

Schedule 13

Instalment Payment Scheme

Ship Design

	Detailed Description of Milestone	Planned Milestone Achievement Date**	% of Design Firm Price
1st Instalment	<p>Preliminary Design Review (PDR) Complete in accordance with Schedule 2 (Project Management Specification).</p> <p>Achievement of this milestone shall include the following:</p> <ul style="list-style-type: none"> • Plan Approval of Basic Design Drawings by Lloyds Register (or equivalent), United Kingdom (UK) Maritime Coastguard Agency (MCA) and the Authority • Provision of all deliverables post Long Lead Orders and up to PDR 		25%
2nd Instalment	<p>Critical Design Review (CDR) completed in accordance with Schedule 2 (Project Management Specification).</p> <p>Achievement of this milestone shall include the following:</p> <ul style="list-style-type: none"> • Design Chill achieved • 100% of As Drawn Assessments complete • 80% of Detailed Design Drawings agreed by the Authority • Safety & Environmental deliverables drafted and agreed by the Authority • Provision of all deliverables post PDR and up to CDR 		25%
3rd Instalment	<p>Production Design completed in accordance with Schedule 2 (Project Management Specification).</p> <p>Achievement of this milestone shall include the following:</p> <ul style="list-style-type: none"> • 100% of Detailed Design Drawings agreed by the Authority • 100% of HATs and SATs documents drafted and agreed by the Authority • 100% of Production drawings provided for information • Design Maturity achieved 		50%

Ship 01 Build

	Detailed Description of Milestone	Planned Milestone Achievement Date**	% of Ship 01 Build Firm Price
1 st Instalment	Contract Award. Establishment of Contractor organisation and delivery teams. Provision of Refund Guarantee to the Authority		1%
2 nd Instalment	Long lead orders placed in accordance with Schedule 2 (Project Management Specification) and Schedule 3 (Technical Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> • 100% of Long lead item supporting documentation delivered to Contractor • Proof of purchase orders • Provision of all deliverables post Contract award and up to this period • Establishment of a UK Design Liaison Office 		4%
3 rd Instalment	Cut Steel - construction commenced in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> • Inspection and Test Plan agreed by the Authority • Cut Steel Ceremony held 		15%
4 th Instalment	Keel Lay in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> • First block erected on building berth • minimum 40% of whole ship block assembly • minimum 30% of pre-outfitting complete. 		10%
5 th Instalment	Launch in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> • Propeller installed • hull fully painted and • all block erection complete (including deckhouse and flight deck blocks) • minimum 65% outfitting complete and • ship safely afloat • 100% of HATs and SATs final documents and approved by Lloyds Register (where applicable) and the Authority. 		25%
6 th Instalment	Acceptance Off Contract in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> • Ship Accepted Off Contract. 		30%
7 th Instalment	Departure of Ship on Delivery Voyage in accordance with Schedule 2 (Project Management Specification).		5%

	<p>Achievement of this milestone shall include the following:</p> <ul style="list-style-type: none"> Resolution of safety-critical emergent technical issues following Ship Staff Move Onboard Support to Ship Staff safety and readiness checks 		
8 th Instalment	<p>Acceptance into Service in accordance with Schedule 2 (Project Management Specification).</p> <p>Achievement of this milestone shall include the following:</p> <ul style="list-style-type: none"> Ship Accepted into Service by the Authority in accordance with the contract. Provision of On-Demand Guarantee to the Authority 		5%
Final Instalment	<p>Completion of Warranty Period in accordance with Schedule 2 (Project Management Specification).</p> <p>Achievement of this milestone shall include the following:</p> <ul style="list-style-type: none"> Successful rectification of all Guarantee Defects 		5%

ILS Ship 01

	Detailed Description of Milestone	Planned Milestone Achievement Date**	% of ILS Firm Price Ship 01
1 st Instalment	<p>Contract Award.</p> <p>Establishment of Contractor ILS organisation and delivery teams.</p>		1%
2 nd Instalment	<p>Long lead order in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> Contract placed for the Long-lead Items listed below and evidence of ILS Requirements in sub-supplier's contracts provided. Integrated Support Plan (ISP) delivered and accepted. 		9%
3 rd Instalment	<p>Preliminary Design Review (PDR) in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> Complete and evidence of ILS Requirements in all sub-supplier's contracts provided. Maintenance Management System (MMS) provided and accepted by Authority. 		15%
4 th Instalment	<p>Critical Design Review (CDR) in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> ILS Design Requirements (e.g. Maintenance Envelope and Removal Route Plans) provided to the satisfaction of the Authority. Evidence of Maintenance Identification Study (MIS) outputs (FMECA's, RCM and LORA) 		10%
5 th Instalment	<p>Keel Lay in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> Evidence of MIS outputs incorporated in the MMS including maintenance schedules and Job Information Cards (JICs). Care and Maintenance of Ship systems carried out to date. 		10%

6 th Instalment	<p>Launch in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> • Ship 01 crew interim training arranged and course overviews provided • Initial Provisioning (IP) spares and Support and Test Equipment delivered to the Authority stores in the UK. • MMS Populated and operational. 		10%
7 th Instalment	<p>Acceptance Off Contract in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> • All ILS documentation accepted by the Authority, in accordance with the contract, and stored on-board. • Ship 01 crew interim training completed. • All other ILS deliverables for Ship 01 delivered and accepted by the Authority. 		35%
8 th Instalment	<p>Acceptance into Service in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> • All ILS deliverables for Ship 01 delivered and accepted by the Authority. • Machinery Condition Monitoring (MCM) baseline surveys for Ship 01 completed and reports accepted. 		10%

