contractor agrees to open book accounting whereby the Authority shall be provided with any information or documentation used by the Contractor that the Authority requires to evaluate the Contractor's pricing activities under the Contract.
- 43.2 These rights extend to requests for Sub-Contractor level information under the Contract to the following extent:
 - (i) Survey reports,
 - (ii) Quotes,
 - (iii) Risk assessments,
 - (iv) Method statements,
 - (v) CofC's,
 - (vi) Test Certificates,
- 43.3 On the receipt of such a request at 43.2 the Contractor will provide the Authority with the requested information within five (5) Business Days

44 Earned Value Management (EVM)

- 44.1 The Contractor shall develop, deliver and update monthly over the term of the Contract, an Earned Value report in accordance with the requirements stated in Paragraph 2.12 (EVM Requirements) to Activity 1 of Annex A (SoSR).

INTELLECTUAL PROPERTY, INFORMATION AND GOVERNANCE

45 Intellectual Property Rights (IPR)

Security of Supply

- 45.1 In addition to the Intellectual Property Rights Conditions included within the General Conditions of Contract, the following shall also apply:
 - 45.1.1 in the event that the Authority decides to place a follow-on Contract with the Contractor for the continuing provision of the Contractor Deliverables which are the same as or similar to those provided under this Contract and the Contractor is unwilling or unable to accept, on fair and reasonable terms a follow-on Contract from the Authority; and/or
 - 45.1.2 the Contractor permanently discontinues its business for whatever reason and such business is not continued by a successor in interest to the Contractor to whom the relevant Intellectual Property Rights have been transferred, then the Authority shall have the right to obtain from the Contractor, or from the authorised trustees or receivers acting on behalf of the Contractor, sufficient data, code, information and

licence(s) required for the provision of the Contractor Deliverables as those provided under this Contract or such similar deliverables, Equipment or services. Such data, code, information and licence(s) may be used royalty-free by the Authority or new provider to provide deliverables, Equipment or services similar to those provided under the Contract.

Private Venture Funding

- 45.2 The Contractor shall not introduce any private venture funding under this Contract without the prior written agreement of the same by the Authority's Commercial Officer. Unless the Contractor obtains such prior written approval from the Authority's Commercial Officer then it shall be assumed that no private venture funding was introduced.

46 Sub-Contracts

- 46.1 The Contractor shall not place any Sub-Contract or order involving design or development of the Equipment required under this Contract without the prior approval of the Authority's Commercial Officer (see Box 1 of DEFFORM 111 – Appendix to Contract).
- 46.2 The Contractor shall not enter into any commitment in relation to such work until the Sub-Contractor has entered into an agreement with the Authority in the form set out in DEFFORM 177 Design Rights and Patents (Sub-Contractor's Agreement). Wherever possible, the request for approval should be accompanied by two copies of the agreement signed by the Sub-Contractor. If in any case the Contractor is unable to comply with this Condition, he shall report the matter to the Authority's Commercial Officer (see Box 1 of DEFFORM 111 – Appendix to Contract) and await further instructions before placing the Sub-Contract.

47 Access to Material and Foreground Information/Data/Software ('Information')

- 47.1 In the event of termination in accordance with DEFCON 514 (Material Breach) or retendering purposes, the Authority shall have a royalty free right to use all Information in whatever format generated or used by the Contractor specifically for the purposes of managing and administering the Contract and necessary for the Authority and/or a third party or Successor Contractor to manage and complete the Contract.
- 47.2 Within thirty Business Days of receiving formal notice of termination under DEFCON 514 (Material Breach), the Contractor shall provide a list of all Information to the Authority's Commercial Officer identified in DEFFORM 111 to this Contract and agree the nature and timescale for the transfer of such information.
- 47.3 Where the Contract is terminated in accordance with DEFCON 656B (Termination for Convenience), or upon expiry of this Contract, then such rights to Information shall be limited to Information deliverables under the Contract and excludes rights to the Contractor's proprietary information.
- 47.4 Where the Contract is to be terminated in accordance with DEFCON 514 (Material Breach) or DEFCON 656B (Termination for Convenience) or the Authority seeks to place a Contract with a third party on expiry of this Contract to provide support under the scope of this Contract, then the Authority and such third party shall provide the Contractor with a written undertaking that the Contractor's Information provided under this Condition shall be protected and not used

by such third party other than for the purposes of managing and administering the Contract or for the purposes of a similar Contract between the Authority and such third party.

- 47.5 Where the Contract is to be competitively retendered in accordance with the TFEU Principles, or similar, the Authority shall provide the Contractor with a written undertaking, within a reasonable timescale, requesting access to all data generated for the purposes of managing and delivering the Contract.
- 47.6 Upon the Contractor's receipt of the Authority's formal written notice of termination, the Authority will be deemed to have overall responsibility for managing the Exit/Transition Plan as detailed in Condition 56. The Contractor shall remain responsible for all aspects of the Contractor's performance of the Contract for the period of notice to the date of Contract termination
- 47.7 The Authority shall confirm its receipt of any assets returned or transferred by the Contractor to the Authority in writing.

48 Cyber Security

- 48.1 The Cyber Risk Level assigned to this Contract is **LOW** as defined in DEFSTAN 05-138 (Cyber Security for Defence Suppliers).

49 Transfer of Undertakings (Protection of Employment) Information on Re-tender, Expiry or Termination

- 49.1 The Contractor shall comply with the Terms and Conditions of Annex J – Transfer of Undertakings (Protection of Employment).

50 Publicity

- 50.1 Save as required by Law, the Contractor shall not publicise, either directly or indirectly in any media release, public announcement, or public disclosure relating to this Contract or its subject matter, in any promotional or marketing materials, lists, or business presentations, without the written consent of the Authority for each such use or release in accordance with this Condition save as required through statutory regulations.

51 Information Regarding Prosecution or Proceedings

- 51.1 If the Contractor becomes aware of any prosecution or proceedings, for criminal breaches of the Law related to the subject matter or the execution of the Contract, against the Contractor, any Crown Servants, employee's or agents of the Contractor and any Sub-Contractors engaged in performance of the Contract, the Contractor shall immediately notify the Authority.
- 51.2 Any convictions during the term of the Contract for criminal breaches of the Law related to the subject matter or the execution of the Contract by the Contractor or any of the Contractor's directors/partners or senior management who have powers of representation, decision or control, shall be regarded as a Material Breach of the Contract.

52 Security Aspects Letter

- 52.1 The Classified matter of the Contract is defined in the following Security Aspects Letter (SAL) which can be found at Annex H to the Contract:
- 52.2 The SAL may be updated during the Contract term to reflect any changes to the security classification of the Equipment or the nature of its use.
- 52.3 The Contractor shall confirm in writing to the Authority's Project Manager (PM), see Box 2 of DEFFORM 111 – Contract Appendix, that the definition of the classified matter has been brought to the attention of the person directly responsible for the security of the Contract, that the definition is understood and that measures shall be taken to safeguard the classified matter. He shall immediately refer any difficulties in these respects to the Authority's Project Manager.
- 53. Access to the Comprehensive Royal Naval Inventory Systems Project (CRISP)**
- 53.1 The Contractor shall be given access to MOD Inventory System, Comprehensive Royal Naval Inventory Systems Project (CRISP), solely for the purpose of managing the GFI on this Contract MSS/102.
- 53.2 At the Authority's discretion the Contractor may be provided with up to a maximum of six (6) licences. Each licence shall provide READ ONLY access to a nominated individual. The Contractor shall arrange for each nominated individual to sign the Authority's SyOps and MOD Form 134 (Declaration of Official Secrets Act) prior to commencement of the Contract. Access shall be limited to the following data:
- 53.2.1 MREM - NATO Stock Number (NSN)
 - 53.2.2 MREM - Unique Identification Number (UIN)
 - 53.2.3 MREM - Date Demanded
 - 53.2.4 MREM - Demand Serial Number
 - 53.2.5 MREM - Standard Priority Code (SPC)
 - 53.2.6 MREM - Quantity
 - 53.2.7 MREM - Terms of Issue (TOI)
 - 53.2.8 MREM - Reason for Demand (RFD)
 - 53.2.9 MREM - Required Delivery Date (RDD)
- 53.3 Failure by the Contractor to meet the terms set out in Condition 53 and DEFCON 531 (Disclosure of Information) shall constitute as a material breach and the Authority reserves the right to terminate this Contract in accordance with DEFCON 514 (Material Breach) in such an event.
- 53.4 The Contractor shall ensure that any Information accessed from CRISP (by any nominated individual under clause 53.2) is not disclosed except to Authority personnel or as provided in this clause 53.4. Disclosure to any other person or party including sub-contractors and other employees of the Contractor (save for an employee of the Contractor who is at the time of disclosure also currently a nominated individual having access to CRISP) is prohibited. The information on CRISP is commercially sensitive and any disclosure in breach of this clause 53.4 could result in significant commercial damage to the Information owner and a claim for damages and costs against the Authority as well as a negative impact to the continuing business and reputation of the Authority. The Authority and/or an owner shall be entitled to compensation from the Contractor for any damages or costs arising as a result of any breach by the Contractor employees of the obligations of confidence under this Clause 53.4. If the

Contractor becomes aware of any breach of this clause 53.4 then they shall report it immediately to the Authority. To the extent there is any conflict between this clause 53.4 and DEFCON 531 then this Clause 53.4 shall take precedence.

OBLIGATIONS TO ASSIST POST TERMINATION OR EXPIRY

54 Exit/Transition Plan

- 54.1 The Contractor shall comply with the Exit/Transition Plan.
- 54.2 The Contractor shall update the Exit/Transition Plan on the earlier of:
- 54.2.1. twelve (12) Months prior to the end of the Term; or
 - 54.2.2. upon receipt of a notice of termination.
- 54.3 All such updates must be approved by the Authority and shall include any changes which the Authority requires in order to achieve a controlled Contract exit and transition to the successor Contractor or, if there is no Successor Contractor, to the Authority.
- 54.4 The Contractor shall ensure that it is able to implement the Exit/Transition Plan throughout the full term of the Contract.
- 54.5 All costs incurred in developing, updating and implementing the Exit/Transition Plan shall be borne by the Contractor.
- 54.6 In the event of termination for default under DEFCON 514 - Material Breach then the Contractor shall bear all costs incurred in implementing the Exit/Transition Plan.
- 54.7 At minimum the Exit/ Transition plan shall include; all the necessary information, assets, management arrangements and responsibilities required for a controlled contract exit where:
- 54.7.1 there is no replacement provider; and
 - 54.7.2 where there is a replacement provider;
- 54.8 The transfer, disposal and retention of Government Furnished Equipment (GFE) held by the Contractor or a Contractor Related Party in accordance with DEFSTAN 05-099;
- 54.9 The transfer of all necessary licences, permits, permissions, consents and authorisations;
- 54.10 An obligations matrix that tracks Contractor obligations against the Agreement, inclusive of all continuing obligations, to include all work still outstanding as at Expiry Date; and
- 54.11 Provision of the Control Copy in accordance with DEFCON 21 to the Terms and Conditions of Contract;
- 54.12 Supply of relevant TUPE information/data;
- 54.13 Allowing and facilitating site visits by representatives of companies tendering for a replacement Contract, condition surveys, and performance checks on all facilities used for the purposes of this Contract or to be used in relation to a replacement Contract;

54.14 Minimum stock holdings on exit (levels to be agreed).

55 Transition to a New Contractor

55.1 Prior to the expiry of this Contract the Contractor shall be responsible for the transfer of all GFI/GFE from their own storage facilities stock to either the Successor Contractor or the Authority's storage facilities. This stock shall be managed and accounted for in accordance with DEFCON 694. Ownership of the GFI/GFE stock shall remain the property of the Authority.

55.2 The quantity of transferred stock shall be agreed within 6 months from Contract Commencement.

55.3 Twelve months prior to the Contract expiry date, or Contract termination, the Contractor shall ensure in accordance with DEFCON 609 that copies of all items including, but not limited to, source data, software files and data which contain information generated and used in support of the Contract, are available for delivery to a successor Contractor. If a successor Contractor is nominated, there will be a six-month hand-over period during which the Contractor shall complete all current work and conclude GFI/GFE transfer arrangements to the Successor Contractor in accordance with the Exit/Transition Plan at Appendix A16 to Annex A.

55.4 The Contractor shall be required to liaise with the Successor Contractor during this period, the duration of which will depend on the amount of current work but shall not exceed the period stated in the Contract Conditions.

56 Exit Strategy

Circumstances

56.1 Circumstances may arise whereby the Authority's requirement is no longer served by the scope or level of support provided by the Contract. In this situation the Authority may give notice of its intention to determine the Contract.

56.2 The terms of this Contract allow for termination of the Contract in accordance with DEFCON 655B (Termination for Convenience) or DEFCON 514 (Material Breach).

Notice

56.3 The Authority's notice shall be in writing to the Contractor's Commercial Representative.

Exit Strategy and Process

56.4 The Parties recognise the importance of timely planning to ensure that, following termination of the Contract, there is a seamless and effective transition to alternative support arrangements. The Authority may require the Contractor to assist in the implementation of such alternative support arrangements following termination of the Contract; the extent of such assistance shall be directed by the Authority. The Authority shall pay to the Contractor a fair and reasonable price for such assistance.

56.5 The Authority shall appoint a Project Manager to oversee the Exit Strategy. The Authority's Project Manager will liaise with the Contractor to agree a timetable of actions necessary to

either transfer the Project back to the Authority's control or to a Third-Party Contractor nominated by the Authority.

- 56.6 The Contractor shall not do anything to prevent or hinder the Authority or another Third-Party from entering into a contract with the Contractor's Sub-contractors on fair and reasonable terms.
- 56.7 During the period of notice up to termination of the Contract, the Contractor shall continue to undertake the work in accordance with the Contract terms and conditions subject to the direction of the Authority's Project Manager and any agreed changes to the

Access to Material Information/Data/Software ("Information")

- 56.8 In the event of termination in accordance with DEFCON 514 (Material Breach) or retendering purposes, the Authority shall have a royalty free right to use all Information in accordance with Condition 47.

Authority

- 56.9. Upon the Contractor's receipt of the Authority's formal written notice of termination the Authority will be deemed to have overall responsibility for managing the Project Exit Strategy. The Contractor shall remain responsible for all aspects of the Contractor's performance of the contract for the period of notice to the date of Contract termination.

