



Support Ships – Royal Fleet Auxiliary Team

Contract No: 713713451

For: Procurement of Classification, Survey and Design Appraisal Services

Between the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland Team Name and address: Support Ships – Royal Fleet Auxiliary Team Defence Equipment and Support (DE&S) MoD Abbey Wood Birch 2B #3229 Bristol BS34 8JH E-mail Address: [REDACTED]	And Contractor Name and address: Lloyd's Register EMEA Naval Centre of Expertise One Temple Quay Temple Back East Bristol BS1 6DZ E-mail Address: [REDACTED]
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General Conditions

1. General

- a. The defined terms in the Contract shall be as set out in Annexes A1 and A2.
 - b. The Contractor shall comply with all applicable Legislation, whether specifically referenced in this Contract or not.
 - c. The Contractor warrants and represents, that:
 - (1) they have the full capacity and authority to enter into, and to exercise their rights and perform their obligations under, the Contract;
 - (2) from the Effective Date of Contract and for so long as the Contract remains in force it shall give the Authority Notice of any litigation, arbitration (unless expressly prohibited from doing so in accordance with the terms of the arbitration), administrative or adjudication or mediation proceedings before any court, tribunal, arbitrator, administrator or adjudicator or mediator or relevant authority against themselves or a Subcontractor which would adversely affect the Contractor's ability to perform their obligations under the Contract;
 - (3) as at the Effective Date of Contract no proceedings or other steps have been taken and not discharged (nor, to the best of the knowledge of the Contractor, threatened) for the winding-up of the company or dissolution or for the appointment of a receiver, administrative receiver, administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues;
 - (4) for so long as the Contract remains in force they shall give the Authority Notice of any proceedings or other steps that have been taken but not discharged (nor to the best of the knowledge of the Contractor, threatened) for the winding-up of the company or dissolution or for the appointment of a receiver, administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues.
1. Unless the context otherwise requires:
- (1) The singular includes the plural and vice versa, and the masculine includes the feminine and vice versa.
 - (2) The words "include", "includes", "including" and "included" are to be construed as if they were immediately followed by the words "without limitation", except where explicitly stated otherwise.
 - (3) The expression "person" means any individual, firm, body corporate, unincorporated association or partnership, government, state or agency of a state or joint venture.
 - (4) References to any statute, enactment, order, regulation, or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation, or instrument as amended, supplemented, replaced or consolidated by any subsequent statute, enactment, order, regulation, or instrument.
 - (5) The heading to any Contract provision shall not affect the interpretation of that provision.
 - (6) Any decision, act or thing which the Authority is required or authorised to take or do under the Contract may be taken or done only by the person (or its nominated deputy) authorised in Schedule 3 (Contract Data Sheet) to take or do that decision, act, or thing on behalf of the Authority.
 - (7) Unless excluded within the Conditions of the Contract or required by law, references to submission of documents in writing shall include electronic submission.

2. Duration of Contract

This Contract comes into effect on the Effective Date of Contract and will expire automatically on the date identified in Schedule 3 (Contract Data Sheet) unless it is otherwise terminated in accordance with the provisions of the Contract, or otherwise lawfully terminated.

3. Entire Agreement

This Contract constitutes the entire agreement between the Parties relating to the subject matter of the Contract. The Contract supersedes, and neither Party has relied upon, any prior negotiations, representations and undertakings, whether written or oral, except that this Condition shall not exclude liability in respect of any fraudulent misrepresentation.

4. Governing Law

- a. Subject to clause 4.d, the Contract shall be considered as a contract made in England and subject to English Law.
- b. Subject to clause 4.d and Condition 40 (Dispute Resolution) and without prejudice to the dispute resolution process set out therein, each Party submits and agrees to the exclusive jurisdiction of the Courts of England to resolve, and the laws of England to govern, any actions proceedings, controversy or claim of whatever nature arising out of or relating to the Contract or breach thereof.
- c. Subject to clause 4.d any dispute arising out of or in connection with the Contract shall be determined within the English jurisdiction and to the exclusion of all other jurisdictions save that other jurisdictions may apply solely for the purpose of giving effect to this Condition and for the enforcement of any judgment, order or award given under English jurisdiction.
- d. If the Parties pursuant to the Contract agree that Scots Law should apply then the following amendments shall apply to the Contract:
 - (1) Clause 4.a, 4.b and 4.c shall be amended to read:
 - "a. The Contract shall be considered as a contract made in Scotland and subject to Scots Law.
 - b. Subject to Condition 40 (Dispute Resolution) and without prejudice to the dispute resolution process set out therein, each Party submits and agrees to the exclusive jurisdiction of the Courts of Scotland to resolve, and the laws of Scotland to govern, any actions, proceedings, controversy or claim of whatever nature arising out of or relating to the Contract or breach thereof.
 - c. Any dispute arising out of or in connection with the Contract shall be determined within the Scottish jurisdiction and to the exclusion of all other jurisdictions save that other jurisdictions may apply solely for the purpose of giving effect to this Condition and for the enforcement of any judgment, order or award given under Scottish jurisdiction."
 - (2) Clause 40.b shall be amended to read:

"In the event that the dispute or claim is not resolved pursuant to clause 40.a the dispute shall be referred to arbitration. Unless otherwise agreed in writing by the Parties, the arbitration and this clause 40.b shall be governed by the Arbitration (Scotland) Act 2010. The seat of the arbitration shall be Scotland. For the avoidance of doubt, for the purpose of arbitration the tribunal shall have the power to make provisional awards pursuant to Rule 53 of the Scottish Arbitration Rules, as set out in Schedule 1 to the Arbitration (Scotland) Act 2010."
- e. Each Party warrants to each other that entry into the Contract does not, and the performance of the Contract will not, in any way violate or conflict with any provision of law, statute, rule, regulation, judgement, writ, injunction, decree or order applicable to it. Each Party also warrants that the Contract does not conflict with or result in a breach or termination of any provision of, or constitute a default under, any mortgage, contract or other liability, charge or encumbrance upon any of its properties or other assets.
- f. Each Party agrees with each other Party that the provisions of this Condition shall survive any termination of the Contract for any reason whatsoever and shall remain fully enforceable as between the Parties notwithstanding such a termination.
- g. Where the Contractor's place of business is not in England or Wales (or Scotland where the Parties agree pursuant to the Contract that Scots Law should apply), the Contractor irrevocably appoints the solicitors or other persons in England and Wales (or Scotland where the Parties agree pursuant to the Contract that Scots Law should apply) detailed in Schedule 3 (Contract Data Sheet) as their agents to accept on their behalf service of all process and other documents of whatever description to be served on the Contractor in connection with any litigation or arbitration within the English jurisdiction (or Scottish jurisdiction where the Parties agree pursuant to the Contract that Scots Law should apply) arising out of or relating to the Contract or any issue connected therewith.

5. Precedence

- a. If there is any inconsistency between the different provisions of the Contract the inconsistency shall be resolved according to the following descending order of precedence:
 - (1) Conditions 1 – 44 (and 45 – 47, if included in the Contract) of the Conditions of the Contract shall be given equal precedence with Annexes A1 and A2 (Definitions) and Schedule 3 (Contract Data Sheet);
 - (2) Schedule 2 (Schedule of Requirements) and Schedule 8 (Acceptance Procedure);

- (3) the remaining Schedules; and
 - (4) any other documents expressly referred to in the Contract.
- b. If either Party becomes aware of any inconsistency within or between the documents referred to in clause 5.a such Party shall notify the other Party forthwith and the Parties will seek to resolve that inconsistency on the basis of the order of precedence set out in clause 5.a. Where the Parties fail to reach agreement, and if either Party considers the inconsistency to be material to its rights and obligations under the Contract, then the matter will be referred to the dispute resolution procedure in accordance with Condition 40 (Dispute Resolution).

6. Formal Amendments to the Contract

- a. Except as provided in Condition 31 and subject to clause 6.c, the Contract may only be amended by the written agreement of the Parties (or their duly authorised representatives acting on their behalf). Such written agreement shall consist of:
- (1) the Authority Notice of Change under DEFCON 620 (Contract Change Procedure) and;
 - (2) the Contractor's unqualified acceptance of the contractual amendments as evidenced by the DEFFORM 10B duly signed by the Contractor.
- b. Where required by the Authority in connection with any such amendment, the Contractor shall (as so required) confirm that any existing Parent Company Guarantee is sufficiently comprehensive so as to cover and support all of the Contractor's liabilities and obligations under and in connection with the Contract (as amended by such amendment) or provide a revised Parent Company Guarantee with such DEFFORM 10B to achieve the same purposes.
- c. Where the Authority wishes to amend the Contract to incorporate any work that is unpriced at the time of amendment:
- (1) if the Contract is not a Qualifying Defence Contract, the Authority shall have the right to settle with the Contractor a price for such work under the terms of DEFCON 127; or
 - (2) if the Contract is a Qualifying Defence Contract, the Contract Price shall be redetermined on amendment in accordance with the Defence Reform Act 2014 and Single Source Contract Regulations 2014 (each as amended from time to time).

Changes to the Specification

- d. The Specification forms part of the Contract and all Contract Deliverables to be supplied by the Contractor under the Contract shall conform in all respects with the Specification.
- e. The Contractor shall use a configuration control system to control all changes to the Specification. The configuration control system shall be compatible with ISO 9001 (latest published version) or as specified in the Contract.

7. Authority Representatives

- a. Any reference to the Authority in respect of:
- (1) the giving of consent;
 - (2) the delivering of any Notices; or
 - (3) the doing of any other thing that may reasonably be undertaken by an individual acting on behalf of the Authority, shall be deemed to be references to the Authority's Representatives in accordance with this Condition.
- b. The Authority's Representatives detailed in Schedule 3 (Contract Data Sheet) (or their nominated deputy) shall have full authority to act on behalf of the Authority for all purposes of the Contract. Unless notified in writing before such act or instruction, the Contractor shall be entitled to treat any act of the Authority's Representatives which is authorised by the Contract as being expressly authorised by the Authority and the Contractor shall not be required to determine whether authority has in fact been given.
- c. In the event of any change to the identity of the Authority's Representatives, the Authority shall provide written confirmation to the Contractor, and shall update Schedule 3 (Contract Data Sheet) in accordance with Condition 6 (Formal Amendments to the Contract).

8. Severability

- a. If any provision of the Contract is held to be invalid, illegal or unenforceable to any extent then:
 - (1) such provision shall (to the extent that it is invalid, illegal or unenforceable) be given no effect and shall be deemed not to be included in the Contract but without invalidating any of the remaining provisions of the Contract; and
 - (2) the Parties shall use all reasonable endeavours to replace the invalid, illegal or unenforceable provision by a valid, legal and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid, illegal or unenforceable provision.

9. Waiver

- a. No act or omission of either Party shall by itself amount to a waiver of any right or remedy unless expressly stated by that Party in writing. In particular, no reasonable delay in exercising any right or remedy shall by itself constitute a waiver of that right or remedy.
- b. No waiver in respect of any right or remedy shall operate as a waiver in respect of any other right or remedy.

