

(Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form), that the Contractor shall undertake in accordance with Condition 13 (Key Performance Indicators).

- 64.2. The Contractor shall notify the Authority in writing within five (5) Calendar Days of the occurrence of a Force Majeure Event or Delay Event and may request in writing an extension to the date(s) specified in a MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or MOD Boats Form 1030 (Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) in accordance with Clause 64.3 provided that:

64.2.1. any Delay Event:

- 64.2.1.1. was not caused by the error, neglect, act or omission of the Contractor or its Sub-Contractors; and
- 64.2.1.2. could not reasonably have been, foreseen by the Contractor at the date of the Contract; and
- 64.2.1.3. the Contractor shall have made all reasonable efforts to avoid and mitigate the effects such Force Majeure Event or Delay Event has on the date(s) specified in a MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1030 (Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form).

- 64.3. A request for an extension of time to the date(s) specified in a MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1030 (Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form), shall be submitted by the Contractor to the Authority within five (5) Calendar Days of the occurrence of the Force Majeure Event or Delay Event and shall include:

- 64.3.1. the cause and extent of the delay;
- 64.3.2. a statement on the effect the event has, or will have on the critical programme path or will be delayed;
- 64.3.3. those contractual obligations which have been affected by the delay;
- 64.3.4. proposals for mitigating the delay, including alternative arrangements.

- 64.4. A failure of the Contractor to notify the Authority in accordance with Clauses 64.2 and 64.3 shall prevent the Contractor from claiming an extension to the date(s) specified in a MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1030 (Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-

Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form).

64.5. The Contractor shall:

- 64.5.1. advise the Authority immediately in writing that the Force Majeure Event or Delay Event has ended; and
- 64.5.2. as soon as reasonably practicable thereafter, and no later than fifteen (15) Calendar Days after the end of the Force Majeure Event or Delay Event, submit in writing details of the length of extension to the date(s) specified in a MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1030 (Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) claimed including evidence that the critical path has been delayed.

- 64.6. Any extension of time granted or rejected by the Authority pursuant to this Condition 64 shall be fair and reasonable. For the avoidance of doubt the Authority shall have a right to grant an extension to the date(s) specified in a MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1030 (Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form), irrespective of any claim by the Contractor.
- 64.7. For the avoidance of doubt, any act or omission of the Authority causing a Delay Event to work under a MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1030 (Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form), shall not necessarily be a Delay Event in respect of any subsequent MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1030 (Annual Maintenance Package Defect Rectification) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) if the work to be undertaken is detailed in Condition 13 (Key Performance Indicators).

65. Termination for A Permissible Delay

- 65.1. If a Permissible Delay is continuing, or its consequence remains such that the affected Party is unable to comply with its obligations under this Contract, for a period of more than one hundred and twenty (120) Calendar Days, then either Party may (subject to Clause 65.2 below) terminate this Contract or part thereof by serving upon the other Party a Termination Notice stating that:
 - 65.1.1. It is terminating the Contract pursuant to Condition 65 and
 - 65.1.2. The Contract shall terminate on the day falling fifteen (15) Calendar Days after the date of the Termination Notice.
- 65.2. If the Termination Notice has been served by the Contractor, the Authority may elect to require the Contract or part thereof to continue by serving the Contractor with written notice of such

Contract Award dated 15 March 2024

and the Parties shall agree a fair and reasonable adjustment in accordance with DEFCON 503 (Formal Amendments to Contract). The Contract or part thereof shall not terminate until the earlier of:

- 65.2.1. any applicable date for the termination or expiry of this Contract set out in Condition 6 (Duration); and
 - 65.2.2. the expiry of any subsequent written notice (of at least thirty (30) Calendar Days) from the Authority to the Contractor that it wishes this Contract to terminate.
- 65.3. Subject to Clause 65.2 above the Contract shall terminate upon the expiry of fifteen (15) Calendar Days from the date of the Termination Notice.

