



National Highways Company Limited

NEC4 Term Service Short Contract (June 2017 with amendments January 2019 and October 2020)

Contract Data

in relation to a *service* for

A303 Stonehenge (Amesbury to Berwick Down) Specialist Security Services

23 November 2022

Contract Data

Contract Data Part One - The *Client's* Contract Data

Completion of the data in full, according to the Options chosen, is essential to create a complete contract.

The *Client* is

Name

National Highways Limited

Address for
communications

Bridge House,
1 Walnut Tree Close
Guildford
Surrey GU1 4LZ
Registered number 09346363

Address for
electronic
communications

redacted

The *service* is

to provide specialist removal of protesters as required to enable preliminary works and main works to be undertaken for the construction of the Project.

The Scope is in

the document named "Volume 2 – Scope".

The *starting date* is

the date notified by the *Client*.

The *service period* is

5 years

The *period for reply* is

2 weeks

unless a different period is specified in the Scope.

The *assessment day* is the

on the last day of the calendar month in which the *starting date* falls or, in respect of any Task Orders, on the last day of the calendar month in which the relevant Task starting date falls but, where the *starting date* or Task starting date falls after the 15th of the month, then on the last day of the following calendar month.

Are the rates and Prices in the contract adjusted for inflation

Yes

If Yes, the *index* is

“Consumer Prices Index including owner occupiers' housing costs” (CPIH)

provided by

Office for National Statistics (see link in **Annex 02**)

The *base date* for indices is

November 2022

The United Kingdom Housing Grants, Construction and Regeneration Act (1996) does not apply.

The *Adjudicator* is the person chosen by the Parties from the list of adjudicators published by the Institute of Civil Engineers.

The person or organisation who chooses an *Adjudicator* if the Parties cannot agree a choice is the President for the time being of the Institution of Civil Engineers or their nominee.

The *Adjudicator* nominating body is

the Institution of Civil Engineers.

The *tribunal* is

arbitration

The arbitration procedure is

the latest version of the Institution of Civil Engineers Arbitration

Procedure published at the time of the referral.

The interest rate on late payments is

0.0722

% per complete week of delay.

For any one event, the liability of the *Contractor* to the *Client* for the loss of or damage to the *Client's* property within the Task Order Area, other than excluded matters listed in Z63.5, is limited to

100% of the sum of the total of the Prices.

The *Contractor's* liability to the *Client* for indirect and consequential loss is limited to

£1.00

The *Contractor's* total liability to the *Client* for all matters arising under or in connection with a Task Order, other than excluded matters listed in Z63.5, is limited to

100% of the sum of the total of the Prices.

The *Contractor's* total liability to the *Client* for all matters arising under or in connection with the contract, other than excluded matters listed in Z63.5, is limited to

100% of the sum of the total of the Prices.

The *Client* provides this insurance

None.

The *Contractor* provides the insurances from the Insurance Table and in accordance with the requirements in **Annex 03** of the Scope.

The minimum amount of cover for insurance against loss of or damage to property (except Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising or in connection with the *Contractor* Providing the Service for any one occurrence is:

Limit of indemnity £20,000,000.00 (twenty million pounds) in respect of any one occurrence without limit to the number of occurrences in any annual policy period, but £20,000,000.00 (twenty million pounds) any one occurrence and in the aggregate per annum in respect of liability arising out

	of products and pollution or contamination liability (to the extent insured by the relevant policy).
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The minimum amount of cover for insurance against death of or bodily injury to employees of the <i>Contractor</i> arising out of an in the course of their employment in connection with the contract for any one occurrence is	Not less than £10,000,000.00 (ten million pounds) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.
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The *conditions of contract* are the NEC4 Term Service Short Contract June 2017 including amendments dated January 2019 and October 2020 and the additional *conditions of contract* clauses Z1, Z2, Z3, Z4, Z6, Z7, Z8, Z9, Z10, Z11, Z12, Z13, Z15, Z16, Z17, Z18, Z19, Z20, Z50, Z51, Z54, Z57, Z59, Z60, Z62 and Z63.

These are additional compensation events

None.

Z54 - Extension to the *service period*

The *extension period* is

3 years

Contract Data Part Two - The Contractor's Contract Data		
Completion of the data in full is essential to create a complete contract.		
The <i>Contractor</i> is		
Name	[insert]	
Address for communications	[insert]	
Address for electronic communications	[insert]	
The <i>quality submission</i> is in	[insert]	
The Tender Commitments are in	[insert]	
The <i>key persons</i> are those identified in the <i>key persons schedule</i> in	[insert]	
The <i>fee percentage</i> is	[insert]	%
The <i>people rates</i> are as stated in the <i>price list</i> .		
The <i>price list</i> is in	[insert]	
The <i>published list of Equipment</i> is	Civil Engineering Contractors Association (CECA)	

The <i>percentage for adjustment for Equipment</i> is		[insert]
Contract Data entry relating to Data Protection Legislation		
The contact details of the <i>Contractor's</i> Data Protection Officer or Data Protection nominated lead are:		[insert]
Contract Data entries relating to Z Clauses		
Z9 – Merger, takeover, Change of Control and financial distress		
The <i>credit ratings</i> at the Contract Date and rating agencies issuing them are		
Party	rating agency	credit rating
<i>Contractor</i>	[insert]	[insert]
Consortium Member	[insert]	[insert]
Guarantor	[insert]	[insert]
Z11 – Parent Company Guarantee		
<i>Contractor or Consortium Member</i>	<i>guarantor</i>	
[insert]	[insert]	
[insert]	[insert]	
[insert]	[insert]	
[insert]	[insert]	

Z Clauses Contents	
Number	Title
Z1	Changes to Core clauses
Z2	Interpretation
Z3	Recovery of sums due from the <i>Contractor</i> .
Z4	Assignment and transfer
Z5	Not Used
Z6	Adjudication
Z7	Termination – Public Contract Regulations 2015
Z8	Subcontracting
Z9	Merger, takeover, Change of Control and financial distress
Z10	Joint ventures
Z11	Parent Company Guarantee
Z12	Discrimination, Bullying and Harassment
Z13	Intellectual Property Rights (IPRs)
Z14	Not Used
Z15	Tax Non – Compliance
Z16	Value Added Tax Recovery
Z17	Termination and removal of part of the <i>service</i>
Z18	Corruption or loss of data
Z19	Conflict of Interest
Z20	Other amounts to be paid by the <i>Contractor</i>
Z21 – Z49	Not Used
Z50	Health and Safety Plans
Z51	Changes to the Price
Z52	Not Used
Z53	Not Used
Z54	Extension to the <i>service period</i>
Z55	Not Used
Z56	Not Used
Z57	Infrastructure Act 2015
Z58	Not Used
Z59	Indemnified claims
Z60	Tax Arrangements of appointees
Z61	Not Used
Z62	Third Party Rights
Z63	Limitations of liability