10. Assignment of Contract

Neither Party shall be entitled to assign the Contract (or any part thereof) without the prior written consent of the other Party.

11. Third Party Rights

Notwithstanding anything to the contrary elsewhere in the Contract, no right is granted to any person who is not a Party to the Contract to enforce any term of the Contract in its own right and the Parties to the Contract declare that they have no intention to grant any such right.

12. Transparency

- a. Notwithstanding any other term of this Contract, including Condition 13 (Disclosure of Information), the Contractor understands that the Authority may publish the Transparency Information and Publishable Performance Information to the general public.
- b. Subject to clause 12.c the Authority shall publish and maintain an up-to-date version of the Transparency Information and Publishable Performance Information in a format readily accessible and reusable by the general public under an open licence where applicable.
- c. If, in the Authority's reasonable opinion, publication of any element of the Transparency Information and Publishable Performance Information would be contrary to the public interest, the Authority shall be entitled to exclude such Information from publication. The Authority acknowledges that it would expect the public interest by default to be best served by publication of the Transparency Information and Publishable Performance Information in its entirety. Accordingly, the Authority acknowledges that it shall only exclude Transparency Information and Publishable Performance Information from publication in exceptional circumstances and agrees that where it decides to exclude Information from publication on that basis, it will provide a clear statement to the general public explaining the categories of information that have been excluded from publication and reasons for withholding that information.
- d. The Contractor shall assist and co-operate with the Authority as reasonably required to enable the Authority to publish the Transparency Information and Publishable Performance Information, in accordance with the principles set out above, including through compliance with the requirements relating to the preparation of Publishable Performance Information set out in clause 12.e to 12.h. Where the Authority publishes Transparency Information, it shall:
 - (1) before publishing, redact any Information that would be exempt from disclosure if it was the subject of a request for information under the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004 (EIR), for the avoidance of doubt, including Sensitive information;
 - (2) taking account the Sensitive Information set out in Schedule 6, consult with the Contractor where the Authority intends to publish Information which has been identified as Sensitive Information. For the avoidance of doubt the Authority, acting reasonably, shall have absolute discretion to decide what information shall be published or be exempt from disclosure in accordance with the FOIA and/or the EIR; and

(3) present information in a format that assists the general public in understanding the relevance and completeness of the information being published to ensure the public obtain a fair view on how this Contract is being performed.

Publishable Performance Information

e. Within three (3) months of the effective date of Contract the Contractor shall provide to the Authority for its approval (such approval shall not be unreasonably withheld or delayed) a draft Publishable Performance Information KPI Data Report consistent with the content requirements of Schedule 11.

f. If the Authority rejects any draft Publishable Performance Information the Contractor shall submit a revised version of the relevant KPI Data Report for further approval by the Authority with five (5) business days of receipt of any notice or rejection, taking account of any recommendations for revision and improvement to the report provided by the Authority. This process shall be repeated until the parties have an agreed version of the Publishable Performance Information.

g. The Contractor shall provide an accurate and up-to-date version of the KPI Data Report to the Authority for each quarter at the frequency referred to in the agreed Schedule 11.

h. Any dispute in connection with the preparation and/or approval of Publishable Performance Information, other than under clause 12.f, shall be resolved in accordance with the dispute resolution procedure provided for in this Contract. i. The requirements of this Condition are in addition to any other reporting requirements in this Contract.

13. Disclosure of Information

a. Subject to clauses 13.d to 13.i and Condition 12 each Party:

- (1) shall treat in confidence all Information it receives from the other;
- (2) shall not disclose any of that Information to any third party without the prior written consent of the other Party, which consent shall not unreasonably be withheld, except that the Contractor may disclose Information in confidence, without prior consent, to such persons and to such extent as may be necessary for the performance of the Contract;

- (1) shall not copy any of that Information except to the extent necessary for the purpose of exercising its rights of use and disclosure under the Contract.

b. The Contractor shall take all reasonable precautions necessary to ensure that all Information disclosed to the Contractor by or on behalf of the Authority under or in connection with the Contract:

- (1) is disclosed to their employees and Subcontractors, only to the extent necessary for the performance of the Contract; and
- (2) is treated in confidence by them and not disclosed except with the prior written consent of the Authority or used otherwise than for the purpose of performing work or having work performed for the Authority under the Contract or any subcontract.

c. The Contractor shall ensure that their employees are aware of the Contractor's arrangements for discharging the obligations at clauses 13.a and 13.b before receiving Information and shall take such steps as may be reasonably practical to enforce such arrangements.

d. A Party shall not be in breach of Clauses 13.a, 13.b, 13.f, 13.g and 13.h to the extent that either Party:

- (1) exercises rights of use or disclosure granted otherwise than in consequence of, or under, the Contract;
- (2) has the right to use or disclose the Information in accordance with other Conditions of the Contract; or
- (3) can show:
 - (a) that the Information was or has become published or publicly available for use otherwise than in breach of any provision of the Contract or any other agreement between the Parties;
 - (b) that the Information was already known to it (without restrictions on disclosure or use) prior to receiving the Information under or in connection with the Contract;
 - (c) that the Information was received without restriction on further disclosure from a third party which lawfully acquired the Information without any restriction on disclosure; or
 - (d) from its records that the same Information was derived independently of that received under or in connection with the Contract;

provided that the relationship to any other Information is not revealed.

- e. Neither Party shall be in breach of this Condition where it can show that any disclosure of Information was made solely and to the extent necessary to comply with a statutory, judicial or parliamentary obligation. Where such a disclosure is made, the Party making the disclosure shall ensure that the recipient of the Information is made aware of and asked to respect its confidentiality. Such disclosure shall in no way diminish the obligations of the Parties under this Condition.
- f. The Authority may disclose the Information:
 - (1) to any Central Government Body for any proper purpose of the Authority or of the relevant Central Government Body, which shall include: disclosure to the Cabinet Office and/or HM Treasury for the purpose of ensuring effective cross-Government procurement processes, including value for money and related purposes. Where such a disclosure is made the Authority shall ensure that the recipient is made aware of its confidentiality;
 - (2) to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;
 - (3) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
 - (4) subject to clause 13.g below, on a confidential basis to a professional adviser, consultant or other person engaged by any of the entities defined in Annexes A1 and A2 (including benchmarking organisations) for any purpose relating to or connected with the Contract;
 - (5) subject to clause 13.g below, on a confidential basis for the purpose of the exercise of its rights under the Contract; or
 - (6) on a confidential basis to a proposed body in connection with any assignment, novation or disposal of any of its rights, obligations or liabilities under the Contract;

and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Authority under this Condition.

- g. Where the Authority intends to disclose Information to a commercial entity which is not a Central Government Body in accordance with clauses 13.f.(4) or 13.f.(5) above, the Authority will endeavour to provide the Contractor with 3 Business Days' notice in advance of such disclosure. In relation to a disclosure of Information made under clause

13.f.(3) above, if reasonably requested by the Contractor within 2 Business Days of such notice being given, where the Authority has not already done so, it will endeavour to procure from the intended recipient of the Information an agreement containing confidentiality terms the same as, or substantially similar to, those placed on the Authority under this Condition.

- h. Before sharing any Information in accordance with clause 13.f, the Authority may redact the Information. Any decision to redact Information made by the Authority shall be final.

- i. The Authority shall not be in breach of the Contract where disclosure of Information is made solely and to the extent necessary to comply with the Freedom of Information Act 2000 (the "Act") or the Environmental Information Regulations 2004 (the "Regulations"). To the extent permitted by the time for compliance under the Act or the Regulations, the Authority shall consult the Contractor where the Authority is considering the disclosure of Information under the Act or the Regulations and, in any event, shall provide prior notification to the Contractor of any decision to disclose the Information. The Contractor acknowledges and accepts that their representations on disclosure during consultation may not be determinative and that the decision whether to disclose Information in order to comply with the Act or the Regulations is a matter in which the Authority shall exercise its own discretion, subject always to the provisions of the Act or the Regulations.

- j. Nothing in this Condition shall affect the Parties' obligations of confidentiality where Information is disclosed orally in confidence.

14. Publicity and Communications with the Media

The Contractor shall not and shall ensure that any employee or Subcontractor shall not communicate with representatives of the press, television, radio or other media on any matter concerning the Contract unless the Authority has given its prior written consent.

15. Change of Control of Contractor

- a. The Contractor shall notify the Representative of the Authority in writing at the address given in clause 15.c
 - (1) as soon as practicable of any intended, planned or actual change in control of the Contractor and/or their First-Tier Sub-contractor; and
 - (2) Immediately on the Contractor being aware of any actual change of control of any Lower-Tier Sub-Contractor.
- b. The Contractor shall include in any such notification any concerns the Contractor may have with the change of control. Such concerns may include but are not limited to potential threats to national security and security of supply. The Contractor shall not be required to submit any notice which is unlawful or is in breach of either any pre-existing non-disclosure agreement or any regulations governing the conduct of the Contractor in the UK or other jurisdictions where the Contractor may be subject to legal sanction arising from issuing such a notice.
- c. Each notice of change of control shall be taken to apply to all contracts with the Authority. Notices shall be submitted to:

Mergers & Acquisitions Section
Strategic Supplier Management Team
Spruce 3b # 1301
MOD Abbey Wood,
Bristol, BS34 8JH and emailed to:
[REDACTED]

- d. The Representative of the Authority shall consider the notice of change of control and advise the Contractor in writing of any concerns the Authority may have. Such concerns may include but are not limited to potential threats to national security, the ability of the Authority to comply with its statutory obligations or matters covered by the declarations made by the Contractor prior to the Effective Date of Contract. The Contractor shall be required to submit a response to the concerns raised by the Authority, including any plans to mitigate those concerns, within 14 calendar days (or as agreed by the parties) of receipt of the Authority's written concerns, for the Authority's consideration.
- e. To the extent that the Authority considers that it is reasonable to do so, the Authority shall work with the Contractor to seek to resolve the Authority's concerns. The Contractor agrees to answer the Authority's questions or requests for clarification promptly.
- f. Where the Authority considers, in its absolute discretion, that the risk may be appropriately mitigated, the Contractor shall implement any agreed mitigations promptly and, in any case, within the timescales required by the Authority. Where the Contractor fails to do so, clause 15.g. shall apply.
- g. The Authority may, acting reasonably, terminate the Contract by giving written notice to the Contractor (and/or request the Contractor to terminate any relevant First-Tier or Lower-Tier Sub-Contractor's contract) within six months of the Authority being notified in accordance with clause 15.a. The Authority shall act reasonably in exercising its right of termination, including, but not limited to, taking into account the Contractor's own assessment of the change of control.
- h. Where the Authority terminates the Contract in accordance with clause 15.g, subject to clause 15.i, the Contractor may request payment for any unavoidable commitments, liabilities or expenditure incurred by the Contractor in connection with the Contract up to the point of termination. The Authority shall act reasonably when assessing the Contractor's request for payment although the parties agree that the Authority shall retain the sole discretion, acting reasonably, to decide whether to make such requested payment in accordance with clause 15.i.
- i. Any requests for payment by the Contractor must be submitted promptly and the Contractor shall demonstrate to the reasonable satisfaction of the Authority that such request for payment:
 - (1) is reasonable and properly chargeable;

- (2) would otherwise represent an unavoidable loss by the Contractor by reason of the termination of the Contract; and
- (3) is fully supported by documentary evidence.
- j. In the event that the Contractor fails to demonstrate any of the conditions set out at 15.i.(1)-(3), the Authority may reject such request for payment.
- k. Notification by the Contractor of any intended, planned or actual change of control shall not prejudice the existing rights of the Authority or the Contractor under the Contract nor create or imply any rights of either the Contractor or the Authority additional to the Authority's rights set out in this Condition.
- l. The Contractor shall include provisions equivalent to those set out in this Condition in all relevant subcontracts.

