

[redacted]



DE&S

Contract Number :

SACC/00018

Description:

Supply, Integration, and Initial Support of an Air Command and Control (Air C2)
Capability

[redacted]

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1. SCHEDULE OF REQUIREMENTS

Name and Address of Contractor IBM United Kingdom Limited Spitfire Building Hursley Park Hursley Winchester SO21 2JN	MINISTRY OF DEFENCE	Contract No SACC/00018
	Schedule of Requirements for GUARDIAN – Air C2 system to be located at [redacted] sites within the UK plus the Falkland Islands	
Issued With DEFFORM 8 & 10	On 26th February 2018	Previous Contract No

1.1 Schedule of Requirements

Item Number	Description	Notes to Supplier	Price £ (ex-VAT)
1	Design, Development, Manufacture, Delivery, Integration, Installation and Commissioning of an Air C2 system into		£[redacted]

[redacted]

[redacted]

	<p>[redacted] and [redacted], in accordance with the SOW at Annex A and SRD at Annex B.</p> <p>Specific dates for the delivery of the articles as specified within the Delivery Schedule at Annex D.</p>		
2	<p>Design, Development, Manufacture, Delivery, Integration, Installation and Commissioning of an Air C2 system into [redacted], in accordance with the SOW at Annex A and SRD at Annex B.</p> <p>Specific dates for the delivery of the articles as specified within the Delivery Schedule at Annex D.</p>		£[redacted]
3	<p>Design, Development, Manufacture, Delivery, Integration, Installation and Commissioning of an Air C2 system into [redacted], in accordance with the SOW at Annex A and SRD at Annex B.</p> <p>Specific dates for the delivery of the articles as specified within the Delivery Schedule at Annex D.</p>		£[redacted]
4	<p>Provision of Integrated Logistics Support, as defined in the Statement of Work at Annex A, from the date as described at 2.2 – Period of Contract, to the Air C2 system installed at the UK sites.</p>		£[redacted]
5	<p>Provision of Integrated Logistics Support, as defined in the Statement of Work at Annex A, from the date as described at 2.2 – Period of Contract, to the Air C2 system installed at the FI site.</p>		£[redacted]

[redacted]

[redacted]

6	Provision of additional Training Courses as described at SOW Annex A, in accordance with Annex M	All tasks to be priced in accordance with Tasking Procedure at Annex M and the Firm Prices for the delivery of Training Courses at Appendix 1 to Annex M	(Limit of Liability)
7	Ad Hoc Tasks in accordance with Annex L applicable during the Support period of this Contract.	All tasks to be priced in accordance with Tasking Procedure at Annex L and the Firm Rates for Ad Hoc Tasking at Appendix 2 to Annex L	(Limit of Liability)

1.2 Options

1	CRC Site Option: Integration, Installation and commissioning of an Air C2 system into [redacted]. Valid until 31/08/2018	Firm Price adjustment to SOR Item 1.	£[redacted]
2	CRC Site Option: Integration, Installation and commissioning of an Air C2 system into [redacted]. Valid until 31/08/2018	Firm Price adjustment to SOR Item 2.	£[redacted]
3	Option Year 1 (UK Sites) : Provision of Integrated Logistics Support of the Air C2 System (UK Sites) as defined in the Statement of Work at Annex A, from [redacted] – until [redacted].	Firm price Option valid until 30 Business Days prior to the take up of the Option in accordance with Condition 4.5.4.	£[redacted]

[redacted]

[redacted]

4	Option Year 1 (FI Site) : Provision of Integrated Logistics Support of the Air C2 System (FI Site) as defined in the Statement of Work at Annex A, from [redacted] – until [redacted].	Firm price Option valid until 30 Business Days prior to the take up of the Option in accordance with Condition 4.5.5.	£[redacted]
5	Option Year 2 (UK Sites) : Provision of Integrated Logistics Support of the Air C2 System (UK Site) as defined in the Statement of Work at Annex A, from [redacted] – until [redacted].	Firm price Option valid until 30 Business Days prior to the take up of the Option in accordance with Condition 4.5.6.	£[redacted]
6	Option Year 2 (FI Site) : Provision of Integrated Logistics Support of the Air C2 System (FI Site) as defined in the Statement of Work at Annex A, from [redacted] – until [redacted].	Firm price Option valid until 30 Business Days prior to the take up of the Option in accordance with Condition 4.5.7.	£[redacted]
7	Provision of The School of Air Battlefield Management (SABM) Control and Reporting Centre (CRC) Training System as defined in SRD at Annex B.	Firm price Option valid until 31/07/2020 in accordance with Condition 4.5.8.	£[redacted]

[redacted]

2. GENERAL CONDITIONS

DEFCON68 (Edn.02/16) - Supply of Data for Hazardous Articles, Materials and Substances

NOTE: Should the Authority terminate the Contract under Clause 9 of this DEFCON, then the compensation provisions of DEFCON 514 shall apply.

DEFCON501 (Edn.03/15) - Definitions and Interpretations

NOTE: Condition 1.d of DEFCON 501 shall not apply. In the event of a contradiction, the precedence that shall be given to the various parts of this Contract is set out in Condition 2.5.

DEFCON503 (Edn.12/14) - Formal Amendments To Contract

DEFCON515 (Edn.10/04) - Bankruptcy and Insolvency

DEFCON516 (Edn.04/12) - Equality

DEFCON518 (Edn.11/12) - Transfer

DEFCON520 (Edn.08/15) - Corrupt Gifts and Payments of Commission

DEFCON521 (Edn.04/12) - Sub-Contracting to Supported Businesses

DEFCON526 (Edn.08/02) - Notices

DEFCON527 (Edn.09/97) - Waiver

DEFCON528 (Edn.05/12) - Overseas Expenditure, Import and Export Licences

The Contractor's attention is drawn to clause 1 of DEFCON 528 requiring notification of overseas expenditure. In this connection, the Contractor shall, within one month of acceptance of the Contract, notify the Contracts Branch of details of any overseas sub-contract or order he has placed, or intends to place, in aid of the contract. Details to be provided are: Contract No; Country in which sub-contract placed/to be placed; Name, Division and full postal address of sub-contractor; Value of sub-contract as applicable to main contract; Date placed/to be placed. If no overseas orders are to be placed, the Contractor shall advise the Contracts Branch to this effect in the same timescale

DEFCON528App (Edn.05/12) - Appendix to DEFCON 528 – Overseas Expenditure, Import and Export Licences

DEFCON529 (Edn.09/97) - Law (English)

DEFCON530 (Edn.12/14) - Dispute Resolution (English Law)

DEFCON531 (Edn.11/14) - Disclosure of Information

DEFCON532A (Edn.06/10) - Protection Of Personal Data (Where Personal Data is not being processed on behalf of the Authority)

DEFCON537 (Edn.06/02) - Rights of Third Parties

DEFCON538 (Edn.06/02) – Severability

DEFCON539 (EDN.08/13) – Transparency

DEFCON550 (Edn.02/14) – Child Labour and Employment Law

DEFCON566 (Edn.04/15) - Change of Control of Contractor

DEFCON620 (Edn.06/14) - Contract Change Control Procedure

NOTE: The Contractor shall price changes and provide the price breakdown required by Clause 3.b.2 of DEFCON 620 (Edn.06/14) in accordance with Condition 4.7.

DEFCON646 (Edn.10/98) – Law and Jurisdiction (Foreign Suppliers)

DEFCON656 (Edn.03/06) – Break

NOTE: The period of notice under Clause 1 and 6b shall be 3 months and 2 months respectively.

DEFCON659A (Edn. 11/14) – Security Measures

NOTE: Should the Authority terminate the Contract under Clause 8 of this DEFCON, then the compensation provisions of DEFCON 514 shall apply.

DEFCON660 (Edn.12/15) - Reportable OFFICIAL and OFFICIAL-SENSITIVE Security Requirements

DEFCON691 (Edn.03/15) - Timber and Wood – Derived Products

2.1. Definitions

2.1.1. In addition to those definitions detailed in DEFCON 501 (Edn.03/15) and other DEFCONs as applicable, for the purposes of this Contract:

“Affiliated Company” means in respect of any company:

- a. a company which is a subsidiary or a holding company of the Contractor, and
- b. any company which is a subsidiary of the ultimate holding company of the Contractor;

and holding company and subsidiary shall have the meaning given to them in section 1159 of the Companies Act 2006.

“Anchor Milestones” means those Contract milestones as identified at Condition 7.6 of this Contract.

“Authority’s Commercial Branch” means the organisation in which point of contact detailed in part 1 of the DEFFORM 111 is managed.

“Authority’s Personnel” means any officer, agent, contractor or employee of the Authority or member of the armed forces acting in the course of his office, contract or employment (as applicable) but excluding in each case the Contractor and any Contractor Personnel.

“Authority’s Requirements” means the requirements of the Authority set out, or referenced in the Statement of Work at Annex A and the System Requirement Document at Annex B to this Contract.

“Change in law” means the coming into effect after the date of this Contract of:

- a. Legislation, other than any legislation which on the date of this Contract has been published
 - a. In a draft Bill as part of a Government Departmental Consultation Paper;
 - b. In a Bill;
 - c. In a draft statutory instrument; or
 - d. As a proposal in the Official Journal of the European Union;
- b. Any guidance; or
- c. Any applicable judgment or a relevant court of law which changes a binding precedent.

“Clause” means any individual term within this Contract.

“Condition” means any individual / group of clauses within this Contract.

“Contract” means this document SACC/00018 and the associated Annexes.

“Contract Amendment” means a formal change to the Contract, in accordance with DEFCON 503 (Edn.12/14).

“Contract Cost Template” means that at Annex F of this Contract as shall be updated from time to time.

“Contractor’s Personnel” shall include all employees of the Contractor and Sub-Contractors to the Contractor who are directly or indirectly involved in the delivery of the Contract, or support thereof.

“Discriminatory Change in Law” means a Change in Law, the terms of which apply expressly to:

- a. The project and not to similar projects; and/or
- b. The Contractor and not to other persons.

“General Change in Law” means a Change in Law which is not a Discriminatory Change in Law or a Specific Change in Law”

“Good Industry Practice” means the exercise of that degree of skill, care, prudence and foresight and operating practice which would reasonably and ordinarily be expected from time to time of a skilled and experienced operator seeking in good faith to comply with all its Contractual Obligations and all applicable Legislation and engaged in the same type of undertaking as that of the Contractor and/or any Subcontractor under the same or similar circumstances.

