



**Ministry
of Defence**

Delivery Team

Contract Number:

710595450

Description:

Provision of a Rotary Wing Command

Support Air Transport (RWCSAT) Helicopter
Service

**Between the Secretary of State for
Defence of the United Kingdom of
Great Britain and Northern Ireland**

And

Team Name and address:

Defence Equipment and Support



Contractor Name and Address

Email Address:

Telephone Number:

Email Address:



Telephone Number:

Schedules TO CONTRACT

<u>Schedule</u>	<u>Title</u>
Schedule 1	Statement of Requirements (SOR)
Annex A to Schedule 1	Integrated Support Plan (ISP) Product Description
Schedule 2	Definitions and Abbreviations
Schedule 3	Schedule of Requirements Line Item 1 Acceptance Criteria
Schedule 4	Payment Plan
Schedule 5	Rates
Schedule 6	Task Authorisation Form
Schedule 7	RWCSAT Tasking Process
Schedule 8	Not Used
Schedule 9	Statement Relating to Good Standing
Schedule 10	Issued Property and Government Furnished Facilities Register
Schedule 11	Insurance
Schedule 12	TUPE
Schedule 13	Security Aspects Letter
Schedule 14	Overfly, Underfly, TAF and Amendment Record
Schedule 15	Performance Measurement and Incentivisation
Schedule 16	Exit Management Plan
Schedule 17	Military Aviation Authority Regulatory Publications (MRP)
Schedule 18	Transition Management Plan
Schedule 19	Training Plan
Schedule 20	[If Applicable] DEFFORM 24A Bank Guarantee
Schedule 21	DEFFORM 68 Hazardous and Non-Hazardous Substances, Mixtures or Articles Statement by the Contractor
Schedule 22	DEFFORM 111
Schedule 23	DEFFORM 139 - MOD SME Spend Data Collection
Schedule 24	DEFFORM 177 Design Rights and Patents (Subcontractor's Agreement)
Schedule 25	DEFFORM 528 Import and Export Controls
Schedule 26	DEFFORM 532 – Personal Data Particulars
Schedule 27	DEFFORM 539A Contractors Commercially Sensitive Information Form
Schedule 28	DEFFORM 539B Publishable Performance Information – KPI Data Report
Schedule 29	DEFFORM 711 Notification of IPR Restrictions
Schedule 30	[If Applicable] Cyber Implementation Plan
Schedule 31	Supply Chain Resilience and Risk Awareness Mapping Template
Schedule 32	Licence to Occupy

1. SCHEDULE OF REQUIREMENTS

Name and Address of Contractor TBC	MINISTRY OF DEFENCE Schedule of Requirements (SOR)	Provision of a Rotary Wing Command Support Air Transport (RWCSAT) Helicopter Service Contract Number: 710595450
Issued With: ITT	On: TBC	Previous Contract No: SPMAP/0051

Requirements:

Item No	Description	£ (ex-VAT)
Pricing Period 1		
1	Year 1: Activities to support Transition to Service in accordance with the Statement of Requirement at Schedule 1, Payment Plan at Schedule 4 and Acceptance Criteria at Schedule 3 to the Contract for the period specified in the TMP.	£ (Firm Price)
2.1	Year 1: Provision of a Rotary Wing Command Support Air Transport Service in accordance with the Statement of Requirement at Schedule 1, Payment Plan at Schedule 4, and Performance Measurement and Incentivisation at Schedule 15 to the Contract for the period from end of Transition (Schedule of Requirements Item 1) to the end of Contract Year 1.	£ (Monthly Firm Price)
2.2	Year 2: Provision of a Rotary Wing Command Support Air Transport Service in accordance with the Statement of Requirement at Schedule 1, Payment Plan at Schedule 4, and Performance Measurement and Incentivisation at Schedule 15 to the Contract for the period from the end of Contract Year 1 to the end of Contract Year 2.	£ (Yearly Firm Price) £ (Monthly Firm Price)
2.3	Year 3: Provision of a Rotary Wing Command Support Air Transport Service in accordance with the Statement of Requirement at Schedule 1, Payment Plan at Schedule 4, and Performance Measurement and Incentivisation at Schedule 15 to the Contract for the period from the end of Contract Year 2 to the end of Contract Year 3.	£ (Yearly Firm Price) £ (Monthly Firm Price)

Pricing Period 2		
3.1	Year 4: Provision of a Rotary Wing Command Support Air Transport Service in accordance with the Statement of Requirement at Schedule 1, Payment Plan at Schedule 4 and Performance Measurement and Incentivisation at Schedule 15 to the Contract for the period from the end of Contract Year 3 to the end of Contract Year 4.	£ (Yearly (Fixed Price)) £ (Monthly (Fixed Price)) To be priced in accordance with Clause 19
3.2	Year 5: Provision of a Rotary Wing Command Support Air Transport Service in accordance with the Statement of Requirement at Schedule 1, Payment Plan at Schedule 4 and Performance Measurement and Incentivisation at Schedule 15 to the Contract for the period from the end of Contract Year 4 to the end of Contract Year 5.	£ (Yearly (Fixed Price)) £ (Monthly (Fixed Price)) To be priced in accordance with Clause 19
Training		
4	Provision of Training for the Rotary Wing Command Support Air Transport Service in accordance with Schedule 1 (Statement of Requirement), Schedule 19 (Training Plan) and authorised using Schedule 6 (Task Authorisation Form) to the Contract for entire Contract duration.	Priced separately utilising the fixed rates at Schedule 5 to the Contract
Additional Tasking		
5	Provision of Additional Tasking for the Rotary Wing Command Support Air Transport Service in accordance with Clause 15 and authorised using Schedule 6 (Task Authorisation Form) to the Contract for entire Contract duration.	Priced separately utilising the fixed rates at Schedule 5 to the Contract
Option Year – Exercised in accordance with Clause 22		
6	OPTION 1: Provision of a Rotary Wing Command Support Air Transport Service in accordance with the Statement of Requirement at Schedule 1, Payment Plan at Schedule 4 and Performance Measurement and Incentivisation at Schedule 15 to the Contract for a period from the end of Contract Year 5 to the end of the Option Year.	£ (Yearly (Fixed Price)) £ (Monthly (Fixed Price)) To be priced in accordance with Clause 19

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2. DEFENCE CONDITIONS

DEFCON	Edition	Description
DEFCON 5J	18/11/2016	Unique Identifiers
DEFCON 14	11/22	Inventions and Designs Crown Rights and Ownership Of Patents and Registered Designs
DEFCON 68	10/22	Supply Of Data For Hazardous Articles, Materials And Substances
DEFCON 76	11/22	Contractor's Personnel At Government Establishments
DEFCON 82	06/21	Special Procedures for Initial Spares
DEFCON 91	06/21	Intellectual Property Rights In Software Note for modifications carried out under Additional Tasking only where a list of deliverable software is agreed.
DEFCON 127	08/21	Price Fixing Condition for Contracts of Lesser Value
DEFCON 129J	18/11/2016	The Use Of Electronic Business Delivery Form
DEFCON 501	10/21	Definitions And Interpretations
DEFCON 503	06/22	Formal Amendments To Contract
DEFCON 507	07/21	Delivery
DEFCON 513	04/22	Value Added Tax (VAT)
DEFCON 514	08/15	Material Breach
DEFCON 515	06/21	Bankruptcy And Insolvency
DEFCON 516	04/12	Equality
DEFCON 518	02/17	Transfer
DEFCON 520	10/23	Corrupt Gifts And Payments Of Commission
DEFCON 522	11/21	Payment and Recovery of Sums Due
DEFCON 524	12/21	Rejection
DEFCON 524A	12/22	Counterfeit Materiel
DEFCON 525	10/98	Acceptance Note: Acceptance shall be in accordance with Clauses 24, 25 and 26.
DEFCON 526	08/02	Notices
DEFCON 527	09/97	Waiver
DEFCON 528	10/23	Import and Export Licences Note: Note see Schedule 25 for DEFFORM 528 template for use in conjunction with DEFCON 528
DEFCON 529	09/97	Law (English)
DEFCON 530	12/14	Dispute Resolution (English Law)
DEFCON 531	09/21	Disclosure Of Information
DEFCON 532B	12/22	Protection Of Personal Data (Where Personal Data is being processed on behalf of the Authority) Note: DEFFORM 532 at Schedule 26
DEFCON 534	06/21	Subcontracting and Prompt Payment