Payment

- 56.10. The Contractor shall be paid in accordance with the Contract for all work satisfactorily completed under the Contract to the date of contract termination.
- 56.11 Where work is required to be undertaken in support of the exit strategy which is in addition to the scope of the Contract then the scope and price for the additional work will be agreed with the Authority prior to commencement of the work. The additional work may be either covered within the existing Contract or a separate order.
- 56.12 Reasonable costs incurred by the Contractor for the purpose of advance provisioning of assets, including ordering of parts and repairing/reconditioning assets, as well as performing other work, in anticipation of, or to migrate potential future Contract requirements shall be deemed to be commitments/expenditure properly chargeable by the Contractor. The Authority shall be entitled to purchase any unused spares or equipment.

Warranty

- 56.13 Upon Contract termination or expiry, the Authority will receive the benefit of any remaining service warranty provided by the manufacturer.

57 Change of Law and Statutory Regulations

- 57.1 All applicable laws and statutory regulations relating to the Services under this Contract, and which were current or reasonably foreseeable on the Contract date, shall apply. In the event of any change of applicable law or statutory regulation the Contractor shall notify the Authority of the implications of such change to the Contract. The Contractor and the Authority shall

negotiate in good faith to determine whether an adjustment to the Contract price or delivery timescales is appropriate.

58 Force Majeure

58.1 If, by reason of any acts of nature, war, hostilities or of any fire at any of the Contractor's premises or those of his Suppliers the Contractor shall have been delayed in completing their contractual obligations. The Contractor shall, immediately upon becoming aware that any such delay has been caused, give to the Authority notice in writing of his claim for an extension of time. The Authority shall allow the Contractor an extension of time for such completion in respect of any delay caused by any of the circumstances before mentioned as shall be reasonable. Provided always that the Contractor shall not be entitled to any extension of time unless he shall at all times have used all reasonable endeavours to prevent any such delay and to minimise any such delay and to do all that may be reasonably required to the satisfaction of the Authority to proceed with the work.

58.2 In addition to the core events specified at Clause 58.1 above, the following relief events will be considered on a case by case basis:

- (a) national strikes;
- (b) changes in law;
- (c) foreign government policy;
- (d) terrorism;
- (e) biohazards;
- (f) UK ban on trade with source country;
- (g) sonic booms; and
- (h) civil commotion.

58.3 For the purposes of Clause 58.2 above, national strikes shall mean a strike:

58.3.1 which has been lawfully called by the national or other principal executive committee of an independent trade union (within the meaning of Section 5 of the Trade Union and Labour Relations (Consolidation) Act 1992) which is recognised for negotiating purposes by the Contractor or a supplier whose premises are affected; and

58.3.2 which has been endorsed by a properly conducted ballot of the members affected; and

58.3.3 in which all or selected members of such a union, whether or not employed by the Contractor or a supplier whose premises are affected, have been invited by its national or other principal executive committee to withdraw their labour as part of a national campaign of industrial action.

58.4 The maximum extension of time granted under this condition shall be 30 calendar days. In exceptional circumstances, where supply chain factors prevent resolution within this period, the Parties shall agree a reasonable period for resolution of the force majeure event(s).

Impact on Key Performance Indicators (KPIs) and Performance Payments

58.5 Where it is agreed by the Authority that the circumstances giving rise to an unsatisfactory level of performance under Condition 34 (Performance Measurement) are as a result of a Force Majeure event then the abatement of payment arrangements shall not be unreasonably

imposed for the affected KPI. Any KPI which is agreed to have resulted from a Force Majeure event shall be excluded from the assessment of failure of performance under Condition 34 (Performance Measurement).

59 COVID-19

- 59.1 The Parties recognise that either Party may be prevented from performing some or all of its obligations under this Contract OR an associated Tasking Authorisation Form (TAF) by the ongoing effects of the COVID-19 pandemic.
- 59.2 In such circumstances, the relevant Party (and, in the case of the Contractor, each of its sub-contractors) shall take all reasonable steps to mitigate the adverse impact of the COVID-19 pandemic upon the performance of its obligations provided in this Contract or an associated TAF.
- 59.3 If, despite such steps, either Party's performance of its obligations under this Contract or an associated TAF continues to be adversely affected, the relevant Party so affected shall advise the other immediately in writing, of the affected Party's obligation(s) which have been or is being adversely impacted, providing reasonable evidence for the same.
- 59.4 Provided that the affected Party continues to discharge its obligations in clause 59.2 and further to such notification, if the affected Party is able to demonstrate to the other (both Parties acting reasonably and in good faith) that it is being or has been prevented from performing its obligations under this Contract or associated TAF as a result of the impact of the COVID-19 pandemic, then for so long as such adverse impact continues:
- (i) the affected Party shall not be deemed to be in breach of this Contract or associated TAF nor otherwise liable for late or non-performance, where and to the extent that it fails to perform any such obligation(s) under this Contract or associated TAF due to such impact.
- 59.5 Nothing in this provision shall in itself create a precedent or, save to the extent that any relief is granted under its provisions, operate to waive or reduce either Party's obligations under or in connection with this Contract or associated TAF. To this extent the Authority reserves its right to terminate for non-performance following review. Such termination shall only be enacted in the event that the work under this Contract or associated TAF can no longer be delivered or is no longer required. In such an event the Authority shall pay the Contractor the costs it can demonstrate have been incurred up to the point of termination and incurred as a result of such termination.
- 59.6 This Condition and the Contractor's rights provided in this Condition constitute the Contractor's sole rights in relation to COVID-19 and in connection with this Contract or associated TAF and shall operate to the exclusion of any and all other rights and remedies it may otherwise have in connection with the same.

60 Dispute Resolution

- 60.1 Further to the requirements set out in DEFCON 530 (Edn.12/14), any claim, controversy or dispute (hereinafter referred to as a "Dispute") concerning questions of fact or law arising out of or relating to this Contract between the Contractor and the Authority, or to performance of either the Contractor or the Authority hereunder, or to the threatened, alleged or actual breach

thereof by either the Contractor or the Authority, including without limitation any claim, controversy or dispute concerning the determination of Price or Terms and Conditions of this Contract, that cannot otherwise be resolved after good faith negotiations between the APM and the Contractor's Project Manager, shall be resolved as follows:

	The Authority	The Contractor
1	Authority's Level 2 Project Manager (APM) / Level 2 Commercial Officer (ACO)	Project Manager
2	Level 3 APM/Level 3 ACO	Commercial Manager
3	PT Leader / Level 4 ACO	Head of Business Stream - Complex Assets
4	DeP Hd – Commercial (Level 5)	Commercial Director
5	WOC Hd – Commercial (1*)	Business Unit Managing Director

- 60.2 In the event that either the Contractor or the Authority at any time gives written notice to the other that a Dispute has arisen which in its opinion has no reasonable prospect of being resolved by good faith negotiations at level 1 (one), the Authority and Contractor shall follow the escalation process set out in the table above. If a Dispute is not resolved within 20 (twenty) Business Days of elevation to a particular level, the details of the Dispute shall be elevated to the next appropriate level, in order to attempt to resolve the Dispute within 20 (twenty) Business Days of such elevation.
- 60.3 In the event of no resolution in accordance with 60.2 then either the Contractor or the Authority may submit the Dispute to binding arbitration in accordance with Clause 60.4.
- 60.4 Any unresolved Dispute to be settled by Arbitration shall be arbitrated in London, England (or such other place as may be agreed in writing between the Contractor and the Authority) by a single arbitrator to be appointed by agreement between the Contractor and the Authority or, (failing agreement within 10 (ten) Business Days after either the Contractor or the Authority has given to the other a written request to concur in the appointment of a single arbitrator) of three arbitrators, one to be appointed by both the Contractor and the Authority and another chosen by the two arbitrators so appointed. Any such reference shall be a submission to arbitration in accordance with the Arbitration Act 1996 or any statutory variation, modification or re-enactment thereof for the time being in force.
- 60.5 The Arbitration shall be conducted under the rules of the London Court of International Arbitration except in so far as those rules conflict with the provisions of this Condition 60, in which case the provisions of this Condition 60 shall apply. The Arbitrators' proceedings and award shall be in English and any award in writing.

61 Future Maritime Support Programme

- 61.1 The Contractor has assumed that if the Future Maritime Support Programme (FMSP) (successor to MSDF) and its successor, is significantly different to the framework of the existing MSDF Contract, the Contractor shall have the right to revise and reprice our offer/ the Contract price. The Contractor has assumed that is there is no successor to MSDF the Contractor shall have the right to revise and reprice our offer/ Contract price. Due to the current

MSDF/FMSP position, Babcock may not be able to fully recover the fixed costs associated with managing the Contract (MSS/102), it is assumed that any fixed costs incurred not covered through the MSDF successor contract will be claimable through a change proposal, with the funding driven from the Authority's project delivery team.

62 Provisional Pricing

- 62.1 The parties recognise that each has a legal obligation, under section 20 of the Defence Reform Act 2014, to be satisfied that the costs included in the contract price are Appropriate, Attributable and Reasonable (together 'AAR'). The parties also recognise that, at the time of contract award, the information provided to the Authority by the Contractor is not sufficient to allow the parties to be satisfied that all the costs included in the contract price are AAR. The parties have identified at Annex I those costs or categories of costs in respect of which further information must be provided before an 'AAR assessment' can be made. Accordingly, the parties agree that the Contractor will provide to the Authority, by 31st March 2022, sufficient information to enable the Authority to be satisfied that those identified costs included in the contract price are AAR or, alternatively, to enable the Authority to be satisfied as to what revised quantum of costs would be AAR. Following that provision of information and the Authority's analysis thereof, the parties shall meet to consider whether, and if so in what respect, it is necessary to re-price the Contract in accordance with the Schedule to the Single Source Contract Regulations 2014. Without prejudice to any other right which the Authority may have, in the event that the Authority does not consider that the Contractor has complied with its obligation under this clause 62.1, or it is still not satisfied that the costs included in the contract price are AAR, it intends to refer the contract to the SSRO for a determination of allowable costs, pursuant to section 20 of the Defence Reform Act 2014.

63 Limitation of Contractor's Liability

- 63.1 Subject to Clause 63.2 the Contractor's liability to the Authority in connection with this Contract:
- 63.1.1 under clause 2 of DEFCON 514 shall not exceed REDACTED
- 63.1.2 under Clause 8 of DEFCON 611 shall not exceed;
- i. in contract year 1; REDACTED
 - ii. in contract years 2 – 10; REDACTED
- 63.2 Nothing in this Contract shall operate to limit or exclude the Contractor's liability:
- 63.2.1 for:
- i. any liquidated damages (to the extent expressly provided for under this Contract);
 - ii. any amount(s) which the Authority is entitled to claim, retain or withhold in relation to the Contractor's failure to perform or under-perform its obligations under this Contract, including service credits or other deductions (to the extent expressly provided for under this Contract);
 - iii. any interest payable in relation to the late payment of any sum due and payable by the Contractor to the Authority under this Contract;

- iv. any amount payable by the Contractor to the Authority in relation to TUPE or pensions to the extent expressly provided for under this Contract;
 - 63.2.2 for any liability that would not have been incurred but for the Contractor failing to carry out one or more of the risk mitigation activities specified in Annex C;
 - 63.2.3 in relation to any matter governed by Clause 63.1 where any applicable limitation of liability forming part of that provision has been agreed by the Authority in reliance on information (including in relation to insurance) submitted by or on behalf of the Contractor prior to contract award, such information being inaccurate or untrue;
 - 63.2.4 under DEFCONs 91, 632, 638 and 811;
 - 63.2.5 for death or personal injury caused by the Contractor's negligence or the negligence of any of its personnel, agents, consultants or subcontractors;
 - 63.2.6 for fraud, fraudulent misrepresentation, wilful misconduct or negligence;
 - 63.2.7 in relation to the termination of this Contract on the basis of abandonment by the Contractor;
 - 63.2.8 for breach of the terms implied by Section 2 of the Supply of Goods and Services Act 1982; or
 - 63.2.9 for any other liability which cannot be limited or excluded under general (including statute and common) law.
- 63.3 The rights of the Authority under this Contract are in addition to, and not exclusive of, any rights or remedies provided by general (including statute and common) law.

**DEFFORM 111
 (Edn 05/19)**

Appendix - Addresses and Other Information

1. Commercial Officer
 Name: Andrew Sleight

 Address: Birch 3a, MoD Abbey Wood, Bristol,
 BS34 8JH

 Email: Andrew.Sleight100@mod.gov.uk



8. Public Accounting Authority

 1. Returns under DEFCON 694 (or SC equivalent) should
 be sent to DBS Finance ADMT – Assets In Industry 1,
 Level 4 Piccadilly Gate, Store Street, Manchester, M1 2WD

 44 (0) 161 233 5397

 2. For all other enquiries contact DES Fin FA-AMET
 Policy, Level 4 Piccadilly Gate, Store Street, Manchester,
 M1 2WD
 44 (0) 161 233 5394

**2. Project Manager, Equipment Support
 Manager or PT Leader** (from whom technical
 information is available)
 Name: Ian Andrews

 Address Birch 3a, MoD Abbey Wood, Bristol,
 BS34 8JH
 Email: ian.andrews790@mod.gov.uk



9. Consignment Instructions
 The items are to be consigned as follows:

3. Packaging Design Authority
 Organisation & point of contact:

 (Where no address is shown please contact the
 Project Team in Box 2)



10. Transport. The appropriate Ministry of Defence
 Transport Offices are:
A. DSCOM, DE&S, DSCOM, MoD Abbey Wood, Cedar 3c,
 Mail Point 3351, BRISTOL BS34 8JH
Air Freight Centre
 IMPORTS  030 679 81113 / 81114 Fax 0117 913 8943
 EXPORTS  030 679 81113 / 81114 Fax 0117 913 8943
Surface Freight Centre
 IMPORTS  030 679 81129 / 81133 / 81138 Fax
 0117 913 8946
 EXPORTS  030 679 81129 / 81133 / 81138 Fax 0117
 913 8946
B. JSCS

 JSCS Helpdesk No. 01869 256052 (select option 2, then
 option 3)
 JSCS Fax No. 01869 256837
www.freightcollection.com

**4. (a) Supply / Support Management Branch
 or Order Manager:**
 Branch/Name:



 (b) U.I.N.