“Government Furnished Assets” or “GFA” means any item in the GFA list at Annex K provided by the Authority to the Contractor in

support of this Contract, including Government Furnished Equipment/Resources/Facilities/Information (GFE/GFR/GFF/GFI).

“Key Personnel” means those named Personnel that are employed to perform the roles identified in Annex P to this Contract.

“Key Sub-Contract” means a contract or arrangement between the Contractor and any Affiliated Company for the provision of goods and/or services to the Contractor solely for the purposes of fulfilling the Contractor’s obligations under this Contract.

“Legislation” means any Act of Parliament or subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, any exercise of the Royal Prerogative, and any enforceable EU right within the meaning of Section 2 of the European Communities Act 1972 (as amended), in each case in the United Kingdom.

“Option” means anything outside of the initial scope, but detailed within this Contract at Condition 1.2, which may or may not be added to the Contract scope.

“Parties” means both the Authority and the Contractor in relation to this Contract.

“Party” means either the Authority or the Contractor.

“Quality Assurance Representative” refers to the Authority specified in Box 7 of DEFFORM 111.

“Specific Change in Law” means any Change in Law which specifically refers to the provision of Air Defence Systems or to the holding of shares in companies whose main business is providing Air Defence Systems.

“Sub-Contract” means a contract or arrangement between the Contractor and any other organisation or person for the provision of goods and/or services to the Contractor solely for the purposes of fulfilling the Contractor’s obligations under this Contract.

“Sub-Contractor” means any organisation or person party to a Sub-Contract, as defined above, with the Contractor.

“Third Party” means any individual or group of individuals who is/are not a party to the Contract.

“Qualifying Change in Law” means

- a. A Discriminatory Change in Law; and /or
- b. A Specific Change in Law.

2.2. Period of Contract

- 2.2.1. All work under the Contract shall commence and, unless otherwise terminated in accordance with the provision of this contract or otherwise lawfully terminated, be completed by:

- 2.2.1.1. Schedule of Requirement (SOR) Item 1 shall commence [redacted]. Completion dates for specific Contract activities and deliverables as specified in the delivery schedule at Annex D.
- 2.2.1.2. Schedule of Requirement (SOR) Item 2 shall commence [redacted]. Completion dates for specific Contract activities and deliverables as specified in the delivery schedule at Annex D.
- 2.2.1.3. Schedule of Requirement (SOR) Item 3 shall commence [redacted]. Completion dates for specific Contract activities and deliverables as specified in the delivery schedule at Annex D.
- 2.2.1.4. The In-Service Support Phase for the UK CRC Sites (SOR Item 4) shall commence following successful acceptance of the first CRC in accordance with Clause 7.1 and complete on [redacted].
- 2.2.1.5. The In-Service Support Phase for the FI Site (SOR Item 5) shall commence following successful acceptance of the FI CRC in accordance with Clause 7.1 and complete on [redacted].
- 2.2.1.6. Where a training course is authorised in accordance with the procedure at Annex M during the period of Contract but delivery of the training course will be outside this period, then the task will be fulfilled in accordance with the terms and conditions and procedures of this Contract and by the date specified in the tasking form.
- 2.2.1.7. Where a task is authorised in accordance with the procedure at Annex L during the period of Contract but delivery of the task will be outside this period, then the task will be fulfilled in accordance with the terms and conditions and procedures of this Contract and by the date specified in the tasking form.

2.3. Entire Agreement

- 2.3.1. This Contract constitutes the entire agreement between the Parties relating to the subject matter of this Contract, Contract Annexes and the Tenderer's proposal (Annex G). This Contract supersedes all prior negotiations, representations and undertakings, whether written or oral, except that this Condition shall not exclude liability in respect of any fraudulent misrepresentation. This Contract is without prejudice to any other agreement between the Contractor and the Authority.

2.4. Responsibility of the Contractor

- 2.4.1. Subject to Condition 6.1, the Contractor shall be entirely responsible for undertaking the work detailed in Condition 1.1 of this Contract – SOR.
- 2.4.2. The Contractor's responsibilities under the Contract shall in respect of clause 2.4.1 include, but not be limited to:
 - 2.4.2.1. carrying out all activities and producing the deliverables, as described in the SOW and SRD, to meet the Authority's requirement, in accordance with the Delivery Schedule at Annex D, and the Conditions of this Contract;
 - 2.4.2.2. the placing, administration, control and management of all Sub-Contracts, required to meet the requirements of the Contract;

- 2.4.2.3. planning, programming and progressing of the work, including preparation and delivery of appropriate documentation;
- 2.4.2.4. financial management of the work, including financial control and monitoring of all Sub-Contracts;
- 2.4.2.5. providing the Authority with the information reasonably required to satisfy the Representative on a continuing basis that the work is proceeding to time, cost and performance. This is without prejudice to the specific Contract reporting requirements outlined in this Contract.

2.5. Precedence

- 2.5.1. If there is any inconsistency between the provisions of the main body of this Contract and the Annexes, or between any of the Annexes, the conflict shall be resolved according to the following descending order of priority:
 - 2.5.1.1. Contract Schedule of Requirement (SOR) - Contract Condition 1;
 - 2.5.1.2. Contract Narrative Conditions;
 - 2.5.1.3. Contract DEFCONs;
 - 2.5.1.4. Annex B - System Requirements Document;
 - 2.5.1.5. Annex A - Statement Of Work;
 - 2.5.1.6. Annex E - Milestone Payment Plan;
 - 2.5.1.7. All other Contract Annexes;
 - 2.5.1.8. Contractor's Tender Documents that form part of this Contract (as listed at Annex G)
- 2.5.2. If either Party becomes aware of inconsistency between the provisions of the main body of this Contract and the Annexes, or between any of the Annexes such Party shall notify the other Party forthwith and the Parties shall resolve the conflict on the basis of the order of precedence set out in Clause 2.5.1. Where the Parties fail to reach agreement, then the matter shall be referred to dispute resolution in accordance with DEFCON530.

2.6. Contractor's Proposals

- 2.6.1. The fact that:
 - 2.6.1.1. the Contractor has complied with the Authority's Requirements, as specified in this Contract, but not the Contractor's Proposals at Annex G shall not be a defence to an allegation that the Contractor has not satisfied the Contractor's Proposals; and
 - 2.6.1.2. the Contractor has complied with the Contractor's Proposals at Annex G but not the Authority's requirements, as specified in this Contract, shall not be a defence to an allegation that the Contractor has not satisfied the Authority's Requirements.
- 2.6.2. If the Contractor's Proposals at Annex G do not fulfil the Authority's requirements as specified in this Contract, then the Contractor shall, at its own expense (and without invoking DEFCON620, (Edn 06/14)) amend the

Contractor's Proposals and rectify the Guardian System, affected article or component (as applicable) so as to ensure that:

- 2.6.2.1. the Contractor's Proposals satisfy the Authority's requirements as specified in this Contract; and
- 2.6.2.2. following such amendment or rectification the performance of the GUARDIAN System, article or component (as applicable) shall be of at least an equivalent standard of performance to that set out in the Contractor's Proposals prior to their amendment or rectification (for the purpose of comparison, disregarding the fault which required the amendment or rectification to be made).
- 2.6.2.3. Any proposed change to the Contractor's proposal shall require prior review and approval by the Authority. Any changes agreed will be incorporated within the Contract via a formal Contract Amendment, in accordance with DEFCON 503.

2.7. Sub-Contracts

- 2.7.1. Except for those Sub-Contracts subject to Condition 5.6 and without prejudice to the Contractor's entire obligation to the Authority to perform the Contract in all respects and to deliver the articles as contracted so to do irrespective of any breach or default by any person other than the Authority with whom the Contractor has contracted whether by way of Sub-Contract or otherwise:
 - 2.7.1.1. The Contractor shall ensure that the Authority's Commercial Branch is notified at the earliest opportunity of all potential Sub-Contracts to be placed by the Contractor in the execution of this Contract.
 - 2.7.1.2. The Contractor shall include in any Sub-Contract the same conditions as are included in the Contract, modified if necessary so as to apply to the Sub-Contractor and shall comply with Condition 5.6.
 - 2.7.1.3. The Contractor shall provide the Authority's Commercial Branch with a copy of any Sub-Contract, if so requested.
- 2.7.2. The Contractor shall be responsible for the award, administration and performance of all Sub-Contracts in such a manner to ensure that the delivery and performance requirements of the Contract are met. The Authority shall not be responsible for any inconsistencies, incompatibilities or omissions in the Contractor's agreements with its Sub-Contractors.

2.8. Contractor's Personnel

- 2.8.1. The Contractor shall, and shall procure that the Sub-Contractor shall have:
 - 2.8.1.1. sufficient staff (including all relevant grades of supervisory staff) with the requisite level of skill and experience shall at all times be engaged in the delivery of this Contract. This obligation shall include ensuring that there are sufficient staff to cover periods of holiday, sickness, other absences and anticipated and actual peaks in demand throughout the duration of this Contract and

- 2.8.1.2. all Contractor Personnel receive such training and supervision as is necessary to ensure the proper performance of this Contract in accordance with the provisions herein.
- 2.8.2. The Contractor shall and shall procure that the Sub-Contractor shall not terminate the appointment of any of the Key Personnel specified at Annex P to this Contract, or appoint any new member, or replacement for any, of the Key Personnel without the Authority's prior written approval. As soon as the Contractor/Sub-Contractor becomes aware of a possible change to the Key Personnel, however arising, the Contractor/Sub-Contractor shall notify the Authority's Commercial Branch in writing and find a suitable person to perform the role of the member of Key Personnel who is being replaced and to avoid any vacancy in such role.
- 2.8.3. Within five Business Days of identifying any proposed replacement of Key Personnel, the Contractor/Sub-Contractor shall provide evidence to the Authority's Commercial Branch that the proposed replacement holds qualifications, experience and competence equivalent to those of the member of Key Personnel being replaced.
- 2.8.4. The Authority shall notify the Contractor/Sub-Contractor in writing of its decision to approve or reject such proposed replacement within ten business days of receiving such evidence. Any change in the Key Personnel approved in writing by the Authority in accordance with the provisions of this Clause 2.8.4 shall prompt a formal amendment to Annex P of the Contract in accordance with DEFCON 503 (Edn.12/14). DEFCON 620 (Edn.06/14) shall not apply.
- 2.8.5. The Authority shall have the right to require Contractor's Personnel are removed from the Contract and associated work, without prior warning, should security concerns arise, associated with them, during their employment. The removal may be without explanation to the Contractor where the information held is secret.