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DEFCON 537	12/21	Rights Of Third Parties
DEFCON 538	06/02	Severability
DEFCON 539	01/22	Transparency Note: DEFFORM 539B at Schedule 28
DEFCON 550	02/14	Child labour and Employment Law
DEFCON 565	07/23	Supply Chain Resilience and Risk Awareness Note the DEFFORM 565 is provided at Schedule 31 to the Contract
DEFCON 566	04/24	Change Of Control Of Contractor
DEFCON 601	04/14	Redundant Materiel
DEFCON 602A	04/23	Quality Assurance (With Deliverable Quality Plan)
DEFCON 604	06/14	Progress Reports
DEFCON 606	07/21	Change And Configuration Control Procedure
DEFCON 608	07/21	Access And Facilities To Be Provided By The Contractor
DEFCON 609	07/21	Contractor's Records
DEFCON 611	12/22	Issued Property
DEFCON 620	06/22	Contract Change Control Procedure
DEFCON 624	08/22	Use Of Asbestos
DEFCON 625	06/21	Co-Operation On Expiry Of Contract
DEFCON 627	04/24	Quality Assurance - Requirement for a Certificate of conformity
DEFCON 632	11/21	Third Party Intellectual Property - Rights and Restrictions
DEFCON 642	07/21	Progress Meetings
DEFCON 647	03/24	Financial Management Information
DEFCON 656B	08/16	Termination for Convenience – Over £5M
DEFCON 658	10/22	Cyber Note: Further to DEFCON 658 the Cyber Risk Profile of the Contract is Moderate, as defined in Def Stan 05-138. RAR-377677548
DEFCON 660	12/15	Official-Sensitive Security Requirements
DEFCON 670	02/17	Tax Compliance
DEFCON 671	10/22	Plastic Packaging Tax
DEFCON 675	03/21	Advertising Subcontracts (Defence and Security Public Contracts Regulations 2011 only)
DEFCON 678	09/19	SME Spend Data Collection Note: DEFFORM 139 template at Schedule 23
DEFCON 684	01/04	Limitation Upon Claims In Respect Of Aviation Products
DEFCON 694	07/21	Accounting For Property Of The Authority

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DEFCON 703	06/21	Intellectual Property Rights – Vesting In The Authority NOTE: Applicable to flight data; Platform Safety Assessment; Any training information generated in relation to Authority staff; Any TAF where it is agreed to apply to any specific deliverables.
DEFCON 707	10//23	Rights in Technical Data Note: This DEFFCON shall apply to modifications carried out under Additional Tasks; repair and maintenance logs; pilot training materials

3. DURATION AND SCOPE

- 3.1. The Contract shall be effective from signature of this Contract by both Parties and shall expire on [TBC] unless it is terminated earlier in accordance with the provisions of this Contract or extended by the Authority exercising the Option Year in accordance with Clause 22 to this Contract.
- 3.2. The Service Commencement Date (SCD) shall be in accordance with the conclusion of Schedule of Requirements Item 1 and the accepted Transition Management Plan at Schedule 18.
- 3.3. The scope of work to be carried out under the Contract is defined within Schedule 1 (Statement of Requirement) to the Contract.
- 3.4. The expiry or termination of this Contract shall not affect the continuance in force of any provision of this Contract which is expressly or by implication intended to continue in force on or after such expiry or termination, including, but not exclusively, any indemnification provisions, limits of liability, confidentiality provisions and Intellectual Property Rights (IPR).
- 3.5. The definitions and interpretations of this Contract are as set out in DEFCON 501 and Schedule 22.

4. PRECEDENCE

- 4.1. In the event of any conflict arising between the provisions of this Contract, the order of priority shall be as follows, save where expressly provided to the contrary:
 - 4.1.1 Statement of Requirement (Schedule 1);
 - 4.1.2 Terms and Conditions of Contract;
 - 4.1.3 All other Schedules to this Contract.
- 4.2. Should the Contractor or the Authority become aware of any conflicts or inconsistencies between any contractual documentation the party shall immediately notify the other party accordingly.
- 4.3. Conflict, or apparent conflict, between any documents shall be notified to the Authority for determination of how such conflict or apparent conflict shall be resolved. Such conflict is to be resolved jointly between the Authority and the Contractor and, upon resolution, the Parties shall confirm in writing, and make an amendment to the Contract in accordance with DEFCON 503 if appropriate.

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- 4.4. Disputes arising from inability of the Parties to agree on the solution to any conflict shall be resolved in accordance with DEFCON 530.

5. PUBLICITY AND COMMUNICATIONS WITH THE MEDIA

The Contractor shall not by itself, its Employees or agents (and shall ensure that its Sub-Contractors shall not):

- 5.1. The Contractor shall not by itself, its employees or agents (and shall ensure that its Sub-Contractors shall not):
- 5.1.1 communicate with representatives of the press, television, radio or other communications media on any matter concerning the provision of the Contractor Deliverables or this Contract, make any press announcements or publicise this Contract or its contents in any way;
 - 5.1.2 use the Authority's name or brand in any promotion or marketing or announcement of orders;
 - 5.1.3 photograph or film in or upon any Authority Sites;
 - 5.1.4 erect or exhibit on any part of the Authority Sites any signs or trade boards; or
 - 5.1.5 exhibit or attach to any part of the Authority Sites any notice or advertisement,

Unless:

- 5.1.6 the Authority has given its prior written consent; or
 - 5.1.7 as otherwise required to comply with Law, provided always that the Contractor shall, to the extent reasonably practicable, notify the Authority in advance (and provide the Authority with a copy) of the relevant communication, sign, notice or material.
- 5.2. Should the Contractor wish to release any publicity material or display hardware that arises from this Contract, the Contractor must seek the prior approval of the Authority. Publicity material includes open publication in the Contractor's publicity literature or website or through the media, displays at exhibitions in any country, lectures or symposia, scientific or technical papers, or any other occasion where members of the general public may have access to the information, even if organised or sponsored by the Authority or any other government department.
- 5.3. Each Party acknowledges to the other that nothing in this Contract either expressly or by implication constitutes an endorsement of any products or services of the other Party (including the Contractor Deliverables) and each Party agrees not to conduct itself in such a way as to imply or express any such approval or endorsement.

6. PLACING OF SUB-CONTRACTS

- 6.1. The Contractor shall bear full responsibility for the proper performance of all Subcontractors. The appointment by the Contractor of Subcontractors shall not derogate in any way from the Contractor's responsibilities as the Contractor.
- 6.2. The Contractor shall ensure that the terms and conditions of the Contract are reflected in all Subcontracts, at whatever level, to the extent necessary to enable the Contractor to fully meet his obligations to the Authority under the Contract.

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- 6.3. The Contractor shall furnish the Authority's Commercial Officer and Authority's Project Manager, identified in Schedule 22 (DEFFORM 111), with copies of, or relevant extracts from, Subcontracts and tenders, if requested by the Authority in writing.