16. Environmental Requirements

The Contractor shall in all their operations to perform the Contract, adopt a sound proactive environmental approach that identifies, considers, and where possible, mitigates the environmental impacts of their supply chain. The Contractor shall provide evidence of so doing to the Authority on demand.

17. Contractor's Records

- a. The Contractor and their Subcontractors shall maintain all records specified in and connected with the Contract (expressly or otherwise) and make them available to the Authority when requested on reasonable notice.
- b. The Contractor and their Subcontractors shall also permit access to relevant records that relate to the contractual obligations to supply goods or services under the Contract, held by or controlled by them and reasonably required by the Comptroller and Auditor General, their staff and any appointed representative of the National Audit Office, and provide such explanations and information as reasonably necessary for the following purposes:
 - (1) to enable the National Audit Office to carry out the Authority's statutory audits and to examine and/or certify the Authority's annual and interim report and accounts; and
 - (2) to enable the National Audit Office to carry out an examination pursuant to Part II of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources.
- c. With regard to the records made available to the Authority under clause 17.a of this Condition, and subject to the provisions of Condition 13 (Disclosure of Information), the Contractor shall permit records to be examined and if necessary copied, by the Authority, or Representative of the Authority, as the Authority may require.
- d. Unless the Contract specifies otherwise the records referred to in this Condition shall be retained for a period of at least 6 years from:
 - (1) the end of the Contract term;
 - (2) the termination of the Contract; or
 - (3) the final payment, whichever occurs latest.

18. Notices

- a. A Notice served under the Contract shall be:
 - (1) in writing in the English language;
 - (2) authenticated by signature or such other method as may be agreed between the Parties;
 - (3) sent for the attention of the other Party's Representative, and to the address set out in Schedule 3 (Contract Data Sheet);
 - (4) marked with the number of the Contract; and
 - (5) delivered by electronic mail in accordance with Schedule 3 (Contract Data Sheet).
- b. Notices shall be deemed to have been received:
 - (1) if delivered by hand, on the day of delivery if it is the recipient's Business Day and otherwise on the first Business Day of the recipient immediately following the day of delivery;
 - (2) if sent by prepaid post, on the fourth Business Day (or the tenth Business Day in the case of airmail) after the day of posting;
 - (3) if sent by facsimile or electronic means:

- (a) if transmitted between 09:00 and 17:00 hours on a Business Day (recipient's time) on completion of receipt by the sender of verification of the transmission from the receiving instrument; or
- (b) if transmitted at any other time, at 09:00 on the first Business Day (recipient's time) following the completion of receipt by the sender of verification of transmission from the receiving instrument.

19. Progress Monitoring, Meetings and Reports

- a. The Contractor shall attend progress meetings at the frequency or times (if any) specified in Schedule 3 (Contract Data Sheet) and shall ensure that their Contractor's representatives are suitably qualified to attend such meetings.
- b. The Contractor shall submit progress reports to the Authority's Representatives at the times and in the format (if any) specified in Schedule 3 (Contract Data Sheet). The reports shall detail as a minimum:
 - (1) performance/Delivery of the Contractor Deliverables;
 - (2) risks and opportunities;
 - (3) any other information specified in Schedule 3 (Contract Data Sheet); and
 - (4) any other information reasonably requested by the Authority.

Supply of Contractor Deliverables

20. Supply of Contractor Deliverables and Quality Assurance

- a. The Contractor shall provide the Contractor Deliverables to the Authority, in accordance with the Schedule of Requirements and the Specification, and shall allocate sufficient resource to the provision of the Contractor Deliverables to enable it to comply with this obligation.
- b. The Contractor shall:
 - (1) comply with any applicable quality assurance requirements specified in Schedule 3 (Contract Data Sheet) in providing the Contractor Deliverables; and
 - (2) discharge their obligations under the Contract with all due skill, care, diligence and operating practice by appropriately experienced, qualified and trained personnel.
- c. The provisions of clause 20.b. shall survive any performance, acceptance or payment pursuant to the Contract and shall extend to any remedial services provided by the Contractor.
- d. The Contractor shall:
 - (1) observe, and ensure that the Contractor's Team observe, all health and safety rules and regulations and any other security requirements that apply at any of the Authority's premises;
 - (2) notify the Authority as soon as they become aware of any health and safety hazards or issues which arise in relation to the Contractor Deliverables; and
 - (3) before the date on which the Contractor Deliverables are to start, obtain, and at all times maintain, all necessary licences and consents in relation to the Contractor Deliverables.

21. Marking of Contractor Deliverables

- a. Each Contractor Deliverable shall be marked in accordance with the required particulars specified in Schedule 3 (Contract Data Sheet).
- b. Each ASSC shall be marked with a UII, to be affixed by way of a 2D data matrix label, in accordance with DEF-STAN 05-132.
- c. Where the Contract requires a non-ASSC Contractor Deliverable to be marked with a UII, to be affixed by way of a 2D data matrix label, this shall also be in accordance with DEF-STAN 05-132.
- d. Any marking method used shall not have a detrimental effect on the strength, serviceability or corrosion resistance of the Contractor Deliverables. Where a 2D data matrix label is affixed, it shall last for the life of a Contractor Deliverable.

- e. The marking shall include any serial numbers allocated to the Contractor Deliverable.
- f. Where because of its size or nature it is not possible to mark a Contractor Deliverable with the required particulars, they shall be included on the package or carton in which the Contractor Deliverable is packed, in accordance with Condition 22 (Packaging and Labelling (excluding Contractor Deliverables containing Munitions)).

22. Packaging and Labelling (excluding Contractor Deliverables containing Munitions)

- a. Packaging responsibilities are as follows:
 - (1) The Contractor shall be responsible for providing Packaging which fully complies with the requirements of the Contract.
 - (2) The Authority shall indicate in the Contract the standard or level of Packaging required for each Contractor Deliverable, including the PPQ. If a standard or level of Packaging (including the PPQ) is not indicated in the Contract, the Contractor shall request such instructions from the Authority before proceeding further.
 - (3) The Contractor shall ensure all relevant information necessary for the effective performance of the Contract is made available to all Subcontractors.
 - (4) Where the Contractor or any of their Subcontractors have concerns relating to the appropriateness of the Packaging design and or MPL prior to manufacture or supply of the Contractor Deliverables they shall use DEFFORM 129B to feedback these concerns to the Contractor or Authority, as appropriate.
- b. The Contractor shall supply Commercial Packaging meeting the standards and requirements of Def Stan 81-041 (Part 1). In addition, the following requirements apply:
 - (1) The Contractor shall provide Packaging which:
 - (a) will ensure that each Contractor Deliverable may be transported and delivered to the consignee named in the Contract in an undamaged and serviceable condition; and
 - (b) is labelled to enable the contents to be identified without need to breach the package; and (c) is compliant with statutory requirements and this Condition.
 - (2) The Packaging used by the Contractor to supply identical or similar Contractor Deliverables to commercial customers or to the general public (i.e. point of sale packaging) will be acceptable, provided that it complies with the following criteria:
 - (a) reference in the Contract to a PPQ means the quantity of a Contractor Deliverable to be contained in an individual package, which has been selected as being the most suitable for issue(s) to the ultimate user;
 - (b) Robust Contractor Deliverables, which by their nature require minimal or no packaging for commercial deliveries, shall be regarded as "PPQ packages" and shall be marked in accordance with clauses 22.i to 22.l. References to "PPQ packages" in subsequent text shall be taken to include Robust Contractor Deliverables; and
 - (c) for ease of handling, transportation and delivery, packages which contain identical Contractor Deliverables may be bulked and overpacked, in accordance with clauses 22.i to 22.k.
- c. The Contractor shall ascertain whether the Contractor Deliverables being supplied are, or contain, Dangerous Goods, and shall supply the Dangerous Goods in accordance with:
 - (1) The Health and Safety At Work Act 1974 (as amended);
 - (2) The Classification Hazard Information and Packaging for Supply Regulations (CHIP4) 2009 (as amended);
 - (3) The REACH Regulations 2007 (as amended); and
 - (4) The Classification, Labelling and Packaging Regulations (CLP) 2009 (as amended).
- d. The Contractor shall package the Dangerous Goods as limited quantities, excepted quantities or similar derogations, for UK or worldwide shipment by all modes of transport in accordance with the regulations relating to the Dangerous Goods and:
 - (1) The Safety Of Lives At Sea Regulations (SOLAS) 1974 (as amended); and
 - (2) The Air Navigation (Amendment) Order 2019.

- e. As soon as possible, and in any event no later than one month before delivery is due, the Contractor shall provide a Safety Data Sheet in respect of each Dangerous Good in accordance with the REACH Regulations 2007 (as amended) and the Health and Safety At Work Act 1974 (as amended) and in accordance with Condition 24 (Supply of Hazardous Materials or Substances in Contractor Deliverables).
- f. The Contractor shall comply with the requirements for the design of MLP which include clauses 22.f and 22.g as follows:

- (1) Where there is a requirement to design UK or NATO MLP, the work shall be undertaken by an MPAS registered organisation, or one that although non-registered is able to demonstrate to the Authority that their quality systems and military package design expertise are of an equivalent standard.
- (a) The MPAS certification (for individual designers) and registration (for organisations) scheme details are available from:

DES LSOC SpSvcS–SptEng-Pkg1

MOD Abbey Wood

Bristol, BS34 8JH



- (b) The MPAS Documentation is also available on the Dstan website.
 - (2) MLP shall be designed to comply with the relevant requirements of Def Stan 81-041, and be capable of meeting the appropriate test requirements of Def Stan 81-041 (Part 3). Packaging designs shall be prepared on a SPIS, in accordance with Def Stan 81-041 (Part 4).
 - (3) The Contractor shall ensure a search of the SPIS index (the 'SPIN') is carried out to establish the SPIS status of each requirement (using DEFFORM 129a 'Application for Packaging Designs or their Status').
 - (4) New designs shall not be made where there is an existing usable SPIS, or one that may be easily modified.
 - (5) Where there is a usable SFS, it shall be used in place of a SPIS design unless otherwise stated by the Contract. When an SFS is used or replaces a SPIS design, the Contractor shall upload this information on to SPIN in Adobe PDF.
 - (6) All SPIS, new or modified (and associated documentation), shall, on completion, be uploaded by the Contractor on to SPIN. The format shall be Adobe PDF.
 - (7) Where it is necessary to use an existing SPIS design, the Contractor shall ensure the Packaging manufacturer is a registered organisation in accordance with clause 22.f.(1) above, or if un-registered, is compliant with MPAS ANNEX A Supplement (Code) M. The Contractor shall ensure, as far as possible, that the SPIS is up to date.
 - (8) The documents supplied under clause 22.f.(6) shall be considered as a contract data requirement and be subject to the terms of DEFCON 15 and DEFCON 21.
- g. Unless otherwise stated in the Contract, one of the following procedures for the production of new or modified SPIS designs shall be applied:
- (1) If the Contractor or their Subcontractor is the PDA they shall:
 - (a) On receipt of instructions received from the Authority's representative nominated in Box 2 Annex A to Schedule 3 (Contract Data Sheet), prepare the required package design in accordance with clause 22.f.
 - (b) Where the Contractor or their Subcontractor is registered, they shall, on completion of any design work, provide the Authority with the following documents electronically:
 - i. a list of all SPIS which have been prepared or revised against the Contract; and ii. A copy of all new / revised SPIS, complete with all continuation sheets and associated drawings, where applicable, to be uploaded onto SPIN.
 - (c) Where the PDA is not a registered organisation, then they shall obtain approval for their design from a registered organisation before proceeding, then follow clause 22.g.(1)(b).