2.9. Security Vetting of Contractor's Personnel and Places of Work

- 2.9.1. Where it is a statutory requirement that any Contractor's Personnel be of a required clearance level before undertaking particular work as specified in the SAL at Annex C to this Contract, the Contractor shall ensure the validity of the clearance throughout the term of employment.
- 2.9.2. The Contractor shall ensure that all personnel are made aware of and comply with all the appropriate security measures, as referred to at DEFCON 659A; as directed by the Authority, the Contract and the security policy, and with the security regulations pertaining to all work and documents relating to the project and the environments where the Contractor's activities may be undertaken.
- 2.9.3. The facilities in which the Contractor shall store/handle classified material in relation to this Contract shall be, and shall remain for the duration of the Contract, suitable for handling the information in accordance with the security requirements as defined in the SoW at Annex A and in the SAL at Annex C to this Contract. The Contractor shall include in any relevant Sub-Contracts the provision, that should the Sub-Contractor intend to store/handle classified material in relation to the Contract, its facilities shall also be and remain for the duration of the Contract, suitable for handling the information in accordance with the security requirements as defined in the SoW at Annex A and in the SAL at Annex C to this Contract.

2.10. Publicity

- 2.10.1. The Contractor shall note that no publicity or communication with representatives of press, television, radio or other media, unless previously agreed in writing by the Authority's Commercial Branch, shall be permitted on any aspects of this Contract. The Contractor shall not release any information publicly relating them, any employees, or Sub-Contractors to this Contract without the prior written approval of the Authority's Commercial Branch.
- 2.10.2. This Condition is to be flowed down to all Sub-Contractors.
- 2.10.3. Any failure to comply with the obligations under this Condition 2.10 shall be treated as a material breach of this Contract, and the Authority shall have the right to terminate the Contract in accordance with DEFCON 514.

2.11. Future Work

- 2.11.1. Nothing in this Contract shall be interpreted as an undertaking by the Authority to place any other Contract with the Contractor or to authorise the Contractor to carry out any further work in connection with the work carried out under this Contract.

2.12. Continuing Obligations

- 2.12.1. Save as otherwise expressly provided in this Contract or as already taken into account in the calculation of any payment on termination pursuant to this Contract, termination/expiry of this Contract shall be without prejudice to any accrued rights or obligations under this Contract prior to termination/expiry.
- 2.12.2. Termination/expiry of this Contract shall not affect the continuing rights and obligations of any provision of this Contract which is expressed to survive termination/expiry or which is required to give effect to such termination or the consequences of such termination.

2.13. Safety

- 2.13.1. The Contractor shall be responsible for the observance by itself, its employees, agents and Sub-Contractors of all safety precautions necessary for the protection of its employees, agents, Sub-Contractors and any other persons, including all precautions to be taken under statutory provisions or any other directions of any local or other authority having the force of law. The Contractor shall co-operate fully with the Authority to ensure the proper discharge of these duties.

2.14. Export Licences

- 2.14.1. The Contractor shall be solely responsible for securing all necessary export licences in a timely manner to ensure that the Contractor shall meet the delivery dates in Delivery Schedule at Annex D. This includes but is not limited to any export licence required in relation to:
 - 2.14.1.1. any equipment that is to be manufactured outside of the United Kingdom;
 - 2.14.1.2. any data, drawings, specifications, manufacturing data and other like information required for manufacture of any equipment under licence in the United Kingdom; and

- 2.14.1.3. for the provision of all other information, documents, technical assistance and data required to satisfy in full the requirements of the Contract.

2.15. Disclosure of Information

- 2.15.1. In addition to the provisions of DEFCON 531 (Edn.11/14), the Contractor shall take every precaution to ensure that information arising from, or connected with, the Contract, is divulged only to the minimum number of employees, and then only to the extent essential to each person's action in carrying out the Contract.

2.16. Sustainable Procurement - Legislative Requirements

- 2.16.1. The Contractor shall take all reasonable steps to procure the observance of the economic, social and environmental legislation related to the subject matter or the execution of the contract by any servants, employees or agents of the Contractor and any subcontractors engaged in the performance of the Contract.
- 2.16.2. If the Contractor becomes aware of any prosecution or proceedings, for criminal breaches of the economic, social and environmental legislation related to the subject matter or the execution of the Contract, against the Contractor, any servants, employees or agents of the Contractor and any subcontractors engaged in performance of the Contract, the Contractor shall immediately notify the Authority at the address specified in the Contract.
- 2.16.3. Any convictions during the period of the Contract for criminal breaches of the economic, social and environmental legislation related to the subject matter or the execution of the Contract by the Contractor or any of the Contractor's directors/partners or senior management who have powers of representation, decision or control, shall be regarded as a material breach of this Contract, and the Authority shall have the right to terminate the Contract in accordance with DEFCON 514.

2.17. Sustainable Procurement - Best Practice

- 2.17.1. The Contractor is encouraged to bring to the attention of the Authority any measures which might promote sustainable procurement from a social, economic and environmental point of view.

2.18. Not Used

- 2.18.1. Not used.

2.19. TUPE

- 2.19.1. The parties agree that the provisions of Schedule 2 Annex O (Transfer Regulations) will apply to this Contract.

3. SPECIFICATIONS, PLANS, ETC

DEFCON117 (Edn.10/13) - Supply Of Information For NATO Codification And Defence Inventory Introduction

DEFCON129 (Edn.04/16) - Packaging (For Articles other than Munitions)

NOTE: Packaging for SOR line items 1-3 should be in accordance with the requirements of DEFSTAN 81-41 for Packaging Code 10, Military Commercial Packaging Level N unless both parties agree that another level of packaging is more suitable given the nature of the item and its intended delivery location.

DEFCON129J (Edn.02/16) - The Use Of The Electronic Business Delivery Form

DEFCON502 (Edn.06/14) - Specifications Changes

DEFCON595 (Edn.02/16) - General Purpose Automatic Test Equipment Data Requirements

DEFCON601 (Edn.04/14) - Redundant Materiel

DEFCON602A (Edn.12/06) - Deliverable Quality Plan

NOTE: Unless otherwise notified, the initial Quality Plan (required in accordance with AQAP 2110 Edition 3 and AQAP 2105 Edition 2) shall be delivered to the Guardian Project Manager within 8 weeks of Contract Award.

DEFCON606 (Edn. 06/14) – Change and Configuration Control Procedure

DEFCON607 (Edn.05/08) - Radio Transmissions

DEFCON608 (Edn.10/14) - Access and Facilities to be Provided by the Contractor

DEFCON624 (Edn.11/13) - Use of Asbestos

DEFCON627 (Edn.12/10) - Quality Assurance - Requirement for a Certificate of Conformity.

DEFCON637 (Edn. 08/99) – Defect Investigation and Liability

NOTE: The timescales for reporting requirements under Clause 5 are detailed in the SOW at Annex A to this Contract.

DEFCON644 (Edn.05/15) - Marking of Articles

DEFCON645 (Edn.07/99) - Export Potential

DEFCON658 (Edn.04/17) – Cyber

NOTE: The Cyber Risk Level has been assessed as high.

3.1. Commercial Risk

3.1.1. The Contractor acknowledges that any risk assessment which has been, or may be, undertaken in connection with this Contract has been, or will be, a project management function only. Such risk assessment does not affect the legal relationship between the parties. The issuing of any risk assessment

questionnaire and the process of risk assessment generally, including without limitation, the identification of (or failure to identify):

3.1.1.1. particular risks and their impact; or

3.1.1.2. risk reduction measures, contingency plans and remedial actions

shall not in any way limit or exclude the Contractor's obligations under this Contract and shall be entirely without prejudice to the Authority's rights, privileges and powers under this Contract. The risks identified as a result of any risk assessment questionnaire and risk assessment process generally remain the risks of the Contractor and are not assumed by the Authority except to the extent that the Authority expressly and unequivocally accepts those risks under the Contract. Any risk assessment questionnaire released was or will be issued by the Authority solely on this basis.

3.2. Access to the Contractor's Premises and Technical Information

- 3.2.1. In addition to the rights afforded to the Authority under DEFCON 608 (Edn 10/14) the Contractor shall allow authorised personnel of the Authority access to the premises of the Contractor to enable the Authority to observe all work being carried out under the Contract and to examine any drawings, specifications or other documents, computer generated and maintained data or software programs utilised by the Contractor under the Contract. The Contractor shall provide all reasonable facilities as necessary for the execution of the Authority's rights reserved herein.
- 3.2.2. The Contractor shall ensure that a corresponding right of access is secured for the Authority's representatives in all Sub-Contracts placed by the Contractor for the purpose of the Contract. All access to Sub-Contractors shall be arranged by the Authority through the Contractor.
- 3.2.3. The Authority may make use of personnel contracted from Third Parties to assist the Authority in the performance of this Contract. The Contractor shall allow access by such personnel to its premises, and to the premises of any Sub-Contractors, and to any personnel, information or articles that are relevant to the performance of this Contract.
- 3.2.4. Such access shall only be granted for specific and defined tasks to be agreed between the Authority and the Contractor as required. The Contractor shall not unreasonably prevent such access unless there are substantiated and justified reasons. In such cases the Contractor shall use reasonable endeavours to ensure alternative access arrangements to the information or articles.
- 3.2.5. The Authority shall impose upon any personnel the obligation to keep any data or information supplied by them confidential and to use it only for carrying out the specifically defined tasks.
- 3.2.6. If the Contractor or any of your Sub-Contractors consider that actions or requests made by such personnel are not covered by the scope of this Condition, the Contractor shall notify the Authority of its concerns. The Authority shall use reasonable endeavours to resolve the issue.
- 3.2.7. Such Third Party personnel shall enjoy the same rights as the Authority's own personnel and shall be subject to the same obligations as the Authority's Personnel in similar circumstances.

- 3.2.8. Whenever access is granted to any of the bodies or personnel mentioned above, including Authority's staff, such access shall be restricted to the specific purpose for which that access was granted.
- 3.2.9. No-one granted access on the Authority's behalf by the Contractor shall impede the progress of any work. They shall not give, and the Contractor shall not accept, any instruction or re-direction to the Contractor or to any of the Contractor's Sub-Contractors.
- 3.2.10. Except in the case of emergency when the Parties agree the Authority shall not be required to provide notice, the Authority shall give the Contractor reasonable notice of no less than 5 working days, when access to the premises of the Contractor or of any Sub-Contractor's is required.
- 3.2.11. The Authority shall ensure that all representatives requiring access to the premises of the Contractor or of any Sub-Contractors have the appropriate security clearance.