Z1	Changes to core and Secondary Option clauses
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11 Identified and defined terms

11.2 Add the following defined terms

- (15) Alternative Guarantee is an alternative form of guarantee or security to a Parent Company Guarantee agreed by the *Client*.
- (16) Associated Company is any of
- a Consortium Member or
 - any company, corporation, partnership, joint venture or other entity which directly or indirectly Controls, is under the Control of or is under common Control with the *Contractor* or a Consortium Member.
- (17) Change of Control is an event where any single person, or group of persons acting in concert, acquires Control of the *Contractor* or a Consortium Member or acquires a direct or indirect interest in the relevant share capital of the *Contractor* or a Consortium Member, as a result of which that person or group of persons holds or controls the largest direct or indirect interest in (and in any event more than 25% of) the relevant share capital of the *Contractor* or a Consortium Member.
- (18) Consortium Member is an organisation which is a member of the group of economic operators comprising the *Contractor*, whether as a participant in an unincorporated joint venture or a shareholder in a joint venture company.
- (19) Contract Date is the date when the contract came into existence.
- (20) Control has the meaning set out in section 1124 of the Corporation Tax Act 2010.
- (21) Controller is the single person (or group of persons acting in concert) that
- has Control of the *Contractor* or a Consortium Member or
 - holds or controls the largest direct or indirect interest in the relevant share capital of the *Contractor* or a Consortium Member.
- (22) Credit Rating is the *credit rating* or any revised long term credit rating issued by a rating agency accepted by the *Client* in respect of the *Contractor*, a Consortium Member or any Guarantor. Rating agencies accepted by the *Client* are Moody's Investor Service Inc., Standard & Poor's Financial Services LLC and Fitch Ratings Inc. unless agreed otherwise by the *Client*.

- (23) Data Protection Legislation is
- the General Data Protection Regulation (EU2016/679),
 - the LED (Law Enforcement Directive (Directive (EU) 2016/680),
 - the Data Protection Act 2018,
 - the Privacy and Electronic Communications (EC Directive) Regulations 2003 and
 - any other data protection laws and regulations applicable in England and Wales.
- (24) Development Consent Order (DCO) is the permission to construct and operate the Project. (TA1 – 06/12/2022)
- (25) The Discrimination Acts are the Equality Act 2010 and any provisions of any earlier statutes that are expressly preserved in force by that Act.
- (26) DOTAS are the Disclosure of Tax Avoidance Schemes rules contained in Part 7 of the Finance Act 2004 and in secondary legislation made pursuant to it, as extended to National Insurance contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012 (SI 2012/1868).
- (27) Enforcement Action is enforcement action brought by a regulatory authority against the *Contractor* or an Associated Company under any health and safety or environmental legislation, including a successful prosecution or the issue of a prohibition or improvement notice under any contract.
- (28) EU Reference is any European Union
- regulation,
 - decision,
 - tertiary legislation or
 - provision of the European Economic Area agreement.
- (29) Exit Day is the exit day as defined in section 20 of the European Union (Withdrawal) Act 2018, as amended.
- (30) Financial Standing Test is the financial test for the *Contractor*, a Consortium Member or a proposed guarantor used in the tender stage of the competition for the contract.
- (31) Form of Performance Security is a form of bond specified in the Scope (or such other form as the *Client* may reasonably require).
- (32) General Anti-Abuse Rule is
- the legislation in Part 5 of the Finance Act 2013 and
 - any future legislation introduced to counteract tax advantages

arising from abusive arrangements to avoid National Insurance contributions.

- (33) Guarantor is the *guarantor* unless later changed in accordance with the contract.
- (34) Halifax Abuse Principle is the principle explained in the CJEU case C-255/02 Halifax and others.
- (35) Health and Safety Plans are
- a completed Supply Chain Maturity Matrix (SCMM) for the *Contractor* or each Consortium Member, in the form required by the *Client*, recording the level of safety maturity within the organisation at the date of the SCMM,
 - an implementation plan (the SCMM Action Plan), setting out the actions to be taken by the *Contractor* or each Consortium Member, over a period of twelve months following the date of the SCMM in order to improve the scores recorded in the SCMM by not less than the percentage specified from time to time by the *Client*, including the timescale for each action and
 - an implementation plan, setting out the specific actions to be taken under the contract by the *Contractor* and its subcontractors (at any stage of remoteness from the *Client*) in order to support delivery of the improvements identified in the implementation plans for the *Contractor*, or each Consortium Member.
- (36) Incoming Contractor is any contractor appointed by the *Client* to Provide the Service or part of it (or a similar service or part of it) in place of the *Contractor*.
- (37) Indemnified Claim is a matter for which the *Contractor* is liable under the contract.
- (38) Information Systems are the systems specified in the Scope for the collection and storage of information regarding the *service* or any revised systems introduced by the *Client* from time to time.
- (39) Intellectual Property Rights or IPRs are copyright and related rights, database rights, design rights, patents, inventions, trade marks (and goodwill attaching to those trade marks), domain names, applications for and the right to apply for any of the foregoing, moral rights, confidential information and any other intellectual or industrial property rights, whether or not registered or capable of registration, whether subsisting now or in future in any part of the world.
- (40) Licence is the document entitled “Highways England: Licence” listed in

Annex 02 to the Scope.