- (2) Where the Contractor or their Subcontractor is not the PDA and is un-registered, they shall not produce, modify, or update SPIS designs. They shall obtain current SPIS design(s) from the Authority or a registered organisation before proceeding with manufacture of Packaging. To allow designs to be provided in ample time, they should apply for SPIS designs as soon as practicable.
 - (3) Where the Contractor or their Subcontractor is un-registered and has been given authority to produce, modify, and update SPIS designs by the Contract, they shall obtain approval for their design from a registered organisation using DEFFORM 129a before proceeding, then follow clause 22.g.(1)(b).
 - (4) Where the Contractor or their Subcontractor is not a PDA but is registered, they shall follow clauses 22.g.(1)(a) and 22.g.(1)(b).
- h. If special jigs, tooling etc., are required for the production of MLP, the Contractor shall obtain written approval from the Commercial Officer before providing them. Any approval given will be subject to the terms of DEFCON 23 (SC2) or equivalent condition, as appropriate.
- i. In addition to any marking required by international or national legislation or regulations, the following package labelling and marking requirements apply:
- (1) If the Contract specifies UK or NATO MPL, labelling and marking of the packages shall be in accordance with Def Stan 81-041 (Part 6) and this Condition as follows:
 - (a) Labels giving the mass of the package, in kilograms, shall be placed such that they may be clearly seen when the items are stacked during storage.
 - (b) Each consignment package shall be marked with details as follows:
 - i. name and address of consignor; ii. Name and address of consignee (as stated in the Contract or order); iii. Destination where it differs from the consignee's address, normally either:
 - (i). delivery destination / address; or
 - (ii). Transit destination, where delivery address is a point for aggregation / disaggregation and / or onward shipment elsewhere, e.g. railway station, where that mode of transport is used;
 - iv. the unique order identifiers and the CP&F Delivery Label / Form which shall be prepared in accordance with DEFFORM 129J.
 - (i). If aggregated packages are used, their consignment marking and identification requirements are stated at clause 22.l.
 - (2) If the Contract specifies Commercial Packaging, an external surface of each PPQ package and each consignment package, if it contains identical PPQ packages, shall be marked, using details of the Contractor Deliverables as shown in the Contract schedule, to state the following:
 - (a) description of the Contractor Deliverable;
 - (b) the full thirteen digit NATO Stock Number (NSN);
 - (c) the PPQ;
 - (d) maker's part / catalogue, serial and / or batch number, as appropriate;
 - (e) the Contract and order number when applicable;
 - (f) the words "Trade Package" in bold lettering, marked in BLUE in respect of trade packages, and BLACK in respect of export trade packages; (g) shelf life of item where applicable;
 - (h) for rubber items or items containing rubber, the quarter and year of vulcanisation or manufacture of the rubber product or component (marked in accordance with Def Stan 81-041);
 - (i) any statutory hazard markings and any handling markings, including the mass of any package which exceeds 3kg gross; and
 - (j) any additional markings specified in the Contract.

- j. Bar code marking shall be applied to the external surface of each consignment package and to each PPQ package contained therein. The default symbology shall be as specified in Def Stan 81-041 (Part 6). As a minimum the following information shall be marked on packages:
- (1) the full 13-digit NSN;
 - (2) denomination of quantity (D of Q);
 - (3) actual quantity (quantity in package);
 - (4) manufacturer's serial number and / or batch number, if one has been allocated; and
 - (5) the CP&F-generated unique order identifier.
- k. Requirements for positioning bar codes in relation to related text, as well as positioning on package etc., are defined in Def Stan 81-041 (Part 6). If size of the bar code does not allow a label to be directly attached, then a tag may be used. Any difficulties over size or positioning of barcode markings shall initially be referred to the organisation nominated in Box 3 of Annex A to Schedule 3 (Contract Data Sheet).
- l. The requirements for the consignment of aggregated packages are as follows:
- (1) With the exception of packages containing Dangerous Goods, over-packing for delivery to the consignee shown in the Contract may be used by the consignor to aggregate a number of packages to different Packaging levels, provided that the package contains Contractor Deliverables of only one NSN or class group. Over-packing shall be in the cheapest commercial form consistent with ease of handling and protection of over-packed items.
 - (2) Two adjacent sides of the outer container shall be clearly marked to show the following:
 - (a) class group number;
 - (b) name and address of consignor;
 - (c) name and address of consignee (as stated on the Contract or order); (d) destination if it differs from the consignee's address, normally either:
 - i. delivery destination / address; or
 - ii. Transit destination, if the delivery address is a point of aggregation / disaggregation and / or onward shipment e.g. railway station, where that mode of transport is used;
 - (e) where applicable, the reference number of the delivery note produced by CP&F relating to the contents. The consignee's copy of each delivery note shall be placed in the case / container. If the Contractor Deliverables listed in the delivery note are packed in several cases, the consignee's copy shall be placed in the first case and a separate list detailing the contents shall be prepared for each case after the first and placed in the case to which it relates. Each case is to be numbered to indicate both the number of the case and the total number of cases concerned e.g. 1/3, 2/3, 3/3;
 - (f) the CP&F-generated shipping label; and
 - (g) any statutory hazard markings and any handling markings.
- m. Authorisation of the Contractor to undertake Packaging design, or to use a packaging design, that was not part of the original requirement under the Contract, shall be considered as an alteration to the specification in accordance with Condition 6 (Formal Amendments to the Contract).
- n. The Contractor shall ensure that timber and wood-containing products supplied under the Contract comply with the provisions of Condition 25 (Timber and Wood-Derived Products) and Annex I and Annex II of the International Standards for Phytosanitary Measures, "Guidelines for Regulating Wood Packaging Material in International Trade", Publication No 15 (ISPM 15).
- o. All Packaging shall meet the requirements of the Packaging (Essential Requirements) Regulations 2003 (as amended) where applicable.
- p. In any design work the Contractor shall comply with the Producer Responsibility Obligations (Packaging Waste) Regulations 2007 (as amended) or equivalent legislation. Evidence of compliance shall be a contractor record in accordance with Condition 17 (Contractor's Records).

- q. This Condition is concerned with the supply of Packaging suitable to protect and ease handling, transport and storage of specified items. Where there is a failure of suitable Packaging (a design failure), or Packaging fails and this is attributed to the Packaging supplier, then the supplier shall be liable for the cost of replacing the Packaging.
- r. Liability for other losses resulting from Packaging failure or resulting from damage to Packaging, (such as damage to the packaged item etc.), shall be specified elsewhere in the Contract.
- s. General requirements for service Packaging, including details of UK and NATO MLP and Commercial Packaging descriptions, are contained in Def Stan 81-041 (Part 1) "Packaging of Defence Materiel". Def Stans, NATO Standardisation Agreements (STANAGs), and further information are available from the Dstan internet site at:
[REDACTED]
- t. Unless specifically stated otherwise in the invitation to tender or the Contract, reference to any standard including Def Stans or STANAGs in any invitation to tender or Contract document means the edition and all amendments extant at the date of such tender or Contract.
- u. In the event of conflict between the Contract and Def Stan 81-041, the Contract shall take precedence.

23. Plastic Packaging Tax

- a. The Contractor shall ensure that any PPT due in relation to this Contract is paid in accordance with the PPT Legislation.
- b. The Contract Price includes any PPT that may be payable by the Contractor in relation to the Contract.
- c. On reasonable notice being provided by the Authority, the Contractor shall provide and make available to the Authority details of any PPT they have paid that relates to the Contract.
- d. The Contractor shall notify the Authority, in writing, in the event that there is any adjustment required to the Contract Price in accordance with section 70 of the Finance Act 2021 and, on reasonable notice being provided by the Authority, the Contractor shall provide any such information that the Authority requires in relation to any such adjustment.
- e. In accordance with Condition 17 the Contractor (and their sub-contractors) shall maintain all records relating to PPT and make them available to the Authority when requested on reasonable notice for reasons related to the Contract.
- f. Where the Contractor manufactures, purchases or imports into the UK any Plastic Packaging Component in relation to the Contract the Contractor shall, on reasonable notice being given, provide the Authority with such information and documentation that it requires to enable the Authority to carry out due diligence checks and satisfy itself that the Contractor has complied with the requirements of the PPT Legislation. This shall include, but is not limited to the Contractor providing:
 - (1) confirmation of the tax status of any Plastic Packaging Component;
 - (2) documents to confirm that PPT has been properly accounted for;
 - (3) product specifications for the packaging components, including, but not limited to, the weight and composition of the products and any other product specifications that may be required; and
 - (4) copies of any certifications or audits that have been obtained or conducted in relation to the provision of Plastic Packaging Components.
- g. The Authority shall have the right, on providing reasonable notice, to physically inspect or conduct an audit on the Contractor, to ensure any information that has been provided in accordance with clause 23.f above is accurate.
- h. In the event the Contractor is not required to register for PPT they (and to the extent applicable, their subcontractors) shall provide the Authority with a statement to this effect and, to the extent reasonably required by the Authority on reasonable notice, supporting evidence for that statement.
- i. The Contractor shall provide, on the Authority providing reasonable notice, any information that the Authority may require from the Contractor for the Authority to comply with any obligations it may have under the PPT Legislation.