5. Drawings/Specifications are available from

11. The Invoice Paying Authority
 Ministry of Defence  0151-242-2000
 DBS Finance
 Walker House, Exchange Flags Fax: 0151-242-2809
 Liverpool, L2 3YL **Website is:**
<https://www.gov.uk/government/organisations/ministry-of-defence/about/procurement#invoice-processing>

<p>6. Intentionally Blank</p>	<p>12. Forms and Documentation are available through *: Ministry of Defence, Forms and Pubs Commodity Management PO Box 2, Building C16, C Site Lower Arcott Bicester, OX25 1LP (Tel. 01869 256197 Fax: 01869 256824) Applications via fax or email: Leidos-FormsPublications@teamleidos.mod.uk</p>
<p>7. Quality Assurance Representative: Alan Edwards Commercial staff are reminded that all Quality Assurance requirements should be listed under the General Contract Conditions.</p> <p>AQAPS and DEF STANs are available from UK Defence Standardization, for access to the documents and details of the helpdesk visit http://dstan.uwh.diif.r.mil.uk/ [intranet] or https://www.dstan.mod.uk/ [extranet, registration needed].</p>	<p>* NOTE</p> <p>1. Many DEFCONs and DEFFORMs can be obtained from the MOD Internet Site: https://www.aof.mod.uk/aofcontent/tactical/toolkit/index.htm</p> <p>2. If the required forms or documentation are not available <u>on the MOD Internet site requests should be submitted through the Commercial Officer named in Section 1.</u></p>



Ministry
of Defence



SUBJECT TO CONTRACT

STATEMENT OF SUPPORT REQUIREMENTS

For

**MSS/102 MARINE ROTATING ELECTRICAL
MACHINERY (MREM) ASSET AVAILABILITY
SERVICE FOR SURFACE FLEET AND
SUBMARINE FLEET**

REDACTED

REDACTED

Ministry of Defence DEFORM 315 (Edn 2/98)

CONTRACT DATA REQUIREMENT

<p>1. <u>Contract Number</u></p> <p>MSS/102</p>	<p>2. <u>CDR Number</u></p> <p>001</p>	<p>3. <u>Data Category</u></p> <p>Manufacture and Supply of Equipment and Services</p>	<p>4. <u>Contract Delivery Date</u></p> <p>On request and 12 months before expiry of the contract or on notice of contract termination.</p>
<p>5. <u>Equipment/Equipment Subsystem Description</u></p> <p>Marine Rotating Electrical Machinery (MREM)</p>		<p>6. <u>General Description of Data Deliverable</u></p> <p>Manufacturer's Data Packs Manufacturer's / Service Drawings Manufacturer's Handbooks Test and Calibration Specifications</p>	
<p>7. <u>Purpose for which data is required</u></p> <p>Configuration management of equipment.</p> <p>Future procurement, including any competitive tendering for manufacture and / or supply of equipment.</p> <p>Future competitive re-tendering of MREM contract.</p>		<p>8. <u>Intellectual Property Rights</u></p> <p>a. <u>Applicable DEFCONs</u></p> <p>DEFCON 15 DEFCON 21</p> <p>b. <u>Special IP Conditions</u></p>	
<p>9. <u>Update/Further Submission Requirements</u></p> <p>Updated documentation is required where the Authority or Contractor considers any change to the equipment is significant enough that warrants the update.</p>			
<p>10. <u>Medium of Delivery</u></p> <p>Microsoft Office Compatible files by email</p>		<p>11. <u>Number of Copies</u></p> <p>1</p>	

Ministry of Defence DEFORM 315 (Edn 2/98)

CONTRACT DATA REQUIREMENT

<p>1. <u>Contract Number</u></p> <p>MSS/102</p>	<p>2. <u>CDR Number</u></p> <p>002</p>	<p>3. <u>Data Category</u></p> <p>Maintenance</p>	<p>4. <u>Contract Delivery Date</u></p> <p>On request and 12 months before expiry of the contract or on notice of contract termination.</p>
<p>5. <u>Equipment/Equipment Subsystem Description</u></p> <p>Marine Rotating Electrical Machinery (MREM)</p>		<p>6. <u>General Description of Data Deliverable</u></p> <p>Maintenance Data Packs Illustrated Parts Catalogues Planned Maintenance Schedules Test and Calibration Specifications Manufacturers / Service Drawings Manufacturers Handbooks</p>	
<p>7. <u>Purpose for which data is required</u></p> <p>1st and 2nd level maintenance of the equipment by or for the Services</p> <p>Future procurement, including any competitive tendering for manufacture and / or supply of equipment.</p> <p>Future competitive re-tendering of MREM contract.</p>		<p>8. <u>Intellectual Property Rights</u></p> <p>a. <u>Applicable DEFCONs</u></p> <p>DEFCON 16 DEFCON 21</p> <p>b. <u>Special IP Conditions</u></p>	
<p>9. <u>Update/Further Submission Requirements</u></p> <p>Updated documentation is required where the Authority or Contractor considers any change to the equipment is significant enough that warrants the update.</p>			

10. <u>Medium of Delivery</u> Microsoft Office Compatible files by email	11. <u>Number of Copies</u> 1
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Ministry of Defence DEFORM 315 (Edn 2/98)

CONTRACT DATA REQUIREMENT

<p>1. <u>Contract Number</u></p> <p>MSS/102</p>	<p>2. <u>CDR Number</u></p> <p>003</p>	<p>3. <u>Data Category</u></p> <p>Operating</p>	<p>4. <u>Contract Delivery Date</u></p> <p>On request</p>
<p>5. <u>Equipment/Equipment Subsystem Description</u></p> <p>Marine Rotating Electrical Machinery (MREM)</p>		<p>6. <u>General Description of Data Deliverable</u></p> <p>Operating Manual Manufacturers Handbook Safety Case / Hazard Log</p>	
<p>7. <u>Purpose for which data is required</u></p> <p>Operation of the equipment by or for the Services</p>		<p>8. <u>Intellectual Property Rights</u></p> <p>a. <u>Applicable DEFCONs</u></p> <p>DEFCON 15 DEFCON 21</p> <p>b. <u>Special IP Conditions</u></p>	
<p>9. <u>Update/Further Submission Requirements</u></p> <p>Updated documentation is required where the Authority or Contractor considers any change to the equipment is significant enough that warrants the update.</p>			
<p>10. <u>Medium of Delivery</u></p> <p>Microsoft Office Compatible files by email</p>		<p>11. <u>Number of Copies</u></p> <p>1</p>	

Ministry of Defence DEFORM 315 (Edn 2/98)

CONTRACT DATA REQUIREMENT

<p>1. <u>Contract Number</u></p> <p>MSS/102</p>	<p>2. <u>CDR Number</u></p> <p>004</p>	<p>3. <u>Data Category</u></p> <p>Safety</p>	<p>4. <u>Contract Delivery Date</u></p> <p>On request or on Introduction of new equipment.</p>
<p>5. <u>Equipment/Equipment Subsystem Description</u></p> <p>Marine Rotating Electrical Machinery (MREM)</p>		<p>6. <u>General Description of Data Deliverable</u></p> <p>Equipment Safety Case Format IAW DSA02-DMR-Shipping Regulations</p>	
<p>7. <u>Purpose for which data is required</u></p> <p>New to service or modified equipment shall require a safety case.</p> <p>A Safety Case is required to allow the Equipment Authority to ensure that the equipment supplied to platforms complies with applicable legal requirements.</p>		<p>8. <u>Intellectual Property Rights</u></p> <p>a. <u>Applicable DEFCONs</u></p> <p>DEFCON 15 DEFCON 21</p> <p>b. <u>Special IP Conditions</u></p>	
<p>9. <u>Update/Further Submission Requirements</u></p> <p>Updated documentation is required where the Authority considers any change to the equipment is significant enough that warrants the update.</p>			
<p>10. <u>Medium of Delivery</u></p> <p>Microsoft Office Compatible files by email</p>	<p>11. <u>Number of Copies</u></p> <p>1</p>		

Ministry of Defence DEFORM 315 (Edn 2/98)

CONTRACT DATA REQUIREMENT

<p>1. <u>Contract Number</u></p> <p>MSS/102</p>	<p>2. <u>CDR Number</u></p> <p>005</p>	<p>3. <u>Data Category</u></p> <p>Service Management</p>	<p>4. <u>Contract Delivery Date</u></p> <p>Within 6 weeks of contract award. Annually</p>
<p>5. <u>Equipment/Equipment Subsystem Description</u></p> <p>Marine Rotating Electrical Machinery (MREM)</p>		<p>6. <u>General Description of Data Deliverable</u></p> <p>Quality Plan Risk Management Plan Configuration Management Plan Obsolescence Management Plan Safety Management Plan Exit Management Plan Project Management Plan</p>	
<p>7. <u>Purpose for which data is required</u></p> <p>To monitor the service management provision.</p>		<p>8. <u>Intellectual Property Rights</u></p> <p>a. <u>Applicable DEFCONs</u></p> <p>DEFCON 15 DEFCON 21</p> <p>b. <u>Special IP Conditions</u></p>	
<p>9. <u>Update/Further Submission Requirements</u></p> <p>Updated documentation is required where the Authority or Contractor considers any change to the equipment is significant enough that warrants the update.</p>			
<p>10. <u>Medium of Delivery</u></p> <p>Microsoft Office Compatible files by email</p>		<p>11. <u>Number of Copies</u></p> <p>1</p>	

Guidance Notes for the Completion of DEFFORM 315

DEFFORM 315 is a template for a Contract Data Requirement (CDR), and should be used in all contracts requiring a CDR. The relevant information should be entered, by the MoD, in accordance with the following guidelines. These notes should be read in conjunction with Guidelines for Industry (GFI) No 10.

Block 1. Enter ITT or contract number as appropriate.

Block 2. Enter a CDR reference number. All CDRs under a Contract should be numbered individually and sequentially, e.g. 1,2,3....

Block 3. Enter the category of data for which the CDR is being prepared, e.g.:

- Maintenance/Repair/Reconditioning
- Manufacture
- Operation

Other categories may be used, for example: simulator information or interface information. However, see GFI No 10 paragraph 12).

Block 4. Enter the date by which the data item is to be delivered.

Block 5. Identify the equipment, process or material to which the data item relates.

Block 6. Enter a general description of the data item and:

- (1) In the case of manufacturing data packs (or process/material data packs) reference the applicable Data Item Description, e.g. UK DID MDP (Edn 2/98).
- (2) In the case of operating manuals, Repair and Maintenance manuals or other standard Repair and Maintenance documentation identify the applicable standard (see GFI No 10 paragraph 23).
- (3) In the case of other categories of information, identify the adaptation if any (see GFI No 10 paragraph 12).

Block 7. Specify the purpose for which the data item is required, such as

- 1st/2nd level maintenance of the equipment by or for the Services;
- competitive tendering for manufacture and supply of equipment;
- operation of the equipment by or for the Services.

Care should be taken when specifying the purpose for which the information is being supplied as this may affect the liability of the Contractor if the information is used for purposes other than those stated.

Block 8a. Specify which of the new IP DEFCONs (15, 16 and 21 (Edn 2/98)) is applicable to the information. Usually it will be necessary to specify DEFCON 21 and one of either DEFCON 15 or DEFCON 16 as appropriate.

- Block 8b Where a special condition is being applied to the information in place of one or more of the new IP DEFCONs (15, 16, and 21 (Edn 2/98)), the special condition should be referenced (see GFI No 10 paragraph 6).
- Block 9. Enter the requirements for delivering updates or re-submissions of the data item, including the frequency of re-submissions.
- Block 10. Specify the medium of delivery, *e.g.* paper, computer disc, CD-ROM.
- Block 11. In the case of paper deliveries, specify the number of copies required.

Hazardous Articles, Deliverables, Materials or Substances Statement by the Contractor

Contract Number: MSS/102

Contract Title: MARINE ROTATING ELECTRICAL MACHINERY (MREM)

Contractor: Devonport Royal Dockyard Limited

Date of Contract:

* To the best of our knowledge there are no hazardous Articles, Deliverables, materials or substances to be supplied. ;

* To the best of our knowledge the hazards associated with Articles, Deliverables, materials or substances to be supplied under the Contract are identified in the Safety Data Sheets (Qty:) attached in accordance with either:

DEFCON 68 ; or

Condition 9 of Standardised Contract 1A/B Conditions ;

Contractor's Signature:

Name: Kate Clarke

Job Title: Senior Commercial Officer

Date: 26th May 2020

* check box () as appropriate

To be completed by the Authority

DMC:

NATO Stock Number:

Contact Name:

Contact Address:

Contact Phone Number:

Contact Email Address:

Copy to be forwarded to:

Hazardous Stores Information System (HSIS)
Department of Safety & Environment, Quality and Technology (D S & EQT)
Spruce 2C, #1260
MOD Abbey Wood (South)
Bristol, BS34 8JH

Email: DESTECH-QSEPEnv-HSISMulti@mod.gov.uk

Ministry of Defence DEFFORM 316

GOVERNMENT FURNISHED INFORMATION (GFI)

<p>1. <u>Contract Number</u></p> <p>MSS/102</p>	<p>2. <u>GFI Number</u></p> <p>001</p>	<p>3. <u>Contract Delivery Date</u></p> <p>In accordance with the Terms and Conditions of Contract</p>
<p>4. <u>Equipment/Equipment Subsystem Description</u></p> <p>Marine Rotating Electrical Machinery (MREM) for Surface Ships and Submarines.</p>		<p>5. <u>Description of Deliverable Information</u></p> <p>Technical Information and Technical Documents; Inventory stock numbers; Inventory holdings; Inventory historical demands; Equipment Lists.</p>
<p>6. <u>Purpose for which information is required</u></p> <p>Information to be supplied as GFI to assist the Contractor with delivery of services as described in Annex A - Statement of Support Requirements (SOSR).</p>		<p>7. <u>Special Requirements/Comments</u></p> <p>Any further data required by the Contractor is to be requested.</p> <p>The Authority will endeavour to supply the requested data.</p> <p>Some elements of the data provided are for information only. This is identified within the SOSR.</p>
<p>8. <u>Update/Further Submission Requirements</u></p> <p>Any further data required by the Contractor is to be requested. The authority will endeavour to supply the requested data.</p>		
<p>9. <u>Medium of Delivery</u></p> <p>Electronic copies - MS Office Suite or Adobe compatible.</p>	<p>10. <u>Number of Copies</u></p> <p>In accordance with the Terms and Conditions of Contract.</p>	

ANNEX G

REDACTED

ANNEX I

PROVISIONAL PRICING

1. In the absence of 2021 MoD Agreed Rates for the Contractor, the Contract has been priced on a provisional basis. The following pricing is based on DRDL labour rates that have not been agreed between the Authority and the Contractor and are therefore provisional:
 - a. Activity 1 – All activity 1 pricing is based on the provisional DRDL labour rate.
 - b. Activity 3 – Annex B2: Labour Rates
2. The pricing is escalated (firm in years 1 – 3 and fixed in years 4 - 10) based on the year 1 labour rate, therefore once the 2021 DRDL (estimated) MoD Agreed Rate is agreed between CAAS & the Contractor, the Contract price can be agreed, the 2021 DRDL estimated MoD Agreed rate will be subject to reconciliation once the 'actual' MoD Agreed rate is agreed between CAAS & the Contractor.
3. All other prices are agreed and are not subject to provisional pricing.