- (41) Parent Company Guarantee is a guarantee of the *Contractor's* performance in the form set out in the Scope.
- (42) Performance Requirement is the required standard for performance of each element of the *service* as specified in the Scope.
- (43) Personal Data are any data relating to an identified or identifiable individual that are within the scope of protection as "personal data" under the Data Protection Legislation.
- (44) Project is the project for the A303 Stonehenge (Amesbury to Berwick Down) as defined by the DCO.
- (45) Quality Submission is the *quality submission* unless later changed in accordance with the contract, detailing the commitments made by the *Contractor* as part of its tender in respect of how it is to perform its obligations under the contract.
- (46) Related Dispute is a dispute under or in connection with a contract between a Party and Others relating to this contract.
- (47) Related Dispute Adjudicator is an adjudicator appointed to determine a Related Dispute.
- (48) Relevant Tax Authority is HM Revenue & Customs or, if the *Contractor* is established in another jurisdiction, the tax authority in that jurisdiction.
- (49) RIDDOR Incident is an incident occurring under any contract between
- the *Contractor* or an Associated Company and
 - the *Client* or any other person
- which results in death or serious injury to any worker or non-worker and for which the *Contractor* is responsible under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (or any replacement of it).
- (50) The Secretary of State is the Secretary of State for Transport.
- (51) Staff are persons employed or engaged by the *Contractor* or an Associated Company or any subcontractor at any stage of remoteness from the *Client* to Provide the Service under the contract at any time.
- (52) Task Order Area is the area of property and lands (and the volumes above and below it) affected by the works and services (in a Task Order), and as stated in the Task Order.

- (53) Task Section is an area of land or property (and the volumes above and below it) of the Task Order Area stated in the Task Order.
- (54) Tax Non-Compliance is where a tax return submitted by the *Contractor* or a Consortium Member to a Relevant Tax Authority on or after 1 October 2012
- is found on or after 1 April 2013 to be incorrect as a result of a Relevant Tax Authority successfully challenging the *Contractor* or a Consortium Member under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rule or legislation with similar effect or
 - the failure of an avoidance scheme in which the *Contractor* or a Consortium Member was involved which was (or should have been) notified to a Relevant Tax Authority under the DOTAS or a similar regime or
 - gives rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax-related offences which is not spent at the date of award of this contract or to a civil penalty for fraud or evasion.
- (55) Tender Commitments are the measurable commitments contained within the Quality Submission.

Amend the following defined terms

- (6) “(6) Defined Cost is the cost of the following components incurred by the *Contractor* in Providing the Service
- people employed directly or indirectly by the *Contractor* on the property affected by the service, calculated by multiplying each of the People Rates by the total time appropriate to that rate,
 - work subcontracted by the *Contractor*, the amount paid by the *Contractor* to the Subcontractor
 - Equipment on property affected by the service, as follows
 - for Equipment in the *published list of Equipment* calculated by applying the *percentage for adjustment for Equipment* to the rates in the *published list of Equipment* and by multiplying the resulting rate by the time for which the *Equipment* is required,
 - for Equipment which is not in the *published list of Equipment* calculated by multiplying open market or competitively tendered rates for that Equipment by the time for which it is required,
 - for the transport of Equipment and for Equipment which is consumed, the amount paid by the *Contractor*, to the extent that the rates do not include transport or consumables,
- but excluding

- compliance with the *Client's* behavioural attributes set out in section S 378 of the Scope,
- implementation of any modifications or enhancements to the *Contractor's* data collection systems (or those of a subcontractor, at any stage of remoteness from the *Client*) to meet the *Client's* requirements as stated in the Scope,
- replacement of a person (and any associated costs),
- compliance with sections S 325.16 (Alcohol and Substance Abuse) and S 325.21 (Security) of the Scope and resulting costs and
- compliance with section S 310 (Consideration of others) of the Scope and
- any other cost stated in the contract as being an excluded cost.

- (14) In "(14) A Task Order" add the following bullet points after the existing second and before the existing third bullet points
- "a description of the Task Order Area,
 - a description of the Task Sections,
 - the amount of any delay damages for the Task Sections,".

12 Interpretation and the law

12.2 Delete and replace clause 12.2 with

"12.2 The contract is governed by the law of the contract. In the contract, unless the context otherwise requires, any reference which immediately before Exit Day is a reference to (as it has effect from time to time)

- any EU References which are to form part of domestic law by application of section 3 of the European Union (Withdrawal) Act 2018 and are read on and after Exit Day as a reference to the EU References as they form part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time and
- any European Union
 - o institution,
 - o authority or
 - o other such body

is read on and after Exit Day as a reference to the United Kingdom institution, authority or body to which its functions are transferred."

21 Subcontracting and people

21.4 to After clause 21.3, insert new clauses 21.4 to 21.7

21.7

“21.4 The *Contractor* either provides each person named in the *key persons schedule* to do the job stated in that schedule or provides a replacement person who has been accepted by the *Client*. A reason for not accepting the person is that their relevant qualifications and experience are not as good as those of the person who is to be replaced.

21.5 The *Contractor* ensures that each person named in the *key persons schedule* devotes a sufficient amount of time and effort to the provision of the *service*. The *Contractor* retains the services of each *key person* and does not remove or change the *key persons* unless

- any of the *key persons* are on long-term sickness leave, maternity, paternity or equivalent leave or leave the *Contractor's* employment or
- the *Client's* gives its prior agreement for the replacement.

21.6 The *Contractor* submits the name, relevant qualifications and experience of a proposed replacement *key person* to the *Client* for acceptance. The *Client* accepts the proposed replacement if the person has the equivalent or better qualifications and experience as those of the *key person* who is to be replaced.

21.7 The *Contractor* bears the cost and any delay caused as a result of replacing a *key person*.”

50 Assessing the amount due

50.1 In clause 50.1, after the first sentence, insert

“A reference to invoice means an “electronic invoice” where an invoice has been issued transmitted and received in a structured electronic format which allows for its automatic and electronic processing. The invoice is an electronic invoice if it complies with the standard on electronic invoicing. An electronic invoice complies with the standard on electronic invoicing where it complies with the European standard and any of the syntaxes published in Commission Implementing Decision (EU) 2017/1870.”

51 Payment

51.1 In clause 51.1 of the *conditions of contract*, delete “three weeks” and insert “14 days”.

60 Compensation events

60.1(1) In clause 60.1(1) delete the full stop and insert

- “a change to the Information Systems or the introduction of a new

Information System,

- a change to the method of or requirements for performance measurement or
- a change which is stated elsewhere in these *conditions of contract* not to be a compensation event.”

60.1(4) In clause 60.1(4) insert at the end (before the full stop)
“unless the instruction relates to a notification from the *Contractor* that a conflict of interest may exist or arise.”