7. EXIT MANAGEMENT

- 7.1. The Contractor shall comply with DEFCON 625 (06/21) and deliver an Exit Management Plan to the Authority no later than twelve (12) months prior to the Contract end date of TBC. The Exit Management Plan, once agreed by the Authority, shall become Schedule 18 to the Contract. The Contractor's proposed Exit Management Plan shall clearly set out how the Contractor shall complete the Service and deliver an orderly demobilisation Transition of the Services from the Contractor to the Authority and/or a successor Contract Service provider if required. The activities within the Exit Management Plan are to be concluded within six (6) weeks after the end of the Contract.
- 7.2. The Exit Management Plan shall include, but not be limited to, the following:
- 7.2.1 A list, by reference to each part of the Services, of the staff resources and key personnel (if any) used to provide such services, including any TUPE considerations if applicable.
- 7.2.2 The management structure to be employed during either cessation and/or any transfer of the Services, identifying any posts to deliver the demobilisation and plans for communication with the Contractor's and the Authority's staff, suppliers and any Service users to avoid any detrimental impact on the Authority's operations as a result of undertaking the transfer.
- 7.2.3 A detailed programme of the transfer process for use in conjunction with the Authority and/or (as the case may be) a successor Contract Service provider in the event that the Services (or their equivalent or any part thereof) are to be transferred to the Authority and/or (as the case may be) a successor Contract Service provider, including details of:
- 7.2.3.1 The means to be used to ensure an orderly and prompt transfer of responsibility for providing the relevant services to the successor Contract services provider while maintaining continuing provision of the Services throughout the transfer process or until the cessation of the Services (or their equivalent or any part thereof);
- 7.2.3.2 A detailed description of the cessation and/or any transfer processes, including a schedule of activities;
- 7.2.3.3 The process for handing responsibility for any work in progress and/or ongoing liabilities to the successor Contract Service provider (where applicable);
- 7.2.3.4 Documentation illustrating how the Services will transfer to a successor Contract Service provider and/or the Authority, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Authority's technology components from any technology components operated by the Contractor or its Sub-contractors (where applicable);
- 7.2.3.5 The scope of the demobilisation services that are required for the benefit of the Authority and detail how such services will be provided. In addition, the Contractor is required to demonstrate

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that the Exit Management Plan delivers the optimum value for money which minimises both cost and risk to the Authority;

7.2.3.6 Arrangements for the assignment or novation of contracts of the Contractor to the Authority or, if it so directs, the successor Contract Service provider;

7.2.3.7 Identify within the Exit Management Plan the Transition of the Services from the Contractor to the Authority and/or successor Contract Service provider whilst ensuring that all contractual requirements are met in full; and

7.2.3.8 Identification of critical issues and risks for providing the demobilisation activities.

7.2.4 Rules and procedures which will be adopted by the Contractor to ensure that it does not make inappropriate use of, or gain an unfair advantage as a result of, any information gained by the Contractor during any process for the re-Tender of the Services (or their equivalent or any part thereof)

- 7.3. Following receipt of the Exit Management Plan the Authority and Contractor will meet to review and agree both the Exit Management Plan and associated costs of implementation. The Contractor acknowledges that prior to any agreement of the Exit Management Plan further financial approvals may be required and the Contractor agrees that it shall not begin any execution work related to the Exit Management Plan until the Authority confirms that financial approval has been given. Any work undertaken by the Contractor prior to such confirmation shall be undertaken at their own risk.
- 7.4. The cost of preparation of the Exit Management Plan is to be included within the price for Schedule of Requirements Item 2 and 3 and shall not be at an additional cost to the Authority
- 7.5. Within the Exit Management Plan the Contractor shall propose a milestone payment schedule, which shall be linked to key events defined in the Exit Management Plan. A key milestone to be included will be the successful completion of demobilisation.
- 7.6. During the Transition Period, the Contractor shall, without prejudice to any other provisions in this Contract:
- 7.6.1 Provide such assistance, in accordance with such timetable as the Authority may reasonably require, for facilitating an efficient, effective and fair retender of the provision of the Services (or any part of them) such assistance to include effective co-operation with a gradual hand over from the Contractor to the Authority or a successor Contract Service provider in the three months prior to termination or expiry of this Contract;
- 7.6.2 Take all reasonable steps to ensure that, on the termination or expiry of this Contract: there is an efficient and seamless transfer of the Services (or any applicable part of them) to the Authority or a successor Contract services provider; or at the request of the Authority, there is an orderly cessation of the Services (or any applicable part of them);
- 7.6.3 and implement and comply with the Exit Management Plan as and when required to do so by the Authority.
- 7.7. The Contractor shall not at any time knowingly or recklessly do or omit to do anything which may adversely affect the ability of the Authority to ensure:
- 7.7.1 An orderly and prompt transfer of the Services (or any applicable part of them) to the Authority or a successor Contract services provider; or

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7.7.2 An orderly cessation of the Services in each case upon the termination or expiry of this Contract.

7.8. On the expiry or termination of this Contract (howsoever caused) or if earlier when required in accordance with the Exit Management Plan the Contractor shall deliver (whether in hard copy or electronic format) to the Authority at such location or locations as the Authority may nominate:

7.8.1 All stocks of any booklets, leaflets or information packs of the Authority which are held by or on behalf of the Contractor and/or any of its sub-contractors;

7.8.2 Any software provided by the Authority to the Contractor and/or any of its sub-contractors for use in connection with the services; and

7.8.3 Any data concerning any Service users, and which are obtained by the Contractor and/or any of its sub-contractors during the delivery of the services.

8. QUALITY ASSURANCE AND CONTROL

8.1. The Quality Assurance Representative identified in DEFFORM 111 shall be the point of contact for all matters affecting quality. Unless otherwise directed by the Authority, the Contractor shall interpret all references to QAA or QAR in Defence Standards, DEFCONs, etc., as reference to this point of contact.

8.2. The Contractor shall comply with the Quality Standards below:

BS EN 9100 (or AS version)	Quality Management Systems – Requirements for Aviation, space and Defence Organisations
BS EN 9110 (or AS version)	Quality Management Systems – Requirements for Aviation Maintenance Organisations
AQAP 2310 Edition B Version 2	NATO Quality Assurance Requirements for Aviation, Space, and Defence Suppliers
AQAP 2105 Edition C Version 1	NATO Requirements for Quality Plans
DEFCON 627	Quality Assurance – Requirement for a Certificate of Conformity
DEFCON 602A	Quality Assurance (With a Delivery Plan)
DEFSTAN 05-135 Issue 2	Avoidance of Counterfeit Materiel
DEFSTAN 05-061 Part 1 Issue 7	Requirements For Concessions
DEFSTAN 05-061 Part 4 issue 4	Requirements for Contractor Working Parties
DEFSTAN 05-061 Part 9 Issue 6	Requirements for Independent Inspection of Safety Critical Items
RA 4814	Occurrence Reporting MRP 145.A.60
RA 4815	Maintenance Procedures and Safety and Quality Policy MRP 145.A.65

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9. MILITARY AIRWORTHINESS (MAA) REQUIREMENTS

- 9.1. The Authority shall retain existing MOD Engineering Authority (EA) responsibilities for matters concerning Airworthiness. This does not absolve the Contractor from discharging their Airworthiness responsibilities as an EASA/UK CAA (or equivalent) approved organisation.
- 9.2. The Contractor shall comply with the following MAA Regulatory Publications (MRP) issued by the Military Aviation Authority (MAA):
- 9.2.1 Overarching documents:
- 9.2.1.1 MAA01: MAA Regulatory Policy
 - 9.2.1.2 MAA02: MAA Master Glossary
- 9.2.2 Regulatory Articles (RA) identified at Schedule 17.
- 9.2.3 MAA Manuals:
- 9.2.3.1 Manual of Air Safety
 - 9.2.3.2 MRP Part-145 Supplement – Requirements Document
- 9.3. The Contractor shall comply with the regulations set out in the above RAs by following:
- 9.3.1 The Acceptable Means of Compliance (AMC) prescribed therein;
- 9.3.2 Where there is more than one AMC, an AMC or AMCs agreed by the Contractor with the MAA;
- or
- 9.3.3 Other alternative means as may be agreed by the Contractor with the MAA.
- 9.4. Complying with the MRP does not reduce or limit any statutory or legal obligation of the Contractor.
- 9.5. The Authority shall retain the right to seek independent assurance and advice to support acceptance into Service and Release-to-Service (RTS) clearance. The Contractor shall provide access to records, including sub-Contractor records, for Contract purposes, to enable the MOD appointed Independent Safety Auditor (ISA) to carry out safety audits and other assessment activities to meet MOD Safety requirements.