3.3. Quality Assurance

- 3.3.1. In addition to those standards and regulations provided for elsewhere in this Contract, Annexes and Authority's Requirements, the Contractor shall comply with the following quality standards in the performance of its obligations under this Contract.
- 3.3.2. The Contractor shall hold and maintain an appropriate Third Party quality assurance certification as awarded by a UK accredited certification body or equivalent. Certification shall be maintained throughout the duration of the Contract. The resultant quality management system shall have appropriate scope for the work being undertaken.
- 3.3.3. Quality assurance shall be conducted in accordance with AQAP 2110 Edition 3. A Deliverable Quality Plan is required in accordance with AQAP 2105 Edition 2 and DEFCON 602A. The initial Quality Plan shall be delivered to the Guardian Project Manager within 8 weeks of Contract Award.
- 3.3.4. Software Quality shall be conducted in accordance with AQAP 2210 Edition 1. A Software Project Quality Plan is required, in accordance with paragraph 2.2.2 of AQAP 2210 Edition 1. The initial Software Project Quality Plan shall be delivered to the Guardian Project Manager within 8 weeks of Contract Award.
- 3.3.5. Quality Assurance Representative: All reference to the Quality Assurance Representative (QAR) in documents which form part of this Contract shall be read as referring to the Authority specified in Box 7 of DEFFORM 111.
- 3.3.6. For the purposes of this Contract, and in addition to those standards specified in the Authority's Requirements, the following Defence Standards shall apply:
 - 3.3.6.1. AQAP 2110 Edition 3
 - 3.3.6.2. AQAP 2105 Edition 2
 - 3.3.6.3. DEFCON 602A
 - 3.3.6.4. AQAP 2210 Edition 1

- 3.3.6.5. Def Stan 00-56 Pt 1, Issue 6, Safety Management Requirements for Defence Systems.
- 3.3.6.6. Def Stan 00-40 Pt1, Issue 7, Reliability and Maintainability.
- 3.3.6.7. Def Stan 05-57 Issue 6, Configuration Management of Defence Material
- 3.3.6.8. Def Stan 05-135, Issue 1, Avoidance of Counterfeit Material
- 3.3.6.9. Def Stan 05-61 Pt1, Issue 6, Quality Assurance Procedural Requirements – Concessions
- 3.3.6.10. Def Stan 05-61 Pt4, Issue 3, Quality Assurance Procedural Requirements – Contractor Working Parties
- 3.3.6.11. For the purposes of this contract the product quality requirements and evaluation of COTS software shall be in accordance with ISO 25001: 2007 entitled “Software Engineering – Software Product Quality Requirements and Evaluation (SQuaRE) – Planning and Management”.

3.4. Insurance

- 3.4.1. 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 1 (Insurances) Annex N to this Contract, take out and maintain, or procure the taking out and maintenance of, the insurances described in Schedule 1 (Insurances) Annex N to this Contract and any other insurances as may be required by law or relevant regulation (together the “Required Insurances”). The Contractor shall ensure that each of the Required Insurances is effective in each case not later than the date on which the relevant risk commences.
- 3.4.2. The Required Insurances shall be maintained from time to time (as far as is reasonably practicable) on terms no less favourable to those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time and in accordance with Good Industry Practice.
- 3.4.3. 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.
- 3.4.4. Where specified in Schedule 1 (Insurances) Annex N to this Contract, the Contractor shall ensure that the relevant policy of insurance shall contain an indemnity to principals or additional insureds clause, 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 the provision of the requirements under this Contract.
- 3.4.5. Without limiting the other provisions of this Contract, the Contractor shall take or procure the taking of all reasonable risk management and risk control measures in relation to the requirements of this Contract as it would be reasonable to expect of a prudent Contractor acting in accordance with Good Industry Practice including, but not limited to, the investigation and reporting of claims to insurers.

- 3.4.6. No party shall 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.
- 3.4.7. If the Contractor is in breach of Clause 3.4.1 the Authority may elect, but shall not be obliged, 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 entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Contractor.
- 3.4.8. The Contractor shall, from the date of this Contract and within fifteen (15) days after the renewal of any of the Required Insurances, provide evidence, in a form satisfactory to the Authority, that the Required Insurances meet in full the requirements of this Condition 3.4 and Schedule 1 (Insurances) Annex N to this Contract. The supply to the Authority of any evidence of insurance cover in compliance with the requirements of this Clause 3.4.8 shall not imply acceptance by the Authority that the extent of insurance cover is sufficient or that the terms and conditions thereof are satisfactory, in either case, for the purposes of this Contract.
- 3.4.9. The Contractor shall notify the Authority at least ten (10) days prior to the cancellation, suspension, termination or non-renewal of any of the Required Insurances.
- 3.4.10. 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.
- 3.4.11. Except where the Authority is the claimant party, the Contractor shall give the Authority notice within twenty (20) days after any insurance claim in excess of one million pounds (£1,000,000) 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.
- 3.4.12. Where any Required Insurance requires payment of a premium, the Contractor shall be liable for such premium, including any increase in premium.
- 3.4.13. Where any Required Insurance referred to in Schedule 1 (Insurances) Annex N to this Contract 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 Required Insurances whether under the terms of this Contract or otherwise.
- 3.4.14. Neither failure to comply nor full compliance with the insurance provisions of this Contract shall limit or relieve the Contractor of its liabilities and obligations under this Contract.

4. PRICE

DEFCON 127 (Edn.12/14) - Price Fixing Condition for Contracts of Lesser Value

NOTES:

DEFCON 127 (Edn.12/14) shall apply only to amendments to the Contract with a value up to and including £250,000 (two hundred and fifty thousand pounds Sterling).

When pricing in accordance with DEFCON 127 (Edn.12/04) the Contractor shall use in the construction of a Firm Price amendment the rates for the relevant cost categories (e.g. labour, materials, profit etc.) provided within the Contract Cost Template at Annex F and agreed prior to the commencement of the Contract.

DEFCON619A (Edn.09/97) - Customs Duty Drawback

DEFCON 643 (Edn.12/14) - Price Fixing

NOTES:

DEFCON 643 (Edn. 12/14) shall apply only to amendments to the Contract with a value exceeding £250,000 (two hundred and fifty thousand pounds Sterling).

For the purposes of Clause 4, the period shall be six (6) months from the date of the Contractor's quotation.

When pricing in accordance with DEFCON 643 (Edn. 12/14) the Contractor shall use in the construction of a Firm Price amendment the rates for the relevant cost categories (e.g. labour, materials, profit etc.) provided within the Contract Cost Template at Annex F and agreed prior to the commencement of the Contract.

DEFCON654 (Edn.10/98) – Government Reciprocal Audit Arrangements

NOTE: DEFCON 654 (Edn.10/98) is included to assist with pricing of any overseas Sub-Contracts placed as a result of amendment of this Contract with companies in countries with whom the Authority has appropriate reciprocal audit arrangements.

4.1. Price

4.1.1. The prices stated for items 1-5¹ on the SOR Condition 1.1 are Firm Prices not subject to variation or escalation and shall be:

- 4.1.1.1. the price of the articles and services packaged in accordance with the terms of the Contract and delivery as per box 9 of DEFFORM 111;
- 4.1.1.2. inclusive of all appropriate taxes (but not UK VAT), royalties, licence fees and the cost of complying with all Contract Conditions; and
- 4.1.1.3. inclusive of all costs associated with importing any equipment/software/data into the UK from overseas.

¹ The cost template at Annex F is included within this Contract for information only and for the purpose of pricing of amendments and tasking.

- 4.1.2. Any additional training courses to be carried out under Item 6 of the Schedule of Requirements, shall be tasked in accordance with the procedures detailed at Annex M . Prices shall be calculated using the Firm Prices at Annex M and the Cost Template at Annex F. The Authority shall not be liable for any costs associated with work undertaken under Item 6 which has not been tasked in accordance with Annex M.
- 4.1.3. Any additional tasks to be carried out under Item 7 of the Schedule of Requirements, shall be tasked in accordance with the procedures detailed at Annex L . Prices shall be calculated using the Firm Price rates provided at Annex L. The Authority shall not be liable for any costs associated with work undertaken under Item 7 which has not been tasked in accordance with Annex L.

4.2. Service Charge – Item 4

- 4.2.1. The Firm Price quarterly Service Charge applicable to SOR Condition 1.1, Item 4, is the price for delivery of Support to the UK Sites in accordance with the SOW and subject to deductions in accordance with Annex H to this Contract.

4.3. Service Charge – Item 5

- 4.3.1. The Firm Price quarterly Service Charge applicable to SOR Condition 1.1, Item 5, is the price for delivery of Support to the FI Site in accordance with the SOW and subject to deductions in accordance with Annex I to this Contract.

4.4. Change to GUARDIAN CRC Basing

- 4.4.1. The Contractor hereby grants the irrevocable right for the Authority to notify the Contractor of a change to the GUARDIAN CRC Basing Requirement to make [redacted] the location for integration, installation and commissioning of the Primary CRC and [redacted] the site for integration, installation and commissioning of the resilience CRC.
- 4.4.2. The Authority shall notify the contractor in writing of such a change, no later than 31/08/2018. Notification of the change shall be before or coincident with, any notification to take up either Option 1 or 2 in accordance with clause 4.5 below. At the point at which either Option 1 or Option 2 is incorporated into the Contract via a Contract Amendment in accordance with DEFCON 503 (Edn.12/14) the Authority shall lose the right to notify the contractor of a change to the CRC Basing under this Clause 4.4.
- 4.4.3. In the event that the Authority notifies the Contractor in accordance with clause 4.4.2, this change shall be incorporated into the Contract by formal Contract Amendment in accordance with DEFCON 503 (Edn.12/14). The Contractor acknowledges that both the implementation of the change, and the subsequent enactment through the integration, installation and

commissioning of the GUARDIAN system at the locations notified in accordance with clause 4.4.1, shall be at no additional cost to the Authority.

- 4.4.4. The Firm Price for SOR Item 4 shall not increase as a result of a change under this Clause 4.4.