66. Take Over/Tow-Out Option

- 66.1. The Authority shall, within fifteen (15) Calendar Days after termination of this Contract in accordance with Condition 14 (Termination for Contractor Default) or Condition 65 (Termination for a Permissible Delay), have the right to elect to take possession of the boat, documentation and other deliverables in their current state and to:
- 66.1.1. complete such work as be necessary in order to remove the Workboat, documentation and other deliverables from the Contractors Premises or the premises of a Sub-Contractor, using the premises, labour, plant, machinery and equipment of the Contractor or Sub-Contractor (at the Contractor's risk); and
 - 66.1.2. remove the Intercept and Escort Craft(s), documentation and other deliverables from the Contractors Premises or the premises of a Sub-Contractor in order to complete the Workboat elsewhere in accordance with this Contract.
 - 66.1.3. upon giving prior written notice of such to the Contractor.
- 66.2. In the event that the Contract is terminated in accordance with Condition 14 (Termination for Contractor Default) all reasonable costs and expenses incurred by the Authority in exercising its rights in accordance with Clause 66.1 and completing the MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) elsewhere shall be deducted from any outstanding payments to be made to the Contractor if the same be sufficient and if the same is not sufficient shall be made good by the Contractor on demand.
- 66.3. This Condition shall not apply if the Contractor has commenced action under DEFCON 530 (Dispute Resolution) at any time prior to the Authority exercising its rights in accordance with Clause 66.1.

67. Financial Consequences of Termination

Termination for Contractor Default

- 67.1. Where the Authority has terminated this Contract pursuant to Condition 14 (Termination for Contractor Default) the Contractor shall, in respect of any MOD Boats Form 2010A to Schedule 5B (Take-On Take-Off and Acceptance – Type B) or MOD Boats Form 2010A to Schedule 5C (Take-On Take Off and Acceptance – Type A) or a MOD Boats Form 1020 (Work Request Form) to Schedule 5A (Multi-Task Authorisation Form / Work Request Form) that have not been accepted, but terminated by the Authority, promptly refund to the Authority the full amount of sums paid by the Authority to the Contractor under Condition 12 (Payment).

- 67.2. Where the Authority has exercised its right to Take Over/Tow-Out Option in accordance with Condition 66, the Authority shall not be entitled to a refund in accordance with Clause 67.1 and the financial consequences shall be dealt with in accordance with Condition 67.
- 67.3. Notwithstanding the refund of instalment payments in accordance with Clause 67.1, the Authority may elect to pay the Contractor for some or all of the Contractor Deliverables at prices to be agreed by the Parties.
- 67.4. Where the Authority is entitled to terminate this Contract pursuant to DEFCON 520 (Corrupt Gifts and Payments of Commission), the Authority shall, in addition to its rights set out in Clause 67.1 above (but without any double-counting) be entitled to:
- 67.4.1. recover from the Contractor the amount of any loss resulting from such termination;
 - 67.4.2. where this Clause 67.4 applies but this Contract has not been terminated, to recover from the Contractor any other loss sustained as a result of such breach,
- and any recovery action taken against any UK Government employee shall be without prejudice to any recovery action taken against the Contractor pursuant to this Condition.

Termination for Convenience - under £5M)

- 67.5. Where this Contract is terminated pursuant to DEFCON 656A (Termination for Convenience – Under £5M), then in addition to the provisions of DEFCON 656A, the provisions of Clause 67.6/67.4 below shall also apply.
- 67.6. The Authority shall not be liable under DEFCON 656A (Termination for Convenience – Under £5M) to pay any sum which;
- 67.6.1. would be claimable under any insurance held (or required to be held) by the Contractor, but for the fact that the Contractor has failed to make a claim on its insurance, or has failed to make a claim in accordance with the procedural requirements of the insurance policy, or has failed to take out or maintain any insurance that it is required to take out and/or maintain; or
 - 67.6.2. When added to any sums already paid or due to the Contractor under this Contract, exceeds the total sum that would have been payable to the Contractor if this Contract had not been terminated pursuant to DEFCON 656A (Termination for Convenience – Under £5M).

Termination for a Permissible Delay

- 67.7. Where this Contract is terminated pursuant to Condition 65 (Termination for a Permissible Delay), the provisions of Clauses 67.8 to 67.10 below shall apply.
- 67.8. Subject to Clause 67.9 below, where the Contract has been determined in accordance with Condition 65 (Termination for a Permissible Delay) the Contractor shall promptly refund to the Authority the full amount of sums paid by the Authority to the Contractor under Condition 12 (Payment).
- 67.9. The Contractor shall only be entitled to be paid from the sums refunded to the Authority in accordance with Clause 67.8 for any aspect of the Contractor Deliverables that it has, as at the Termination Date, delivered to the Authority in accordance with the Contract (subject to any other provisions of this Contract affecting the level of such payment).
- 67.10. The Authority shall not be entitled to a refund under Clause 67.8 above where:

- 67.10.1. the permissible delay is caused entirely by an act or omission of the Authority; or
- 67.10.2. the Authority has exercised its right to Take Over/Tow-Out in accordance with Clause 66.1 above.