10. OBSOLESCENCE

- 10.1. Any configuration changes due to obsolescence shall be approved in accordance with the Configuration Management Plan.
- 10.2. The Contractor shall provide the Authority with obsolescence status briefs, as part of the periodic programme reviews; see Serial 2.16 of Schedule 1 to the Contract (Statement of Requirements).
- 10.3. The Contractor shall be responsible for all costs associated with the mitigation of Obsolescence Concerns and the resolution of Obsolescence Issues. The costs for which the Contractor is responsible include, but are not limited to, the costs of investigating part availability, locating suitable part replacement, vendor interface, engineering and redesign

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efforts, testing and qualification requirements, documentation changes. The Contractor shall ensure that the Authority does not incur any additional costs due to obsolescence.

- 10.4. The Contractor shall be responsible for managing obsolescence over the entire period of the Contract and, notwithstanding any Obsolescence Issues or problems; the Contractor remains responsible for meeting all performance and other requirements of this Contract.
- 10.5. The Contractor shall implement a proactive obsolescence management strategy in accordance with IEC 62402:2007 (Obsolescence Management – Application Guide). This shall include as a minimum:
 - 10.5.1 the ongoing identification and review of Obsolescence Concerns and Obsolescence Issues over the period of the Contract;
 - 10.5.2 the identification of mitigation action for Obsolescence Concerns over the period of the Contract;
 - 10.5.3 the identification of resolution action for Obsolescence Issues.
- 10.6. This strategy shall include, but is not limited to, obsolescence of components, assemblies, sub-assemblies, piece parts, and material (hereafter referred to for purposes of this section only as "parts and/or material").

11. INSURANCE REQUIREMENTS

- 11.1. Without prejudice to its liability to indemnify or otherwise be liable to the Authority under this Contract, the Contractor shall for the periods specified in Schedule 11 (Insurance) take out and maintain or procure the taking out and maintenance of the insurances as set out under this Clause 11 (Insurance Requirements) and Schedule 11 (Insurance) and any other insurances as may be required by law, together the Required Insurances. The Contractor shall ensure that each of these required Insurances are effective in each case not later than the date on which the relevant risk commences.
- 11.2. The required Insurances shall be taken out and maintained with insurers who are of good financial standing and of good repute in the international insurance market.
- 11.3. Where specified in Schedule 11 (Insurance) the Contractor shall ensure that the relevant policy of insurance shall contain an indemnity to principals clause or additional insureds equivalent, under which the Authority shall be indemnified in respect of claims made against the Authority arising from death or bodily injury or third-party property damage, and for which the Contractor is legally liable in respect of this Contract.
- 11.4. Where the minimum limit of indemnity required in relation to any of the Required Insurances is specified as being "in the aggregate" and there is a claim or claims which do not relate to this Contract are notified to the insurers which, given the nature of the allegations and/or the quantum claimed by the third party(ies), is likely to result in a claim or claims being paid by the insurers which could reduce the level of cover available below that minimum, the Contractor shall ensure that the insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified for claims relating to this Contract.
- 11.5. The Contractor shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the required Insurances.
- 11.6. The Authority may elect (but shall not be obliged) where notice has been provided to the Contractor to purchase any insurance which the Contractor is required to maintain pursuant to this Contract but has failed to maintain in full force and effect, and the Authority shall be

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entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Contractor.

- 11.7. The Contractor shall from the date of this Contract and within fifteen (15) business days after the renewal of each of the Required Insurances, provide evidence, in a form satisfactory to the Authority, that the required Insurances are in full force and effect and meet in full the requirements of this Clause 11 (Insurance Requirements) and Schedule 11 (Insurance). Receipt of such evidence by the Authority shall not in itself constitute acceptance by the Authority or relieve the Contractor of its liabilities and obligations under this Contract.
- 11.8. The Contractor shall notify the Authority in writing at least ten (10) business days prior to the cancellation, suspension, termination or non-renewal of any of the required Insurances. This Clause 11 (Insurance Requirements) shall not apply where the termination of any required Insurances occurs purely as a result of a change of insurer in respect of any of the required Insurances required to be taken out and maintained in accordance with this Clause 11 (Insurance Requirements) and Schedule 11 (Insurance).
- 11.9. The Contractor shall promptly notify to insurers any matter arising from, or in relation to, this Contract for which it may be entitled to claim under any of the required Insurances. In the event that the Authority receives a claim relating to this Contract, the Contractor shall co-operate with the Authority and assist it in dealing with such claims including without limitation providing information and documentation in a timely manner.
- 11.10. Except where the Authority is the claimant party, the Contractor shall give the Authority notice within twenty (20) business days after any insurance claim in excess of [REDACTED] relating to this Contract on any of the Required Insurances or which, but for the application of the applicable policy excess, would be made on any of the required Insurances and (if required by the Authority) full details of the incident giving rise to the claim.
- 11.11. Where any required Insurance requires payment of a premium, the Contractor shall be liable for such premium.
- 11.12. Where any insurance referred to in this Clause 11 (Insurance Requirements) and Schedule 11 (Insurance) is subject to an excess or deductible below which the indemnity from insurers is excluded, the Contractor shall be liable for such excess or deductible which would otherwise be insured but for the excess or deductible. The Contractor shall not be entitled to recover from the Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this Contract or otherwise.

12. AIRCRAFT AND EQUIPMENT SUBSTITUTION OR REPLACEMENT

- 12.1. The Contractor shall not change the agreed Primary Aircraft (whether to a different Aircraft of the same type or an Aircraft of a different type), or any equipment type fitted therein without the prior unambiguous approval in writing from the Authority Capability Pillar Lead (as identified by the Authority on request by the Contractor) or their authorised representative.
- 12.2. Replacement Aircraft provided by the Contractor shall be subject to the approval of the Authority Project Manager identified in Schedule 22 (DEFFORM 111) or their authorised representative.

13. MOVEMENT OF VEHICLES AND EQUIPMENT ON MOD AIRFIELDS

- 13.1. In the case of Aircraft recovery, the Contractor shall obtain prior permission from Air Traffic Control (ATC) before moving vehicles, plant or materials into Aircraft movement areas. The Contractor shall adhere strictly to the Instructions of the ATC Officer regarding such movements. Any vehicle employed by the Contractor for regular use within movement areas shall be fitted with an externally mounted amber light.

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14. PROCEDURE FOR CONTINUING THE RW CSAT SERVICE DURING PERIODS OF SCHEDULED AND UNSCHEDULED MAINTENANCE

- 14.1. Both Parties recognise the importance of ensuring that 32 (TR) Sqn can continue to provide the Service to their customers during periods of Scheduled and Unscheduled Maintenance. The emphasis is on the flexibility of the Contractor and the resources available to them to ensure that the Authority shall be provided with seamless backup support throughout the Contract period.
- 14.2. The Contractor's Chief Engineer at RAF Northolt (or their authorised representative) shall liaise with OC 32Sqn-FHQ (or their authorised representative) regarding the necessity to provide a Replacement Aircraft as a result of Unscheduled or Scheduled Maintenance.
- 14.3. All costs for the provision of a Replacement Aircraft arising as a result of Scheduled and Unscheduled Maintenance are included within Schedule of Requirements Items 2, 3 and 6.
- 14.4. The Contractor shall supply a pre-arranged Replacement Aircraft during periods of planned Scheduled Maintenance as required by the Authority.
- 14.5. In the event of a tasked Aircraft becoming unserviceable the on duty 32(TR) Sqn pilot and Contractor's duty engineer will consult and agree the quickest method of ensuring that the Task gets completed. The options available (in no order of priority) may be:
 - 14.5.1 The Contractor sending an engineering team to rectify the fault.
 - 14.5.2 The Contractor sending a suitable Replacement Aircraft.
- 14.6. In the event that an Aircraft cannot be made Available for more than five (5) calendar days in duration and is not directly as a result of a forecast and agreed scheduled inspection then the Contractor will (at the Authority's discretion) either produce a full incident report or attend an Aircraft Unavailability meeting to provide the Authority with a complete review of the event.
- 14.7. The approved Replacement Aircraft shall remain at the disposal of the Authority until such time as the Primary Aircraft is returned to Service. A report of Aircraft Availability shall form part of the regular Monthly Reports and Quarterly Progress meetings.