4.5. Options

- 4.5.1. In addition to and in consideration of the items identified in SOR Condition 1.1 the Contractor hereby grants to the Authority the irrevocable option to purchase the Firm Price Items set out in SOR Condition 1.2, jointly or individually in accordance with the Conditions set out in this clause. In the event that the Authority chooses to invoke these option(s) they shall be incorporated into the Contract by formal Contract Amendment in accordance with DEFCON 503 (Edn.12/14).
- 4.5.2. The Authority shall have the right to exercise the Options detailed herein by the dates specified or within such further period as corresponds to the aggregation of any period(s) for the duration of which the Authority is prevented from exercising any such Option by reason of any breach of the Contract by the Contractor.
- 4.5.3. Options 1 and 2 shall be valid until 31/08/2018 and are mutually exclusive – when one of the Options is taken up, the other Option will no longer be valid. The Authority shall notify the Contractor no later than 30 Business Days prior to the take up of the Option.
- 4.5.4. Option 3 shall be valid until 30 Business Days prior to commencement of the Integrated Logistics Support, that is, until [redacted].
- 4.5.5. Option 4 shall be valid until 30 Business Days prior to commencement of the Integrated Logistics Support, that is, until [redacted].
- 4.5.6. Option 5 shall be valid until 30 Business Days prior to commencement of the Integrated Logistics Support, that is, until [redacted].
- 4.5.7. Option 6 shall be valid until 30 Business Days prior to commencement of the Integrated Logistics Support, that is, until [redacted].
- 4.5.8. Option 7 shall be valid until 31/07/2020. The Authority shall notify the Contractor no later than 30 Business Days prior to the take up of the Option.
- 4.5.9. The Options will not be covered under the Contract unless taken up in accordance with Clause 4.5.1, above. There will be no obligation on the Authority to take up any of the Options.
- 4.5.10. The Firm Price for SOR Item 4 shall not increase as a result of any of the Authority invoking any of the Options at SOR Condition 1.2 in accordance with this Clause 4.5.

4.6. Contract Cost Template

- 4.6.1. The Contract Cost Template at Annex F to this Contract provides the cost breakdown to support the prices stated within the SOR Condition 1 (for all Items and Options).

- 4.6.2. It shall be updated by formal Contract Amendment as a result of any Change that alters the Contract Price in accordance with Condition 4.7 to this Contract.

4.7. Pricing of Change

- 4.7.1. For all Changes subject to DEFCON 620 (Edn.06/14) the Contractor shall provide an updated Contract Cost Template demonstrating any adjustment to the costs attributable to the Change, which will form the cost breakdown within the Contractor Change Proposal.
- 4.7.2. The Contractor is required to provide a Firm Price for the Contract as a result of Changes that will result in an increase or decrease to the Contract price. The Contractor shall derive the Firm Price using the rates provided within the Contract Cost Template at Annex F agreed prior to the commencement of the Contract.

4.8. General Change in Law

- 4.8.1. If a change is necessary to comply with a General Change in Law the Contractor shall receive no compensation in respect of the costs arising from the change.

4.9. Qualifying Change in law

- 4.9.1. If a Qualifying Change in Law occurs or is shortly to occur, then either Party may write to the other to express an opinion on its likely effects, giving details of its opinion of:

- 4.9.1.1. any necessary change to the Guardian system and/or the support thereof;
- 4.9.1.2. whether any changes are required to the terms of the Contract to deal with the Qualifying Change in law;
- 4.9.1.3. whether relief from compliance with obligations is required, including the obligation of the Contractor to achieve the delivery dates as set out in the delivery schedule at Annex D and/or meet the performance regime as set out in Annexes H and I;
- 4.9.1.4. any loss of revenue that will result from the relevant Qualifying Change in law; and
- 4.9.1.5. any change in Contract price that directly result from the Qualifying Change in Law.

In each case giving in full detail the procedure for implementing the change to the Guardian system/support thereof. Responsibility for the costs of implementation shall be dealt with in accordance with paragraphs 4.9.2 – 4.9.3 below.

- 4.9.2. As soon as practicable after receipt of any notice of from either party under paragraph 4.9.1 above, the Parties shall discuss and agree the issues referred to in paragraph 4.9.1 above and any ways in which the Contractor can mitigate the effect of the Qualifying Change of Law, including;

- 4.9.2.1. Providing evidence that the Contractor has used reasonable endeavours (including, where practical, the use of competitive

quotes) to oblige its sub-contractors to minimise any increase in costs and maximise any reduction in costs;

- 4.9.2.2. Demonstrating how any costs to be incurred or avoided is being measured in a cost effective manner, including showing that when such expenditure is incurred or would have been incurred, foreseeable Changes in law at that time have been taken into account by the Contractor.
 - 4.9.2.3. Giving evidence as to how the Qualifying change in Law has affected prices charged by any similar businesses to the project; and
 - 4.9.2.4. Demonstrating that any expenditure that has been avoided, which was anticipated to be incurred to replace or maintain the articles that have been affected by the Qualifying Change in Law concerned, has been taken into account in the amount which in its opinion has resulted or is required under paragraph 4.9.1.5 above.
 - 4.9.2.5. Should there be any dispute with the above, the matter shall be referred to dispute resolution in accordance with DEFCON530.
- 4.9.3. Any change to the Contract price resulting from a Qualifying Change in Law shall be incorporated into the Contract by formal Contract Amendment in accordance with DEFCON 503 (Edn.12/14).

4.10. Import Duty

- 4.10.1. Should the Contractor require to import items from outside the European Community (EC), he shall immediately inform the Authority with details of the article to be imported, the purpose for which the article is required and the country from which it is being imported. Where appropriate the Authority will provide the Contractor with appropriate certification in order that the Contractor can claim appropriate exemptions from import duty.

5. INTELLECTUAL PROPERTY RIGHTS

DEFCON91 (Edn.11/06) – Intellectual Property Rights in Software

NOTE: To apply to all deliverable software developed under Item 1 -7 of the SOR Condition 1.1.

DEFCON632 (Edn.08/12) – Third Party Intellectual Property - Rights and Restrictions

5.1. Use of Information

- 5.1.1. This Condition shall apply to all copyright works generated under the Contract, or delivered to the Authority under the provisions of the Contract, except that it shall not apply to copyright works covered by DEFCON 91 or such other Software Clause as may appear in the Contract or to any work furnished under the terms of clauses 5.2 and 5.3.
- 5.1.2. The Contractor shall use all reasonable endeavours to ensure that copyright in any work generated under the Contract shall be the property of and vest in the Contractor, subject to the rights of third parties in pre-existing works.
- 5.1.3. The Contractor agrees not to publish any copyright work generated under the Contract without the consent in writing of the Authority. The Authority will not normally raise objection to publication unless delay or limited publication only is considered necessary in the national interest. The Authority will review, upon request by the Contractor, any such restriction on publication.
- 5.1.4. The Authority shall have, in respect of any copyright work to which this Condition applies, a free licence:
 - 5.1.4.1. to copy the work and to circulate and use the work or any copy thereof within any United Kingdom Government Department (which term includes the United Kingdom Armed Forces) provided that no part of the work nor any copy thereof shall, except with the prior written permission of the Contractor or pursuant to 5.1.4.2, 5.1.4.3, or 5.1.4.4 of this sub-clause, be made available to any third party;
 - 5.1.4.2. to issue the work or any part of the work or any copy of the work or any part thereof to any contractor for the purpose of use only in connection with a contract for the United Kingdom Government for the study, management, evaluation, assessment and/or validation of the work, provided that any such contractor shall be placed under an obligation which restricts disclosure and use of such work to the said purpose;
 - 5.1.4.3. to issue the work or any part of the work or any copy of the work or any part thereof to another supplier or potential supplier to the United Kingdom Government for the purpose of use only under a contract, or tendering for a proposed contract, for a United Kingdom Government purpose, provided that the supplier or potential supplier is placed under an obligation which restricts disclosure and use of such work to the said purposes;
 - 5.1.4.4. to issue the work or any part of the work or any copy of the work or any part thereof to the government(s) of the nation(s) prescribed in the Contract, for information only, in pursuance of information exchange arrangements for defence purposes, provided that the recipient government is placed under an obligation not to use such

work for other than information purposes or disclose it to a third party;

- 5.1.4.5. provided that, subject to any pre-existing rights of the Authority, sub-clauses 5.1.3 and 5.1.4 above shall only apply to the work or any part of the work or any copy of the work or any part thereof if such work or part thereof is generated under the Contract. Sub-clauses 5.1.4.3 and 5.1.4.4 shall apply to all works or part thereof unless otherwise marked by the Contractor in accordance with sub-clause 5.1.5 below.
- 5.1.5. As soon as he becomes aware that any copyright work or part thereof delivered or proposed to be delivered is a work subject to special conditions or any third party rights known to the Contractor, or is a work or part thereof not generated under the Contract, the Contractor shall inform the Authority and upon delivery shall appropriately mark such work or part thereof to identify the same and indicate the relevant conditions or rights.
- 5.1.6. The Contractor may mark or include in any copyright work to which this Condition applies a copyright notice provided that such copyright notice acknowledges the Authority's rights under this Condition. Any such notice shall be perpetuated in any copies of such work made by the Authority or any other United Kingdom Government Department or its agents or contractor.
- 5.1.7. This Condition shall constitute an "agreement to the contrary" for the purposes of Section 48 of the Copyright, Design and Patents Act 1988.
- 5.1.8. In this Condition "copyright work" shall be understood to include any works, data or other materials in which a database right subsists.

5.2. Technical Publications

- 5.2.1. The Contractor shall ensure that the Authority has the right to copy, amend, extend or have copied, amended or extended any technical publication or training material called for under Item 1-7 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 or training material, and to circulate, use or have used said technical publication or training material 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 or training material relates.

5.3. Interface Requirements

5.3.1. Definitions

- 5.3.1.1. "Information" means for the purposes of this special IPR Condition, technical information or other information relating to Articles, processes or materials whether in human readable form or in machine readable form, or in any other form.
- 5.3.1.2. "Interface" means those tangible or intangible features of a system, equipment, module or application—including those outlined in ISO 7498 (Basic reference Model for Open Systems Interconnection) which must be compatible with those tangible or intangible features of one or more other systems, equipment's, modules or

applications in order to enable their successful integration and interoperation.