24. Supply of Data for Hazardous Materials or Substances, Mixtures and Articles in Contractor Deliverables

- a. Nothing in this Condition shall reduce or limit any statutory duty or legal obligation of the Authority or the Contractor.
- b. The Contractor shall provide to the Authority:
 - (1) for each Substance, Mixture or Article supplied in meeting the criteria of classification as hazardous in accordance with the GB Classification, Labelling and Packaging (GB CLP) a UK REACH compliant Safety Data Sheet (SDS);
 - (2) where Mixtures supplied do not meet the criteria for classification as hazardous according to GB CLP but contain a hazardous Substance an SDS is to be made available on request; and
 - (3) for each Article whether supplied on its own or part of an assembly that contains a Substance on the UK REACH Authorisation List, Restriction List and/or the Candidate List of Substances of Very High Concern (SVHC) in a proportion greater than 0.1% w/w of the Article, sufficient information, available to the Contractor, to allow safe use of the Article including, as a minimum, the name of that Substance.
- c. For Substances, Mixtures or Articles that meet the criteria list in clause 24.b above:
 - (1) if the Contractor becomes aware of new information which may affect the risk management measures or new information on the hazard, the Contractor shall update the SDS/safety information and forward it to the Authority and to the address listed in clause 24.i below; and
 - (2) if the Authority becomes aware of new information that might call into question the appropriateness of the risk management measures identified in the safety information supplied, shall report this information in writing to the Contractor.
- d. The Contractor shall provide to the Authority a completed Schedule 7 (Hazardous Substances, Mixtures and Articles in Contractor Deliverables Supplied under the Contract: Data Requirements) in accordance with Schedule 3 (Contract Data Sheet).
- e. If the Substances, Mixtures or Articles in Contractor Deliverables are Ordnance, Munitions or Explosives (OME), in addition to the requirements of the GB CLP and UK REACH the Contractor shall comply with hazard reporting requirements of DEF STAN 07-085 Design Requirements for Weapons and Associated Systems.
- f. If the Substances, Mixtures or Articles in Contractor Deliverables, are or contain or embody a radioactive substance as defined in the Ionising Radiation Regulations SI 2017/1075, the Contractor shall additionally provide details in Schedule 7 of:
 - (1) activity; and
 - (2) the substance and form (including any isotope).
- g. If the Substances, Mixtures or Articles in Contractor Deliverables have magnetic properties which emit a magnetic field, the Contractor shall additionally provide details in Schedule 7 of the magnetic flux density at a defined distance, for the condition in which it is packed.
- h. Any SDS to be provided in accordance with this Condition, including any related information to be supplied in compliance with the Contractor's statutory duties under clause 24.b.(1) and 24.c.(1), any information arising from the provisions of clauses 24.f and 24.g and the completed Schedule 7, shall be sent directly to the Authority's Point of Contact as specified in the Schedule 3 as soon as practicable, and no later than one (1) month prior to the Contract delivery date, unless otherwise stated in Schedule 3 (Contract Data Sheet).
- i. So that the safety information can reach users without delay, the Authority shall send a copy preferably as an email with attachment(s) in Adobe PDF or MS WORD format, or, if only hardcopy is available, to the addresses below:
 - (1) Hard copies to be sent to:
Hazardous Stores Information System (HSIS)
Spruce 2C, #1260,
MOD Abbey Wood (South)
Bristol BS34 8JH
 - (2) Emails to be sent to:


- j. SDS which are classified above OFFICIAL including Explosive Hazard Data Sheets (EHDS) for OME are not to be sent to HSIS and must be held by the respective Authority Delivery Team.
- k. Failure by the Contractor to comply with the requirements of this Condition shall be grounds for rejecting the affected Substances, Mixtures and Articles in Contractor Deliverables. Any withholding of information concerning hazardous Substances, Mixtures or Articles in Contractor Deliverables shall be regarded as a material breach of Contract under Condition 43 (Material Breach) for which the Authority reserves the right to require the Contractor to rectify the breach immediately at no additional cost to the Authority or to terminate the Contract in accordance with Condition 43.
- l. Where delivery is made to the Defence Fulfilment Centre (DFC) and / or other Team Leidos location / building, the Contractor must comply with the Logistic Commodities and Services Transformation (LCST) Supplier Manual.

25. Timber and Wood-Derived Products

- a. All Timber and Wood-Derived Products supplied by the Contractor under the Contract: (1) shall comply with the Contract Specification; and
 - (1) must originate either:
 - (a) from a Legal and Sustainable source; or
 - (b) from a FLEGT-licensed or equivalent source.
- b. In addition to the requirements of clause 25.a, all Timber and Wood-Derived Products supplied by the Contractor under the Contract shall originate from a forest source where management of the forest has full regard for:
 - (1) identification, documentation and respect of legal, customary and traditional tenure and use rights related to the forest;
 - (2) mechanisms for resolving grievances and disputes including those relating to tenure and use rights, to forest management practices and to work conditions; and
 - (3) safeguarding the basic labour rights and health and safety of forest workers.
- c. If requested by the Authority, the Contractor shall provide to the Authority Evidence that the Timber and Wood Derived Products supplied to the Authority under the Contract comply with the requirements of clause 25.a or 25.b or both.
- d. The Authority reserves the right at any time during the execution of the Contract and for a period of five (5) years from final Delivery under the Contract to require the Contractor to produce the Evidence required for the Authority's inspection within fourteen (14) days of the Authority's request.
- e. If the Contractor has already provided the Authority with the Evidence required under clause 25.c, the Contractor may satisfy these requirements by giving details of the previous notification and confirming the Evidence remains valid and satisfies the provisions of clauses 25.a or 25.b or both.
- f. The Contractor shall maintain records of all Timber and Wood-Derived Products delivered to and accepted by the Authority, in accordance with Condition 17 (Contractor's Records).
- g. Notwithstanding clause 25.c, if exceptional circumstances render it strictly impractical for the Contractor to record Evidence of proof of timber origin for previously used Recycled Timber, the Contractor shall support the use of this Recycled Timber with:
 - (1) a record tracing the Recycled Timber to its previous end use as a standalone object or as part of a structure; and
 - (2) an explanation of the circumstances that rendered it impractical to record Evidence of proof of timber origin.
- h. The Authority reserves the right to decide, except where in the Authority's opinion the timber supplied is incidental to the requirement and from a low risk source, whether the Evidence submitted to it demonstrates compliance with clause 24.a or 24.b, or both. In the event that the Authority is not satisfied, the Contractor shall commission and meet the costs of an Independent Verification and resulting report that will:
 - (1) verify the forest source of the timber or wood; and
 - (2) assess whether the source meets the relevant criteria of clause 25.b.
- i. The statistical reporting requirement at clause 25.j applies to all Timber and Wood-Derived Products delivered under the Contract. The Authority reserves the right to amend the requirement for statistical reporting, in the event that the

UK Government changes the requirement for reporting compliance with the Government Timber Procurement Policy. Amendments to the statistical reporting requirement will be made in accordance with Condition 6 (Formal Amendments to the Contract).

- j. The Contractor shall provide to the Authority, a completed Schedule 9 (Timber and Wood-Derived Products Supplied under the Contract: Data Requirements), the data or Information the Authority requires in respect of Timber and Wood-Derived Products delivered to the Authority under the Contract, or in respect of each order in the case of a Framework Agreement, or at such other frequency as stated in the Contract. The Contractor shall send all completed Schedule 9 (Timber and Wood-Derived Products Supplied under the Contract: Data Requirements), including nil returns where appropriate, to the Authority's Representative (Commercial).
- k. The Schedule 9 (Timber and Wood-Derived Products Supplied under the Contract: Data Requirements) may be amended by the Authority from time to time, in accordance with Condition 6 (Formal Amendments to the Contract).
- l. The Contractor shall obtain any wood, other than processed wood, used in Packaging from:
 - (1) companies that have a full registered status under the Forestry Commission and Timber Packaging and Pallet Confederation's UK Wood Packaging Material Marking Programme (more detailed information can be accessed at www.forestry.gov.uk) and all such wood shall be treated for the elimination of raw wood pests and marked in accordance with that Programme; or
 - (2) sources supplying wood treated and marked so as to conform to Annex I and Annex II of the International Standard for Phytosanitary Measures, "Guidelines for Regulating Wood Packaging Material in International Trade", Publication No 15 published by the Food and Agricultural Organisation of the United Nations (ISPM15) (more detailed information can be accessed at www.fao.org).

26. Certificate of Conformity

- a. Where required in Schedule 3 (Contract Data Sheet) the Contractor shall provide a Certificate of Conformity (CofC) in accordance with Schedule 2 (Schedule of Requirements) and any applicable Quality Plan, the CofC shall be in English unless stated otherwise in the Contract. One copy of the CofC shall be sent to the Authority's Representative (Commercial) upon Delivery, and one copy shall be provided to the Consignee upon Delivery and the CofC will clearly detail the Articles (quantities, part numbers, batch numbers, NSNs etc) that are contained in a specific delivery.
- b. Each CofC shall be clearly identified as a conformity document and should include the wording "Certificate of Conformity" (or similar) in the title of the document to allow for easy identification.
- c. The Contractor shall consider the CofC to be a record in accordance with Condition 17 (Contractor's Records).
- d. The Information provided on the CofC shall include:
 - (1) Contractor's name and address;
 - (2) Contractor unique CofC number;
 - (3) Contract number and where applicable Contract amendment number and/or CP&F (Contracting, Purchasing and Finance) Purchase Order Number;
 - (4) Details of any approved concessions (clearly linked to the relevant item);
 - (5) Acquirer name and organisation;
 - (6) Delivery address;
 - (7) Contract Item Number from Schedule 2 (Schedule of Requirements);
 - (8) Line item numbers when there is more than one line item on the CofC;
 - (9) Description of Contractor Deliverable, including part number, specification and configuration status;
 - (10) NATO Stock Number (NSN) (where allocated);
 - (11) Identification marks, batch and serial numbers in accordance with the Specification;

- (12) Quantities;
- (13) A signed and dated statement by the Contractor's Authorised Personnel that the Contractor Deliverables comply with the requirements of the Contract and approved concessions. The signing of the CofC may be in the form of a signature or traceable stamp. The Contractor's Authorised Personnel shall mean a competent person appointed and authorised by the Contractor to sign a CofC.
- (14) Exceptions or additions to the above are to be documented.
- e. Where Schedule 2 (Schedule of Requirements) and any applicable Quality Plan require demonstration of traceability and design provenance through the supply chain the Contractor shall include in any relevant subcontract the requirement for the Information called for at clause 26.d. The Contractor shall ensure that this Information is available to the Authority through the supply chain upon request in accordance with Condition 17 (Contractor Records).

27. Access to Contractor's Premises

- a. The Contractor shall provide to the Authority's Representatives following reasonable Notice, relevant accommodation/facilities, at no direct cost to the Authority, and all reasonable access to their premises for the purpose of monitoring the Contractor's progress and quality standards in performing the Contract.
- b. As far as reasonably practical, the Contractor shall ensure that the provisions of clause 27.a are included in their subcontracts with those suppliers identified in the Contract. The Authority, through the Contractor, shall arrange access to such Subcontractors.