Annex J

TRANSFER REGULATIONS

PART 1 - EMPLOYEE TRANSFER ARRANGEMENTS ON ENTRY

1. DEFINITIONS

1.1. In this Annex, Part 1, save where otherwise provided, words and terms defined in Annex J (Definitions) of the Contract shall have the meaning ascribed to them in Annex J (Definitions) of the Contract.

1.2. Without prejudice to Annex J, Part 1 (Definitions) of the Contract, in this Annex, Part 1 unless the context otherwise requires:

"Data Protection Legislation" means: (i) Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the **"General Data Protection Regulation"**); (ii) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; and (iii) all applicable Law about the processing of personal data and privacy;

"Employing Sub-Contractor" means any sub-contractor of the Contractor providing any part of the Services who is or is to be the employer of an Authority Employee, a Previous Contractor Employee or an Unexpected Employee;

"New Provider" means any replacement service provider or providers engaged to provide the Services (or part thereof) or substantially similar services or the Authority itself where the Services or substantially similar services or part thereof continue to be provided by the Authority after partial termination, termination or expiry of this Contract;

"Previous Contractor" means the incumbent contractors;

"Previous Contractor Employee" means an employee of a Previous Contractor who immediately before the Relevant Transfer Date is assigned to carry out the services to be carried out by the Contractor or Sub-Contractor under this Contract and who has not been dismissed, resigned, been reassigned or objected to the Relevant Transfer;

"Relevant Transfer" means a transfer to the Contractor or an Employing Sub-Contractor of a Previous Contractor Employee pursuant to this Contract and the Transfer Regulations;

"Relevant Transfer Date" means the date on which a Relevant Transfer is effected for Previous Contractor Employees;

"Relevant Statutory Scheme" has the same meaning as in Regulation 8 of the Transfer Regulations;

"Services" shall have the meaning specified in [project team to complete];

“**Transfer Regulations**” means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time and/or the Service Provision Change (Protection of Employment) Regulations (Northern Ireland) 2006 (as amended from time to time), as appropriate.

2. PREVIOUS CONTRACTOR EMPLOYEES

2.1 Employee Information

- 2.1.1. No later than three months prior to the Relevant Transfer Date the Authority shall provide to the Contractor the information listed in Appendix 1 of this Annex in respect of Previous Contractor Employees to the extent that such information has been provided to the Authority by the Previous Contractor.
- 2.1.2. The Authority shall provide the Contractor with any update to the information provided under paragraph 2.1.1 as soon as is reasonably practicable, to the extent that such information has been provided to the Authority by the Previous Contractor.
- 2.1.3. The Contractor shall provide any information provided to it by the Authority pursuant to paragraph 2.1.1 to an Employing Sub-Contractor within seven Business Days of receipt to the extent that such Previous Contractor Employees are to transfer to an Employing Sub-Contractor under a Relevant Transfer on the Relevant Transfer Date.
- 2.1.4. Paragraph 2.1.1 is subject to the Authority and any Previous Contractor's obligations in respect of the Data Protection Legislation and any data provided by the Authority in accordance with paragraph 2.1.1 shall be provided in anonymous form in order to enable its disclosure. To the extent anonymous data has been provided by the Authority pursuant to its obligations under Paragraph 2.1.1 above, the Authority shall provide full data no later than 28 days prior to the Relevant Transfer.
- 2.1.5. The Authority does not warrant the accuracy of the information provided under paragraph 2.1.1.

2.2. Obligations in respect of Previous Contractor Employees

- 2.2.1. The Contractor and the Authority acknowledge (and the Contractor shall procure that the Employing Sub-Contractor acknowledges) that the provision of the Services under this Contract will constitute a Relevant Transfer.
- 2.2.2. The Contractor agrees (and will procure that the Employing Sub-Contractor agrees) that from the Relevant Transfer Date the contracts of employment of any Previous Contractor Employees together with any collective agreements (save insofar as such contracts and such agreements relate to benefits for old age, invalidity or survivors under any occupational pension scheme or otherwise do not transfer pursuant to regulation 4A of the Transfer Regulations) will take effect as if originally made between the Contractor or an Employing Sub-Contractor and the Previous Contractor Employees (or the relevant trade union, as the case may be) subject to any variations to such contracts of employment made pursuant to Regulation 9 of the Transfer Regulations, where applicable.

2.2.3. The Contractor agrees that it will comply with its obligations under sections 257 and 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005.

2.2.4. Save for any liabilities in respect of Previous Contractor Employees under a Relevant Statutory Scheme or Schemes, the Contractor or Employing Sub-Contractor (as the case may be) shall have responsibility for all emoluments and outgoings (including without limitation all wages, bonuses, commissions, payments in respect of holiday taken after the Relevant Transfer Date as appropriate, PAYE, national insurance contributions and contributions to retirement benefit schemes) in relation to the Previous Contractor Employees with effect from and including the Relevant Transfer Date and shall indemnify the Authority and the Previous Contractor in respect of the same.

2.3. Indemnities

2.3.1. The Contractor shall indemnify and hold harmless the Authority and any Previous Contractor against all demands, claims, liabilities, losses and damages, costs and expenses (including all interest, penalties, legal and other costs and expenses) together with any applicable Value Added and similar taxes or liability for deduction of PAYE tax properly incurred by the Authority or any Previous Contractor arising out of or in connection with:

- a. any breach by the Contractor and/or any Employing Sub-Contractor of their obligations under Regulation 13 of the Transfer Regulations
- b. any act or proposal by the Contractor or any Employing Sub-Contractor prior to or following the Relevant Transfer Date which amounts to a repudiatory breach of contract as referred to in Regulation 4(11) of the Transfer Regulations and/or to make a substantial change in working conditions of any Previous Contractor Employee to the material detriment of that employee. For the purposes of this sub-condition the expressions “repudiatory breach”, “substantial change” and “material detriment” shall have the same meanings as for the purposes of Regulation 4(9) and 4(11) of the Transfer Regulations; and;
- c. any collective agreement or any arrangement with any trade union or staff association after the Relevant Transfer Date.
- d. Any variations or proposed variations to any Previous Contractor Employee’s terms and conditions of employment pursuant to regulations 4(5) and 4(5B).

3. GENERAL PROVISIONS APPLICABLE TO PREVIOUS CONTRACTOR EMPLOYEES AND CONTRACTOR PERSONNEL

3.1. Contractor Indemnity

3.1.1. The Contractor shall indemnify the Authority and any New Provider against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with the employment or termination of employment by the Contractor or any Employing Sub-

Contractor of any person (including the Previous Contractor Employees) engaged in connection with the provision of the Services during the term of this Agreement.

3.2. Post Transfer Reporting

3.2.1. The Contractor shall upon request by the Authority provide (or shall procure that an Employing Sub-Contractor shall provide) the Authority with the following information in respect of the employees who are wholly or mainly employed, assigned or engaged in providing the Services:

- a. any proposed, agreed or imposed changes to terms and conditions of service;
- b. disputes relating to compliance with the Transfer Regulations which are regarded as unresolved by a recognised Trade Union;
- c. any court action or tribunal proceedings relating to compliance with the Transfer Regulations;
- d. completed court action or tribunal proceedings relating to compliance with the Transfer Regulations; and
- e. out of court settlements relating to compliance with the Transfer Regulations if possible having regard to the wording of the settlement.

PERSONNEL INFORMATION TO BE RELEASED PURSUANT TO THIS AGREEMENT

PART A

1. Pursuant to paragraph 2.1.1 of this Annex, Part 1, the written statement of employment particulars as required by section 1 of the Employment Rights Act 1996 together with the following information (save where that information is included within that statement) will be provided to the extent it is not included within the written statement of employment particulars:

1.1. Personal, Employment and Career

- a. Age;
- b. Security Vetting Clearance;
- c. Job title;
- d. Work location;
- e. Conditioned hours of work;
- f. Employment Status;
- g. Details of training and operating licensing required for Statutory and Health and Safety reasons;
- h. Details of training or sponsorship commitments;
- i. Standard Annual leave entitlement and current leave year entitlement and record;
- j. Annual leave reckonable service date;
- k. Details of disciplinary or grievance proceedings taken by or against transferring employees in the last two years;
- l. Information of any legal proceedings between employees and their employer within the previous two years or any such proceedings that the transferor has reasonable grounds to believe that an employee may bring against the transferee arising out of their employment with the transferor;
- m. Issue of Uniform/Protective Clothing;
- n. Working Time Directive opt-out forms; and
- o. Date from which the latest period of continuous employment began.

1.2. Performance Appraisal

- a. The current year's Performance Appraisal;
- b. Current year's training plan (if it exists); and
- c. Performance Pay Recommendations (PPR) forms completed in the current reporting year, or where relevant, any bonus entitlements;

1.3. Superannuation and Pay

- a. Maternity leave or other long-term leave of absence (meaning more than 4 weeks) planned or taken within the last two years;
- b. Annual salary and rates of pay band/grade;
- c. Shifts, unsociable hours or other premium rates of pay;
- d. Overtime history for the preceding twelve-month period;
- e. Allowances and bonuses for the preceding twelve-month period;
- f. Details of outstanding loan, advances on salary or debts;
- g. Cumulative pay for tax and pension purposes;

- h. Cumulative tax paid;
- i. National Insurance Number;
- j. National Insurance contribution rate;
- k. Other payments or deductions being made for statutory reasons;
- l. Any other voluntary deductions from pay;
- m. Pension Scheme Membership;
- n. For pension purposes, the notional reckonable service date;
- o. Pensionable pay history for three years to date of transfer;
- p. Percentage of any pay currently contributed under additional voluntary contribution arrangements; and
- q. Percentage of pay currently contributed under any added years arrangements.

1.4. Medical

- a. Sickness and absence records for the immediately preceding four-year period; and
- b. Details of any active restoring efficiency case for health purposes.

1.5. Disciplinary

- a. Details of any active restoring efficiency case for reasons of performance; and
- b. Details of any active disciplinary cases where corrective action is on going.

1.6. Further information

- a. Information about specific adjustments that have been made for an individual under the Equality Act 2010;
- b. Short term variations to attendance hours to accommodate a domestic situation;
- c. Individuals that are members of the Reserves, or staff may have been granted special leave as a School Governor; and
- d. Information about any current or expected maternity or other statutory leave or other absence from work.

Part B

1.7. Information to be provided 56 days prior to the Relevant Transfer Date:

- a. Employee's full name;
- b. Date of Birth
- c. Home address;
- d. Bank/building society account details for payroll purposes Tax Code.

PART 2 – STAFF TRANSFER ARRANGEMENTS ON EXIT

2. DEFINITIONS

2.1. In this Annex, Part 2, save where otherwise provided, words and terms defined in Annex J (Definitions) or Annex J, Part 1 of the Contract shall have the meaning ascribed to them in Annex J (Definitions) or Annex J Part, 1 of the Contract.

2.2. Without prejudice to Annex J (Definitions) of the Contract or Annex J, Part 1, in this Part 2 unless the context otherwise requires:

"Employee Liability Information" has the same meaning as in Regulation 11(2) of the Transfer Regulations;

"Employing Sub-Contractor" means any sub-contractor of the Contractor providing all or any part of the Services who employs or engages any person in providing the Services;

"Subsequent Relevant Transfer" means a transfer of the employment of Subsequent Transferring Employees from the Contractor or any Employing Sub-Contractor to a New Provider or the Authority under the Transfer Regulations;

"Subsequent Transfer Date" means the date on which the transfer of a Subsequent Transferring Employee takes place under the Transfer Regulations;

"Subsequent Transferring Employee" means an employee wholly or mainly employed or otherwise assigned to the Services (or in respect of partial termination, the relevant part of the Services) whose employment transfers under the Transfer Regulations from the Contractor or any Employing Sub-Contractor to a New Provider;

"Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time and/or the Service Provision Change (Protection of Employment) Regulations (Northern Ireland) 2006 (as amended from time to time), as appropriate .

3. EMPLOYMENT

3.1. Information on Re-tender, Partial Termination, Termination or Expiry

3.1.1. No earlier than [two] years preceding the termination, partial termination or Expiry of this Contract or a potential Subsequent Transfer Date or at any time after the service of a notice to terminate this Contract or the provision of any of the Services (whether in whole or part) or on receipt of a written request by the Authority, the Contractor shall (and shall procure that any Employing Sub-Contractor shall):

- a. supply to the Authority such information as the Authority may reasonably require in order to consider the applicaton of the Transfer Regulations on the termination, partial termination or expiry of this Contract;
- b. supply to the Authority such full and accurate and up-to-date information as may be requested by the Authority including the information listed in Appendix 1 to this Annex, Part 2 relating to the employees who are wholly or mainly employed,

- assigned or engaged in providing the Services or part of the Services under this Contract who may be subject to a Subsequent Relevant Transfer;
- c. provide the information promptly and in any event not later than three months from the date when a request for such information is made and at no cost to the Authority;
 - d. acknowledge that the Authority will use the information for informing any prospective New Provider for any services which are substantially the same as the Services or part of the Services provided pursuant to this Contract;
 - e. Inform the Authority of any changes to the information provided under paragraph 3.1.1(a) or 2.1.1(b) up to the Subsequent Transfer Date as soon as reasonably practicable.
- 3.1.2. Three months preceding the termination, partial termination or expiry of this Contract or on receipt of a written request from the Authority the Contractor shall:
- a. ensure that Employee Liability Information and such information listed in Part A of Appendix 2 of Part 2 of this Annex (Personnel Information) relating to the Subsequent Transferring Employees is provided to the Authority and/or any New Provider;
 - b. inform the Authority and/or any New Provider of any changes to the information provided under this Paragraph 2.1.2 up to any Subsequent Transfer Date as soon as reasonably practicable;
 - c. enable and assist the Authority and/or any New Provider or any sub-contractor of a New Provider to communicate with and meet those employees and their trade union or other employee representatives.
- 3.1.3. No later than 28 days prior to the Subsequent Transfer Date the Contractor shall provide the Authority and/or any New Provider with a final list of the Subsequent Transferring Employees together with the information listed in Part B of Appendix 2 of Part 2 of this Annex (Personnel Information) relating to the Subsequent Transferring Employees. The Contractor shall inform the Authority and/or New Provider of any changes to this list or information up to the Subsequent Transfer Date.
- 3.1.4. Within 14 days following the relevant Subsequent Transfer Date the Contractor shall provide to the Authority and/or any New Provider the information set out in Part C of Appendix 2 of Part 2 of this Annex in respect of Subsequent Transferring Employees.
- 3.1.5. Paragraphs 3.1.1 and 3.1.2 of this Appendix are subject to the Contractor's obligations in respect of the Data Protection Legislation and the Contractor shall use its best endeavours to obtain the consent of its employees (and shall procure that its Sub-Contractors use their best endeavours to obtain the consent of their employees) to the extent necessary under the Data Protection Legislation or provide the data in an anonymous form in order to enable disclosure of the information required under paragraphs 3.1.1 and 3.1.2. Notwithstanding this paragraph 2.1.4, the Contractor acknowledges (and shall procure that its Sub-Contractors acknowledge) that they are required to provide sufficient information to the Authority to enable the Authority to determine the nature of the activities being undertaken by employees engaged in providing the Services, to assess whether there is an organised grouping for the purposes of the Transfer Regulations and to assess who is assigned to such organised grouping. To the extent that anonymous data has been provided by the Contractor pursuant to its obligations under Paragraph 2.1.1 or 2.1.2 above, the Contractor shall

provide full data to the Authority no later than 28 days prior to the Subsequent Transfer Date.