82 Recovery of costs

82.4 Delete clause 82.4 of the *conditions of contract*.

83 Insurance cover

83.2 Delete clause 83.2 and replace it with new clause 83.2

“83.2 The *Contractor* provides the insurances as stated in the Insurance Table in the Contract Data.”

83.3 In clause 83.3

- delete “The insurances in the Insurance Table are in the joint names of the Parties except the third insurance stated.”,
- add to the Insurance Table, under Insurance Against

“Liability of the *Contractor* for claims made against it arising out of the *Contractor’s* failure to use the skill and care normally used by professionals providing services similar to the *service*.”

- add to the Insurance Table, under Minimum Amount Of Cover

“The amount stated in the Contract Data.”

92 Payment on termination

92.3 Delete clause 92.3 of the *conditions of contract* and substitute it with "Not Used."

Z2 Interpretation

Z2.1 In the contract, except where the context shows otherwise

- references to a document include any revision made to it in accordance with the contract,
- references to a statute or statutory instrument include any amendment or re-enactment of it from time to time and any subordinate legislation or code of practice made under it,

- references to a British, European or International standard include any current relevant standard that replaces it,
- references to persons or organisations include bodies corporate, unincorporated associations, partnerships and any other legal entity and
- the words “includes” or “including” are construed without limitation.

Z3	Recovery of sums due from the <i>Contractor</i>
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Z3.1 Where, under the contract a sum of money is recoverable from or payable by the *Contractor*, such sum may be deducted from or reduced by the amount of any sum or sums then due or which at any time after may become due to the *Contractor* under the contract or any other contract with the *Client*.

Z4	Assignment and transfer
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Z4.1 The *Contractor* does not assign, transfer or charge the benefit of the contract or any part of it or any benefit or interest under it without the prior agreement of the *Client*.

Z4.2 If requested by the *Client*, the *Contractor* executes a novation agreement in the form specified in the Scope (or such other form as the *Client* may reasonably require) transferring the benefit and burden of the contract to

- an organisation established to take over the *Client's* functions or part of them,
- another public body exercising similar functions,
- a Department or Office of Her Majesty's Government or
- a local authority

Z4.3 If the *Contractor* wishes to transfer the benefit and burden of the contract to a new contractor, it seeks the *Client's* agreement to do so. The *Contractor*

- explains the reasons for the proposed transfer and
- provides the *Client* with all such information as the *Client* may require in order to makes its decision.

If the *Client* (in its absolute discretion) agrees to the proposed transfer, the Parties and the new *Contractor* execute a novation in the relevant form set out in the Scope or such other form as the *Client* may reasonably require.

Z5	Not Used
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Z6	Adjudication
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Z6.1 The NEC4 Dispute Resolution Service Contract (June 2017) includes the following additional condition of contract:

“Any information concerning the contract obtained by either the *Adjudicator* or any person advising or aiding him is confidential, and is not used or disclosed by the *Adjudicator* or any such person except for the purposes of this Agreement. The

Adjudicator complies, and takes all reasonable steps to ensure that any persons advising or aiding him comply, with the Official Secrets Acts 1911 to 1989.”

Z6.2 If a dispute under the contract raises issues that are substantially the same as or connected with issues in a Related Dispute and the Related Dispute has been referred to adjudication, the dispute under the contract is referred to the Related Dispute Adjudicator and the Related Dispute Adjudicator becomes the *Adjudicator*.

Z7 Termination - Public Contracts Regulations 2015

Z7.1 The *Client* may terminate the *Contractor's* obligation to Provide the Service if one of the mandatory or discretionary grounds for exclusion referred to in regulation 57 of the Public Contracts Regulations 2015 applied to the *Contractor* at the *starting date*. This is treated as termination for a default by the *Contractor*.

Z7.2 The *Client* may terminate the contract with immediate effect

- if the contract has been subject to substantial modification which would have required a new procurement procedure pursuant to regulation 72 of the Public Contracts Regulations 2015 or
- the Court of Justice of the European Union declares, in a procedure under Article 258 of the Treaty on the Functioning of the European Union, that a serious infringement of the obligations under the European Union Treaties and the Public Contracts Directive (2014/24/EU) has occurred.

Z7.3 The procedure and amount due on termination are the same as for

- Reason 2 if the modification or infringement was due to a default by the *Contractor*,
- Reason 5 if the modification or infringement was due to a default by the *Client* and
- Reason 8 if the modification or infringement was due to any other reason

Z8 Subcontracting

Z8.1 The *Contractor* assesses the amount due to a subcontractor without taking into account the amount assessed under the contract.

Z8.2 If the *Contractor* subcontracts work to an Associated Company, the Defined Cost of the work subcontracted is assessed as if the work had not been subcontracted unless otherwise agreed by the *Client*.

Z8.3 The *Client* may, having stated the reasons, instruct the *Contractor* to remove a subcontractor (at any stage of remoteness from the *Client*). The *Contractor* then arranges the removal of the subcontractor (at any stage of remoteness from the *Client*) and the appointment of a replacement in accordance with the contract.

Z8.4 The *Client* may terminate if a subcontractor or another resource needed for the *service* is no longer available and the *Contractor* is unable to propose an alternative resource acceptable to the *Client*. In the event of a termination under this clause, the termination procedures followed are clauses 91.1 and 91.2 and the amounts due on termination are 92.1 and 92.2.

Z8.5 Before

- appointing a proposed subcontractor or
- allowing a subcontractor to appoint a proposed subsubcontractor

the *Contractor* submits to the *Client* for acceptance

- either
 - a Single Procurement Document (as described in regulation 59 of the Public Contracts Regulations 2015) in respect of the proposed subcontractor or subsubcontractor or
 - other means of proof that none of the mandatory or discretionary grounds for exclusion referred to in regulation 57 of the Public Contracts Regulations 2015 applies to the proposed subcontractor or subsubcontractor
- details of any RIDDOR Incident under any contract for which the proposed subcontractor or subsubcontractor is responsible and of any Enforcement Action brought against the proposed subcontractor or subsubcontractor.

Z8.6 The *Contractor* does not appoint the proposed subcontractor (or allow the subcontractor to appoint the proposed subsubcontractor) until the *Client* has accepted the submission. Reasons for not accepting the submission are that

- it shows that there are grounds for excluding the proposed subcontractor or subsubcontractor under regulation 57 of the Public Contracts Regulations 2015 or
- the *Client* is not satisfied that the proposed subcontractor or subsubcontractor has put in place adequate measures to ensure that the RIDDOR Incident or Enforcement Action will not occur.

