



**NICHOLAS HARRIS** BSc (Hons) MCIPS  
Dismounted Close Combat Portfolio Commercial Lead  
Defence Equipment & Support  
Fir 1B, #2048, MOD Abbey Wood  
Bristol BS34 8JH



**Telephone** +443001585639

**Email** [Nicholas.Harris841@mod.gov.uk](mailto:Nicholas.Harris841@mod.gov.uk)

FNH UK LTD  
Phoenix House  
Slade Green Road  
Erith  
DA8 2HY  
U.K.

Our reference: 704656450

Date: 31/07/2025

FAO: Michelle Cantoni - CEO FN UK

Dear Michelle,

**OFFER OF CONTRACT FOR THE MIDLIFE IMPROVEMENT INITIATIVE ON A FLEET OF 2200 HEAVY MACHINE GUNS (L111A1- 12.7MM (.50) CALIBER)**

1. As you are aware, the Authority intends to enter into the above contract with you.
2. Please sign and return the enclosed final version of the Contract within 10 working days of the date of this letter to acknowledge your acceptance of the Terms and Conditions.
3. Please note that no Contract will come into force until both parties have signed it. The Authority will countersign the Contract and return a copy of the same to you.
4. Payment will be made in accordance with the attached Terms and Conditions. If your company has not already provided its banking details to the Defence Business Services (DBS) Finance Branch, you will be contacted by the named Commercial Officer to provide this information as part of the Onboarding process to [Contracting, Purchasing and Finance \(CP&F\)](#).
5. To aid the Authority with obligations placed on it by HM Treasury regarding International Financial Reporting Standard (IFRS) 16, please advise in writing to **Neena.Sahauli100@mod.gov.uk** whether or not there are any assets (which are Contractor-owned or the Contractor has leased that are being used through the Contract) for which the Authority has a right-of-use explicitly or implicitly present within the Contract. Where you identify such assets, please provide a full list in writing, including their location and the extent of the right-of-use by the Authority. The lease term<sup>1</sup> will be assumed to be the duration of the Contract (from start and end dates); if the asset is not available for use for the Contract duration, please provide start and end dates of when the asset is available for use. Please refer to the [HM Treasury IFRS 16 Leases Application Guidance](#) for further information
6. Under no circumstances should you confirm to any third party that you are entering into a legally binding contract for **PROJECT HMG MLI** prior to both parties signing the Terms and Conditions, or ahead of the Authority's announcement of the award of Contract

Yours sincerely,

Nicholas Harris - Dismounted Close Combat Portfolio Commercial Lead

<sup>1</sup> Lease term includes:

- a. periods covered by an option to extend the lease if the MOD is reasonably certain to exercise that option; and
- b. periods covered by an option to terminate the lease if the MOD is reasonably certain not to exercise that option.


**OFFER OF CONTRACT FOR THE MIDLIFE IMPROVEMENT INITIATIVE ON A FLEET OF 2200  
HEAVY MACHINE GUNS (L111A1- 12.7MM (.50) CALIBER)**

**Project HMG MLI (Heavy Machine Gun – Mid Life Improvement)**


**Reference Number: 704656450**

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

**For and on behalf of the FNH UK Ltd**

Name, Title, and Company Position	Michelle Cantoni, Chief Executive Officer, FNH UK Ltd
Signature	
Date	01/08/2025

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

Name and Title	Nicholas Harris Dismounted Close Combat Portfolio Commercial Lead
Signature	
Date	31/07/2025