Ship 02 Build

	Detailed Description of Milestone	Planned Milestone Achievement Date**	% of Ship 02 Build Fixed Price
1 st Instalment	Long lead orders placed in accordance with Schedule 2 (Project Management Specification) and Schedule 3 (Technical Specification). Achievement of this milestone shall include: <ul style="list-style-type: none"> Provision of Refund Guarantee to the Authority 		5%
2 nd Instalment	Cut Steel - construction commenced in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Inspection and Test Plan agreed by the Authority Cut Steel Ceremony held 		15%
3 rd Instalment	Keel Lay in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> First block erected on building berth minimum 40% of whole ship block assembly minimum 30% of pre-outfitting complete. 		10%
4 th Instalment	Launch in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Propeller installed hull fully painted all block erection complete (including deckhouse and flight deck blocks) minimum 70% outfitting complete ship safely afloat 100% of HATs and SATs final documents and approved by Lloyds Register (where applicable) and the Authority. 		25%
5 th Instalment	Acceptance Off Contract in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Ship Accepted Off Contract. 		30%
6 th Instalment	Departure of Ship on Delivery Voyage in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Resolution of safety-critical emergent technical issues following Ship Staff Move Onboard Support to Ship Staff safety and readiness checks 		5%
7 th Instalment	Acceptance into Service in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following:		5%

	<ul style="list-style-type: none"> Ship Accepted into Service by the Authority in accordance with the contract. Provision of On-Demand Guarantee to the Authority 		
Final Instalment	<p>Completion of Warranty Period in accordance with Schedule 2 (Project Management Specification).</p> <p>Achievement of this milestone shall include the following:</p> <ul style="list-style-type: none"> Successful rectification of all Guarantee Defects 		5%

ILS Ship 02

	Detailed Description of Milestone	Planned Milestone Achievement Date**	% of ILS Fixed Price Ship 02
1 st Instalment	<p>Launch in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> Ship 02 crew interim training arranged and course overviews provided Initial Provisioning (IP) spares and Support and Test Equipment delivered to the Authority stores in the UK. MMS Populated and operational. 		40%
2 nd Instalment	<p>Acceptance Off Contract in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> All ILS documentation accepted by the Authority, in accordance with the contract, and stored on-board. Ship 02 crew interim training completed. All other ILS deliverables for Ship 02 delivered and accepted by the Authority. 		40%
3 rd Instalment	<p>Acceptance into Service in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> All ILS deliverables for Ship 02 delivered and accepted by the Authority. Machinery Condition Monitoring (MCM) baseline surveys for Ship 02 completed and reports accepted. 		20%

Ship 03 Build

	Detailed Description of Milestone	Planned Milestone Achievement Date**	% of Ship 03 Build Fixed Price
1 st Instalment	Long lead orders placed in accordance with Schedule 2 (Project Management Specification) and Schedule 3 (Technical Specification). Achievement of this milestone shall include: <ul style="list-style-type: none"> Provision of Refund Guarantee to the Authority 		5%
2 nd Instalment	Cut Steel - construction commenced in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Inspection and Test Plan agreed by the Authority Cut Steel Ceremony held 		15%
3 rd Instalment	Keel Lay in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> First block erected on building berth minimum 40% of whole ship block assembly minimum 30% of pre-outfitting complete. 		10%
4 th Instalment	Launch in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Propeller installed hull fully painted all block erection complete (including deckhouse and flight deck blocks) minimum 75% outfitting complete ship safely afloat 100% of HATs and SATs final documents and approved by Lloyds Register (where applicable) and the Authority. 		25%
5 th Instalment	Acceptance Off Contract in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Ship Accepted Off Contract. 		30%
6 th Instalment	Departure of Ship on Delivery Voyage in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Resolution of safety-critical emergent technical issues following Ship Staff Move Onboard Support to Ship Staff safety and readiness checks 		5%
7 th Instalment	Acceptance into Service in accordance with Schedule 2 (Project Management Specification). Achievement of this milestone shall include the following: <ul style="list-style-type: none"> Ship Accepted into Service by the Authority in accordance with the contract. 		5%

	<ul style="list-style-type: none"> Provision of On-Demand Guarantee to the Authority 		
Final Instalment	<p>Completion of Warranty Period in accordance with Schedule 2 (Project Management Specification).</p> <p>Achievement of this milestone shall include the following:</p> <ul style="list-style-type: none"> Successful rectification of all Guarantee Defects 		5%

ILS Ship 03

	Detailed Description of Milestone	Planned Milestone Achievement Date**	% of ILS Fixed Price Ship 03
1 st Instalment	<p>Launch in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> Ship 03 crew interim training arranged and course overviews provided Initial Provisioning (IP) spares and Support and Test Equipment delivered to the Authority stores in the UK. MMS Populated and operational. 		40%
2 nd Instalment	<p>Acceptance Off Contract in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> All ILS documentation accepted by the Authority, in accordance with the contract, and stored on-board. Ship 03 crew interim training completed. All other ILS deliverables for Ship 03 delivered and accepted by the Authority. 		40%
3 rd Instalment	<p>Acceptance into Service in accordance with Schedule 2 (Project Management Plan), including:</p> <ul style="list-style-type: none"> All ILS deliverables for Ship 03 delivered and accepted by the Authority. Machinery Condition Monitoring (MCM) baseline surveys for Ship 03 completed and reports accepted. 		20%

*Long Lead items to be agreed with the Authority but may comprise of the following:

Diesel Engine	CPP & Shaft	Bow Thruster
Reduction Gear Box	Diesel Generator	Communications Equipment
HVAC and CBRN equipment	Cargo Handling Equipment (Lifts and Cranes)	RAS Equipment
Refrigeration Plant	IPMS	

** Dates to be inserted at Contract Award