- 3.1.6. On notification to the Contractor by the Authority of a New Provider or within the period of six months prior to the Termination Date or after service of a notice to terminate this Contract (whether in whole or in part), whichever is earlier and in any event on receipt of a written request by the Authority, the Contractor shall not and shall procure that an Employing Sub-Contractor shall not:
- a. materially amend or promise to amend the rates of remuneration or other terms and conditions of employment of any person wholly or mainly employed or engaged in providing the Services under this Contract; or
- 3.1.7.
- b. replace or re-deploy from the Services any person wholly or mainly employed or engaged in providing the Services, or materially increase or decrease the number of persons performing the Services under this Contract or the working time spent on the Services (or any part thereof); or
 - c. reorganise any working methods or assign to any person wholly or mainly employed or engaged in providing the Services (or any part thereof) any duties unconnected with the Services (or any part thereof) under this Contract; or
- 3.1.8. terminate or give notice to terminate the employment of any person wholly or mainly employed or engaged in providing the Services (or any part thereof) under this Contract other than in the case of serious misconduct or for poor performance, save in the ordinary course of business and with the prior written consent of the Authority (not to be unreasonably withheld or delayed) and the Contractor shall indemnify and keep indemnified the Authority in respect of any reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any breach of paragraphs 3.1.1, 3.1.2, 2.1.3, 2.1.4 or 3.1.6 of this Annex, Part 2.
- 3.1.9. The Authority may at any time prior to the period set out in paragraph 2.1.5 of this Annex, Part 2 request from the Contractor any of the information in sections 1(a) to (d) of Appendix 1 and the Contractor shall and shall procure any Sub-Contractor will provide the information requested within 28 days of receipt of that request.

3.2. Obligations in Respect of Subsequent Transferring Employees

- 3.2.1. To the extent that the Transfer Regulations apply on expiry, termination or partial termination of this contract, the Contractor shall and shall procure any Employing Sub-Contractor shall and the Authority shall and shall procure that a New Provider shall in such circumstances:
- a. before and in relation to the Subsequent Transfer Date liaise with each other and shall co-operate with each other in order to implement effectively the smooth transfer of the Subsequent Transferring Employees to the Authority and/or a New Provider; and

- b. comply with their respective obligations under the Transfer Regulations including their obligations to inform and consult under Regulation 13 of the Transfer Regulations.

3.3. Unexpected Subsequent Transferring Employees

- 3.3.1. If a claim or allegation is made by an employee or former employee of the Contractor or any Employing Sub-Contractor who is not named on the list of Subsequent Transferring Employees provided under paragraph 2.1.3 (an "**Unexpected Subsequent Transferring Employee**") that he has or should have transferred to the Authority and/or New Provider by virtue of the Transfer Regulations, the Party receiving the claim or allegation shall notify the other Party (or the Contractor shall notify the Authority on the Sub-Contractor's behalf and the Authority shall notify the Contractor on the New Provider's behalf) in writing as soon as reasonably practicable and no later than ten Business Days after receiving notification of the Unexpected Subsequent Transferring Employee's claim or allegation, whereupon:
 - a. the Contractor shall (or shall procure that the Employing Sub-Contractor shall), as soon as reasonably practicable, offer and/or confirm continued employment to the Unexpected Subsequent Transferring Employee or take such other steps so as to effect a written withdrawal of the claim or allegation; and
 - b. if the Unexpected Subsequent Transferring Employee's claim or allegation is not withdrawn or resolved the Contractor shall notify the Authority (who will notify any New Provider who is a party to such claim or allegation), and the Authority (insofar as it is permitted) and/or New Provider (as appropriate) shall employ the unexpected Subsequent Transferring Employee or as soon as reasonably practicable, (subject to compliance with its obligations at paragraph 2.3.1(c)(iii)), serve notice to terminate the Unexpected Subsequent Transferring Employee's employment in accordance with his contract of employment; and
 - c. the Contractor shall indemnify the Authority against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any of the following liabilities incurred by the Authority or New Provider in dealing with or disposing of the Unexpected Subsequent Transferring Employee's claim or allegation:
 - i. any additional costs of employing the Unexpected Subsequent Transferring Employee up to the date of dismissal where the Unexpected Subsequent Transferring Employee has been dismissed in accordance with paragraph 2.3.1(b);
 - ii. any liabilities acquired by virtue of the Transfer Regulations in relation to the Unexpected Subsequent Transferring Employee;
 - iii. any liabilities relating to the termination of the Unexpected Subsequent Transferring Employee's employment but excluding such proportion or amount of any liability for unfair dismissal, breach of contract or discrimination attributable:

- a. to a failure by the Authority or a New Provider to act reasonably to mitigate the costs of dismissing such person);
 - b. directly or indirectly to the procedure followed by the Authority or a New Provider in dismissing the Unexpected Transferee; or
 - c. to the acts/omissions of the Authority or a New Provider not wholly connected to the dismissal of that person;
- iv. any liabilities incurred under a settlement of the Unexpected Subsequent Transferring Employee's claim which was reached with the express permission of the Contractor (not to be unreasonably withheld or delayed);
 - v. reasonable administrative costs incurred by the Authority or New Provider in dealing with the Unexpected Subsequent Transferring Employee's claim or allegation, subject to a cap per Unexpected Subsequent Transferring Employee of £5,000; and
 - vi. legal and other professional costs reasonably incurred;
- 3.3.2. the Authority shall be deemed to have waived its right to an indemnity under paragraph 3.3.1(c) if it fails without reasonable cause to take, or fails to procure any New Provider takes, any action in accordance with any of the timescales referred to in this paragraph 3.3.
- 3.4. Indemnities on Subsequent transfer under the Transfer Regulations on Partial Termination, Termination or Expiry of the Contract**
- 3.4.1. If on the expiry, termination or partial termination of the Contract there is a Subsequent Relevant Transfer, the Contractor shall indemnify the Authority and any New Provider against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any claim by any employee or trade union representative or employee representative arising whether before or after the Subsequent Transfer Date out of any failure by the Contractor or any Sub-Contractor to comply with their obligations under Regulation 13 of the Transfer Regulations in relation to any Subsequent Transferring Employee or any other employee of the Contractor or any Sub-Contractor affected by the Subsequent Relevant Transfer (as defined by Regulation 13 of the Transfer Regulations), save to the extent that all reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and liabilities are a result of the act or omission of the Authority or the New Provider.
- 3.4.2. If there is a Subsequent Relevant Transfer, the Authority shall indemnify the Contractor against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of, or in connection with:
- a. any claim or claims by a Subsequent Transferring Employee at any time on or after the Subsequent Transfer Date which arise as a result of an act or omission of the Authority or a New Provider or a sub-contractor of a New Provider during the period from and including the Subsequent Transfer Date;

b. subject to paragraph 2.4.1 any claim by any employee or trade union representative or employee representative arising whether before or after the Subsequent Transfer Date out of any failure by the Authority or a New Provider or a sub-contractor of a New Provider to comply with their obligations under Regulation 13 of the Transfer Regulations in relation to any Subsequent Transferring Employee or any other employee engaged wholly or mainly in connection with the Services by the New Provider or any other employee of the Authority or any New Provider affected by the Subsequent Relevant Transfer effected by this Contract (as defined by Regulation 13 of the Transfer Regulations), save to the extent that all reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and liabilities are a result of the act or omission of the Contractor or any Employing Sub-Contractor.

3.4.3. In the event of a Subsequent Relevant Transfer, the Authority shall indemnify the Contractor in respect of all reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and other liabilities arising out of or in connection with or as a result of a substantial change by the Authority [or a New Provider or any sub-contractor of a New Provider] on or after the Subsequent Transfer Date to the working conditions of any Subsequent Transferring Employee to the material detriment of any such Subsequent Transferring Employee. For the purposes of this paragraph 3.4.3, the expressions "substantial change" and "material detriment" shall have the meanings as are ascribed to them for the purposes of Regulation 4(9) of the Transfer Regulations.

3.5. Contracts (Rights of Third Parties) Act 1999

3.5.1. A New Provider may enforce the terms of paragraph 3.3 and 3.4 against the Contractor in accordance with the Contracts (Rights of Third Parties) Act 1999

3.5.2. The consent of a New Provider (save where the New Provider is the Authority) is not required to rescind, vary or terminate this Contract.

3.5.3. Nothing in this paragraph 2.5 shall affect the accrued rights of the New Provider prior to the rescission, variation, expiry or termination of this Contract.

3.6. General

3.6.1. The Contractor shall not recover any costs and/or other losses under this Annex where such Costs and/or losses are recoverable by the Contractor elsewhere in this Contract and/or are recoverable under the Transfer Regulations or otherwise.

Annex J - Appendix 1

CONTRACTOR PERSONNEL-RELATED INFORMATION TO BE RELEASED UPON RE-TENDERING WHERE THE TRANSFER REGULATIONS APPLIES

1. **Pursuant to paragraph 2.1.1(b) of Part 2 of this Annex J, the following information will be provided:**
 - a. The total number of individual employees (including any employees of Sub-Contractors) that are currently engaged, assigned or employed in providing the Services and who may therefore be transferred. Alternatively the Contractor should provide information why any of their employees or those of their Sub-Contractors will not transfer;
 - b. The total number of posts or proportion of posts expressed as a full-time equivalent value that currently undertakes the work that is to transfer;
 - c. The preceding 12 months total pay costs – (Pay, benefits employee/employer ERNIC and Overtime);
 - d. Total redundancy liability including any enhanced contractual payments;

2. **In respect of those employees included in the total at 1(a), the following information:**
 - a. Age (not date of Birth);
 - b. Employment Status (i.e. Fixed Term, Casual, Permanent);
 - c. Length of current period of continuous employment (in years, months) and notice entitlement;
 - d. Weekly conditioned hours of attendance (gross);
 - e. Standard Annual Holiday Entitlement (not "in year" holiday entitlement that may contain carry over or deficit from previous leave years);
 - f. Pension Scheme Membership;
 - g. Pension and redundancy liability information;
 - h. Annual Salary;
 - i. Details of any regular overtime commitments (these may be weekly, monthly or annual commitments for which staff may receive an overtime payment);
 - j. Details of attendance patterns that attract enhanced rates of pay or allowances;
 - k. Regular/recurring allowances;
 - l. Outstanding financial claims arising from employment (i.e. season ticket loans, transfer grants);

3. The information to be provided under this Appendix 1 should not identify an individual employee by name or other unique personal identifier unless such information is being provided 28 days prior to the Subsequent Transfer Date.
4. The Contractor will provide (and will procure that the Sub-Contractors provide) the Authority/Tenderers with access to the Contractor's and Sub-Contractor's general employment terms and conditions applicable to those employees identified at paragraph 1(a) of this Appendix 1.

PERSONNEL INFORMATION TO BE RELEASED PURSUANT TO THIS CONTRACT

Part A

1. Pursuant to paragraph 3.1.2 of this Annex J, part 2, the written statement of employment particulars as required by section 1 of the Employment Rights Act 1996 together with the following information (save where that information is included within that statement) which will be provided to the extent it is not included within the written statement of employment particulars:
 - 1.1. **Personal, Employment and Career**
 - a. Age;
 - b. Security Vetting Clearance;
 - c. Job title;
 - d. Work location;
 - e. Conditioned hours of work
 - f. Employment Status;
 - g. Details of training and operating licensing required for Statutory and Health and Safety reasons;
 - h. Details of training or sponsorship commitments;
 - i. Standard Annual leave entitlement and current leave year entitlement and record;
 - j. Annual leave reckonable service date;
 - k. Details of disciplinary or grievance proceedings taken by or against transferring employees in the last two years;
 - l. Information of any legal proceedings between employees and their employer within the previous two years or such proceedings that the transferor has reasonable grounds to believe that an employee may bring against the transferee arising out of their employment with the transferor;
 - m. Issue of Uniform/Protective Clothing;
 - n. Working Time Directive opt-out forms; and
 - o. Date from which the latest period of continuous employment began.
2. **Superannuation and Pay**

- a. Maternity leave or other long-term leave of absence (meaning more than 4 weeks) planned or taken during the last two years;
- b. Annual salary and rates of pay band/grade;
- c. Shifts, unsociable hours or other premium rates of pay;
- d. Overtime history for the preceding twelve-month period;
- e. Allowances and bonuses for the preceding twelve-month period;
- f. Details of outstanding loan, advances on salary or debts;
- g. Pension Scheme Membership;
- h. For pension purposes, the notional reckonable service date;
- i. Pensionable pay history for three years to date of transfer;
- j. Percentage of any pay currently contributed under additional voluntary contribution arrangements; and
- k. Percentage of pay currently contributed under any added years arrangements.

3. Medical

- a. Details of any period of sickness absence of 3 months or more in the preceding period of 12 months; and
- b. Details of any active restoring efficiency case for health purposes.