Z8.7 If requested by the *Client*, the *Contractor* provides further information to support, update or clarify a submission under clause Z8.5.

Z8.8 If, following the acceptance of a submission under clause Z8.6, it is found that

- one of the grounds for excluding the subcontractor or subsubcontractor under regulation 57 of the Public Contracts Regulations 2015 applies or
- the subcontractor or subcontractor has not put in place adequate measures to ensure that similar matter to the RIDDOR Incident or Enforcement Action will not occur

the *Client* may instruct the *Contractor* to

- replace the subcontractor or
- require the subcontractor to replace the subsubcontractor.

Z8.9 The *Contractor* submits the name of each proposed subcontractor to the *Client* for acceptance. A reason for not accepting the subcontractor is that

- its appointment does not allow the *Contractor* to Provide the Service.

The *Contractor* does not appoint a proposed subcontractor until the *Client* has accepted it.

Z8.10 The *Contractor* submits the proposed conditions of contract for each subcontract to the *Client* for acceptance unless the *Client* has agreed that no submission is required.

Z8.11 The *Contractor* does not appoint a subcontractor on the proposed subcontract conditions submitted until the *Client* has accepted them. A reason for not accepting them is that

- they do not allow the *Contractor* to Provide the Service or
- they do not include a statement that the parties to the subcontract shall act in a spirit of mutual trust and co-operation.

Z9	Merger, takeover, Change of Control and financial distress
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Z9.1 The *Contractor* notifies the *Client* immediately if a Change in Control has occurred.

Z9.2 If a Change of Control occurs without the *Client's* prior consent or will not allow the *Contractor* to Provide the Service, the *Client* may terminate the *Contractor's* obligation to Provide the Service with immediate effect. In the event of a termination under this clause, the termination procedures followed are those in clauses 91.1 and 91.2 and the amount due on termination is set out in clause 92.1.

Z9.3 The *Contractor* notifies the *Client* immediately of any material change in

- the direct or indirect legal or beneficial ownership of any shareholding in the *Contractor* (or a Consortium Member). A change is material if it relates directly or indirectly to a change of 3% or more of the issued share capital of the *Contractor* (or a Consortium Member) or
- the composition of the *Contractor* or a Consortium Member. A change is material if it directly or indirectly affects the performance of the contract by the *Contractor* or is considered substantial in accordance with Regulation 72(8)(e) of the Public Contracts Regulations 2015.

Z9.4 The *Contractor* notifies the *Client* immediately of any change or proposed change in the name or status of the *Contractor* or a Consortium Member.

Z9.5 The *Contractor* notifies the *Client* immediately if

- any of the following events occurs in relation to the *Contractor*, a Consortium Member or a Guarantor
 - its Credit Rating falls below the relevant *credit rating*,
 - there is a further fall in its Credit Rating below the relevant *credit rating*,
 - it issues a profits warning to a stock exchange or makes any other public announcement about a material deterioration in its financial position or prospects,
 - it is subject to a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety,
 - it commits a material breach of its covenants to its lenders or
 - its financial position or prospects deteriorate to such an extent that had it been part of the original¹ assessment of Financial Standing Test the outcome of the Financial Standing Test would have been a failure or
- any Parent Company Guarantee, Form of Performance Security or any Alternative Guarantee becomes invalid or unenforceable for any reason.

Z9.6 If a Change of Control occurs and is likely to give rise to an actual or potential conflict of interest, the *Contractor* and the *Client* meet within one week to discuss the actions to be taken by either Party in order to overcome or mitigate the conflict. If the Parties do not agree and implement the actions needed to overcome or mitigate the conflict, the *Client* may terminate the *Contractor's* obligation to Provide the Service with immediate effect. In the event of a termination under this clause, the termination procedures followed are those in clauses 91.1 and 91.2 and the amount due on termination is set out in clause 92.1.

Z9.7 If a Change of Control occurs, the *Contractor* provides to the *Client*

- certified copies of the audited consolidated accounts of the Controller for the last three financial years,
- a certified copy of a board minute of the Controller confirming that it will give to the *Client* a Parent Company Guarantee if so required by the *Client*,
- any other information required by the *Client* in order to determine whether, had the Controller been included in the original Financial Standing Test, such inclusion would not have resulted the outcome of the Financial Standing Test being a failure and
- any other information requested by the *Client* in order to satisfy itself that the *Contractor* remains in a position to Provide the Service.

Z9.8 If a Change of Control or any of the events listed in clauses Z9.3 to Z9.5 occurs, the *Client* may require the *Contractor* to give to the *Client*

- a Parent Company Guarantee from the relevant Controller or (if the Controller had been part of the original Financial Standing Test and the outcome of the

¹ Note to Tenderer: original assessment of Financial Standing are those undertaken as part of the SQ stage and as described in the SQ guidance.

Financial Standing Test would have been a failure) an alternative guarantor proposed by the *Contractor* and accepted by the *Client* or

- a Form of Performance Security, (or an alternative form of bond or security agreed by the *Client* from an alternative guarantor proposed by the *Contractor* and accepted by the *Client*)
 - if there is no Controller,
 - if the Controller had been included in the original Financial Standing Test and the outcome of the Financial Standing Test would have been a failure and a suitable alternative guarantor is not acceptable or
 - if agreed by the *Client* and the *Contractor* or relevant Consortium Member.

The *Contractor* provides the *Client* with the information listed in clause Z9.7 and the credit ratings for the proposed alternative guarantor (unless agreed otherwise by the *Client*) and any further information requested by the *Client* concerning the alternative guarantor.

Z9.9 A reason for not accepting an alternative guarantor proposed by the *Contractor* is that

- had it been included in the original Financial Standing Test the outcome of the Financial Standing Test would have been a failure,
- it does not provide the legal opinion required in clause Z9.14 or
- it does not have a Credit Rating at least equal to the credit rating for the person to whom the event listed in clause Z9.5 has occurred.