15. ADDITIONAL TASK PROCESS

- 15.1. Any required activity not already covered by Schedule 1 (Statement of Requirement) shall be on a Tasking basis and shall be authorised by means of a Task Authorisation Form (TAF) as per Schedule 6 to the Contract.
- 15.2. Training courses listed in Serial 6 of Schedule 1 (Statement of Requirement) shall be authorised by means of a Task Authorisation Form (TAF) as per Schedule 6 to the Contract.
- 15.3. When a new Task or change to an Existing Task is proposed, the Scope of work for each Task shall be specified upon Part A of the TAF. Where the Task relates to any design work, or the generation of any other technical information, the RFQ form will include DEFCON 707 (Rights in Technical Data). The Form shall be completed and signed by the Authority's Project Manager and Authority's Commercial Officer as identified at Schedule 22 (DEFFORM 111) and sent to the Contractor by the Authority's Commercial Officer. Each new Task shall be allocated a unique serial number by the Authority.
- 15.4. The Contractor shall review the completed TAF Part A and (if required) ask for further clarification of the Authority's requirement within ten (10) business days of receipt of the

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TAF. The first point of contact for clarification and further details shall be the Authority's Commercial Officer identified in Schedule 22 (DEFFORM 111).

- 15.5. The Contractor shall provide the Authority's Commercial Officer identified in Schedule 22 (DEFFORM 111) with a Firm Price quotation for carrying out the Task using Part B of the TAF. All prices shall show the breakdown of hours required to complete each activity utilising the agreed rates at Schedule 5 to this Contract. The Contractor shall also provide the following details on submission of the TAF (Part B) to the Authority:
- 15.5.1 Timescales and estimated completion date of the Additional Task.
 - 15.5.2 The validity period of the price.
 - 15.5.3 Any subcontract/external resource required to undertake the Additional Task.
 - 15.5.4 Details of where the Additional Task is to take place.
- 15.6. Approval to proceed with the work shall be confirmed by completion and signing of Part C of the TAF by the Authority's Commercial Officer returned to the Contractor.
- 15.7. Upon satisfactory completion of the Additional Task, the Contractor shall submit a signed Part D to the Authority's Project Manager identified in Schedule 22 (DEFFORM 111) for countersignature. The Authority's Project Manager shall sign and return the signed Part D to the Contractor.
- 15.8. The Contractor can then submit an invoice for payment on CP&F.
- 15.9. Once approved, each Task shall be incorporated into Schedule 14 (Overfly, Underfly, TAF and Amendment Record) of the Contract by formal Contract Amendment quarterly.

16. AIRCRAFT TASKING

- 16.1. OC 32Sqn-FHQ will be responsible for day-to-day scheduling of Aircraft Tasking and this will be managed in accordance with the Aircraft Tasking Process at Schedule 7. OC 32 Sqn-FHQ will work closely with the Contractor to identify problems before they seriously affect performance but will not assume responsibility for management of the Contractor's Task.
- 16.2. The Contractor shall notify the Authority's Commercial Officer and the Authority's representative identified in Schedule 22 (DEFFORM 111) as soon as the Contractor becomes aware of any issues that may affect performance of the Contract, and shall provide a plan to mitigate or resolve these issues without undue impact to delivery of the Contract.

17. PRICING PERIODS

- 17.1. The following periods apply to this Contract for the purposes of pricing:
- Pricing Period 1 – Contract Award until end of Contract Year 3.
 - Pricing Period 2 – From the outset of Contract Year 4 to expiry of the Contract.
- Variation of Price (in accordance with Clause 19) shall be applied in each Contract Year of Pricing Period 2.

18. PRICING PERIOD 1: FIRM PRICE

- 18.1. The prices stated for Schedule of Requirements Item Nos. 1 and 2 and the prices in Schedule 5 (Rates) for Pricing Period 1 to this Contract shall be FIRM priced and non-revisable in £ Sterling. Prices shall be net, after allowing for all cash and trade discounts.

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The prices shall include the cost of packing and shall be inclusive of all appropriate taxes (but excluding Value Added Tax). The price shall include the cost of compliance with all other terms and conditions of the Contract.

19. PRICING PERIOD 2: VARIATION OF PRICE

19.1 The prices stated for Schedule of Requirements Item No. 3 and 6 and the prices in Schedule 5 (Rates) for Pricing Period 2 to this Contract shall be FIXED at Contract Year 1 price levels. The prices do not include provision beyond this date for increases or decreases in the market price of the Articles being purchased. Any such variation shall be calculated in accordance with the following formula:

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

Where:

V represents the variation of price

P represents the FIXED price as stated in the Schedule of Requirements

O represents the indices:

D7BT - CPI INDEX 00: ALL ITEMS 2015=100 to cover the pricing of Schedule of Requirement Items 3 and 6 including Overfly and Underfly Rates at Schedule 5.

HQTI - Top Level SPPI, Sections H to U excl. Section K to cover the pricing of Schedule of Requirement Items 4 and 5 for Additional Tasking rates and training elements at Schedule 5.

O₀ represents the average OUTPUT Price Index figure for the base period [12 months immediately prior to the date of the Contract] to [The date of the Contract] (as above)

O_i represents the average OUTPUT Price Index figure for the period [12 months immediately prior to the relevant Contract Year] to [The first day of the relevant Contract Year]

a represents the Non-Variable Element (NVE) = 0

b represents the Variable Element = 1

$$a+b=1$$

19.2. The Index referred to above shall be taken from the following Tables:

OUTPUT Price Index – **D7BT – CPI INDEX 00: ALL ITEMS 2015=100**
HQTI – Top Level SPPI, Sections H to U excl.
Section K

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

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

19.5. In the event the agreed index or indices cease to be published (e.g. because of a change in the Standard Industrial Classification) the Authority and the Contractor shall agree an appropriate replacement index or indices, which shall cover to the maximum extent possible the same economic activities as the original index or indices. The methodology outlined by the Office for National Statistics used for rebasing indices (as in Clause 19.4 above) shall then be applied.

19.6. Notwithstanding the above, any extant index / indices agreed in the Contract shall continue to be used as long as it is / they are available and subject to ONS revisions policy. Payments calculated using the extant index / indices during its / their currency shall not be amended retrospectively as a result of any change to the index or indices.

19.7. The Contractor shall notify the Authority of any significant changes in the purchasing / manufacturing plan on the basis of which these provisions were drawn up and agreed, or of any other factor having a material bearing on the operation of these provisions such as to cause a significant divergence from their intended purpose, in order that both Parties may consider whether any change in this provision would be appropriate.

19.8. Prices shall be adjusted taking into account the effect of the above formula as soon as possible after publication of the relevant indices or at a later date if so agreed between the Authority and the Contractor. Where an index value is subsequently amended, the Authority and the Contractor shall agree a fair and reasonable adjustment to the price, as necessary.

19.9. Claims under this Clause shall be submitted to the Bill Paying Branch, certified to the effect that the requirements of this Clause 19 have been met.

19.10. Prices shall be in £ sterling and net, after allowing for all cash and trade discounts. Prices shall include the cost of packing and shall be inclusive of all appropriate taxes (but excluding Value Added Tax). The price shall include the cost of compliance with all other terms and conditions of the Contract.