28. Delivery / Collection

- a. Schedule 3 (Contract Data Sheet) shall specify whether the Contractor Deliverables are to be Delivered to the Consignee by the Contractor or Collected from the Consignor by the Authority.
- b. Where the Contractor Deliverables are to be Delivered by the Contractor (or a third party acting on behalf of the Contractor), the Contractor shall, unless otherwise stated in writing:
 - (1) contact the Authority's Representative as detailed in Schedule 3 (Contract Data Sheet) in advance of the Delivery Date in order to agree administrative arrangements for Delivery and provide any Information pertinent to Delivery requested;
 - (2) comply with any special instructions for arranging Delivery in Schedule 3 (Contract Data Sheet);
 - (3) ensure that each consignment of the Contractor Deliverables is accompanied by, (as specified in Schedule 3 (Contract Data Sheet)), a DEFFORM 129J in accordance with the instructions;
 - (4) be responsible for all costs of Delivery; and
 - (5) Deliver the Contractor Deliverables to the Consignee at the address stated in Schedule 2 (Schedule of Requirements) by the Delivery Date between the hours agreed by the Parties.
- c. Where the Contractor Deliverables are to be Collected by the Authority (or a third party acting on behalf of the Authority), the Contractor shall, unless otherwise stated in writing:
 - (1) contact the Authority's Representative (Transport) as detailed in box 10 of Annex A to Schedule 3 (Contract Data Sheet) in advance of the Delivery Date in order to agree specific arrangements for Collection and provide any Information pertinent to the Collection requested;
 - (2) comply with any special instructions for arranging Collection in Schedule 3 (Contract Data Sheet);
 - (3) ensure that each consignment of the Contractor Deliverables is accompanied by, (as specified in Schedule 3 (Contract Data Sheet)), a DEFFORM 129J in accordance with the instructions;
 - (4) ensure that the Contractor Deliverables are available for Collection by the Authority from the Consignor (as specified in Schedule 3 (Contract Data Sheet)) by the Delivery Date between the hours agreed by the Parties; and

- (5) in the case of Overseas consignments, ensure that the Contractor Deliverables are accompanied by the necessary transit documentation. All Customs clearance shall be the responsibility of the Authority's Representative (Transport).
- d. Title and risk in the Contractor Deliverables shall only pass from the Contractor to the Authority:
 - (1) on the Delivery of the Contractor Deliverables by the Contractor to the Consignee in accordance with clause 28.b; or
 - (2) on the Collection of the Contractor Deliverables from the Consignor by the Authority once they have been made available for Collection by the Contractor in accordance with clause 28.c.

29. Acceptance

- a. Acceptance of the Contractor Deliverables shall occur in accordance with any acceptance procedure specified in Schedule 8 (Acceptance Procedure). If no acceptance procedure is so specified acceptance shall occur when either:
 - (1) the Authority does any act in relation to the Contractor Deliverable which is inconsistent with the Contractor's ownership; or
 - (2) the time limit in which to reject the Contractor Deliverables defined in clause 30.b has elapsed.

Rejection and Counterfeit Materiel Rejection:

- a. If any of the Contractor Deliverables Delivered to the Authority do not conform to the Specification or any other terms of the Contract, then (without limiting any other right or remedy that the Authority may have) the Authority may reject the Contractor Deliverables (in whole or in part). The Authority shall return these Contractor Deliverables to the Contractor at the Contractor's risk and cost.
- b. Rejection of any of the Contractor Deliverables under clause 30.a shall take place by the time limit for rejection specified in Schedule 3 (Contract Data Sheet), or if no such period is specified, the Contractor Deliverables shall be deemed to be accepted within a reasonable period of time.

30. Counterfeit Materiel:

- c. Where the Authority suspects that any Contractor Deliverable or consignment of Contractor Deliverables contains Counterfeit Materiel, it shall:
 - (1) notify the Contractor in writing of its suspicion and reasons therefore;
 - (2) where reasonably practicable, and if requested by the Contractor within 10 Business Days of such notification, (at the Contractor's own risk and expense and subject to any reasonable controls specified by the Authority) afford the Contractor the facility to (i) inspect the Contractor Deliverable or consignment and/or (ii) obtain a sample thereof for validation or testing purposes.
 - (3) at its discretion, provide the Contractor with a sample of the Contractor Deliverable or consignment for validation or testing purposes by the Contractor (at the Contractor's own risk and expense);
 - (4) give the Contractor a further 20 Business Days or such other reasonable period agreed by the Authority, from the date of the inspection at 30.c.(2).(i) or the provision of a sample at 30.c.(2).(ii), to comment on whether the Contractor Deliverable or consignment meets the definition of Counterfeit Materiel; and
 - (5) determine, on the balance of probabilities and strictly on the evidence available to it at the time, whether the Contractor Deliverable or consignment meets the definition of Counterfeit Materiel.
- d. Where the Authority has determined that the Contractor Deliverable, part or consignment of Contractor Deliverables contain Counterfeit Material then it may reject the Contractor Deliverable, part or consignment under 30.a and 30.b (Rejection), and provide written notification to the Contractor of the rejection.
- e. In addition to its rights under 30.a and 30.b (Rejection), where the Authority has determined that any Contractor Deliverable or consignment of Contractor Deliverables contains Counterfeit Materiel, it shall be entitled to:
 - (1) retain any Counterfeit Materiel; and/or
 - (2) retain the whole or any part of such Contractor Deliverable or consignment where it is not possible to separate the Counterfeit Materiel from the rest of the Contractor Deliverable, or consignment;

and such retention shall not constitute acceptance under Condition 29 (Acceptance).

f. Where the Authority intends to exercise its rights under clause 30.e, the Contractor may, subject to the agreement of the Authority (and at the Contractor's own risk and expense and subject to any reasonable controls and timeframe agreed), arrange for:

- (1) the separation of Counterfeit Materiel from any Contractor Deliverable or part of a Contractor Deliverable; and/or
- (2) the removal of any Contractor Deliverable or part of a Contractor Deliverable that the Authority is reasonably satisfied does not contain Counterfeit Materiel.

g. In respect of any Contractor Deliverable, consignment or part thereof that is retained in accordance with clause 30.e, including where the Authority permits the Contractor to remove non-Counterfeit Materiel under clause 30.f but the Contractor fails to do so within the period agreed and subject to clause 30.k, the Authority shall be entitled to exercise any, all, or any combination of, the following rights:

- (1) to dispose of it responsibly, and in a manner that does not permit its reintroduction into the supply chain or market;
- (2) to pass it to a relevant investigatory or regulatory authority;
- (3) to retain conduct or have conducted further testing including destructive testing, for further investigatory, regulatory or risk management purposes. Results from any such tests shall, at the discretion of the Authority, be shared with the Contractor; and/or
- (4) to recover the appropriate, attributable, and reasonable costs incurred by the Authority in respect of testing, storage, access, and/or disposal of it from the Contractor;

and exercise of the rights granted at clauses 30.g.(1) to 30.g.(3) shall not constitute acceptance under Condition 29 (Acceptance).

h. Any scrap or other disposal payment received by the Authority shall be off set against any amount due to the Authority under clause 30.g.(4). If the value of the scrap or other disposal payment exceeds the amount due to the Authority under clause 30.g.(4) then the balance shall accrue to the Contractor.

i. The Authority shall not use a retained Contract Deliverable or consignment other than as permitted in clauses 30.c – 30.k.

j. The Authority may report a discovery of Counterfeit Materiel and disclose information necessary for the identification of similar materiel and its possible sources.

k. The Contractor shall not be entitled to any payment or compensation from the Authority as a result of the Authority exercising the rights set out in clauses 30.c – 30.k except:

- (1) in relation to the balance that may accrue to the Contractor in accordance with clause 30.h; or
- (2) where it has been determined in accordance with Condition 40 (Dispute Resolution) that the Authority has made an incorrect determination in accordance with clause 30.c.(5). In such circumstances the Authority shall reimburse the Contractors reasonable costs of complying with clause 30.c.

31. Diversion Orders

- a. The Authority shall notify the Contractor at the earliest practicable opportunity if it becomes aware that a Contractor Deliverable is likely to be subject to a Diversion Order.
- b. The Authority may issue a Diversion Order for the urgent delivery of the Contractor Deliverables identified in it. These Contractor Deliverables are to be delivered by the Contractor using the quickest means available as agreed by the Authority.
- c. The Authority reserves the right to cancel the Diversion Order.
- d. If the terms of the Diversion Order are unclear, the Contractor shall immediately contact the Representative of the Authority who issued it for clarification and/or further instruction.
- e. If the Diversion Order increases the quantity of Contractor Deliverables beyond the scope of the Contract, it is to be returned immediately to the Authority's Commercial Officer with an appropriate explanation.

- f. The Contractor shall be entitled to reasonable additional delivery and packaging costs incurred in complying with the Diversion Order or cancellation. Claims are to be submitted by the Contractor to the Authority's Commercial Officer together with applicable receipts and agreed as an amendment to the Contract in accordance with Condition 6 (Formal Amendments to the Contract). The Contractor shall comply with the requirements of the Diversion Order upon receipt of the Diversion Order.

32. Self-to-Self Delivery

Where it is stated in Schedule 3 (Contract Data Sheet) that any Contractor Deliverable is to be Delivered by the Contractor to their own premises, or to those of a Subcontractor ('self-to-self delivery'), the risk in such a Contractor Deliverable shall remain vested in the Contractor until such time as it is handed over to the Authority.

Licences and Intellectual Property

33. Import and Export Licences

- a. If, in the performance of the Contract, the Contractor is required to import into or export out of the UK anything not supplied by or on behalf of the Authority and for which a UK Licence is required, the Contractor is responsible for applying for and maintaining that Licence.

b. Without prejudice to the HM Government's position on the validity of any claim by a foreign government to extraterritoriality, the Authority shall provide the Contractor with sufficient information, certification, documentation, and other reasonable assistance to obtain Licences from the UK or a foreign government for the performance of the Contract.

c. The Contractor shall consult the Authority as soon as reasonably practicable if a Licence is required from a foreign government. Where the Contractor is the applicant for obtaining Licences they shall ensure that when Restrictions apply to all or part of any Contractor Deliverables (which for the purposes of this Condition) shall also include information, technical data, software and services) unless otherwise agreed with the Authority, they shall identify in the application:

- (1) the end user as: The Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (hereinafter "UK MOD"); and
- (2) the end use as: For the Purposes of UK MOD; and
- (3) include in the submission for the Licence a statement that "information on the status of processing this application may be shared with the Ministry of Defence of the United Kingdom".

d. The Contractor shall take expeditious action to arrange the application for the foreign Licences required to import or export any Materiel not supplied by or on behalf of the Authority or perform any services for which a Licence is required by a foreign government; this includes, but is not limited to, compliance with the ITAR, EAR, FMS and any applicable UK-US agreements. The Contractor shall include the dependencies for the Licence application, grant, and maintenance in the Contract risk register and in the risk management plan for the Contract, with appropriate review points. Where a risk management plan is not required under the Contract the Contractor shall inform the Authority's representative accordingly.