Miscellaneous Provisions

- 67.11. Each Party shall pay to the other any amounts payable pursuant to Condition 67 within twenty (20) Business Days of the Termination Date (or, if later, within twenty (20) Business Days of the amount being identified by both Parties as being payable, where it was not possible to determine on the Termination Date that such amount was payable).
- 67.12. Any payment made by the Authority to the Contractor or by the Contractor to the Authority, pursuant to this Condition 67 shall be in full satisfaction of the liability of the paying Party and shall be the sole remedy of the receiving Party in relation to this Condition 67.

68. DEFFORM 711 – Notification of Intellectual Property Rights (IPR) Restrictions

- 68.1. Where any of the conditions listed below (68.1.1 to 68.1.4) form part of the terms and conditions of the Contract or where other similar notification obligations exist, the Contractor warrants and confirms that all Intellectual Property Rights restrictions and associated export restrictions relating to the use or disclosure of the Contractor Deliverables that are notifiable under those conditions, or of which the Contractor is or should reasonably be aware as at the date of the Contract, are disclosed in DEFFORM 711, attached at Schedule 17 (DEFFORM 711 – Notification of Intellectual Property Rights (IPR) Restrictions to the Contract).
 - 68.1.1. DEFCON 15 - (including notification of any self-standing background Intellectual Property).
 - 68.1.2. DEFCON 90 - including copyright material supplied under clause 5.
 - 68.1.3. DEFCON 91 - limitations of Deliverable Software under clause 3b.
 - 68.1.4. DEFCON 632 - notifications under clause 1.
- 68.2. The Contractor shall promptly notify the Authority in writing if they become aware during the performance of the Contract of any required additions, inaccuracies or omissions in DEFFORM 711.
- 68.3. Any amendment to DEFFORM 711 shall be made in accordance with DEFCON 503.

69. Limitations on Liability

Definitions

- 69.1. In this Condition 69 the following words and expressions shall have the meanings given to them, except where the context requires a different meaning:
 - “Charges” means any of the charges for the provision of the Services, Contractor Deliverables and the performance of any of the Contractor’s other obligations under this Contract, as determined in accordance with this Contract;
 - “Data Protection Legislation” means all applicable Law in force from time to time in the UK relating to the processing of personal data and privacy, including but not limited to:
 - (1) UK GDPR;

- (2) DPA 2018; and
- (3) the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2003/2426) as amended, each to the extent that it relates to the processing of personal data and privacy;

"Default" means any breach of the obligations of the relevant Party (including fundamental breach or breach of a fundamental term) or any other default, act, omission, negligence or statement of the relevant Party, its employees, servants, agents or subcontractors in connection with or in relation to the subject matter of this Contract and in respect of which such Party is liable to the other. In no event shall a failure or delay in the delivery of an Authority responsibility or an activity to be carried out by the Authority or its representatives in accordance with the Contract be considered a Default;

'DPA 2018' means the Data Protection Act 2018;

"Law" means any applicable law, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, regulation, order, regulatory policy, mandatory guidance or code of practice judgment of a relevant court of law, or directives or requirements of any regulatory body, delegated or subordinate legislation or notice of any regulatory body;

"Service Credits" means the amount that the Contractor shall credit or pay to the Authority in the event of a failure by the Contractor to meet the agreed Service Levels as set out/referred to in Condition 72 (Service Credits and Incentive Adjustments);

"Term" means the period commencing on the Contract Effective Date and ending on the Expiry Date or on earlier termination of this Contract.

'UK GDPR' means the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in UK law by the EU (Withdrawal) Act 2018 and the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019;

Unlimited liabilities

69.2. Neither Party limits its liability for:

- 69.2.1. death or personal injury caused by its negligence, or that of its employees, agents or sub-contractors (as applicable);
- 69.2.2. fraud or fraudulent misrepresentation by it or its employees;
- 69.2.3. breach of any obligation as to title implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or
- 69.2.4. any liability to the extent it cannot be limited or excluded by law.