Z9.10 A reason for not accepting an alternative guarantor (for a Form of Performance Security, or an alternative a form of bond agreed by the *Client*) proposed by the *Contractor* is that it

- does not have a Credit Rating at least equal to
 - long term credit rating of A or short term issues credit rating of A2 (Standard & Poor's Financial Services LLC.),
 - long term credit rating of Aa or short term rating of Prime-1 (Moody's Investor Service Inc.) or
 - long term credit rating of A or short term issues credit rating of F2 (Fitch Ratings Inc.)unless agreed otherwise by the *Client*,
- does not have a commercial position which is strong enough to carry the bond,
- is not issued by an office of the proposed alternative guarantor located in England or the Form of Performance Security (or an alternative a form of bond agreed by the *Client*) is not subject to the *law of the contract* or
- does not have appropriate financial regulation or have a standing of good repute in the United Kingdom financial market.

Z9.11 If so required by the *Client*, the *Contractor* within four weeks after the *Client* notifies the requirement gives to the *Client*

- a Parent Company Guarantee from the Controller or an alternative guarantor accepted by the *Client* or
- a Form of Performance Security, or an alternative form of bond agreed by the *Client*

for the *Contractor* or relevant Consortium Member the notification refers to.

Z9.12 The *Client* may accept a Parent Company Guarantee from the Controller or an alternative guarantor proposed by the *Contractor* who if it had been included in the original Financial Standing Test the outcome of the Financial Standing Test would have been a failure if the *Contractor* gives to the *Client* an assurance that the Controller or the alternative guarantor will meet the Financial Standing Test within eighteen (18) months of the *Client's* acceptance. If so, the Parties agree a process for reviewing the financial standing of the Controller or the alternative guarantor during that period in order to demonstrate to the *Client* that if it had been included in the original Financial Standing Test the outcome of the Financial Standing Test would have been a pass by the end of that period.

Z9.13 If

- the *Contractor* fails to notify the *Client* that an event listed in clause Z9.5 has occurred,
- neither the Controller nor any alternative guarantor proposed by the *Contractor*, if it had been included in the original Financial Standing Test, the outcome of the Financial Standing Test would have been a pass within the timescale stated in clause Z9.11 or fails to provide the legal opinion required by clause Z9.14,
- the *Contractor* does not give to the *Client* a
 - Parent Company Guarantee from the Controller or an alternative guarantor accepted by the *Client* or
 - a Form of Performance Security or an alternative form of bond agreed by the *Client*within four weeks of a request from the *Client* to do so or
- the *Contractor* fails to demonstrate to the *Client* that the Controller or the alternative guarantor accepted by the *Client* if it had been included in the original Financial Standing Test the outcome of the Financial Standing Test would have been a pass within eighteen (18) months of the *Client's* acceptance

the *Client* may treat such failure as a substantial failure by the *Contractor* to comply with the contract.

Z9.14 If the *Contractor*, a Consortium Member, a Guarantor or an alternative guarantor proposed by the *Contractor* (in this clause referred to as a "relevant entity") is not a company incorporated in and subject to the laws of England and Wales, the *Contractor* provides a legal opinion from a lawyer or law firm which is

- qualified and registered to practise in the jurisdiction in which the relevant entity is incorporated and

- agreed by the *Client*.

The legal opinion is addressed to the *Client* on a full reliance basis and the liability of the lawyer or law firm giving the opinion is not subject to any financial limitation unless otherwise agreed by the *Client*.

The legal opinion confirms that the method of execution of the Parent Company Guarantee is valid and binding under applicable local law and in particular covers the matters listed in the Scope.

Z9.15 If accepted by the *Client*, the alternative guarantor becomes the Guarantor for the *Contractor* or the relevant Consortium Member and the credit ratings become the *credit rating* for the Guarantor.

Z9.16 A failure to comply with this clause Z9 is treated as a substantial failure by the *Contractor* to comply with the contract.

Z10 Joint ventures

Z10.1 This clause applies if the *Contractor* is an unincorporated joint venture.

Z10.2 Each Consortium Member is jointly and severally liable to the *Client* for the performance of the *Contractor's* obligations under this contract.

Z10.3 The *Contractor* nominates the representative named in the Contract Data for the purposes of the contract and for the giving and receiving of all notices, certificates, instructions and other communications under it. The *Contractor* acknowledges that receipt of a communication by the *Contractor's* nominated representative constitutes receipt by all the Consortium Members. The *Contractor* notifies the *Client* in advance of any change to the identity of the *Contractor's* nominated representative.

Z10.4 The *Contractor* acknowledges that any payment made by the *Client* to a Consortium Member under the contract to that extent discharges the *Client's* liability to make payment to the *Contractor*.

Z10.5 A Consortium Member gives not less than four weeks' notice to the *Client* of any proposed termination of the joint venture arrangement.

Z10.6 Termination of the joint venture arrangement for any reason is treated as a substantial failure by the *Contractor* to comply with the contract.

Z10.7 Where two or more Consortium Members comprise the *Contractor*, clause 90.1 and 90.2 of the conditions of contract are amended by inserting after "the other Party" the words "or in the case of the *Contractor*, any Consortium Member".

Z11 Parent Company Guarantee

Z11.1 If required by the *Client*, the *Contractor* gives to the *Client* a Parent Company Guarantee. If a Parent Company Guarantee was not given by the Contract Date, it is given to the *Client* within four weeks of the Contract Date or of the *Client's* request,

whichever is later.

Parent Company Guarantees are given by

- for a standalone company – the Controller,
- for an unincorporated joint venture (“more than one party”) – the Controller of each Consortium Member or
- for an incorporated joint venture – the Controller of each Consortium Member.

In all cases it is for the *Client* to decide (in its discretion) whether it accepts a Parent Company Guarantee from a company other than the Controller.

Z11.2 A breach of clause Z11.1 is treated as the *Contractor* having substantially hindered the *Client* or others.

Z12	Discrimination, Bullying and Harassment
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Z12.1 The *Contractor* indemnifies the *Client* against all costs, charges, expenses (including legal and administrative expenses) and payments made by the *Client* arising out of or in connection with

- any investigation or proceedings under the Discrimination Acts or
- an allegation of bullying or harassment

resulting from any act or omission of the *Contractor* in connection with the contract.

Z13	Intellectual Property Rights (IPRs)
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Z13.1 The *Client* owns (or will own) all IPRs in material prepared in connection with the contract, except as stated otherwise in the Scope. To the extent that these IPRs do not automatically belong to the *Client*, the *Contractor* enters into such documents and does such acts as the *Client* requests to transfer the IPRs to the *Client*, and procures that its subcontractors (at any stage of remoteness from the *Client*) do the same. The *Contractor* provides to the *Client*, the documents which transfer these IPRs to the *Client*.