4. Disciplinary

- a. Details of any active restoring efficiency case for reasons of performance; and
- b. Details of any active disciplinary cases where corrective action is on going.

5. Further information

- a. Information about specific adjustments that have been made for an individual under the Equality Act 2010;
- b. Short term variations to attendance hours to accommodate a domestic situation;
- c. Individuals that are members of the Reserves, or staff that may have been granted special leave as a School Governor; and
- d. Information about any current or expected maternity or other statutory leave or other absence from work.

Part B

6. Information to be provided 28 days prior to the Subsequent Transfer Date:

- a. Employee's full name;
- b. Date of Birth
- c. Home address;
- d. Bank/building society account details for payroll purposes Tax Code.

Part C

7. **Information to be provided within 14 days following a Relevant Transfer Date:**

7.1. **Performance Appraisal** The current year's Performance Appraisal;

- b. Current year's training plan (if it exists); and
- c. Performance Pay Recommendations (PPR) forms completed in the current reporting year, or where relevant, any bonus entitlements;

7.2. **Superannuation and Pay**

- a. Cumulative pay for tax and pension purposes;
- b. Cumulative tax paid;
- c. National Insurance Number;
- d. National Insurance contribution rate;
- e. Other payments or deductions being made for statutory reasons;
- f. Any other voluntary deductions from pay;

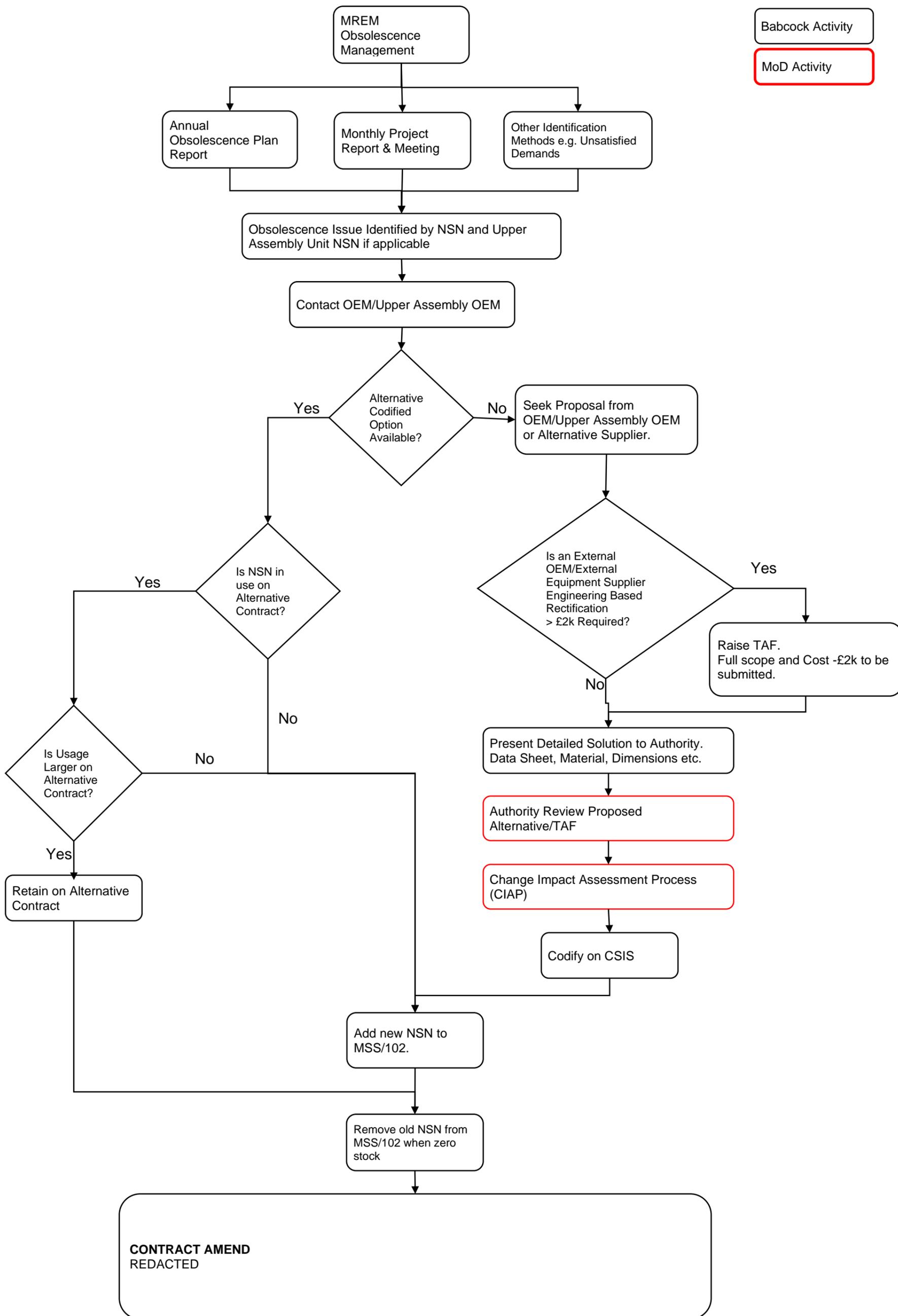
Due to size, Annex K is provided as a separate file

OFFICIAL – SENSITIVE
MSS/102 - Marine Rotating Electrical Machinery
 Annex L – Certificate of Conformity

Certificate of Conformity			1. Supplier CoC Serial No.	
2. Supplier Name and Address:		3. Contract Number:		
		4. Contract Modification Number:		
		5. Details of Concessions:		
6. Acquirer Name and Address:		7. Deliver Address:		
8. Contract item number	9. Product Description and/or part number	10. Quantity	11. Shipment Document Numbers	12. Undelivered Quantity
13. Traceability Information reference DEFCON 627 (check the N/A box to indicate no traceability requirements) a. Sub-contract/Order number: b. Specification/Drawing number including issue: N/A <input type="checkbox"/> c. Identification Marks and/or serial number(s): d. Material Cast number: e. Batch and/or Lot number: f. Test and/or Inspection Report(s): g. Incoming Release Note number/Reference:				
14. Other Remarks or Comments: (e.g. Cure date. Shelf life.)				
15. Supplier Statement of Quality: It is certified that apart from the concessions noted in block #5 above, the products listed above conform in all respects to the contract requirements.				
Date:	Name and Post Title:	Signature:		

OFFICIAL – SENSITIVE COMMERCIAL

Obsolescence Rectification Process i.a.w Annex A 2.10.3



Babcock Activity
 MoD Activity

ANNEX N

DEFFORM 647 FINANCIAL REPORTING

Due to size, the Appendix N is provided as a separate file

Annex O

Electronic Information Sharing Agreement (EISA)

THIS AGREEMENT, reference 102/DES/MSS/MREM/EISA, relates to the use of the Shared Data Environment (SDE) Service to be provided under MOD contract number MSS/102 – Asset Availability Service: Support of Marine Rotating Electrical Machinery (MREM) to HM Ships and Submarines (the Contract) between the Secretary of State for Defence (the Authority) and [to be completed prior to Contract Award] (the Contractor).

The Authority and the Contractor have entered into the Contract, which is subject to DEFCON 687A and, where applicable, DEFCON 687B, to provide a Shared Data Environment Service. The terms of the Agreement govern the use of the Service.

It is agreed as follows:

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Clause 5	Withdrawal and Exclusion from the Agreement
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Clause 7	Provision of Information
Clause 8	Obligations of the Contractor
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Clause 11	Withdrawal of Information
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Schedule 1	Primary and Secondary Users
Schedule 2	Marking Scheme

1. Definitions and Interpretations

The following words and expressions shall have the meanings given to them. Words derived therefrom shall have the appropriate related meaning, except where the context requires a different meaning:

- a. “Access” means communication with the SDE by Users, including Loading and Retrieval of Information;
- b. “Agreement” means this agreement including its Annexes, Schedules and any other documentation expressly made part of the Agreement;
- c. “Contracted Information” means Information which a User delivers or provides to another User or Users as a specific requirement of an underlying Project contract, including the Contract;
- d. “Data” means Information represented in digital form;
- e. “Disaster” means a significant unplanned event which causes the SDE to be unavailable, or which causes the Data to be corrupted, lost, or unavailable;
- f. “Expunge” means the removal of Data from the SDE whilst ensuring that a record of its existence is maintained in the Log;
- g. “Fidelity” means the extent to which the SDE System maintains Data without corruption or disturbance to its content as it is processed;
- h. “Information” means any information, in any form, disclosed or acquired under or in connection with the Agreement;
- i. “Integrity” means the extent to which the SDE System safeguards and properly processes Data;
- j. “Load” means to place Information on the SDE or make it accessible to the SDE so that it can be Retrieved by one or more Users;
- k. “Log” means the record of communication with the SDE involving Access;
- l. “Mark” means a designation permanently associated with a piece of Information, whether in tangible or digital form;
- m. “Non-Contracted Information” means all Information other than Contracted Information which a User makes available to another User or Users;
- n. “Primary User” means a User so designated in Schedule 1;
- o. “Project” means the project, of which the Contract forms a part, described in Annex A;
- p. “Project Implementation” means all activities conducted for the purpose of implementing the Project;
- q. “Project Purposes” means all activities conducted for the purposes of implementing the Project, but excluding use for competitive purposes or tendering, manufacture, repair, overhaul or maintenance purposes except as provided in any contract under which the Information is provided;

- r. “Retrieve” means retrieval of Information or other communication with the SDE other than Loading;
- s. “Secondary User” means a User sponsored by a Primary User and so designated in Schedule 1;
- t. “Shared Data Environment (SDE)” means the SDE System together with
 - i. Information Accessed via the SDE System, and
 - ii. any part of the computer and software infrastructure which is controlled by a User other than the Contractor;
- u. “Shared Data Environment Service (SDE Service)” means the SDE Service specified in the Contract, including the provision of an SDE System by means of which Information may be Accessed;
- v. “Shared Data Environment System (SDE System)” means the computer and software infrastructure required for the SDE Service including the computer systems, networks, software, business processes and rules but excluding:
 - i. Information Accessed via that infrastructure, and
 - ii. any part of the computer and software infrastructure which is controlled by a User other than the Contractor;
- w. “Supply” means to make Information available for Loading;
- x. “User” means a party to the Agreement;
- y. “User Protocol” means the document at Annex B which describes the overall architecture of the SDE, including the elements provided by the Contractor and those provided by other Users, the shared business processes, Information management arrangements, technical interface requirements and administrative procedures necessary for Users to operate effectively within the SDE; and
- z. “Working Day” means any day excluding:
 - i. Saturdays, Sundays and public and statutory holidays in the jurisdiction of the User concerned, and
 - ii. privilege days notified in writing by the Authority to the Users at least 10 Working Days in advance.

2. Scope

- a. The Agreement is created for the purposes of establishing the SDE for the Project, providing for Users secure Access and assurance as to the security of Information.
- b. The Agreement defines the responsibilities, rights and obligations of Users in relation to the SDE and the User Protocol.

3. Duration

- a. The Agreement shall remain in force until:
 - i. the Contract expires or is terminated, or
 - ii. 31 March 2031whichever occurs soonest.
- b. The Contractor shall notify all Users:
 - i. immediately on receipt of a notice of termination, of the date of termination of the Contract, and
 - ii. in good time, and within not less than 30 calendar days, of the impending expiry of the Contract
- c. Clauses 12 and 19 shall survive the expiry or termination of the Agreement.

4. Designation of Users

- a. Each User shall be designated as a Primary User or a Secondary User and so identified in Schedule 1.
- b. Each additional Secondary User must be sponsored by a Primary User with whom he has, or intends to establish, a Project-related contractual relationship. Notice of his sponsorship shall be sent to all Users by the Contractor and shall constitute an application for an additional User in accordance with the provisions of Sub Clause 13.b).

5. Withdrawal and Exclusion from the Agreement

- a. Without prejudice to any contractual obligations a User, with the exception of the Authority or the Contractor, may withdraw from the Agreement on giving 15 calendar days' notice to the Contractor.
- b. The Authority may require the exclusion of a User from the Agreement, after consultation with the Contractor and that User, in the following circumstances:
 - i. the underlying contract under which he was engaged with the Project has expired or is terminated; or
 - ii. where there is no contractual relationship, his association with the Project has ceased; or
 - iii. where a User's actions or omissions have caused him to have prejudiced the effective operation of the SDE.
- c. A User may request the Authority to exclude another User if he has good cause to believe that a circumstance outlined in sub-Clause 5.b) applies.

- d. The Contractor shall immediately notify all Users of any withdrawal or exclusion of a User.
- e. In the event of exclusion under sub-Clause 5.b)iii), and on expiry of the notice period under sub-Clause 5.a), the Contractor shall immediately withdraw that excluded User's Access rights to the SDE.
- f. If a User withdrawing or excluded from the Agreement under the provisions of this Clause 5 is a Primary User sponsoring a Secondary User, the withdrawal or exclusion of the Primary User shall include the withdrawal or exclusion of the Secondary User and the conditions of this Clause 5 shall apply to the Secondary User.
- g. The Primary User with whom a Secondary User has had a project-related contractual relationship shall cause the Secondary User's Access rights to be discontinued as soon as the Project-related contractual relationship expires or is terminated.
- h. In the event that a User is excluded or withdraws from the Agreement under this Clause 5, he shall be subject to the continuing obligations set out in Clauses 11 and 12. Withdrawal or exclusion from the Agreement shall have no effect on his liabilities arising under the Agreement.

6. Marking of Information

- a. Prior to the Supply of Information, each User shall apply Marks to that Information, in accordance with Schedule 2.
- b. In addition to the Marks in Schedule 2, the User may mark Information to be Supplied with a copyright and/or other proprietary legend.
- c. No User shall remove or modify any Mark or legend on Information Loaded or Retrieved and each User shall retain those Marks or legends on any copies or extracts of the Information that he makes, unless otherwise agreed by the User who applied those Marks or legends.

7. Provision of Information

- a. Each originating User who Loads or Supplies Information shall ensure that:
 - i. the Data conforms with the requirements specified in the User Protocol;
 - ii. the Data has been verified in accordance with the virus control policy provided by the Contractor in accordance with DEFCON 687A;
 - iii. the Information is Marked in accordance with the provisions of Clause 6 and Schedule 2; and
 - iv. he has all necessary entitlements or permissions in respect of any material within the Information not originated by him, to Load the Information and permit its Retrieval and use under the terms of the Agreement by those Users to whom Access is permitted.
- b. All requests by Users for further Information to be Loaded shall be directed to the Contractor and considered by the Authority. Where agreed with the originating User of that new Information, it shall be Loaded and subjected to the provisions of the Agreement.