69.3. The financial caps on liability set out in Clauses 69.4 and 69.5 below shall not apply to the following:

- 69.3.1. for any indemnity given by the Contractor to the Authority under this Contract, including but not limited to:

- 69.3.1.1. the Contractor's indemnity in relation to DEFCON 632 (Third Party IP - Rights and Restrictions);
- 69.3.1.2. the Contractor's indemnity in relation to TUPE at Condition 54 (Transfer Regulations (Transfer Undertaking (Protection of Employment)));
- 69.3.2. for any indemnity given by the Authority to the Contractor under this Contract, including but not limited to:
 - 69.3.2.1. NOT USED
 - 69.3.2.2. the Authority's indemnity in relation to TUPE under at Condition 54 (Transfer Regulations (Transfer Undertaking (Protection of Employment)));
- 69.3.3. breach by the Contractor of DEFCON 532A and Data Protection Legislation; and
- 69.3.4. to the extent it arises as a result of a Default by either Party, any fine or penalty incurred by the other Party pursuant to Law and any costs incurred by such other Party in defending any proceedings which result in such fine or penalty.
- 69.3.5. For the avoidance of doubt any payments due from either of the Parties to the other in accordance with DEFCON 811 or the Defence Reform Act 2014 and/or the Single Source Contract Regulations 2014, as amended from time to time, shall not be excluded or limited under the provisions of Clause 69.4 and/or 69.5 below.

Financial limits

69.4. Subject to Clauses 69.2 and 69.3 and to the maximum extent permitted by Law:

- 69.4.1. throughout the Term the Contractor's total liability in respect of losses that are caused by Defaults of the Contractor shall in no event exceed:
 - 69.4.1.1. in respect of DEFCON 76 £ pounds (£11,000,000) in aggregate;
 - 69.4.1.2. in respect of Condition 17 £ pounds (£1,250,000) in aggregate;
 - 69.4.1.3. in respect of DEFCON 611 £ pounds (£11,000,000) in aggregate; and
 - 69.4.1.4. in respect of DEFCON 612 £ pounds (£11,000,000) in aggregate;
- 69.4.2. without limiting Clause 69.4.1 and subject always to Clauses 69.2, 69.3 and 69.4.3, the Contractor's total liability throughout the Term in respect of all other liabilities (but excluding any Service Credits paid or payable in accordance with Condition 72 (Service Credits and Incentive Adjustments), whether in contract, in tort (including negligence), arising under warranty, under statute or otherwise under or in connection with this Contract shall be £ pounds £11,000,000 in aggregate;
- 69.4.3. on the exercise of any and, where more than one, each option period or agreed extension to the Term, the limitation of the Contractor's total liability (in aggregate) set out in Clauses 69.4.1 and 69.4.2 above shall be fully replenished such that on and from each such exercise or extension of the Term, the Authority shall be able to claim up to the full value of the limitation set out in Clauses 69.4.1 and 69.4.2 of this Contract.

69.5. Subject to Clauses 69.2, 69.3 and 69.6, and to the maximum extent permitted by Law the Authority's total liability (in aggregate) whether in contract, in tort (including negligence), under

warranty, under statute or otherwise under or in connection with this Contract shall in respect of all liabilities (taken together) be limited to the Charges paid by the Authority in the relevant Contract Year in respect of any and all claims in that Contract Year.

- 69.6. Clause 69.5 shall not exclude or limit the Contractor's right under this Contract to claim for the Charges.

Consequential loss

- 69.7. Subject to Clauses 69.2, 69.3 and 69.8, neither Party shall be liable to the other Party or to any third party, whether in contract (including under any warranty), in tort (including negligence), under statute or otherwise for or in respect of:

- 69.7.1. indirect loss or damage;
- 69.7.2. special loss or damage;
- 69.7.3. consequential loss or damage;
- 69.7.4. loss of profits (whether direct or indirect);
- 69.7.5. loss of turnover (whether direct or indirect);
- 69.7.6. loss of business opportunities (whether direct or indirect); or
- 69.7.7. damage to goodwill (whether direct or indirect), even if that Party was aware of the possibility of such loss or damage to the other Party.