Z13.2 The *Contractor* obtains perpetual, royalty-free, non-exclusive, assignable and irrevocable licences (capable of being sub-licensed to a third party, who shall also have the right to grant further sub-licences) of other IPRs for the *Client* as stated in the Scope. Any licence granted under this clause survives the termination or expiry of the contract and cannot be terminated by the *Contractor* or its assignees or any third party. The *Contractor* provides to the *Client* the documents which license these IPRs to the *Client*.

The *Contractor's* or third-party licensor's exclusive remedies for any breach by the *Client*, or any sub-licensee, of any licence granted under this clause, are damages and equitable relief.

Z13.3 The *Contractor* ensures that any subcontract (at any stage of remoteness from the *Client*) contains a right for the *Client* (enforceable in accordance with the Contracts

(Rights of Third Parties) Act 1999) to enforce the obligations in this clause.

Z14	Not Used
Z15	Tax Non – Compliance

- Z15.1 The *Contractor* warrants that it has notified the *Client* of any Tax Non-Compliance or any litigation in which the *Contractor* (or a Consortium Member) is involved relating to any Tax Non-Compliance prior to the Contract Date.
- Z15.2 The *Contractor* notifies the *Client* within one week of any Tax Non-Compliance occurring after the Contract Date and provides details of
- the steps the *Contractor* is taking to address the Tax Non-Compliance and to prevent a recurrence,
 - any mitigating factors that it considers relevant and
 - any other information requested by the *Client*.
- Z15.3 The *Contractor* is treated as having substantially failed to comply with the contract if
- the warranty given by the *Contractor* under clause Z15.1 is untrue,
 - the *Contractor* fails to notify the *Client* of a Tax Non-Compliance or
 - the *Client* decides that any mitigating factors notified by the *Contractor* are unacceptable.

Z16	Value Added Tax (VAT) Recovery
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- Z16.1 An amount due under the contract calculated by reference to a sum incurred by any person includes value added tax only to the extent that it is not recoverable as input tax by that person (or a member of the same tax group) by set-off or repayment.

Z17	Termination and removal of part of the <i>service</i>
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- Z17.1 The *Client* may instruct the *Contractor* that
- part of the *service* is to be permanently removed from the contract or
 - for urgent reasons of health and safety, part of the *service* is to be temporarily removed from the contract.

In either case the *Contractor* acknowledges that the *Client* may itself, or may appoint another supplier in place of the *Contractor* to provide works similar to the removed *service* (or part of it).

- Z17.2 An instruction given under clause Z17.1 is assessed as a compensation event, except that if the instruction is given for one of the reasons Reason 1, Reason 2 or Reason 8, the assessment includes a deduction of the forecast of the additional cost to the *Client* of completing the removed *service*, and if all of the remaining *service* is

to be permanently removed, the *Contractor* agrees that it is not entitled to any loss of profit or any other form of compensation including if the *Client* appoints another *contractor* to complete the *service* or any part of them.

- Z17.3 If the *Contractor's* obligation to Provide the Service is terminated for any reason, the *Contractor* if instructed by the *Client*
- completes the performance of any part of the *service* started prior to the date of termination and
 - co-operates with the *Client* or any Incoming *Contractor* so as to ensure a smooth transfer of functions.

Z18 Corruption or loss of data

- Z18.1 If any data of the *Client* is corrupted, lost, stolen or sufficiently degraded as a result of the *Contractor's* default so as to be unusable, the *Contractor* immediately reports this to the *Client* and
- the *Client* may instruct the *Contractor* to restore the data in accordance with the *Client's* requirements or
 - the *Client* may itself restore the data (and the *Contractor* pays to the *Client* any reasonable expenses which the *Client* incurs in so doing).

Z19 Conflict of interest

- Z19.1 Any steps taken in accordance with section S 333 (Conflict of interest) of the Scope is not a compensation event.
- Z19.2 A failure to comply with section S 333 of the Scope is treated as a substantial failure by the *Contractor* to comply with the contract.

Z20 Other amounts to be paid by the Contractor

- Z20.1 Not Used.
- Z20.2 Not Used.
- Z20.3 The *Contractor* pays the *Client's* costs incurred if the *Contractor* seeks the *Client's* assistance in repairing damaged or faulty technology Plant and Materials which is attributable to the *Contractor* in accordance with the Scope.

Z21 - Z49 Not Used

Z50 Health and Safety Plans

- Z50.1 The *Client* may terminate if the *Contractor* has not produced all the Health and Safety Plans in the form which the contract requires within six weeks of the Contract Date. This is treated as a substantial failure of the *Contractor* to comply with the contract.

- Z50.2 The period for producing the Health and Safety Plans may be extended by not more than four weeks if the *Client* and the *Contractor* agree to the extension before the Health and Safety Plans are due. The *Client* notifies the extension that has been agreed to the *Contractor*.
- Z50.3 If the *Client* does not terminate, one quarter of the Price for Service Provided to Date is retained in assessments of the amount due until the *Contractor* has produced all the Health and Safety Plans in the form which the contract requires.

Z51	Changes to Prices
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- Z51.1 The Parties may at any time agree a reduction to the Prices.
- Z51.2 The reduced Prices apply to any work carried out after the reduction is agreed.
- Z51.3 If the *Contractor* does not agree a reduction requested by the *Client*, the *Client* may terminate the *Contractor's* obligation to Provide the Service by notifying the *Contractor*.

Z52	Not Used
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Z53	Not Used
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Z54	Extension to the <i>service period</i>
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- Z54.1 The *Client* may notify the *Contractor* that the *service period* is to be extended by the *extension period* or such lesser period as the *Client* may specify.
- Z54.2 If the *service period* is extended by less than the *extension period*, the *Client* may further extend the *service period* so that the total period of extension does not exceed the *extension period*.
- Z54.3 The *Client* does not notify the *Contractor* of any extension or further extension to the *service period* later than 12 months (unless a different notice period is agreed by the *Client* and the *Contractor*) before the expiry of the *service period*.