- 5.3.1.3. "Interface Information" means the Information which is necessary and sufficient to describe, define and implement an Interface, including its operating and physical features.
- 5.3.2. Notwithstanding those rights under any other provision the Authority's right to use Interface Information contained within deliverable documentation is governed solely by the provision of these clauses 5.3.5-5.3.10.
- 5.3.3. The Contractor shall make Interface Information available to the Authority as it relates to a production standard Article. At the request of the Authority the Contractor shall, in respect of any Interfaces provided, in addition to the Interface Information in paper form provide the relevant API object code implementation in order to assist a third party (receiving Interface Information in accordance with clauses 5.3.2-5.3.10) in the designing, developing, integration and manufacture of applications and equipment which are intended to make use of the Interface Information in order to enable the Articles to interface or cooperate with other equipment. Specific API object code shall be provided at no charge in the first instance and for subsequent requests subject to the Contractor being reimbursed the reasonable costs of compilation and delivery.
- 5.3.4. The Authority shall have a free licence to copy Interface Information and to circulate, use, or have used the copies for any UK Governmental Purpose. Subject to any pre-existing rights the Contractor shall use all reasonable endeavours to ensure that it owns the rights in any Interface Information. However Interface Information shall only be passed to and used by third parties where the third party is a tenderer or contractor under conditions of confidentiality being DEFFORM 47, DEFCON 531 or an equivalent provision as the case may be or under appropriate confidentiality conditions where the recipient is a foreign government or NATO.
- 5.3.5. Where the Authority has no right to release Interface Information to other than its Support Contractors, or no right to receive Interface Information at all, then the Contractor will co-operate with the Authority's contractors by supplying Articles or accepting directed sub-contracts, on fair and reasonable terms for work in relation to the provision of Articles or modified Articles.
- 5.3.6. The rights of the Authority under clauses 5.3.5-5.3.10 shall be available for as long as the Articles remain in service with the UK Armed Forces or any UK Government Department, and shall extend solely to activities pursuant to a UK Government requirement (which includes provision to NATO or a foreign government) but specifically excluding overseas sales by the UK Government.
- 5.3.7. The grant of rights to the Authority under clauses 5.3.4 shall be subject to the Authority, when exercising any rights granted under 5.3.4, ensuring that Information released to any third party is limited to that necessary for the purpose for which the third party is engaged or in the case of NATO or a foreign government limited to that for interoperability between the UK and those organisations or countries.
- 5.3.8. Annex [S] to the Contract includes the Interfaces identified to the Authority by the Contractor at the date hereof. As further Interfaces are identified during the performance of the Contract, Annex [S] to the Contract shall be amended

using the same principles as the Authority and the Contractor adopted in preparing it.

- 5.3.9. Subject to its availability the Contractor shall provide to the Authority one copy of all Interface Information promptly upon the request of the Authority. Where such Interface Information has not been provided beforehand the Contractor shall in any event provide one copy of all Interface Information by the end of the Contract. The Contractor shall also retain a copy of all Interface Information (including API Object code) which copy shall be owned by the Authority and shall only be amended with the prior written consent of the Authority. Should the Authority or a third party on its behalf require any of the Interface Information (except for a first request for specific API Object Code which shall be free) from the Contractor beyond the copy provided during the Contract period then the Contractor agrees to provide promptly such Interface Information as the Authority or the third party may require subject to the Contractor being reimbursed the costs of compilation and delivery of that Interface Information. The provision and rights to use Interface Information shall be in accord with Clauses 5.3.2-5.3.10.
- 5.3.10. Notwithstanding the free right for the Authority to modify or have modified Interface Information in accordance with Clause 5.3.4 where the Authority requires and requests that the Contractor modifies the Articles for the purposes of integration and interoperation, then to the extent that the Contractor owns or controls the relevant Information he undertakes to promptly provide the modification on fair and reasonable terms which are at least consistent with the Authority's standard pricing conditions.

5.4. Software

- 5.4.1. All software generated in the performance of the contract shall be subject to DEFCON 91, whether such software is platform independent or forms an integral part of the operation of an Article.
- 5.4.2. The Source Material as defined in DEFCON 91 shall be separately delivered for each software package subject to sub-clause 5.4.1.
- 5.4.3. All pre-existing Contractor and third party software shall be supplied by the Contractor or the third party under the terms of DEFFORM 701.
- 5.4.4. Where third party software and the Contractor's own commercial off the shelf software is only available on shrink-wrap terms such terms shall be acceptable to the authority.

5.5. IPR Register

- 5.5.1. The Contractor shall ensure that an IPR Register detailing all background and foreground IPR is kept and maintained throughout the duration of this Contract. The Contractor shall make available to the Authority the IPR Register at the Authority's request. An annual review of the register shall take place between the Authority and Contractor.

5.6. Procedure for Making Direct Agreements with Sub-Contractors

- 5.6.1. The Contractor shall not place any Sub-Contract or order involving the design or development of equipment required under this contract without the prior written consent of the Authority.

- 5.6.2. Unless otherwise agreed, such consent will be conditional on the proposed Sub-Contractor concluding a direct agreement with the Authority in the form set out in Annex Q to the Contract. Wherever possible the request for approval should be accompanied by two copies of the agreement signed by the Sub-Contractor. If, in any case the Contractor is unable to comply with this Condition they shall report the matter to the Authority's Commercial Branch and await further instructions before placing the Sub-Contract or order.
- 5.6.3. Where the Contract includes DEFCONs or other conditions to which Contract Data Requirements apply the Contractor shall incorporate into the aforementioned Agreement the appropriately amended versions of the Contract Data Requirements insofar as they are applicable to the Sub-Contract work. Accordingly, the Contractor shall be responsible for ensuring that the appropriate Contracts Data Requirements are established in the Agreement.

6. LOANS

DEFCON23 (Edn.08/09) - Special Jigs, Tooling and Test Equipment

DEFCON76 (Edn.12/06) - Contractor's Personnel at Government Establishments

DEFCON611 (Edn.02/16) - Issued Property

DEFCON694 (Edn.03/16) - Accounting For Property of the Authority

6.1. Government Furnished Assets – GFA

- 6.1.1. All GFA issued by the Authority to the Contractor for the purpose of carrying out the work under SOR Items 1-7 is listed at Annex K to this Contract. All GFA will be provided on the terms and conditions stated therein, and are subject to the provisions of DEFCON 611 (Edn.07/10).
- 6.1.2. Save for the applicability of DEFCON 632 (Edn.08/12), any information of a technical nature that has been provided to the Contractor by the Authority under the Contract is provided, subject to Clause 6.1.3, without any potential liability to the Authority; the Contractor is responsible for and remains completely liable for any use it may make of such information in the execution of the Contract, and for assuring itself that the information is fit for purpose and accurate.
- 6.1.3. All changes to the GFA list shall be undertaken by a formal Contract Amendment in accordance with DEFCON 503 (Edn.12/14) and the process in DEFCON 620 (06/14).
- 6.1.4. In the event that the Authority fails to make an item of GFA available by the agreed date, and as a direct result, the Contractor is unable to achieve the delivery date as stipulated in the Delivery Schedule at Annex D to this Contract, then the contractor shall be entitled to apply for an extension of time to the delivery date.
- 6.1.5. The Contractor must as soon as practicable, and in any event within five (5) Business Days, of the Authority having failed to provide the GFA at the agreed time notify the Authority's Commercial Branch of its claim for an extension in time to the delivery date. As part of that claim, the Contractor must demonstrate to the reasonable satisfaction of the Authority's Commercial Branch that it has used all reasonable endeavours to mitigate and recover any delay.
- 6.1.6. If the Contractor has complied with its obligations under Clause 6.1.5 the Authority shall postpone the delivery date by such time as shall be reasonable for the Authority's failure to provide the GFA by the agreed date, taking into account the likely effect of the delay.
- 6.1.7. The Contractor shall take any steps as may be reasonably necessary to ensure that it has brought to the notice of all Sub-Contractors and any other persons dealing with any GFA that the Authority is the owner, the handling requirements associated and that obligations to flow down Conditions of this Contract are met. The Contractor shall notify the Authority immediately of any attempts by a Third Party to secure a lien or rights of a similar kind on any GFA. At the same time the Contractor shall notify the Third Party that the

[redacted]

Authority is the owner of the GFA. This shall not relieve the Contractor of his obligations under DEFCON 611 (Edn.07/10).

7. DELIVERY

DEFCON5J (Edn.03/15) - Unique Identifiers

NOTES:

Where used in conjunction with contracts for services, Clause 2 of DEFCON 5J (Edn.07/08) shall not apply.

Existing Contracts Created Off Line (CP&F)

Where an offer and acceptance has already taken place off-line to establish the Contract, the Authority shall issue a purchase order message in order to establish unique order identifiers for the Items on the Schedule of Requirements (SoR) for the purpose of subsequent CP&F transactions. The Contractor shall respond with an acknowledgment message. In these circumstances, purchase order messages serve only to convey to the Contractor the information necessary against which to supply an item, prepare a delivery label and to submit an invoice message; the purchase order acknowledgment message serves only to confirm receipt of a purchase order message. No new Contract is understood to be formed by this purchase order.

DEFCON113 (Edn.12/16) - Diversion Orders

DEFCON507 (Edn.10/98) - Delivery

DEFCON524 (Edn.10/98) - Rejection

DEFCON525 (Edn.10/98) – Acceptance

DEFCON612 (Edn.10/98) - Loss of or Damage to the Articles

DEFCON514 (Edn.08/15) – Material Breach

DEFCON621B (Edn.10/04) - Transport (If The Contractor Is Responsible For Transport).

NOTE: DEFCON621B shall apply for transport of all items until delivery at the required delivery address as detailed at Box 9 DEFFORM 111. The Contractor shall be responsible for installing and commissioning the equipment at site (whether in the UK or Falkland Islands) in accordance with the SoW at Annex A.

DEFCON684 (Edn. 01/04) – Limitation Upon Claims In Respect Of Aviation Products.

7.1. Installation, Acceptance and Technical Transfer – SOR Item 1-3

- 7.1.1. TT1 - Technical Transfer 1 will be technical acceptance of [redacted] following successful completion of acceptance testing, in accordance with the SOW at Annex A and approval by the ATM equipment of issue 1 of the RiSE as specified at Clause 7.3.
- 7.1.2. TT2 - Technical Transfer 2 will be technical acceptance of [redacted] following successful completion of acceptance testing, in accordance with the SOW at Annex A and approval by the ATM Equipment Acceptance Board of issue 1 of the RiSE as specified at Clause 7.3.
- 7.1.3. TT3 - Technical Transfer 3 will be technical acceptance of [redacted] following successful completion of acceptance testing, in accordance with the SOW at Annex A and approval by the ATM Equipment Acceptance Board of issue 1 of the RiSE as specified at Clause 7.3.
- 7.1.4. TT4 - Technical Transfer 4 will be technical acceptance of [redacted] following successful completion of acceptance testing, in accordance with the SOW at Annex A and approval by the ATM Equipment Acceptance Board of issue 1 of the RiSE as specified at Clause 7.3.
- 7.1.5. Upon acceptance of the Guardian system at TT4 by the Authority, the Authority will have accepted the Guardian system and all corresponding contractual deliverables and the Contractor will have complied with its obligations in respect of Items 1-3 of this Contract.