- 69.8. The provisions of Clause 69.7 shall not restrict the Authority's ability to recover any of the following losses incurred by the Authority to the extent that they arise as a result of a Default by the Contractor:

- 69.8.1. any additional operational and administrative costs and expenses arising from the Contractor's Default, including any costs paid or payable by the Authority:
 - 69.8.1.1. to any third party;
 - 69.8.1.2. for putting in place workarounds for the Contractor Deliverables and other deliverables that are reliant on the Contractor Deliverables; and
 - 69.8.1.3. relating to time spent by or on behalf of the Authority in dealing with the consequences of the Default;
- 69.8.2. any or all wasted expenditure and losses incurred by the Authority arising from the Contractor's Default, including wasted management time;
- 69.8.3. the additional cost of procuring and maintaining in place transitional assistance and replacement deliverables for the remainder of the Term and any option period or agreed extension to the Term (including legal and other consultants' fees, procurement project costs, other expenses associated with such exercise and any increase in the fees for the replacement services over and above the Contract Price that would have been payable for the relevant Contractor Deliverables);
- 69.8.4. any losses arising in connection with the loss, destruction, corruption, inaccuracy or degradation of Authority data, or other data or software, including, to the extent the

Authority data, other data or software can be recovered or reconstituted, the fees, costs and expenses of reconstituting such Authority data, data or software;

- 69.8.5. damage to the Authority's physical property and tangible assets, including damage under DEFCON 76 and 611;
- 69.8.6. costs, expenses and charges arising from, or any damages, account of profits or other award made for, infringement of any third-party Intellectual Property Rights or breach of any obligations of confidence;
- 69.8.7. any additional costs incurred by the Authority in relation to the Authority's contracts with a third party (including any compensation or interest paid to a third party by the Authority) as a result of the Default (including the extension or replacement of such contracts);
- 69.8.8. any savings, discounts or price reductions during the Term and any option period or agreed extension to the Term committed to by the Contractor pursuant to this Contract.

Invalidity

- 69.9. If any limitation or provision contained or expressly referred to in this Condition **Error! Reference source not found.** 69 is held to be invalid under any Law, it will be deemed to be omitted to that extent, and if any Party becomes liable for loss or damage to which that limitation or provision applied, that liability will be subject to the remaining limitations and provisions set out in this Condition **Error! Reference source not found.**

Third party claims or losses

- 69.10. Without prejudice to any other rights or remedies the Authority may have under this Contract (including but not limited to any indemnity claim under DEFCONs 91 and 632 or at Law), the Authority shall be entitled to make a claim under this Contract against the Contractor in respect of any losses incurred by the Authority which arise out of a claim made against the Authority by a third party under any contract with that third party provided that such third party claim:
 - 69.10.1. arises naturally and ordinarily as a result of the Contractor's failure to provide the Contractor Deliverables or failure to perform any of its obligations under this Contract; and
 - 69.10.2. is a type of claim or loss that would have been recoverable under this Contract if the third party were a party to this Contract (whether as the Authority or the Contractor), such claim to be construed as direct losses for the purpose of this Contract.

No double recovery

- 69.11. Neither Party shall be entitled to employ such rights and remedies available to it so as to seek to recover
- 69.12. more than once in respect of the same loss, but the Authority shall be entitled to use (singly or together) such rights and remedies available to the Authority so as to recover the full extent of any recoverable losses suffered or incurred, including any remedies the Authority may have against any guarantor.

70. Guaranteed Minimum Throughput excluding delivery of spares

- 70.1. The Authority will guarantee an overall minimum throughput of £375,000 (VAT ex) for each Financial Year in total, as detailed in Clause 6.2 above, to undertake activities in Schedule 2

Contract Award dated 15 March 2024

(Statement of Technical Requirements) and Schedule 2 (Statement of Technical Requirements) and Schedule 2A (Statement of Technical Requirements – Pricing – 11m Standard Work Boat (SWB)) and Schedule 2B (Statement of Technical Requirements – Pricing – 11m Small Survey Boat (SSB)) and Schedule 2C (Statement of Technical Requirements – Pricing – 15m Route Survey Boat (RSB)) and Schedule 2D (Statement of Technical Requirements – Pricing – 15m Officer Training Boat (OTB)) and Schedule 2E (Statement of Technical Requirements – Pricing – 15m Dive Support Boat (DSB)) and Schedule 2F (Statement of Technical Requirements – Pricing – 15m Survey Motor Boat (SMB)) and Schedule 2G (Statement of Technical Requirements – Pricing – 13.8m Passenger Transfer Boat (PTB)) and Schedule 2H (Statement of Technical Requirements – Pricing – HMS MAGPIE).

