



Type 23 - Power Generation and MCAS Update (PGMU)

Lot 1 – Diesel Generators

SCHEDULE H to CONTRACT SSA/004/01

EXIT MANAGEMENT PLAN

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Version History

Version	Date	Superseded Documents/Description/Details
Version 1	15 July 13	
Version 2	08 Nov 2013	
Version 1	02 March 2015	Reset to version 1 for Contract Award

Summary of Changes

Section, Paragraph etc	Synopsis of Change	Change Request Form Reference

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1. Background

1.1 In the event of expiry or earlier termination of this Contract for any reason, the Contractor shall ensure:

1.1.1 an efficient and effective transition of the Services to the Authority or a Replacement Contractor, whilst maintaining required Contract outputs; or

1.1.2 an efficient and effective rundown of the Services and closure of the Contract whilst maintaining any required Contract outputs during the Exit Period.

1.2 This Schedule H sets out the principles of the exit arrangements that are intended to facilitate such transition or rundown.

2. Exit Plan

2.1 The Contractor shall develop Schedule H (Exit Management) within 3 (three) months of the Effective Date of Contract and the Parties shall agree the final form of Schedule H (Exit Management) within 6 (six) months of the Effective Date of Contract. The Parties shall comply with Schedule H (Exit Management) in the event of termination or expiry of the Contract.

2.1.1 for achieving an efficient and effective transition of the Services to the Authority or a Replacement Contractor or rundown of the Services;

2.1.2 for the arrangements for the transfer, disposal or retention arrangements for all Government Furnished Assets held in connection with the Contract. All such Government Furnished Assets shall be reconciled with requirements set out in DEFCON 694 (Accounting of Government Property). (including all remaining spares, reference sets and special to type sets) and associated timescales for action. These arrangements shall include the identification and transfer of any remaining unused spares back to the Authority at no cost to the Authority

2.1.3 for the arrangements for vacation of any Government Furnished Facilities.

2.1.4 for arrangements for the transfer to the Authority of the applicable information referred to in the following two sub-clauses:

2.1.4.1 In the case of termination by the Authority for Contractor Default, all Management Information and Technical Information required solely for the purpose of performing that part of the Contract remaining unperformed shall be provided. Where this includes proprietary IP belonging to the Contractor or a third party to the Contract, the Authority and the Contractor shall agree a licensing agreement which shall attract a reasonable licensing fee to be agreed between the contracting parties. The Authority's right of use of the Information provided pursuant to this sub-clause (on termination for breach) shall be limited to a period that is the same as the remaining duration of the Contract had it not been terminated. Where the Authority intends to place a contract with a Replacement Contractor to provide the Services remaining to be performed, then the Authority shall provide the Contractor with a written assurance that the Contractor's information provided, shall be protected and not used by such Replacement Contractor other than for such purpose.

2.1.4.2 In the case of expiry of the Contract or voluntary termination by the Authority pursuant to DEFCON 656, all Management Information. The Authority's right of use of the information provided pursuant to this sub-clause (on expiry or voluntary termination) shall be limited to 6 months after termination or expiry of the Contract.

2.2 Details of the major sub-contracts related to the Services and any exclusive suppliers or necessary licences and arrangements for the provision of any necessary information related to the supply chain.

2.3 Arrangements for the provision of any training to be provided to the Authority or any Replacement Contractor to enable the efficient transition and operation of the Services and any Management Information.

2.4 Details of those assets which would be required to support the operation of an alternative support solution for the Lot 1 (Diesel Generator) equipment as specified at Schedule A (Statement

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SCHEDULE H (EXIT MANAGEMENT PLAN) TO CONTRACT SSA/004/01

of Work) or continuation of the extant solution, together with the timing and arrangements for their transfer. Such assets shall be categorised as Deliverable Assets or Non Deliverable Assets:

2.4.1 Deliverable Assets shall, unless otherwise agreed, be subject to the provisions of the Contract;

2.4.2 Non Deliverable Assets are those items identified as being used by the Contractor solely for the purpose of administering and managing this Contract and not used for any other contract, services activity or work performed by the Contractor. Such items would be provided to the Authority by the Contractor at book value and sold as seen as seen (i.e. no warranty or implied fitness for purpose).

2.5 The Parties shall review and if appropriate update the Exit Plan on an annual basis.

2.6 The Authority and the Contractor shall appoint appropriately qualified and empowered representatives to manage the Exit Plan.

3. Contract Closure Plan

3.1 Where the Contract expires or is terminated in accordance with the provisions of the Contract and there is no continuing requirement for any of the Services, the Contractor shall support the Authority in generating a Contract Closure Plan.

4. Notification of Requirements for Exit Services

4.1 No later than 18 months prior to expiry of this Contract or in the case of termination, as soon as reasonably practicable after service of notice of termination pursuant to DEFCON 656 or service of a Contractor Default Termination Notice pursuant to Clause 23 (Contract Termination), the Authority shall serve a written notice (“the Exit Notice”) on the Contractor.

4.2 The Exit Notice shall specify:

4.1.1 the basis on which the Authority wishes to exit the Contract; and

4.1.2 the Exit Period, being the date from which any Exit Services are required to the date of contract expiry or termination; and

4.1.3 the Exit Services required from the Contractor during the Exit Period.

5. Exit Services

5.1 During the Exit Period the Contractor shall:

5.1.1 continue to provide the Services (unless otherwise directed by the Authority) and comply with its obligations under the Contract; and

5.1.2 provide the Exit Services as set out in the Exit Notice; and

5.1.3 use reasonable endeavours to ensure continuity of its management team with responsibility for delivering the Services.

5.2 During the Exit Period, the Authority will be deemed to have overall responsibility for managing implementation of the Exit Plan and the Exit Services.

6. Pricing and Payment for Exit Services

6.1 Where work is required to be undertaken in implementation of the Exit Plan which is in addition to the scope of the Contract or any other contracts between the Authority and Contractor or Government Furnished Asset provision, then the Contractor shall submit a costed proposal for providing the Exit Services to the Authority within 60 days of the Authority's Exit Notice for consideration and investigation.

6.2 The price to be paid for the Exit Services will be agreed with the Authority in accordance with DEFCON 643 or as otherwise agreed between the Authority and the Contractor. Such prices shall take account of the respective rights, remedies and liabilities of the Authority and the Contractor under the Contract. It shall also take account of the Authority's Intellectual Property user rights arising from the Contract or any other Contracts between the Authority and the Contractor

6.3 The Authority and Contractor shall agree a payment schedule for such agreed prices to be authorised through contract change procedure.

7. Continuity During Transition

7.1 In the event that the Authority transfers the provision of the Services to the Authority or to a Replacement Contractor, the Contractor may be required to support an implementation handover period of up to 3 (three) months (or as otherwise agreed) after the date of contract expiry or termination to enable the smooth transition of business to the Authority or Replacement Contractor. The extent of support required of the Contractor will be agreed between the Contractor, the Authority and, where applicable, the Replacement Contractor and will be subject to negotiation of a fair and reasonable price and payment provision.

7.2 Unless otherwise agreed with the Authority, the Contractor shall use reasonable endeavours to ensure that they keep the same team performing the Services throughout the transition period.

8. Transfer of Undertakings (Protection of Employment (TUPE))

8.1 Where it is intended to transfer the Services to the Authority or a Replacement Contractor, the Parties shall jointly consider whether the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations apply to the transfer. In cases where those Regulations apply, the Parties shall provide, in a timely manner, all information required in order to ensure compliance with their obligations under the Regulations. The Parties shall approach the consideration and any necessary subsequent application of the TUPE Regulations in accordance with such regulations.