8. Obligations of the Contractor

Subject to Users obtaining, where required, necessary licences from third parties, the Contractor grants Users the right to utilise the SDE System for Project Implementation and shall owe the following obligations to each of the other Users:

- a. to enable Access exclusively for the Users who are from time to time parties to the Agreement;
- b. to provide service support facilities to all Users;
- c. to ensure that the SDE System operates and is operated in accordance with the security and confidentiality requirements set out in the Agreement;
- d. to use all reasonable endeavours to ensure that the Information processing systems deployed to support the SDE System:
 - i. maintain Loaded Information without corruption to its content as it is processed, and
 - ii. properly process the Information;
- e. to provide a secure user authentication method;
- f. to provide the means for Users to establish Access permissions for their Information;
- g. to provide Users with controlled Access;
- h. to ensure, as far as is reasonably practical, that all Loaded Information, including associated marks and legends, is Accessible only by Users authorised to have Access and is not altered, lost or destroyed;
- i. to implement and maintain a virus control policy and make details thereof available to all Users;
- j. to ensure that, if any part of the SDE Service or SDE System is changed, the Users' ability to Access Information is not adversely affected; and
- k. all Data, when stored in the SDE System, is maintained from the date of being loaded into the SDE for the period specified in the User Protocol, after which time it shall be Expunged unless:
 - i. a specific request for its retention in the SDE is made by any current User, or
 - ii. it is withdrawn by a User in accordance with Clause 11, or
 - iii. it is Archived.

These obligations are to be implemented in accordance with Annex B.

9. User Obligations

- a. Each User, other than the Contractor, shall designate an individual in his organisation who shall be the principal point of contact for matters relating to the management and organisation of Information within his organisation's control.

- b. Users shall comply with the requirements set out in the User Protocol.
- c. Originating Users shall establish the Access permissions for their Information and, without prejudice to their contractual commitments, have the right to change or require the Contractor to change those Access permissions at any time.
- d. If the Contractor determines that a User is in breach of any of the obligations under the Agreement which prejudices the effective operation of the SDE, then he may deny the provision of the SDE Service to that User.
- e. If a User gains Access to any Information which he has reason to believe is not intended for his Access he shall, without delay, inform the Contractor and request that the Access permission is referred to the originating User for confirmation or alteration.
- f. If a User becomes aware of an instance of unauthorised Access or a breach of the Agreement in relation to any associated procedures or systems (including, but without limitation, unauthorised Access to his own systems or accidental Access to another User's systems), he shall immediately notify the Authority and the Contractor.
- g. If notification is given under sub-Clause 9.f) Users shall, on request, provide reasonable assistance to the Authority and the Contractor in respect of any investigation and rectification that may be necessary.
- h. In the event that a User is unable to Access the SDE through no fault of his own, or he becomes aware of any fault or inaccessibility of his own system which may affect Loading or Retrieval, he shall immediately inform the Contractor.
- i. Within the scope of the Agreement, sponsoring Primary Users shall be responsible for the actions of their Secondary Users.

10. Disaster Recovery Plan

Users other than the Contractor shall participate in a disaster recovery plan for parts of the SDE within their control as required by the User Protocol.

11. Withdrawal of Information

- a. Except as provided in sub-Clause 11.b) and upon giving 15 calendar days' notice, any originating User shall have the right to withdraw his Information from the SDE.
- b. An originating User shall have no right to withdraw from the SDE Contracted Information which has been Supplied or Loaded, unless the Authority or other User to whom Information was provided consents to that withdrawal.
- c. Where an originating User has the right under sub-Clause 11.a) to withdraw his Information and where Information which that User Supplied or Loaded is contained in the Data under the direct control of another User, the originating User may require that other User to Expunge the Data to the extent that it contains the Information which he is entitled to withdraw.
- d. Subject to giving 15 calendar days' notice, a withdrawing or excluded User shall have the right to require the denial of Access to Contracted Information for those Users having no contractual right to hold or use that Information.

12. Intellectual Property, Confidentiality and Protection of Information

- a. The Supply or Loading of Information shall not create or imply any of the following:
 - i. any transfer of ownership of Information or of underlying IPR or any collective ownership of the same;
 - ii. any grant of a licence permitting use of Information or of underlying IPR other than a permission to use Information for Project Purposes, but this shall not prejudice any pre-existing or separately acquired rights of any User; or
 - iii. any limitation on the right of any User to exert his rights in Information he has originated and in underlying IPR for any breach of the terms of the Agreement.
- b. No User shall claim, or exert against another User, IPR of any description in respect of any database or collective work resulting from the Loading or ordering of Data within the SDE.
- c. All Information that is Loaded is provided in confidence by the originating User to one or more other Users to whom he has granted Access, for use solely as identified below:
 - i. Contracted Information – for use in accordance with the contractual arrangement under which it is provided or if no use is stated in the underlying contract arrangement, or there is no underlying contract with the User Accessing Information, then use shall be solely for Project Purposes;
 - ii. Non-Contracted Information – for use by Users for Project Purposes.
- d. Each User who Retrieves Information shall be bound by an obligation of confidence under the Agreement, in respect of the Information, to the originating User and/or third party owner identified in the Marking or any IPR legend, subject to the exclusions in sub-Clause 12.f) and subject to any pre-existing or separately acquired rights.
- e. Each User shall ensure that Information he Retrieves is disclosed to his employees, only to the extent necessary for the purposes permitted by Clause 12 and is treated in confidence by them. He shall ensure that his employees are aware of his arrangements for discharging the obligations at sub-Clause 12.d) before Retrieving Information and shall take reasonable steps to enforce them.
- f. The limitations imposed by sub-Clauses 12.c) and 12.d) in regard to Information shall not apply to any Information Retrieved by a User to the extent that he can show:
 - i. that the Information was or has become publicly available for use otherwise than in breach of any provision of the Agreement or any agreement which he has with the originating User;
 - ii. that the Information was already known to him (without restrictions on disclosure or use) prior to Retrieving it from the SDE;
 - iii. that the Information was received without restriction on further disclosure from a third party who lawfully acquired it and who is himself under no obligation restricting its disclosure; or

iv. from his records that the same Information was derived independently of that Retrieved from the SDE;
provided that the relationship to any other Information is not revealed.

g. The provision of sub-Clauses 12.a) through to 12.f) shall continue to apply to withdrawn Information and Expunged Data.

13. Additional Users

a. Applications for additional Users shall be made to the Contractor, who shall consult the Authority on each application.

b. With the approval of the Authority, additional Users may enter into the Agreement, subject to each existing User being notified by the Contractor of the proposed introduction and having the opportunity to raise any objection with the Authority. Failure by a User to respond to that notification within 15 calendar days of receipt shall be deemed to signify consent by that User to the addition of the proposed User.

c. The Authority and the Contractor in deciding whether to admit the proposed User to the Agreement shall take objections into account. An objection shall not constitute a right of veto, except in relation to Access to or Retrieval of Information in which the User raising objection has rights or shall be entitled to claim rights.

14. Amendments

a. Amendments to the Agreement, except for the addition of a User under Clause 13, may be made only with the express agreement of all Users. Changes to the User Protocol shall not be unreasonably refused. Any proposals to amend the Agreement shall, in the first instance, be submitted to the Authority, who shall consult all other Users.

b. The authoritative version of the Agreement shall be maintained by the Contractor in the SDE System for Retrieval by all Users.

15. Notices

a. All notices, orders, or other forms of communication required to be given in writing (“Notices”) under or in connection with the Agreement shall:

i. be given in writing;

ii. be authenticated by signature, either physical or electronic, as appropriate

iii. be marked for the attention of the appropriate department or officer; and

iv. be marked in a prominent position with the Agreement reference or relevant contract number;

b. Notices should be delivered by:

i. hand;

ii. first-class prepaid post (or airmail, in the case of Notices to or from overseas);

- iii. facsimile;
 - iv. telex; or
 - v. electronic mail, including the delivery of a message by means of the SDE.
- c. Notices shall be deemed to have been received if;
- i. delivered by hand, on the day of delivery if it is the recipient's Working Day and otherwise on the first Working Day of the recipient immediately following the day of delivery;
 - ii. sent by first-class prepaid post (or airmail, if appropriate), on the third Working Day (or on the tenth Working Day, in the case of airmail) after the day of posting; or
 - iii. sent by facsimile, telex or other electronic means;
 - 1) if transmitted between 09.00 and 17.00 hours on a Working Day (recipient's time) on completion of receipt by the sender of verification of the transmission from the receiving instrument; or
 - 2) if transmitted at any other time, at 09.00 on the first Working Day (recipient's time) following the completion of receipt by the sender of verification of the transmission from the receiving instrument.
- d. The address (including electronic addresses) of each User to which all Notices shall be sent is that specified in the Agreement, or such other address as a User may by written Notice specify to the other Users for the purpose of this Clause 15.
- e. Where a User requests written confirmation of any communication which does not constitute a Notice such request shall not unreasonably be refused.

16. Audit

- a. A User may, at any time, and upon giving a reason, request the Authority to audit the Integrity, Fidelity, infrastructure and organisation of the SDE. The Authority shall not unreasonably refuse a request and shall make the conclusions of the audit report available to the User within [10] Working Days of completion of the audit.
- b. A User may, at any time, request from the Contractor a certified extract from the Log relating to his own Access to Information or Access by other Users to Information Supplied by him.

17. Liability

- a. The liability of the originating User to another User, in respect of Contracted Information Supplied, shall be determined by reference solely to the express terms of the contract or subcontract under which the Information is provided.

- b. An originating User shall have no liability to other Users whether in contract, tort or otherwise except as provided in sub-Clause 17.a), including liability for negligence to any other User in respect of any loss or damage incurred by a User whether:
 - i. directly or indirectly as a result of use of Loaded Information, or
 - ii. as a result of reliance on that Information
 - iii.
- c. No User shall have any liability to another User in respect of any breach of this Agreement except:
 - i. as provided in sub-Clause 17.a);
 - ii. in respect of Clause 12; or
 - iii. in cases of wilful misconduct.
- d. Nothing in sub-Clauses 17.b) and 17.c) shall exclude any liability in respect of personal injury or death arising from negligence which may not by law be excluded.

18. Law

- a. The Agreement shall be considered as an agreement made in England and subject to English Law.
- b. Subject to Clause 19 and without prejudice to the dispute resolution process set out in that Clause, each User hereby irrevocably submits and agrees to the exclusive jurisdiction of the Courts of England to resolve, and the laws of England to govern, any actions, proceedings, controversy or claim of whatever nature arising out of or relating to the Agreement or breach thereof.
- c. Other jurisdictions may apply solely for the purpose of giving effect to this Clause 18 and for the enforcement of any judgement, order or award given under English jurisdiction.

19. Dispute Resolution

- a. Users in dispute will attempt in good faith to resolve any dispute or claim arising out of or relating to the Agreement through negotiations between the respective representatives of the Users in dispute having authority to settle the matter, which attempts may include the use of any Alternative Dispute Resolution (ADR) procedure on which the Users in dispute may agree.
- b. In the event that the dispute or claim is not resolved by negotiation, or where the Users in dispute have agreed to use an ADR procedure, by the use of such procedure, the dispute shall be referred to arbitration.
- c. The User or Users initiating the arbitration shall give a written Notice of Arbitration to the other User or Users party to the dispute, specifically stating that the dispute is in relation to the Agreement and is referred to arbitration.
- d. Unless otherwise agreed in writing by the Users in dispute, the arbitration and the Agreement shall be governed by the provisions of the Arbitration Act 1996.

- e. It is agreed between the Users that for the purposes of the arbitration, the arbitrator shall have the power to make provisional awards as provided for in Section 39 of the Arbitration Act 1996.
- f. For the avoidance of doubt it is agreed between the Users that the arbitration process and anything said, done or produced in or in relation to the arbitration process (including any awards) shall be confidential as between the Users in arbitration, except as may be lawfully required in judicial proceedings relating to the arbitration or otherwise. No report relating to anything said, done or produced in or in relation to the arbitration process may be made beyond the tribunal, the Users in dispute, their legal representatives and any person necessary to the conduct of the proceedings, without the concurrence of all the parties to the arbitration.

20. Entire Agreement

The Agreement represents the entire agreement between the Users with respect to its subject matter and no other agreement between Users or action of a User shall be taken to amend, alter or exclude any part of the Agreement.

21. Severability

If any term, condition or provision contained in the Agreement shall be held to be invalid, unlawful or unenforceable to any extent, that term, condition or provision shall not affect the validity, legality or enforceability of the remaining parts of the Agreement.

22. Transfer

No User shall give, bargain, sell, assign, or otherwise dispose of the Agreement or any part of it, or the benefit or advantage of the Agreement or any part of it, without the previous consent in writing of the other Users.

23. Waiver

No act or omission of any User shall by itself amount to a waiver of any right or remedy unless expressly stated by that User in writing. In particular, no reasonable delay in exercising any right or remedy shall by itself constitute a waiver of that right or remedy.

No waiver in respect of any right or remedy shall operate as a waiver in respect of any other right or remedy.

AGREED

For and on behalf of the Secretary of State for Defence (“the Authority”)

Signature

Name

Position

Date

For and behalf of (“the Contractor”)

Signature

Name

Position

Date

For and behalf of (“a User”)

Signature

Name

Position

Date

Project Description

The Project, namely, Asset Availability Service: Support of Marine Rotating Electrical Equipment Fitted to HM Ships and Submarines is described within Annex A to the Terms and Conditions of the Contract (the Statement of Support Requirements (SoSR)). Specifically, this DEFFORM 687C and associated DEFCONs 687A shall apply to the SDE and any associated interfaces and systems that support the Activities defined within Annex A to the Terms and Conditions of Contract (the SoSR).

User Protocol

To be defined by the Contractor and agreed with the Authority.

Definition shall be in accordance with Ministry of Defence Guidelines for Industry 15 (Issue 2).
Contracting for a Shared Data Environment Service

Primary and Secondary Users

To be defined by the Contractor and agreed with the Authority.