7.2. Document Deliverables

- 7.2.1. For the purposes of DEFCON525 (Edn.10/98), Acceptance and DEFCON524 (Edn.10/98), Rejection, document deliverables shall be accepted once the Authority has reviewed the document and the Authority's Project Manager is satisfied that the deliverable meets the requisite quality. The Authority shall review the document and provide any comments to the Contractor within twenty Business Days of confirming receipt of the document. The Contractor shall then incorporate those comments within a revised document (subject to any further agreement that may be required) which shall be issued to the Authority within ten Business Days of receiving the Authority's comments. If the Authority does not provide comments within twenty Business Days of confirmation of receipt of the original document this shall constitute acceptance of that document by the Authority, with the exception of document deliverables that address or arise from Safety or Security requirements which shall not be subject to an automatic acceptance. The Contractor shall give the Authority notice of at least twenty Business Days prior to the submission of such deliverable documents.
- 7.2.2. Receipt of the revised document the Authority shall notify the Contractor of any errors or omissions within ten Business Days. The Contractor shall correct these errors and/or omissions and submit the corrected document to the Authority within five Business Days. If no errors or omissions are identified acceptance shall be deemed to have taken place once the ten Business Days have elapsed, with the exception of document deliverables that address or arise from Safety or Security requirements which shall not be subject to an automatic acceptance. The Contractor shall give the Authority notice of at least twenty Business Days prior to the submission of such deliverable documents.

7.3. Military Aviation Authority (MAA) – Release into Service Process

- 7.3.1. The Contractor shall be required to follow the MAA Release into Service Process as specified at Annex J to this Contract.

7.4. Air Traffic Management (ATM) Approved Organisation Scheme (AAOS)

- 7.4.1. With effect from 28/02/2019 the Contractor shall obtain and maintain AAOS status in accordance with the RA 3100 Series and promptly upon procuring the same, provide to the Authority a copy, certified by a director or the secretary of the Contractor as being a true copy, of the Contractor's AAOS status in accordance with the RA 3100 Series.

7.5. Delivery Schedule

- 7.5.1. Items 1-3 of the SOR shall be delivered in accordance with the delivery schedule at Annex D. Should the Contractor fail to achieve the delivery dates detailed at Annex D for the any of the events identified at Clause 7.1, the Authority shall have the right to terminate the Contract in accordance with DEFCON 514.

7.6. Anchor Milestones

- 7.6.1. The Authority has specified the successful completion of the following anchor milestones:
 - 7.6.1.1. Preliminary Design Review as specified in the Delivery Schedule at Annex D; in accordance with the SOW at Annex A.
 - 7.6.1.2. Critical Design Review as specified in the Delivery Schedule at Annex D; in accordance with the SOW at Annex A.
 - 7.6.1.3. Factory Acceptance Test as specified in the Delivery Schedule at Annex D; in accordance with the SOW at Annex A.
 - 7.6.1.4. System Acceptance Test as specified in the Delivery Schedule at Annex D; in accordance with the SOW at Annex A.
- 7.6.2. It is a requirement of the Contract that the Contractor shall successfully achieve the anchor milestones referred to in this Condition. Should the Contractor fail to achieve the anchor milestones on the date due specified within the Delivery Schedule at Annex D, the Authority may, in its sole discretion, write to the Contractor giving 40 calendar days written notice of its intention to terminate the Contract. On receipt of written notice from the Authority the Contractor has up to 20 calendar days to submit a rectification plan for the Authority's consideration, stating how the Contractor shall fulfil the remaining obligations on the Contract, to the dates specified within the Delivery Schedule at Annex D. The rectification plan shall include a programme plan with timelines and a clear description of recovery measures. Following submission of the rectification plan by the Contractor, the parties shall discuss the Contractor's submission and endeavour to reach an agreement within 10 calendar days. At the Authority's sole discretion, if the parties fail to agree within 10 calendar days after the date of the Contractor's submission of the rectification plan the Authority shall have the right to issue a formal termination notice, to terminate the Contract in accordance with DEFCON 514. In the event that the Authority terminates the Contract under the provisions of this Condition, any payments made by the Authority shall be recoverable and no further payments shall be due.

- 7.6.3. In the event of termination by the Authority under the provisions of this Condition then all Articles and materials delivered as GFA, shall remain vested in the Authority. All GFA shall be returned to the Authority with 20 Business Days following Contract termination.

7.7. Liquidated Damages

- 7.7.1. It is recognised by the parties that failure to achieve Technical Transfer 1 (TT1), which the Contractor is required under this Contract to deliver to the Authority in accordance with the Delivery Schedule at Annex D to this Contract, the Authority will suffer loss and damage.
- 7.7.2. Accordingly, if the Contractor fails to deliver within the time specified in the contract, the Contractor shall be liable to pay to the Authority as liquidated damages for delay in achieving Technical Transfer 1 (TT1), the sum of £[redacted] for each day of such delay (including weekends/bank holidays) up to a maximum of £[redacted]. The Parties confirm that this sum represents a genuine pre-estimate of the Authority's loss.
- 7.7.3. The provisions of this Condition are without prejudice to any other rights of the Authority under the Contract, including but not limited to those under DEFCON 514 (Edn. 08/15). Accordingly, in the event that the Authority terminates the Contract Liquidated Damages shall be payable under Clause 7.7.2 above until the date of such termination.
- 7.7.4. Unless expressly stated by the Authority in writing, the provisions of DEFCON 527 (Waiver) shall apply to the Authority's right to recover Liquidated Damages under this Clause.

7.8. Force Majeure

- 7.8.1. The Parties shall not be in breach of this Contract, nor liable for late or non-performance of any of its obligations under this Contract, if such delay or failure is a direct result of from a "Force Majeure Event", unless any of the events listed below arise as a direct result of any wilful act, omission, or default of the Parties, in which case such an event shall not be a Force Majeure event. For the purposes of this Contract a Force Majeure Event is defined as one of the following:
- 7.8.1.1. acts of nature; war; hostilities; fire at any of the Parties' premises or those of its suppliers.
- 7.8.2. The Parties shall immediately notify the other in writing on the occurrence of a Force Majeure Event, including details of the Force Majeure Event, its effect on the Parties' obligations under this Contract, and the actions proposed to mitigate its effect.
- 7.8.3. Subject to Clause 6.6.4 below, the affected Party shall be entitled to an appropriate extension of time for performing such obligations provided always that where the affected Party is the Contractor they can demonstrate to the satisfaction of the Authority that the Contractor has sought to mitigate the effects of the Force Majeure Event, and to facilitate the continued performance of its obligations under this Contract.
- 7.8.4. If the period of delay or non-performance continues for 6 months, the Authority may terminate this agreement, in accordance with DEFCON 656, by giving 30 days written notice to the Contractor.

7.9. Limitation of Contractor's Liability

7.9.1. The Contractor's liability under or in relation to the Contract shall be limited in respect of the following risks as set out below:

7.9.1.1. Default - £[redacted];

7.9.2. The Authority has agreed the above limitation[s] of the Contractor's liability based on the risk assessment and proposed risk mitigation activities provided by the Contractor and set out at Annex T of the contract.

7.9.3. Nothing in this clause shall exclude or limit the Contractor's liability in respect of the following:

7.9.3.1. Any liability arising under or by reason of the Contractor's indemnities granted to the Authority set out in DEFCONs 91 and 632.

7.9.3.2. Death or personal injury.

7.9.3.3. Fraud or fraudulent misrepresentation.

7.9.3.4. Wilful misconduct.

7.9.3.5. Liquidated Damages payable under Clause 7.5

7.9.3.6. Recovery of Interim Payments made under Clause 8.2.

7.10. Self-To-Self Delivery

7.10.1. Where any Article to be supplied under the Contract is to be delivered otherwise than being handed over by the Contractor to the Authority, as where an Article is to be delivered by the Contractor to its own premises or to those of a Sub-Contractor ('self-to-self delivery'), the risk in such Article shall (notwithstanding the provisions of DEFCON 612 (Edn. 10/98)) remain vested in the Contractor until such time as the Article is handed over to the Authority.

8. PAYMENTS/RECEIPTS

DEFCON513 (Edn.06/10) - Value Added Tax

DEFCON522 (Edn.18/11/16) - Payment and Recovery of Sums Due

DEFCON523 (Edn.03/99) - Payment of Bills Using the Bankers Automated Clearing Service (BACS) System

DEFCON534 (Edn.06/97) - Prompt Payment (Sub-Contracts)

DEFCON649 (Edn.07/99) – Vesting

DEFCON670 (Edn.07/14) – Tax Compliance

8.1. Payment

- 8.1.1. SOR Item 4 – To be paid quarterly in arrears after the provision of the service in accordance with the SOW at Annex A to this Contract, and subject to any deductions under the pay and performance measure at Annex H.
- 8.1.2. SOR Item 5 – To be paid quarterly in arrears after the provision of the service in accordance with the SOW at Annex A to this Contract, and subject to any deductions under the pay and performance measure at Annex I.
- 8.1.3. SOR Item 6 – To be paid on successful completion of each additional training course in accordance with the SOW, in accordance with Annex M.
- 8.1.4. SOR Item 7 – To be paid on successful completion of each task in accordance with Annex L.

8.2. Interim Payments

- 8.2.1. The Authority shall, subject to the following provisions of this Condition, make to the Contractor advances against the Contract price payable for Items 1-3 of SOR Condition 1.1 (“interim payments”).
- 8.2.2. These advances against the prices payable shall be paid progressively as Milestone Payments, in accordance with the Milestone Payment Plan at Annex E to this Contract.
- 8.2.3. The Contractor shall be entitled to interim payment, to be claimed in accordance with Condition 8, Payment, for each Milestone, when:
 - 8.2.3.1. the Contractor has completed all work comprised in the Milestone for which the advance is sought in accordance with the applicable Milestone Acceptance Criteria detailed within Annex E.
 - 8.2.3.2. the Milestones have been completed sequentially unless otherwise expressly agreed between the Parties;
 - 8.2.3.3. the Contractor shall have complied with all its contractual obligations which enable the Authority to monitor the Contractor’s contractual performance, including but not limited to those obligations related to the provision of information to the Authority.