20. ANNUAL FLYING HOURS - UNDER-FLY AND OVER-FLY

20.1. The Annual Flying Task (AFT) for the Service is detailed within the Statement of Requirement (Technical) at Schedule 1. The AFT shall be prorated if the Service is not delivered for the full Contract Year. Should the Authority not Task those number of hours required to meet the AFT, the Authority has the right to:

20.1.1 Carry a maximum of 50 Flying Hours from one Contract Year to add it to the AFT of the next Contract Year, or;

20.1.2 Multiply the Underfly arising in the relevant Contract Year by the Underfly hourly rate at Table 4 of Schedule 5 (Rates). The resulting amount shall be received back by the Authority by either of the following options:

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- 20.1.2.1 Payment of the amount, as calculated above, from the Contractor to the Authority, or;
 - 20.1.2.2 The amount, as calculated above, shall be reduced from the monthly charge for Schedule of Requirements Item Nos 2 or 3 as appropriate.
 - 20.1.2.3 Utilise a combination of 20.1.1 and 20.1.2.2 above to the maximum total of the Underfly in the relevant Contract Year.
- 20.2. The Authority's decision as to whether to carry over Underfly into a following Contract Year shall be made by the Authority after the end of each Contract Year, when the Flying Hours are known and agreed between the Parties. Any agreement will be recorded in Schedule 14 (Overfly, Underfly, TAF and Amendment Record) at the next amendment to Contract in accordance with Clause 34.
- 20.3. In the event that the Authority requires more Flying Hours in a Contract Year than permitted under the Annual Flying Task for that Contract Year the Authority will notify the Contractor accordingly. Additional Flying Hours shall be priced using the Overfly hourly rates at Table 4 of Schedule 5 (Rates) and tasked under Schedule of Requirements Item No. 5 – Additional Tasks using the TAF at Schedule 6 and in accordance with Clause 15.

21. PRICING OF SCHEDULE OF REQUIREMENTS ITEM Nos. 4 and 5 – TRAINING AND ADDITIONAL TASKING

- 21.1. All tasks under Schedule of Requirements Item Nos. 4 and 5 shall be Firm priced on a case-by-case basis utilising the rates provided at Schedule 5 (Rates) to the Contract and in accordance with the Additional Tasking Process detailed at Clause 15.
- 21.2. The rates provided in Schedule 5 include all costs associated with overheads and profit.
- 21.3. If the Additional Task requires the Contractor to sub-Contract work then a [REDACTED] handling charge may be applied to the cost of the Task.

22. EXERCISE OF OPTIONS

- 22.1. The Contractor hereby grants to the Authority in consideration of the award of this Contract an irrevocable right to further extend the Contract by a one (1) year period as per Schedule of Requirements Item No. 6, known as the 'Option Year.'
- 22.2. Further to Clause 22.1 above, the Option Year shall be Fixed Priced, subject to Variation of Price (VOP) in accordance with Clause 19.
- 22.3. Should the Authority wish to exercise the Option Year, at its sole discretion, the Authority shall do so by Notice to the Contractor no later than 6 (six) months prior to the expiry of the Contract. Following such an extension of the Contract duration the Authority shall issue an administrative Contract Amendment, in accordance with Clause 34 in order to record the extended duration of the Contract.
- 22.4. The Authority shall not be obliged to exercise the Option Year.

23. PAYMENTS/RECEIPTS

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- 23.1. In order to obtain payment, the Contractor shall, upon completion or performance of the Contract (or any part of the Contract for which the Contractor is entitled to payment) submit a claim for payment on Contract, Purchasing & Finance System (CP&F).
- 23.2. Claims for payment of Schedule of Requirements Item 1 shall be made in accordance with the acceptance criteria in Schedule 3 (Schedule of Requirements Line Item 1 Acceptance Criteria), Clause 24 and the Payment Plan set out in Schedule 4 to the Contract.
- 23.3. Claims for payment of Schedule of Requirements Items 2 and 3 shall be made monthly in arrears spread equally over the period of support, in accordance with the acceptance criteria at Clause 25, Key Performance Indicators set out in Schedule 15 (Performance Measurement and Incentivisation) to the Contract and the Payment Plan set out in Schedule 4 to the Contract.
- 23.4. Claims for payment of Schedule of Requirements Items 4 and 5 shall be invoiced on completion of each Task in accordance with the acceptance criteria at Clause 26 and the instructions set out within each individual TAF.

24. ACCEPTANCE AND REJECTION FOR SCHEDULE OF REQUIREMENTS ITEM 1

- 24.1. Within thirty (30) business days following completion of all Transition into Service Milestones and in accordance with the Acceptance Criteria detailed in Schedule 3 (Schedule of Requirements Line Item 1 Acceptance Criteria) the Authority will inspect the Aircraft and review all documentation received.
- 24.2. The Authority shall confirm acceptance in writing provided the Aircraft and documentation conform with the requirements of the Acceptance Criteria detailed in Schedule 3 (Schedule of Requirements Line Item 1 Acceptance Criteria) and Schedule 18 (Transition Management Plan) Transition into Service Milestones.
- 24.3. Prior to Acceptance by the Authority, the Authority may reject the Aircraft and any documentation if it does not conform with the requirements of the Contract. If the Aircraft or supporting documentation is rejected the Authority shall detail in writing why and agree a reasonable timeframe with the Contractor for rectification no longer than thirty (30) calendar days.
- 24.4. Within ten (10) business days of receiving written confirmation of Aircraft acceptance, the contractor the Aircraft is to be made available at RAF Northolt ready for Tasking.

25. ACCEPTANCE AND REJECTION FOR SCHEDULE OF REQUIREMENTS LINE ITEMS 2, 3 and 6

- 25.1. Within five (5) business days following receipt of the Monthly Progress Report detailing Contractor performance, in accordance with the Key Performance Indicators at Schedule 15, the Authority shall review the Contractor's performance.
- 25.2. Provided the Monthly Progress Report is in accordance with Schedule 15 (Performance Measurement and Incentivisation) and serial 2.52 of Schedule 1 (Statement of Requirement) and accurately reflects the Contractor's performance for that period, the Authority will confirm level of performance, communicate any acceptance and detail any deduction that will be made to the Monthly Payment in accordance with Schedule 15 (Performance Measurement and Incentivisation).
- 25.3. If the Monthly Progress Report is rejected, the Contractor shall review and submit a revised report within five (5) business days. The Authority will review the revised report in accordance with Clause 25.1 and 25.2.

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26. ACCEPTANCE AND REJECTION FOR SCHEDULE OF REQUIREMENTS LINE ITEMS 4 AND 5

- 26.1. Acceptance and Rejection shall occur on completion of each Task in accordance with the instructions set out within each individual TAF.

27. KEY PERFORMANCE INDICATORS (KPIs)

- 27.1. The provision of the Service will be measured against the Key Performance Indicators, the requirements to be measured and the impact of failure to achieve the requirements are set out in Schedule 15 (Performance Measurement and Incentivisation).

28. UNSATISFACTORY PERFORMANCE

- 28.1. Any instances where, in the opinion of the Authority, the Contractor has failed to perform the whole or any part of the Service shall be managed through the processes set out in Paragraphs 14 and 15 of Schedule 15 (Performance Measurement and Incentivisation) and DEFCON 514 (Material Breach). This is without prejudice to the rights of the Authority to apply any other remedy provided for in the Contract or in law.

29. CYBER

- 29.1 In accordance with the Defence Cyber Security Model (CSM) requirements in correlation to the defined Cyber Risk Profile and Risk Assessment Rating for the Contract, the Authority requires the Contractor to maintain the required Cyber Essentials Certification throughout the duration of the Contract. These requirements are in conjunction with DEFCON 658, DEFSTAN 05-138, DEFSTAN 05-139 and will be measured as a Deliverable of the Contract. Failure to meet or uphold the Cyber Security requirements will result in the agreement of a Cyber Implementation Plan (CIP). Once agreed the Cyber Implementation Plan will be included in the Contract at Schedule 30.

30. PROGRESS MEETINGS

- 30.1. Progress Meetings shall be held between the Authority and the Contractor in accordance with serial 4 of Schedule 1 (Statement of Requirement)
- 30.2. The Chairman of the meetings shall be the Authority's Project Manager identified in Schedule 22 (DEFFORM 111) who will be accompanied by such other officers as they deem appropriate.
- 30.3. In addition to the Progress Meetings, the Authority's Project Manager, shall convene other meetings on an as required basis, subject to agreement with the Contractor, at either the Contractor's or the Authority's premises, to enable the Authority to monitor progress under the Contract.
- 30.4. The Contractor shall issue minutes to the Authority for approval no later than ten (10) business days following each scheduled meeting. The Authority will review and either request amendment or agree the minutes within a further ten (10) business days.
- 30.5. The Contractor shall issue and distribute the final agreed minutes no later than five (5) business days of agreement being reached with the Authority.