Definition shall be in accordance with Ministry of Defence Guidelines for Industry 15 (Issue 2).
Contracting for a Shared Data Environment Service

Primary User [Name], sponsoring:

- Secondary User [Name]
- Secondary User [Name]
- Secondary User [Name]

Primary User [Name], Sponsoring

- Secondary User [Name]
- Secondary User [Name]
- Secondary User [Name]

Marking Scheme

- i. the name of the User originating the Information;
- ii. the national security classification;
- iii. a commercial privacy designation;
- iv. the Information type;
- v. the Data category, ie. Contracted or Non-Contracted Information. In the case of Contracted Information, the User to whom the contractual obligation is owed must be specified;
- vi. an identification number;
- vii. the name of each Primary User to whom Access is granted;
- viii. any other Marks

Ministry of Defence

Design Rights and Patents (Sub-Contractor's Agreement)

Notes for Guidance

1. This note has been devised as an aid to the completion of DEFFORM 177.
2. This top sheet is to be detached before inclusion of the Agreement in a Contract or before submission to a sub-contractor.
3. In a draft for typing it will normally only be necessary to give instructions as follows: (although, if the Typing Pool is not one which is dedicated to Contracts work under the "Glasgow System" it will be necessary to attach a copy of DEFFORM 177).

Use a DEFFORM 177 and insert:

- a.* the date of the Agreement;
 - b.* the sub-contractor's full name;
 - c.* the sub-contractor's registered address;
 - d. paragraph 1 - the full name of the main Contractor;
 - e. paragraph 1 - the Contract number of the main contract;
 - f. paragraph 1 - the description of the equipment being designed and developed under the main contract as shown on the Schedule of the Contract;
 - g.* First Schedule - List of items appropriate to the sub-contract in question (the sub-contractor may insert these himself if necessary);
 - h. Second Schedule - List of the relevant Intellectual Property Rights conditions applicable to the Contract (i.e. DEFCONs 14, 15, 15A, 90, 91 and 126 etc.).
4. It will also be necessary to amend the references to "design and development" should the subject Contract be a Feasibility Study, Project Definition etc.
 5. Similarly, as DEFFORM 177 is a drafting form, no references to the DEFFORM should appear in the Contract. This will require:
 - a. the deletion of the legend "DEFFORM 177 (Edn /)";

- b. that any references required in the Contract should refer to “the Agreement in the form set out in Annex P to the Contract”.
6. Two copies of the DEFFORM should be signed by a responsible officer on behalf of the sub-contractor and both of these should be returned for signature by the MOD representative. One copy is for the sub-contractor to retain, and the other is for retention by the Contracts Branch.

*N.B. This information will not necessarily be available at the drafting stage.

Ministry of Defence

Design Rights and Patents
(Sub-Contractor's Agreement)

THIS AGREEMENT is made the _____ day of _____ 19____

BETWEEN

whose registered office is at

(hereinafter called "the Sub-Contractor") of the one part and THE SECRETARY OF STATE FOR DEFENCE (hereinafter called "the Secretary of State") of the other part

WHEREAS:-

1. The Secretary of State has placed with _____ (hereinafter called "the main contractor") a contract bearing the reference number _____ (hereinafter called "the main contract") for the design and development of the effect of which is that the costs of such design and development (including the cost referable to any sub-contracts hereinafter referred to) will be substantially borne by the Secretary of State.
2. The main contractor contemplates that the design development and supply of certain components needed for performance of the main contract will be undertaken by various third parties in pursuance of sub-contracts made between them and the main contractor.
3. With a view to securing to the Secretary of State rights as regards inventions designs and other related matters in respect of any sub-contract the main contract provides that the main contractor shall not enter into any sub-contract for any component aforesaid without obtaining the prior approval of the Secretary of State.
4. The main contractor has now informed the Secretary of State that for the purpose of performing the main contract he wishes to place with the Sub-Contractor a sub-contract for the design and development of the items described in the First Schedule (hereinafter called "the sub-contracted items") and has requested the Secretary of State's approval of the sub-contract accordingly.
5. The Secretary of State has signified his willingness to approve the sub-contract on condition that in consideration of his giving approval the Sub-Contractor enters into a direct Agreement with the Secretary of State concerning the matters

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MSS/102 - Marine Rotating Electrical Machinery
Annex P – Design Rights and Patents

hereinafter appearing and the Sub-Contractor has signified his willingness to enter into such an agreement.

NOW THIS AGREEMENT made in consideration of the premises and of the rights and liabilities hereunder mutually granted and undertaken WITNESSETH AND IT IS HEREBY AGREED AND DECLARED as follows:-

1. The Sub-Contractor and the Secretary of State hereby agree to be bound to each other by the provisions of the Conditions as set out in the Second Schedule hereto.
2. No extension alteration or variation in the terms of the sub-contract between the main contractor and the sub-contractor and no other agreement between the main contractor and the sub-contractor relating to the work to be done under the sub-contract or any modification now or hereafter made thereto shall prejudice the operation of this Agreement which shall in all respects apply to the sub-contract as so extended altered varied supplemented or modified as if such extension alteration variation supplementation or modification had been originally provided for in the sub-contract and the expression "the sub-contract items" shall have effect accordingly.

IN WITNESS whereof the parties hereto have set their hands the day and years first before written

Signed on behalf of
the Sub-Contractor

(in capacity of _____)

Signed on behalf of
The Secretary of
State for Defence

OFFICIAL – SENSITIVE COMMERCIAL

DEFFORM 177 (Edn 3/80)

THE FIRST SCHEDULE

The Sub-Contract Items are:-

THE SECOND SCHEDULE

The Clauses which apply to this Agreement are:-

To be
inserted as
appropriate

except that:

- (i) Where "the Contractor" is stated "the Sub-Contractor" shall be substituted.
- (ii) Where "the Authority" is stated "the Secretary of State" shall be substituted.
- (iii) Where "Contract" is stated "sub-contract" shall be substituted.
- (iv) Where "sub-contractor" is stated "further sub-contractor" shall be substituted.
- (v) Where "sub-contract" is stated "further sub-contract" shall be substituted.

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 Annex Q –TASK APPROVAL FORM

TASK APPROVAL FORM – PART A

PROPOSAL (To be completed by MOD Task Sponsor)

CONTRACT No.	TAF No.	ISSUE No.
MSS/102		

The Tasking Authorities of the Project/Equipment Support Management Branches are detailed in Annex A to the Contract. Subject to SOSR; work shall not begin before there is agreement on the price of performing it and approval has been provided by the Authority by means of a Standard Purchase Order (SPO) on CP&F. Subject to the below Conditions; the Terms and Conditions of Contract MSS/102 shall apply to this order.

CONTRACTOR	TASK TITLE

<input type="checkbox"/> Post Design Services	<input type="checkbox"/> Technical Services
CONDITIONS	
<input type="checkbox"/> DEFCON 14 (11/05) – Inventions and Design Crown Rights <input type="checkbox"/> DEFCON 15 (02/98) – Design Rights and Rights to Use Design Information <input type="checkbox"/> DEFCON 82 (07/13) – Special Procedures for Initial Spares <input type="checkbox"/> DEFCON 117 (05/06) – Supply of Documentation for NATO Codification Purposes	
DELIVERABLES	
<input type="checkbox"/> Delivery Completion Report <input type="checkbox"/> Instrument Calibration Certificate <input type="checkbox"/> DEFFORM 315 (02/98) – Contract Data Requirement <input type="checkbox"/> DEFFORM 316 (05/98) – Government Furnished Information	

INTRODUCTION/BACKGROUND
TECHNICAL REQUIREMENTS
QUALITY REQUIREMENTS AND STANDARDS
In accordance with contract MSS/102.
TIMESCALE/COMPLETION DATE
QUOTATION DUE DATE

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 Annex Q –TASK APPROVAL FORM

SUBMARINE FIRST LEVEL ITEMS QUALITY ASSURANCE REQUIREMENTS		PACKAGIN/CONSIGNMENT	
PROJECT ENDORSEMENT			
Signed	Name	Post	Date
COMMERCIAL ENDORSEMENT			

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 Annex Q –TASK APPROVAL FORM

TASK APPROVAL FORM – PART B

RESPONSE (to be completed by Contractor)

CONTRACT No.	TAF No.	ISSUE No.
MSS/102		

PROPOSED SOLUTION	
	£

TOTAL FIRM PRICE FOR THE TASK APPROVAL FORM (Materials + Labour + Subsistence + Travel)	FIRM PRICE
--	------------

	£
--	---

VALIDITY OF QUOTATION	<u>Days</u>
-----------------------	-------------

OVERSEAS EXPENDITURE (is to be detailed separately in accordance with DEFCON 528)			
Signed for Company	Name	Position	Date

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 Annex Q –TASK APPROVAL FORM

TASK APPROVAL FORM – PART B1 BREAKDOWN

A SEPARATE PART B1 BREAKDOWN IS TO BE COMPLETED FOR EACH ITEM LISTED AT PART B

CONTRACT No.	TAF No.	ISSUE No.
MSS/102		
MATERIALS + SUB-CONTRACTS (COST PRICE)		

SUMMARY OF MATERIAL COSTS	FIRM PRICE
---------------------------	------------

	£
--	---

SUMMARY OF SUB-CONTRACT COSTS	FIRM PRICE
-------------------------------	------------

	£
--	---

TOTAL MATERIAL + SUB-CONTRACT COSTS	£
-------------------------------------	---

LABOUR (Identify Travelling Time Separately)

GRADE OF STAFF	NUMBER OF MAN HOURS/DAYS (Please specify)	RATE	FIRM PRICE
----------------	--	------	------------

			£
			£
			£
			£
TOTAL LABOUR COSTS			£

SUBSISTENCE

ELEMENT (e.g. Overnight)	NUMBER OF PERSONNEL	RATE	FIRM PRICE
-----------------------------	---------------------	------	------------

			£
			£
TOTAL SUBSISTENCE COSTS			£

TRAVEL

ELEMENT	NUMBER OF MILES/FARES	RATE	FIRM PRICE
---------	-----------------------	------	------------

MILEAGE			£
OTHER (Specify)			£
TOTAL TRAVEL COSTS			£

TOTAL FIRM PRICE FOR THIS ITEM ON THE TASK APPROVAL FORM (Materials + Labour + Subsistence + Travel)	FIRM PRICE
---	------------

	£
--	---

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MSS/102 - Marine Rotating Electrical Machinery
 Annex Q –Task Approval Form

TASK APPROVAL FORM – PART C

Internal Ministry Approvals

CONTRACT No. MSS/102	TAF No.	ISSUE No.
TECHNICAL APPROVAL <i>(to be completed by the Equipment Project Manager)</i> It is confirmed that the Man-hours and Materials quoted at Part B are considered to be commensurate with the requirement specified at Part A and therefore recommended for acceptance.		
Signed	Name	Post
FINANCIAL APPROVAL It is confirmed that finance as detailed below is available and that financial approval is hereby given.		
Signed	Name	Post
COMMERCIAL APPROVAL It is confirmed that work detailed is within scope of Contract and commensurate with the Contract terms and conditions. Authorisation to proceed with the task shall be issued via SPO on CP&F.		
Signed	Name	Post

Item Number	RAC	UIN	CPV	VAT	£

SPO No:	
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Contract Change Control Procedure

1. Authority Changes

Subject always to Condition 11 (Formal Amendments to Contract), the Authority shall be entitled, acting reasonably, to require changes to the Contractor Deliverables (a "Change") in accordance with this Annex R.

2. Notice of Change

- a. .If the Authority requires a Change, it shall serve a Notice (an "Authority Notice of Change") on the Contractor.
- b. b.The Authority Notice of Change shall set out the change required to the Contractor Deliverables in sufficient detail to enable the Contractor to provide a written proposal (a "Contractor Change Proposal") in accordance with clause 3 below.

3. Contractor Change Proposal

- a. As soon as practicable, and in any event within fifteen (15) Business Days (or such other period as the Parties may agree) after having received the Authority Notice of Change, the Contractor shall deliver to the Authority a Contractor Change Proposal.
- b. The Contractor Change Proposal shall include:
 - i. the effect of the Change on the Contractor's obligations under the Contract;
 - ii. a detailed breakdown of any costs which result from the Change;
 - iii. the programme for implementing the Change;
 - iv. any amendment required to this Contract as a result of the Change, including, where appropriate, to the Contract Price; and
 - v. such other information as the Authority may reasonably require.
- c. The price for any Change shall be based on the prices (including all rates) already agreed for the Contract and shall include, without double recovery, only such charges that are fairly and properly attributable to the Change.

4. Contractor Change Proposal – Process and Implementation

- a. As soon as practicable after the Authority receives a Contractor Change Proposal, the Authority shall:
 - i. evaluate the Contractor Change Proposal;
 - ii. where necessary, discuss with the Contractor any issues arising and following such discussions the Authority may modify the Authority Notice of Change and the Contractor shall as soon as practicable, and in any event not more than ten (10) Business Days (or such other period as the Parties may agree) after receipt of such modification, submit an amended Contractor Change Proposal.
- b. As soon as practicable after the Authority has evaluated the Contractor Change Proposal (amended as necessary) the Authority shall:

- i. indicate its acceptance of the Change Proposal by issuing an amendment to the Contract in accordance with Condition 6 (Amendments to Contract); or
 - ii. serve a Notice on the Contractor rejecting the Contractor Change Proposal and withdrawing (where issued) the Authority Notice of Change.
- c. If the Authority rejects the Change Proposal, it shall not be obliged to give its reasons for such rejection.
- d. The Authority shall not be liable to the Contractor for any additional work undertaken or expense incurred unless a Contractor Change Proposal has been accepted in accordance with Clause 4b.(1) above.

5.Contract Change

If the Contractor wishes to propose a Change, it shall serve a Contractor Change Proposal on the Authority, which shall include all of the information required by Clause 3b above, and the process at Clause 4 above shall apply.

6.Contract Change Register

In accordance with Appendix 1 to Annex R the Contractor shall maintain a register of all proposed and agreed amendments.

OFFICIAL – SENSITIVE
MSS/102 - Marine Rotating Electrical Machinery
 Annex R –Contract Change Control Procedure

CONTRACT CHANGE REGISTER

(INDEX OF PROPOSED CHANGES TO CONTRACT MSS/102)

ISSUE:
DATE:

Status of Proposal

Key: 1 Under Consideration
 2 Agreed
 3 Deferred
 4 Cancelled

Priority

Key: A. Immediate
 B. High
 C. Normal
 D. Low

Proposal Number	Title	Date of Proposal	Status of Proposal	Status of Proposal comments	Priority	Contract Amendment Number
1						
2						
3						
4						

Annex S

NSN's With a Lead Time Exceeding Twelve Months

REDACTED

ANNEX T

DAELI

REDACTED