e. During the term of the Contract and for up to two years after Contract completion, the Authority may make a written request to the Contractor to seek a variation to the conditions of a foreign Licence to enable the Authority to re-export or re-transfer a licenced or authorised Materiel from the UK and/or to a non-licenced third party. If the Authority makes such a request, it will consult the Contractor before making a determination on which party is best placed to seek a variation. Where the Contractor is best placed to seek a variation:

(1) the Contractor shall, expeditiously file an application to seek a variation of the applicable Licence in accordance with the procedures of the foreign government or raise their objection to the request. Where the Contractor has an objection to the variation request, the Parties shall meet within 5 Business Days to resolve the issue; should they fail to do so, the matter shall be escalated to an appropriate level within both Parties' organisations, to include their respective export or import control subject matter experts; and

(2) the Authority shall provide sufficient information, certification, documentation, and other reasonable assistance necessary to support the application to seek a variation.

f. Where the Authority determines that it is best placed to make such a request for variation, the Contractor shall provide sufficient information, certification, documentation, and other reasonable assistance necessary to support the Authority to make the application for the requested variation.

g. Where the Authority invokes clause 33.e or 33.f the Authority will pay the Contractor a fair and reasonable price for this service based on the cost of providing it.

h. The Contractor shall use all reasonable endeavours to incorporate in each relevant Subcontract equivalent terms regarding foreign export and/or import controls to those set out in this Condition. Where it is not possible to include equivalent terms to those set out in this Condition, the Contractor shall promptly report that fact and the circumstances to the Authority.

i. The Authority shall use reasonable endeavours to identify any Restrictions that apply to Materiel to be provided to the Contractor as Government Furnished Assets.

j. Where the Authority is to provide Materiel necessary to enable the Contractor to perform the Contract, or in respect of which the services are to be provided, and that is subject to Restrictions the Authority shall provide a completed DEFFORM 528 (and a copy of any applicable Licence, where available) to the Contractor as soon as reasonably practicable and no later than 30 days prior to the delivery of such Materiel to the Contractor. If the DEFFORM 528 provided is found to be inaccurate or incomplete the Authority shall deliver a new DEFFORM 528 as soon as reasonably practicable.

k. Where Restrictions are advised by the Authority to the Contractor in a DEFFORM 528 provided pursuant to clause 33.j or any of the information provided by the Authority in any DEFFORM 528 is inaccurate or incomplete the Parties shall promptly agree on the best course of action and implement it to mitigate the impact of the incomplete or inaccurate disclosure under the terms of Condition 6 (Formal Amendments to the Contract), or as may otherwise be provided by the Contract. If there is no alternative or appropriate mitigation available, the Authority may terminate the Contract in accordance with Condition 42 (Termination for Convenience), as appropriate and as referenced in the Contract.

Providing the Contractor has taken such steps as are reasonable to mitigate the impact the Contractor shall be relieved of their obligation to perform those elements of the Contract affected by the Restrictions or provision of incorrect or incomplete information.

l. The Contractor shall use reasonable endeavours to identify whether any Contractor Deliverable is subject to any foreign Licence including those that impose or will impose Restrictions. During the term of the Contract the Contractor shall inform the Authority of any foreign Licence and/or any Restrictions not already disclosed at the Effective Date of Contract or relevant amendment. This does not include the Intellectual Property-specific restrictions of the type referred to in Condition 34 (Third Party Intellectual Property – Rights and Restrictions).

m. The Contractor shall notify the Authority of all, or any part of the Contractor Deliverables identified within clause 33. L, by submitting a DEFFORM 528 or other mutually agreed alternative format as soon as reasonably practicable and no less than 30 days prior to delivery of the Contractor Deliverables. Such notification shall include an update on the validity of all previous information submitted and shall include any Restrictions (not already disclosed to the Authority) notified to the Contractor by any of their Subcontractors, suppliers, or other third parties. The Contractor, within 10 Business Days (or such longer period as shall have been agreed in writing by the Parties) of such notification shall submit a proposal to the Authority outlining actions to mitigate the impact of such Restrictions. Such proposals may include, where appropriate, mutually supported attempts to obtain removal of or modification to the Restrictions, or to obtain appropriate authorisations from the relevant foreign government. The Authority shall inform the Contractor within 10 Business Days (or such longer period as shall have been agreed in writing by the Parties) of receipt of the proposal whether it is acceptable and where appropriate the Contract shall be modified in accordance with Condition 6 (Formal Amendments to the Contract) or as otherwise provided by the Contract to implement the proposal.

n. If the Contractor is unable to perform their obligations under the Contract due to the Restrictions notified in accordance with clauses 33.l and 33.m and the Restrictions are not capable of being removed, modified, or otherwise satisfactorily managed within a reasonable time, the Authority may at its absolute discretion amend the Contract in accordance with Condition 6 (Formal Amendments to the Contract) or as otherwise provided by the Contract or terminate

the Contract. Except where clause 33.o applies, termination shall be on fair and reasonable terms having regard to all the circumstances including payments already made and those due under the Contract, costs incurred by the Contractor and benefits received by the Authority. The Parties, acting in good faith, shall use all reasonable endeavours to agree such fair and reasonable terms failing which either Party may refer the matter to dispute resolution in accordance with Condition 40 (Dispute Resolution). Providing the Contractor has taken such steps as are reasonable to mitigate the impact the Contractor shall be relieved of their obligation to perform those elements of the Contract directly affected by the Restrictions or provision of incorrect or incomplete information.

o. Where the Contractor knew or ought reasonably to have known that the Contract Deliverables were subjected to the Restrictions notified in accordance with clauses 33.l and 33.m, either at the Effective Date of Contract or at the date of submission of the most recent previous DEFFORM 528 to the Authority in accordance with clause 33.m, and failed to notify the Authority or the information disclosed was inaccurate or incomplete, the termination of the Contract will be in accordance with Condition 43 (Material Breach) and the provisions of clause 33.n with respect to termination will not apply.

p. For a period of up to 2 years from the completion of the Contract, and in response to a specific written request from the Authority, the Contractor shall notify the Authority as soon as reasonably practicable of any change to the Restrictions applicable to any Materiel provided under the Contract by issuing an updated DEFFORM 528 to the Authority.

34. Third Party Intellectual Property – Rights and Restrictions

a. The Contractor and, where applicable any Subcontractor, shall promptly notify the Authority as soon as they become aware of:

- (1) any invention or design the subject of patent or registered Design Rights (or application thereof) owned by a third party which appears to be relevant to the performance of the Contract or to use by the Authority of anything required to be done or delivered under the Contract;
- (2) any restriction as to disclosure or use, or obligation to make payments in respect of any other intellectual property (including technical Information) required for the purposes of the Contract or subsequent use by the Authority of anything delivered under the Contract and, where appropriate, the notification shall include such Information as is required by Section 2 of the Defence Contracts Act 1958;
- (3) any allegation of infringement of intellectual property rights made against the Contractor and which pertains to the performance of the Contract or subsequent use by the Authority of anything required to be done or delivered under the Contract.

clause 34.a does not apply in respect of Contractor Deliverables normally available from the Contractor as a Commercial Off The Shelf (COTS) item or service.

b. If the Information required under clause 34.a has been notified previously, the Contractor may meet their obligations by giving details of the previous notification.

c. For COTS Contractor Deliverables patents and registered designs in the UK, in respect of any question arising (by way of an allegation made to the Authority or Contractor, or otherwise) that the manufacture or provision under the Contract of Contractor Deliverables normally available from the Contractor as a COTS item or service is an infringement of a UK patent or registered design not owned or controlled by the Contractor or the Authority, the Contractor shall, subject to the agreement of the third party owning such patent or registered design, be given exclusive conduct of any and all negotiations for the settlement of any claim or the conduct of any litigation arising out of such question. The Contractor shall indemnify the Authority, its officers, agents and employees against any liability and cost arising from such allegation. This Condition shall not apply if:

- (1) the Authority has made or makes an admission of any sort relevant to such question;
- (2) the Authority has entered or enters into any discussions on such question with any third party without the prior written agreement of the Contractor;
- (3) the Authority has entered or enters into negotiations in respect of any relevant claim for compensation in respect of Crown Use under Section 55 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949;
- (4) legal proceedings have been commenced against the Authority or the Contractor in respect of Crown Use, but only to the extent of such Crown Use that has been properly authorised.

- d. The indemnity in clause 34.c does not extend to use by the Authority of anything supplied under the Contract where that use was not reasonably foreseeable at the time of the Contract.
- e. In the event that the Authority has entered into negotiation in respect of a claim for compensation, or legal proceedings in respect of the Crown Use have commenced, the Authority shall forthwith authorise the Contractor for the purposes of performing the Contract (but not otherwise) to utilise a relevant invention or design in accordance with Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949 and to use any model, document or information relating to any such invention or design which may be required for that purpose.
- f. For all other Contractor Deliverables patents and registered designs in the UK, if a relevant invention or design has been notified to the Authority by the Contractor prior to the Effective Date of Contract, then unless it has been otherwise agreed, under the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949, the Contractor is hereby authorised to utilise that invention or design, notwithstanding the fact that it is the subject of a UK Patent or UK Registered Design, for the purpose of performing the Contract.
- g. If, under clause 34.a, a relevant invention or design is notified to the Authority by the Contractor after the Effective Date of Contract, then:
 - (1) if the owner (or its exclusive licensee) takes or threatens in writing to take any relevant action against the Contractor, the Authority shall issue to the Contractor a written authorisation in accordance with the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949, and
 - (2) in any event, unless the Contractor and the Authority can agree an alternative course of action, the Authority shall not unreasonably delay the issue of a written authorisation in accordance with the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949.
- h. The Authority shall assume all liability and shall indemnify the Contractor, their officers, agents and employees against liability, including the Contractor's costs, as a result of infringement by the Contractor or their suppliers of any patent, utility model, registered design or like protection outside the United Kingdom in the performance of the Contract when such infringement arises from or is incurred by reason of the Contractor following any specification, statement of work or instruction in the Contract or using, keeping or disposing of any item given by the Authority for the purpose of the Contract in accordance with the Contract.
- i. The Contractor shall assume all liability and shall indemnify the Authority, its officers, agents and employees against liability, including the Authority's costs, as a result of infringement by the Contractor or their suppliers of any patent, utility model, registered design or like protection outside the UK in the performance of the Contract when such infringement arises from or is incurred otherwise than by reason of the Contractor following any specification, statement of work or instruction in the Contract or using, keeping or disposing of any item given by the Authority for the purpose of the Contract in accordance with the Contract.
- j. The Contractor shall not be entitled to any reimbursement of any royalty, licence fee or similar expense incurred in respect of anything to be done under the Contract, where:
 - (1) a relevant discharge has been given under Section 2 of the Defence Contracts Act 1958, or relevant authorisation in accordance with Sections 55 or 57 of the Patents Act 1977, Section 12 of the Registered Designs Act 1949 or Section 240 of the Copyright, Designs and Patents Act 1988 in respect of any intellectual property; or
 - (2) any obligation to make payments for intellectual property has not been promptly notified to the Authority under clause 34.a.
- k. Where authorisation is given by the Authority under clause 34.e, 34.f or 34.g, to the extent permitted by Section 57 of the Patents Act 1977, Section 12 of the Registered Designs Act 1949 or Section 240 of the Copyright, Designs and Patents Act 1988, the Contractor shall also be:
 - (1) released from payment whether by way of royalties, licence fees or similar expenses in respect of the Contractor's use of the relevant invention or design, or the use of any relevant model, document or information for the purpose of performing the Contract; and
 - (2) authorised to use any model, document or information relating to any such invention or design which may be required for that purpose.