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- 30.6. The Contractor shall issue and distribute the final agreed minutes no later than five (5) business days of agreement being reached with the Authority.

31. CONTRACTOR'S PERSONNEL

- 31.1. Personnel employed under the Contract must have the appropriate security clearances, qualifications and competence and in all respects be acceptable to the Authority. The Contractor is responsible for ensuring that the security clearances of each employee remain valid throughout the duration of the Contract.
- 31.2. The Contractor shall take all reasonable steps to avoid changes of personnel assigned to and accepted for work under the Contract. Except whenever changes are unavoidable or of a temporary nature caused by sickness etc, the Contractor shall give at least one month's notice to the Authority's Project Manager identified in Schedule 22 (DEFFORM 111).

32. REPORTS

- 32.1. In addition to DEFCON 604, all other reports required for this Contract are identified in the Statement of Requirement at Schedule 1 and the Key Performance Indicators set out in Schedule 15 (Performance Measurement and Incentivisation) to the Contract. The Contractor shall deliver the reports in line with the dates identified in the Statement of Requirement and to the acceptance of the Authority's Project Manager identified in Schedule 22 (DEFFORM 111). If the Authority requires any report to be amended, the Contractor shall incorporate the comments and resubmit the report to the Authority within five (5) business days of request for the Authority's approval.

33. DISPUTE RESOLUTION

- 33.1. Should a dispute arise, the dispute shall be resolved in the following manner:
- 33.1.1 Stage 1 – In the first instance the Authority's and Contractor's Project Managers, and the Authority's and Contractor's Commercial Officers, shall resolve any disputes. If agreement is not reached then the dispute shall be referred to the next formal meeting (Quarterly Progress Reviews or Annual Contract Review) for resolution. The Progress Meeting will endeavour to resolve the dispute within thirty (30) calendar days or agree a reasonable timeframe in which the dispute is to be resolved.
 - 33.1.2 Stage 2 - Should the dispute not have been resolved by the Quarterly Progress Reviews or Annual Contract Review deadline, the matter shall be referred to both Parties' senior project management hierarchy (this shall be Authority and Contractor equivalents with equal numbers of personnel representing each of the Parties). Should the dispute remain unresolved after a further thirty (30) calendar days (or such period as mutually agreed by the Parties); the provisions of Clause 33.2 below shall apply.
- 33.2. Notwithstanding the provisions of Clause 33.1, the Authority or the Contractor may resort to Arbitration or Alternative Dispute Resolution (ADR) in accordance with DEFCON 530 (Dispute Resolution English Law) following a period of sixty (60) calendar days for negotiations acting reasonably and in good faith.
- 33.3. The Authority and the Contractor shall continue to comply with, observe and perform all of their obligations in this Contract regardless of the nature of any dispute which arises and notwithstanding referral of any such Dispute Resolution under this Clause 33 and shall give effect forthwith to any decision of the Arbitrator delivered.

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34. AMENDMENTS TO CONTRACT

- 34.1. For the purposes of DEFCON 503 and DEFCON 620, amendments to the Contract shall be serial numbered and issued only by the Authority's Commercial Officer identified in Schedule 22 (DEFFORM 111).
- 34.2. Only the Authority's Commercial Officer identified in Schedule 22 (DEFFORM 111), or their authorised representative, is authorised to vary the Terms & Conditions of the Contract. Such variations shall only be effective if agreed in writing.

35. TECHNICAL PUBLICATION CLAUSE

- 35.1. The Contractor shall take that the Authority has the right to copy, amend, extend or have copied, amended or extended any technical publication called for under items 1 to 6 of the Schedule of Requirements or any part thereof including any such part when incorporated in any amended or extended version of such technical publication, and to circulate, use or have used said technical publication including any amended or extended version and any copies thereof for any United Kingdom Government purpose but not for the purpose of manufacturing equipment to which the technical publication relates

36. ISSUED PROPERTY AND GOVERNMENT FURNISHED FACILITIES

- 36.1. The requirements of DEFCON 611 (Issued Property) and DEFCON 694 (Accounting for Property of the Authority) shall apply to all property issued to the Contractor for the purposes of this Contract.
- 36.2. For the duration of the Contract the Authority shall provide, free of charge, and solely for the purposes of the Contract the facilities detailed at Schedule 10 (Issued Property and Government Furnished Facilities Register).
- 36.3. The Authority shall allot buildings as specified in Schedule 10 (Issued Property and Government Furnished Facilities Register) on Contract Support Item terms for the purposes of the Contract. The Authority reserves the right to vary the numbers and types of buildings allotted for the purpose of the Contract.
- 36.4. No advertisement or company logo of any description shall be exhibited anywhere on the station without the express written permission of the Authority Project Manager, identified in Schedule 22 (DEFFORM 111) or their authorised representative.
- 36.5. The Contractor shall ensure that all fire precautions and other security measures are taken in the allotted buildings in accordance with the Authority's current instructions. Fire services and training shall be provided by the Authority.
- 36.6. The Contractor shall not alter, modify or otherwise cause to be changed or amended in any way any building, electrical Service or the connection of any machinery or plant, nor construct any new buildings, facilities or structures without the prior approval of the Authority in writing. Where approval is given, the work shall be carried out to the satisfaction of the Authority Project Manager identified in Schedule 22 (DEFFORM 111) or their authorised representative.
- 36.7. The Contractor shall be responsible for the provision of any additional fire protection or prevention equipment resulting from a change in working practice or other action on their part which increases the fire risk or causes new hazards in the event of an outbreak of fire.

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These will become part of the fixtures and fittings and belong to the Authority at the end of the Contract term or earlier termination.

- 36.8. The Contractor shall be responsible for monitoring the conditions of the facilities and buildings and initiating requests for maintenance and repair without delay. The Contractor shall be responsible for the cleanliness of all buildings, facilities and their surrounds allotted to the, under this Contract, but not the repair of drains, gullies and manholes.
- 36.9. The Contractor shall take all precautions to ensure due economy consistent with efficiency in the use of such services and shall actively participate in the Station energy conservation programme. The Contractor is to ensure that any Issued Property provided to them, including use of telephones and IT equipment is used for discharging their obligations under the Contract and not for personal use.
- 36.10. The Contractor shall inform the Authority if Government property, services or facilities not specified as for issue are used by them for the purpose of the Contract and shall pay a fair and reasonable price therefore.
- 36.11. Whilst the Authority shall endeavour to ensure the continuity of the allotted property, services and facilities, any failure to do so shall not be deemed to be a breach of the Contract. Under such circumstances the Contractor shall continue to perform the Contract subject to any change agreed with the Authority Project Manager identified in Schedule 22 (DEFFORM 111) or their authorised representative.
- 36.12. The contractor will not be held liable for a failure to deliver their contracted services arising as a consequence of a failure by the Authority, for whatever reason, to supply the items and facilities detailed in Schedule 10 (Issued Property and Government Furnished Facilities Register), provided the contractor has taken all reasonable steps to mitigate the impact of such a failure.
- 36.13. All Issued Property and Government Furnished Facilities made available to the Contractor shall be open at all reasonable times for inspection by representatives of the Authority or others who have a statutory right of access.
- 36.14. Immediately prior to occupation the Contractor shall agree with the Authority Project Manager identified in Schedule 22 (DEFFORM 111) or their authorised representative an inventory detailing the condition of the allotted facilities and loan items. The inventory shall account for all issues of Government property (including arisings there from) and shall comprise complete records of receipt and use or disposal to the satisfaction of the Authority. The Authority may determine the form of the inventory and the extent of the information to be recorded therein and may require the Contractor to comply with an approved stock recording scheme. A copy of the inventory shall be held by the Authority Project Manager identified in Schedule 22 (DEFFORM 111) or their authorised representative, and it shall not be amended without their approval.
- 36.15. Neither the Contractor, nor any Sub-Contractor, nor any other person shall have any rights in the Government Furnished Assets and shall not grant any lien on the Government Furnished Assets for any sums due and the Contractor shall take all such steps as may be necessary to ensure that the title of the Authority and the exclusion of such lien are brought to the attention of all Sub-Contractors and other persons dealing with any Government Furnished Assets.

37. TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT) TUPE

37.1. The relevant Paragraphs associated with Industry TUPE are detailed at Schedule 12 (TUPE).

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38. LIMITATIONS ON LIABILITY

38.1. Definitions

38.1.1 In this Clause 38 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 sub-contractors 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 Schedule 15 (Performance Measurement and Incentivisation);

“Term” means the period commencing on the date on which this Contract is signed and ending [TBC] 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;

38.2. Unlimited liabilities

38.2.1 Neither Party limits its liability for:

38.2.1.1 Death or personal injury caused by its negligence, or that of its employees, agents or sub-contractors (as applicable);

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38.2.1.2 Fraud or fraudulent misrepresentation by it or its employees;

38.2.1.3 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

38.2.1.4 Any liability to the extent it cannot be limited or excluded by law.

38.2.2 The financial caps on liability set out in Clauses 38.3.1 and 38.3.2 below shall not apply to the following:

38.2.2.1 For any indemnity given by the Contractor to the Authority under this Contract, including but not limited to:

38.2.2.1.1 The Contractor's indemnity in relation to DEFCON 91 (Intellectual Property in Software) and DEFCON 632 (Third Party IP - Rights and Restrictions);

38.2.2.1.2 The Contractor's indemnity in relation to TUPE at Schedule 12.

38.2.2.2 for any indemnity given by the Authority to the Contractor under this Contract,

38.2.2.2.1 the Authority's indemnity under DEFCON 514A (Failure of Performance under Research and Development Contracts);

38.2.2.2.2 the Authority's indemnity in relation to TUPE under Schedule 12;

38.2.2.3 Breach by the Contractor of DEFCON 532B and Data Protection Legislation; and

38.2.2.4 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.

38.2.2.5 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 38.3.1 and/or 38.3.2 below.

38.3. Financial limits

38.3.1 Subject to Clauses 38.2 and 38.3 and to the maximum extent permitted by Law:

38.3.1.1 [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:

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- 38.3.1.1.1. In respect of DEFCON 76 [REDACTED] in aggregate;
 - 38.3.1.1.2. In respect of DEFCON 514 [REDACTED] in aggregate;
 - 38.3.1.1.3. In respect of DEFCON 611 [REDACTED] in aggregate;
- and

38.3.1.2 without limiting Clause 38.3.1.1 and subject always to Clauses 38.2.1, 38.2.2 and 38.3.1.3, 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 Clause 27 and Schedule 15 to the Contract whether in Contract, in tort (including negligence), arising under warranty, under statute or otherwise under or in connection with this Contract shall be [REDACTED] ([REDACTED] aggregate;

38.3.1.3 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 38.3.1.1 and 38.3.1.2 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 38.3.1.1 and 38.3.1.2 of this Contract.

38.3.2 Subject to Clauses 38.2.1, 38.2.2 and 38.3.3, 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.

38.3.3 Clause 38.3.2 shall not exclude or limit the Contractor's right under this Contract to claim for the Charges.

38.3.4 The limits of liability amount is not reduced or eroded where money can be recovered via the Required Insurances.

38.4. Consequential loss

38.4.1 Subject to Clauses 38.2.1, 38.2.2 and 38.4.2, 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:

- 38.4.1.1 indirect loss or damage;
- 38.4.1.2 special loss or damage;
- 38.4.1.3 consequential loss or damage;
- 38.4.1.4 loss of profits (whether direct or indirect);
- 38.4.1.5 loss of turnover (whether direct or indirect);
- 38.4.1.6 loss of business opportunities (whether direct or indirect); or
- 38.4.1.7 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.

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38.4.2. The provisions of Clause 38.4.1 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:

- 38.4.2.1. Any additional operational and administrative costs and expenses arising from the Contractor's Default, including any costs paid or payable by the Authority:
 - 38.4.2.1.1. To any third party;
 - 38.4.2.1.2. For putting in place workarounds for the Contractor Deliverables and other deliverables that are reliant on the Contractor Deliverables; and
 - 38.4.2.1.3. Relating to time spent by or on behalf of the Authority in dealing with the consequences of the Default;
- 38.4.2.2. Any or all wasted expenditure and losses incurred by the Authority arising from the Contractor's Default, including wasted management time;
- 38.4.2.3. 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, re-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);
- 38.4.2.4. 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;
- 38.4.2.5. Damage to the Authority's physical property and tangible assets, including damage under DEFCON 76 and 611;
- 38.4.2.6. 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;
- 38.4.2.7. 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);
- 38.4.2.8. any fine or penalty incurred by the Authority pursuant to Law and any costs incurred by the Authority in defending any proceedings which result in such fine or penalty; or
- 38.4.2.9. 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.

38.5. Invalidity

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38.5.1 If any limitation or provision contained or expressly referred to in this Clause 38 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 Clause 38

38.6. Third party claims or losses

38.6.1 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:

38.6.2 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

38.6.3 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.

38.7. No double recovery

38.7.1 Neither Party shall be entitled to employ such rights and remedies available to it so as to seek to recover 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.

39. LICENCE TO OCCUPY

39.1. The Contractor shall enter into a Licence to Occupy with the Authority as a prerequisite of entering the premises provided to the Contractor under Schedule 32 and maintain compliance with this agreement throughout the Contract term. A breach of the Licence to Occupy which causes the Authority to withdraw access to the premises provided to the Contractor under Schedule 32 or a refusal to enter into a Licence to Occupy and determine the Licence to Occupy shall be a material breach of the Contract under DEFCON 514.

40. RUSSIAN AND BELARUSIAN EXCLUSION

40.1 The Contractor shall, and shall procure that their Sub-contractors shall, notify the Authority in writing as soon as they become aware that:

40.1.1 the Contract Deliverables and/or Services contain any Russian/Belarusian products and/or services; or

40.1.2 that the Contractor or any part of the Contractor's supply chain is linked to entities who are constituted or organised under the law of Russia or Belarus,

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or under the control (full or partial) of a Russian/Belarusian person or entity. Please note that this does not include companies:

- 40.1.2.1 registered in the UK or in a country with which the UK has a relevant international agreement providing reciprocal rights of access in the relevant field of public procurement; and/or
- 40.1.2.2 which have significant business operations in the UK or in a country with which the UK has a relevant international agreement providing reciprocal rights of access in the relevant field of public procurement.

40.2 The Contractor shall, and shall procure that their Sub-contractors shall, include in such notification (or as soon as reasonably practicable following the notification) full details of the Russian products, services and/or entities and shall provide all reasonable assistance to the Authority to understand the nature, scope and impact of any such products, services and/or entities on the provision of the Contract Deliverables and/or Services.

40.3 The Authority shall consider the notification and information provided by the Contractor and advise the Contractor in writing of any concerns the Authority may have and/or any action which the Authority will require the Contractor to take. The Contractor shall be required to submit a response to the concerns raised by the Authority, including any plans to mitigate those concerns, within 14 business days of receipt of the Authority's written concerns, for the Authority's consideration.

40.4 The Contractor shall include provisions equivalent to those set out in this clause in all relevant Sub-contracts.

41. AUTHORISATION BY THE CROWN FOR USE OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS

41.1. Notwithstanding any other provisions of the Contract and for the avoidance of doubt, award of the Contract by the Authority and placement of any Contract Task under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949. The Contractor acknowledges that any such authorisation by the Authority under its statutory powers must be expressly provided in writing, with reference to the acts authorised and the specific intellectual property involved.

42. BANK/PARENT COMPANY GUARANTEE [IF APPLICABLE]

42.1. The Contractor shall maintain a Bank or Parent Company Guarantee set out at Schedule 20 to the Contract.

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Offer and Acceptance**Offer and Acceptance****Contract 710595450 for the Provision of a Rotary Wing Command Support Air Transport (RWCSAT) Helicopter Service.**

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

For and on behalf of the Contractor:

Name and Title	
Signature	
Date	

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

Name and Title	
Signature	
Date	

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