- 70.2. Within twenty (20) Business Days of the end of each Financial Year, the Contractor shall submit a Contract Costs Statement Declaration, attached at Schedule 18 (Contract Costs Statement Declaration Form) with a completed Schedule 6 (Information Reporting), for each Financial Year detailing:
- 70.2.1. all MOD Boat Forms and Work Requests Forms that have been approved and paid; and
 - 70.2.2. all MOD Boat Forms and Work Request Forms that have been approved before 31 March for each Financial Year and payment has not yet been paid;
 - 70.2.3. all MOD Boat Forms and Work Request Forms that have not been approved before 31 March for each Financial Year and payment has not yet been paid;
- 70.3. The Authority will undertake a reconciliation of these payments on CP&F and a payment up to the guaranteed value will be made via CP&F, where the value of work contractually committed between 1st April and 31st March each Financial Year falls below that threshold.

71. Security Access Requirement

- 71.1. The Contractor shall ensure that all employees (including sub-contractors) that may be required to attend MOD sites (including but not limited to: Britannia Royal Naval College, Horsea Island, HMNB Clyde, HMNB Devonport, HMNB Gibraltar, HMNB Portsmouth, HMS Excellent and HMS Raleigh) must have the required personnel security and vetting in accordance with United Kingdom Security Vetting (UKSV) Requirements in order to gain UNESCORTED (or ESCORTED if prior approval is obtained) access. A Permissible Delay will not be granted to the Contractor if there are delays to employees undertaking personnel security or vetting requirements.

72. Service Credits and Incentive Adjustments

- 72.1. The Authority will not apply Service Credits to the first three (3) Annual Maintenance Packages in Year 1 under Clause 72.1.1 below, although Incentive Adjustments will still be applicable from day 1 of the Contract Effective Date.
- 72.1.1. The Service Credits that the Authority will apply under Condition 13 (Key Performance Indicators) are listed below.

KPI Title	KPI Sub-title	Invocation Point	Service Credits
1 – Annual Maintenance Package	1.1 Achieve Delivery Date	The Calendar Day after the Agreed Delivery Date.	A Service Credit rate will be applied at a cumulative rate of 5% per day, for a

1 – Annual Maintenance Package	12.2 Defect Rectification		maximum of 10 Calendar Days (50%), to be deducted from the next due invoice, as applicable: AMP and OPDEF responses – rate applied to total value of AMP or OPDEF. Spares – rate applied to each individual spare.
2.2	Spares – Delivery	After delivery timescales have elapsed.	
4	OPDEF responses	After period agreed between the Authority and the Contractor has elapsed.	

72.1.2. The Incentive Adjustments that the Authority under Condition 13 (Key Performance Indicators) are listed below.

KPI	KPI Title	Invocation Point	Incentive Adjustment
1	AMPs (Achieve Delivery Date and Defect Rectification)	If the total time of the AMP (Achieve Delivery Date and Defect Rectification) is 30 Calendar Days or less from the Agreed Delivery Date.	A one-off payment of 1% will be applied to the total value of that AMP invoice, to be paid at the end of each Financial Year.

72.2. If the Contract is terminated, or termination proceedings have begun before the end of the Financial Year, any accrued and unpaid Incentive Adjustments will be retained by the Authority.

72.3. The provisions of this Clause are without prejudice to any other rights of the Authority under the Contract, including but not limited to those under Condition 14 (Termination for Contractor Default): Accordingly, in the event that the Authority terminates the Contract, Service Credits shall be due under Clause 72.1.1 above until the date of such termination.

72.4. Unless expressly stated by the Authority in writing, the provisions of DEFCON 527 (Waiver) shall apply to the Authority's right to recover Service Credits under this Condition.

73. Progress Meeting

73.1. The Contractor shall attend progress meeting on a monthly basis and ensure that their Contractor's representatives are suitably qualified.

74. Clarification Question Register

74.1. The list of clarifications that was issued during the tender stage is attached at Schedule 19 (Clarification Question Register).

Offer and Acceptance

708901450 BOATS/0011 Workboats In-Service Support

This Contract shall come into effect on the date of signature by both parties.

For and on behalf of the Contractor: UK Docks Marine Services Limited

Name and Title	
Signature	
Date	

For and on behalf of the Secretary of State for Defence:

Name and Title	
Signature	
Date	