- 8.2.4. Notwithstanding Clause 8.2.3, above, the Authority shall not be obliged to make a payment to the Contractor if the Authority has reasonable cause to believe that the Contractor will be unlikely to render complete performance of his obligations in respect of Items 1-3 of SOR Condition 1.1.
- 8.2.5. Where the Authority intends to rely on Clause 8.2.4 above as the basis for rejecting any claim for interim payment which the Contractor may make, the Authority shall give to the Contractor notice in writing of his intention together with the Authority's reasons for the rejection.
- 8.2.6. The Authority shall without prejudice to any other right / remedy of either party, be entitled to recover in full all interim payments made under the Contract where:
 - 8.2.6.1. the Contract, or the part of the Contract under which Items 1-3 of SOR Condition 1.1 is to be provided, is terminated otherwise than in accordance with DEFCON 656 (Edn. 03/06) or expires by reason of passing of time; and
 - 8.2.6.2. the Contractor has failed to complete performance of Items 1-3 of SOR Condition 1.1.
- 8.2.7. In the event of repayment to the Authority under the provisions of Clause 8.2.6 above then all that which vested in the Authority under the provisions of DEFCON 649 (Edn. 07/99) and which related to Items 1-3 of SOR Condition 1.1 shall re-vest in and become the absolute property of the Contractor.
- 8.2.8. Payment of an interim payment by the Authority under this Condition 8.2 shall not, unless expressly stated to do so, constitute:
 - 8.2.8.1. acceptance by the Authority of any contractual deliverable;
 - 8.2.8.2. a representation by the Authority that the Contractor has complied with any contractual obligations; or
 - 8.2.8.3. a waiver of the Authority's right to subsequently claim that the conditions for payment of that interim payment were not satisfied.
- 8.3. Not used**
 - 8.3.1. Not used.

9. CONTRACT ADMINISTRATION

DEFCON604 (Edn.06/14) - Progress Reports

NOTE: For the purposes of the Contract, the frequency of reports shall be in accordance with the requirements of the SOW at Annex A.

DEFCON609 (Edn.06/14) - Contractor's Records

DEFCON 625 (Edn.10/98) - Co-operation on Expiry of Contract

DEFCON642 (Edn.06/14) - Progress Meetings

NOTE: For the purposes of Clause 1 the frequency of meetings shall be as defined in the SOW at Annex A.

9.1. Progress Meetings – Requirements

9.1.1. Unless specified otherwise, for all meetings detailed in the Statement of Work at Annex A to this Contract, the following activities shall be undertaken and shall be the responsibility of the Contractor

9.1.1.1. The Contractor shall provide each of the following no less than 5 business days (1 working week) prior to the meeting:

9.1.1.1.1. the calling notice for the meeting.

9.1.1.1.2. the relevant meeting agenda.

9.1.1.1.3. any additional information required by the Authority.

9.1.1.2. The Contractor shall perform secretarial duties at the meetings, including meeting minutes.

9.1.1.3. Minutes of meetings between the Authority and the Contractor shall be accepted once the Authority is satisfied that the minutes are an accurate reflection of the meeting in question and any decisions taken or actions placed therein:

9.1.1.3.1. The Contractor shall submit the draft minutes to the Authority for its approval no later than ten (10) Business Days following completion of said meeting.

9.1.1.3.2. The Authority shall review the draft minutes and provide the Contractor with either its approval of the minutes or comments / corrections to the draft minutes no later than five (5) Business Days after receipt of the draft minutes.

9.1.1.3.3. The Contractor shall incorporate those comments / corrections into the revised minutes which shall be issued to the Authority for its approval (in accordance with the above process) no later than two (2) Business Days following receipt of those comments / corrections.

9.1.1.3.4. No later than two (2) Business Days following receipt of the Authority's approval of the minutes, the Contractor

[redacted]

shall formally issue the approved minutes to all attendees of the meeting.

9.2. EVM Requirements

- 9.2.1. The Contractor shall carry out Earned Value Management (EVM) in accordance with the SOW at Annex A to this Contract.

9.3. Co-operation On Expiry Of Contract

- 9.3.1. During the final six months before the expiry date of the Contract, or during the period of any termination notice, the Contractor shall co-operate fully, with the transfer of responsibility of the Contract and associated Articles ,from the Contractor to any person (follow on Contractor) or to the Authority. For the purposes of this Clause the meaning of the term co-operate shall include:
- 9.3.1.1. liaising with the Authority and/or any follow-on Contractor, and providing reasonable assistance and advice concerning the management of the Contract and the transfer to the Authority or to such Follow-on Contractor; and
 - 9.3.1.2. ensuring that the Authority and/or any follow-on Contractor will have access to, and the rights to use and obtain, all information and Articles necessary for continued performance of the Contract.
 - 9.3.1.3. allowing any such follow-on Contractor access (at reasonable times and on reasonable notice) to the Articles but not so as to interfere with or impede the current management of the Contract.
- 9.3.2. The Contractor shall use all reasonable endeavours so as to facilitate the smooth transfer of responsibility of the Contract to a follow-on Contractor or to the Authority, as the case may be, and the Contractor shall take no action at any time during the Contract period or thereafter which is calculated or intended, directly or indirectly, to prejudice or frustrate or make more difficult such transfer.

DEFFORM 111- (Edn 02/16)

Appendix - Addresses and Other Information

1. Commercial Officer

DES SACC-Comrcl-1a

SACC DT: Yew 3b #1345; Abbeywood; Bristol; BS34 8JH

Email: [redacted]

☎ [redacted]

8. Public Accounting Authority

1. Returns under DEFCON 694 (or SC equivalent) should be sent to DBS Finance ADMT – Assets In Industry 1, Level 4 Piccadilly Gate, Store Street, Manchester, M1 2WD

☎ 44 (0) 161 233 5397

2. For all other enquiries contact DES Fin FA-AMET Policy, Level 4 Piccadilly Gate, Store Street, Manchester, M1 2WD

☎ 44 (0) 161 233 5394

2. Project Manager, Equipment Support Manager or PT Leader:

DESSACC-ABM-PM3

SACC DT: Yew 3b #1345; Abbeywood; Bristol; BS34 8JH

Email: [redacted]

☎ [redacted]

9. Consignment Instructions

The items are to be consigned as follows:

Item 1 – [redacted]

Item 2 – [redacted]

Item 3 – [redacted]

3. Packaging Design Authority

Organisation and Point of Contact

(Where no address is shown please contact the Project Team in Box 2)

☎

10. Transport. The appropriate Ministry of Defence Transport Offices are:

A. DSCOM, DE&S, DSCOM, MoD Abbey Wood, Cedar 3c, Mail Point 3351, BRISTOL BS34 8JH

Air Freight Centre

IMPORTS ☎ 030 679 81113 / 81114 Fax 0117 913 8943

EXPORTS ☎ 030 679 81113 / 81114 Fax 0117 913 8943

Surface Freight Centre

IMPORTS ☎ 030 679 81129 / 81133 / 81138 Fax 0117 913 8946

EXPORTS ☎ 030 679 81129 / 81133 / 81138 Fax 0117 913 8946

B. JSCS

JSCS Helpdesk No. 01869 256052 (select option 2, then option 3)

JSCS Fax No. 01869 256837

www.freightcollection.com

4. (a) Supply / Support Management Branch or Order Manager:

[redacted]

☎ [redacted]

(b) U.I.N. P2547A

11. The Invoice Paying Authority (see Note 1)

Ministry of Defence

☎ 0151-242-2000

DBS Finance

Walker House, Exchange Flags

Fax: 0151-242-2809

Liverpool, L2 3YL

Website is:

<https://www.gov.uk/government/organisations/ministry-of-defence/about/procurement#invoice-processing>

5. Drawings/Specifications are available from

6. For contracts containing DEFCON 5, mauve Copies of MOD Form 640 are to be sent to

(where no address is shown the mauve copy should be destroyed)

12. Forms and Documentation are available through *:

Ministry of Defence, Forms and Pubs Commodity Management

PO Box 2, Building C16, C Site

Lower Arcott

Bicester, OX25 1LP (Tel. 01869 256197 Fax: 01869 256824)

Applications via fax or email: [DESLCSLS-
OpsFormsandPubs@mod.uk](mailto:DESLCSLS-OpsFormsandPubs@mod.uk)

7. Quality Assurance Representative:

DES ISTAR-BMT-QM2

McIntosh Level 0 #0012, Abbeywood, Bristol, BS34 8JH

DESISTAR-BMT-QM2@mod.uk

AQAPS and **DEF STANs** are available from UK Defence Standardization, for access to the documents and details of the helpdesk visit <http://dstan.uwh.dii.f.r.mil.uk/> [intranet] or <https://www.dstan.mod.uk/> [extranet, registration needed].

NOTES

1. Forms. Hard copies, including MOD Form 640 are available from address in Box 12., All other invoicing forms e.g. AG Forms 169 and 173, are available from the website address shown at Box 11.

2.* Many **DEFCONs** and **DEFFORMs** can be obtained from the MOD Internet Site:

<https://www.aof.mod.uk/aofcontent/tactical/toolkit/index.htm>

Annex List

Annex A – Statement of Work

Annex B – System Requirement Document

Annex C – Security Aspects Letter

Annex D – Delivery Schedule

Annex E – Milestone Payment Plan – SOR Items 1-3

Annex F – Cost Template

Annex G – Contactor's Proposals

Annex H - Guardian In-Service Support Performance Monitoring Mechanism (UK Sites)

Annex I – Guardian In-Service Support Performance Monitoring Mechanism (FI Sites)

Annex J – Military Aviation Authority – Release into Service Process

Annex K – Government Furnished Assets (GFX)

Annex L – Tasking Procedure (Ad Hoc Tasks)

Annex M – Tasking Procedure (Additional Training Requirements)

Annex N – Insurance Schedule

Annex O – TUPE Schedule

Annex P – Contractors Key Personnel List

Annex Q – DEFFORM 177 (Design Rights and Patents – Subcontractors Agreement)

Annex R - DEFFORM 691A Timber And Wood-Derived Products Supplied Under The Contract-
Data Requirements

Annex S – IPR Interfaces

Annex T – Limitation of Contractor's Liability Risk Assessment

[redacted]