Z55	Not Used
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Z56	Not Used
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Z57	Infrastructure Act 2015
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- Z57.1 The *Contractor* Provides the Service in compliance with, and so as not to put the *Client* in breach of
- the Licence and
 - any other directions and guidance issued by the Secretary of State to the *Client* under section 6 of the Infrastructure Act 2015 (and notified by the *Client* to the *Contractor*).

Z57.2 The *Client* notifies the *Contractor* of any notice issued by the Office of Rail and Road to the *Client* under section 11(2)(a) of the Infrastructure Act 2015 that relates to the *service*. The *Contractor* complies with the terms of any such notice and indemnifies the *Client* against any associated fine imposed on the *Client* under section 11(2)(b) of that Act.

Z58	Revisions to Quality Submission
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Z58.1 The *Contractor* may submit to the *Client* proposed revisions to the Quality Submission for acceptance within the *period for reply*. A reason for not accepting the proposed revision is that

- it does not enable the *Contractor* to meet a Performance Requirement,
- it unacceptably increases the risk of failure to meet a Performance Requirement,
- it does not enable the *Contractor* to achieve the level of performance specified in the Quality Submission,
- it unacceptably increases the risk of failure to achieve the level of performance specified in the Quality Submission or
- it constitutes a substantial modification of the contract within the meaning of regulation 72 of the Public Contracts Regulations 2015.

Z58.2 A revision to the Quality Submission accepted by the *Client* is not a compensation event.

Z59	Indemnified claims
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Z59.1 The *Client* notifies the *Contractor* as soon as practicable of any notice or demand which it receives in respect of a matter for which the *Contractor* is liable under the contract (an Indemnified Claim).

Z59.2 The *Contractor* may elect to conduct the defence of any Indemnified Claim (including any settlement negotiations) in the name of the *Client*. The *Client* co-operates with and gives reasonable assistance to the *Contractor* in defending the Indemnified Claim.

Z59.3 The *Contractor* keeps the *Client* fully and regularly informed and consults with the *Client* as appropriate in relation to the conduct of any Indemnified Claim.

Z59.4 Where the *Contractor* is diligently conducting the defence of an Indemnified Claim, the *Client* does not settle nor agree to make a payment in respect of the Indemnified Claim without the prior consent of the *Contractor*.

Z59.5 The *Contractor* bears the costs which it incurs in defending an Indemnified Claim. The *Contractor* indemnifies the *Client* against any costs incurred by the *Client* arising out of the *Contractor's* defence of the Indemnified Claim.

Z59.6 The *Client* may, at any time prior to the settlement of an Indemnified Claim, give the

Contractor notice that it is taking over the conduct of an Indemnified Claim. On receipt of the *Client's* notice the *Contractor*

- takes all the steps necessary to transfer the conduct of the Indemnified Claim to the *Client* and
- co-operates with and gives reasonable assistance to the *Client* in defending the Indemnified Claim.

Where the reason for the *Client's* notice is not due to the fault of the *Contractor* in conducting the Indemnified Claim, the *Contractor* is released from its indemnity to the *Client* in respect of it.

Z60	Tax Arrangements of appointees
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Z60.1 Where any Staff are liable to be taxed in the United Kingdom in respect of consideration received under this contract, the *Contractor* complies, and procures that the Staff comply, with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax in respect of that consideration.

Z60.2 Where any Staff are liable to National Insurance Contributions (NICs) in respect of consideration received under this contract, the *Contractor* complies, and procures that the Staff comply, with the Social Security Contributions and Benefits Act 1992 and all other statutes and regulations relating to NICs in respect of that consideration.

Z60.3 The *Client* may, at any time during the term of this contract, request the *Contractor* to provide information to demonstrate either how any member of Staff is complying with clauses Z60.1 and Z60.2 or why those clauses do not apply to it.

Z60.4 If the *Contractor* fails to provide information in response to a request under clause Z60.3

- within the period for reply or
- which adequately demonstrates either how any member of Staff is complying with clauses Z60.1 and Z60.2 or why those clauses do not apply to it

the *Client* may

- treat such failure as a substantial failure by the *Contractor* to comply with his obligations or
- instruct the *Contractor* to replace the relevant member of Staff.

Z60.5 If the *Client* receives or identifies information through any means which demonstrates that a member of Staff is not complying with clauses Z60.1 and Z60.2, the *Client* may treat such non-compliance as a substantial failure by the *Contractor* to comply with the contract.

Z60.6 The *Contractor* acknowledges that the *Client* may

- supply any information which it receives under clauses Z60.3 or Z60.5 or

- advise the non-supply of information

to the Commissioners of His Majesty's Revenue & Customs for the purpose of the collection and management of revenue for which they are responsible.

Z61	Not Used
Z62	Third Party Rights

Z62.1 A subcontractor and subsubcontractor have the right to enforce the terms of clause Z8 Subcontracting and Fair payment in section S 334 of the Scope.

Z62.2 Not used.

Z62.3 Otherwise, a person or organisation who is not a Party has no right to enforce any term of this contract under the Contracts (Rights of Third Parties) Act 1999.

Z63	Limitation of liability
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Z63.1 The *Contractor's* liability to the *Client* for the *Client's* indirect or consequential loss is limited to the amount stated in the Contract Data.

Z63.2 For any one event, the liability of the *Contractor* to the *Client* for loss of or damage to the *Client's* property

- within the Task Order Area is limited to the amount stated in the Contract Data and
- outside the Task Order Area is unlimited.

Z63.3 Not Used.

Z63.4 The *Contractor's*

- total liability to the *Client* for all matters arising under or in connection with the contract and
- total liability to the *Client* for all matters arising under or in connection with a Task

other than the excluded matters, is limited to the amounts stated in the Contract Data and applies in contract, tort or delict and otherwise to the extent allowed under the law of the country where the service is provided.

Z63.5 The excluded matters are amounts payable by the *Contractor* as stated in the contract for

- loss of or damage to the *Client's* property outside of the Task Order Area,
- delay damages,
- fraud or fraudulent misrepresentation,
- infringement of rights of others,

- loss or damage
 - to third party property or
 - due to pollution,
- loss arising from breach of
 - confidentiality or data protection obligations or
 - anti-bribery or anti-corruption obligations,
- interest on debt and
- losses caused by the *Contractor's* illegal acts, deliberate default, deliberate abandonment, wilful misconduct or reckless misconduct and
- other events for which the contract requires the *Contractor* to insure (but only up to the required level for each type of insurance stated in the Scope).