- l. The Contractor shall assume all liability and indemnify the Authority and its officers, agents and employees against liability, including costs as a result of:
 - (1) infringement or alleged infringement by the Contractor or their suppliers of any copyright, database right, Design Right or the like protection in any part of the world in respect of any item to be supplied under the Contract or otherwise in the performance of the Contract;
 - (2) misuse of any confidential information, trade secret or the like by the Contractor in performing the Contract;
 - (3) provision to the Authority of any Information or material which the Contractor does not have the right to provide for the purpose of the Contract.
- m. The Authority shall assume all liability and indemnify the Contractor, their officers, agents and employees against liability, including costs as a result of:
 - (1) infringement or alleged infringement by the Contractor or their suppliers of any copyright, database right, Design Right or the like protection in any part of the world in respect of any item provided by the Authority for the purpose of the Contract but only to the extent that the item is used for the purpose of the Contract;
 - (2) alleged misuse of any confidential Information, trade secret or the like by the Contractor as a result of use of Information provided by the Authority for the purposes of the Contract, but only to the extent that Contractor's use of that Information is for the purposes intended when it was disclosed by the Authority.
- n. The general authorisation and indemnity is:
 - (1) clauses 34.a – 34.m represents the total liability of each Party to the other under the Contract in respect of any infringement or alleged infringement of patent or other Intellectual Property Right (IPR) owned by a third party;
 - (2) neither Party shall be liable, one to the other, for any consequential loss or damage arising as a result, directly or indirectly, of a claim for infringement or alleged infringement of any patent or other IPR owned by a third party;
 - (3) a Party against whom a claim is made or action brought, shall promptly notify the other Party in writing if such claim or action appears to relate to an infringement which is the subject of an indemnity or authorisation given under this Condition by such other Party. The notification shall include particulars of the demands, damages and liabilities claimed or made of which the notifying Party has notice;
 - (4) the Party benefiting from the indemnity or authorisation shall allow the other Party, at its own expense, to conduct any negotiations for the settlement of the same, and any litigation that may arise therefrom and shall provide such information as the other Party may reasonably require;
 - (5) following a notification under clause 34.n.(3), the Party notified shall advise the other Party in writing within thirty (30) Business Days whether or not it is assuming conduct of the negotiations or litigation. In that case the Party against whom a claim is made or action brought shall not make any statement which might be prejudicial to the settlement or defence of such a claim without the written consent of the other Party;
 - (6) the Party conducting negotiations for the settlement of a claim or any related litigation shall, if requested, keep the other Party fully informed of the conduct and progress of such negotiations.
- o. If at any time a claim or allegation of infringement arises in respect of copyright, database right, Design Right or breach of confidence as a result of the provision of any Contractor Deliverable by the Contractor to the Authority, the Contractor may at their own expense replace the item with an item of equivalent functionality and performance so as to avoid infringement or breach. The Parties will co-operate with one another to mitigate any claim or damage which may arise from use of third party IPR.
- p. Nothing in Condition 34 shall be taken as an authorisation or promise of an authorisation under Section 240 of the Copyright, Designs and Patents Act 1988.
- q. Notwithstanding any other provisions of the Contract and for the avoidance of doubt, award of the Contract by the Authority and placement of any contract task under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949. The Contractor acknowledges that any such authorisation by the Authority under its statutory powers must be expressly provided in writing, with reference to the acts authorised and the specific intellectual property involved.

Notification of Intellectual Property Rights (IPR) Restrictions

- r. Where any of the conditions listed below (1 to 3) have been added to the Conditions of the Contract as project specific DEFCONs at Condition 45, or where required by Clauses 34.a. – 34.q., the Contractor warrants and confirms that all Intellectual Property Rights restrictions and associated export restrictions relating to the use or disclosure of the Contractor Deliverables that are notifiable under those Conditions, or of which the Contractor is or should reasonably be aware as at Effective Date of Contract, are disclosed in Schedule 13 (Notification of Intellectual Property Rights (IPR) Restrictions).
- (1) DEFCON 15 – including notification of any self-standing background Intellectual Property;
 - (2) DEFCON 90 – including copyright material supplied under clause 5;
 - (3) DEFCON 91 – limitations of Deliverable Software under clause 3b.
- s. The Contractor shall promptly notify the Authority in writing if they become aware during the performance of the Contract of any required additions, inaccuracies or omissions in Schedule 13.
- t. Any amendment to Schedule 13 shall be made in accordance with Condition 6.

Pricing and Payment

35. Contract Price

- a. The Contractor shall provide the Contractor Deliverables to the Authority at the Contract Price. The Contract Price shall be a Firm Price unless otherwise stated in Schedule 3 (Contract Data Sheet).
- b. Subject to clause 35.a the Contract Price shall be inclusive of any UK custom and excise or other duty payable. The Contractor shall not make any claim for drawback of UK import duty on any part of the Contract Deliverables supplied which may be for shipment outside of the UK.

36. Payment and Recovery of Sums Due

- a. Payment for Contractor Deliverables will be made by electronic transfer and prior to submitting any claims for payment under clause 36.b the Contractor will be required to register their details (Supplier on-boarding) on the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.
- b. Where the Contractor submits an invoice to the Authority in accordance with clause 36.a, the Authority will consider and verify that invoice in a timely fashion.
- c. The Authority shall pay the Contractor any sums due under such an invoice no later than a period of 30 days from the date on which the Authority has determined that the invoice is valid and undisputed.
- d. Where the Authority fails to comply with clause 36.a and there is undue delay in considering and verifying the invoice, the invoice shall be regarded as valid and undisputed for the purpose of clause 36.c after a reasonable time has passed.
- e. The approval for payment of a valid and undisputed invoice by the Authority shall not be construed as acceptance by the Authority of the performance of the Contractor's obligations nor as a waiver of its rights and remedies under the Contract.
- f. Without prejudice to any other right or remedy, the Authority reserves the right to set off any amount owing at any time from the Contractor to the Authority against any amount payable by the Authority to the Contractor under the Contract or under any other contract with the Authority, or with any other Government Department.

37. Value Added Tax and other Taxes

- a. The Contract Price excludes any UK output Value Added Tax (VAT) chargeable on the supply of Contractor Deliverables by the Contractor to the Authority.
- b. If the Contractor is required by UK VAT law to be registered for UK VAT (or has registered voluntarily) in respect of their business activities at the time of any supply, and the circumstances of any supply are such that the Contractor is liable to pay the tax due to HM Revenue and Customs (HMRC), the Authority shall pay to the Contractor in addition to the Contract Price (or any other sum due to the Contractor) a sum equal to the output VAT chargeable on the tax value of the supply of Contractor Deliverables, and all other payments under the Contract according to the law at the relevant tax point.
- c. The Contractor is responsible for the determination of VAT liability. The Contractor shall consult their Client Relationship Manager or the HMRC Enquiries Desk (and not the Authority's Representative (Commercial)) in cases of

doubt. The Contractor shall notify the Authority's Representative (Commercial) of the Authority's VAT liability under the Contract, and any changes to it, within twenty (20) Business Days of becoming aware the liability is other than at the standard rate of VAT. In the event of any doubt about the applicability of the tax in such cases, the Authority may require the Contractor to obtain, and pass to the Authority, a formal ruling from HMRC. The Contractor shall comply promptly with any such requirement. Where the Contractor obtains a ruling from HMRC, they shall supply a copy to the Authority within three (3) Business Days of receiving that ruling unless they propose to challenge the ruling. Where the Contractor challenges the ruling they shall supply to the Authority a copy of any final decisions issued by HMRC on completion of the challenge within three (3) Business Days of receiving the decision.

d. Where supply of Contractor Deliverables comes within the scope of UK VAT, but the Contractor is not required by UK VAT law to be registered for UK VAT (and has not registered voluntarily), the Authority shall be responsible for assessing and paying over directly to HMRC any UK output VAT due in respect of the Contractor Deliverables. The Contractor shall be responsible for ensuring they take into account any changes in VAT law regarding registration.

e. Where Contractor Deliverables are deemed to be supplied to the Authority outside the UK, the Contractor may be required by the laws of the country where the supply takes place to register there for tax purposes. In that event, it is the Contractor's responsibility to ensure the Contract Price captures this tax.

f. In relation to the Contractor Deliverables supplied under the Contract the Authority shall not be required to pay any sum in respect of the Contractor's input VAT (or similar non-UK input taxes). However, these input taxes will be allowed where they were included in the Contract Price and it is established that, despite the Contractor having taken all reasonable steps to recover them, it has not been possible to do so. Where there is any doubt that the Contractor has complied with this requirement the matter shall be resolved in accordance with Condition 40 (Dispute Resolution).

g. Should HMRC decide that the Contractor has incorrectly determined the VAT liability, in accordance with clause 37.b above, the Authority will pay the VAT assessed by HMRC. In the event that HMRC so determines, the Contractor shall pay any interest charged on any assessment or penalties or both directly to HMRC. Such interest or penalties or both shall not be recoverable from the Authority under the Contract or any other contract. The Contractor shall supply the Authority with a copy of all correspondence between HMRC and the Contractor's advisors regarding the VAT assessment within three (3) Business Days of a written request from the Authority for such correspondence.

38. Debt Factoring

a. Subject to the Contractor obtaining the prior written consent of the Authority in accordance with Condition 10 (Assignment of Contract), the Contractor may assign to a third Party ("the Assignee") the right to receive payment of the Contract Price or any part thereof due to the Contractor under the Contract (including interest which the Authority incurred through late payment under the Late Payment of Commercial Debts (Interest) Act 1998 ("the Act")). Any assignment of the right to receive payment of the Contract Price (or any part thereof) under this Condition 38 shall be subject to:

- (1) reduction of any sums in respect of which the Authority exercises its right of recovery under clause 36.f;
- (2) all related rights of the Authority under the Contract in relation to the recovery of sums due but unpaid; and
- (3) the Authority receiving notification under both clauses 38.b and 38.c.(2).

b. In the event that the Contractor obtains from the Authority the consent to assign the right to receive the Contract Price (or any part thereof) under clause 38.a, the Contractor shall notify the Authority in writing of the assignment and the date upon which the assignment becomes effective.

c. The Contractor shall ensure that the Assignee:

- (1) is made aware of the Authority's continuing rights under clauses 38.a.(1) and 38.a.(2); and
- (2) notifies the Authority of the Assignee's contact information and bank account details to which the Authority shall make payment, subject to any reduction made by the Authority in accordance with clauses 38.a.(1) and 38.a.(2).

d. The provisions of Condition 36 (Payment and Recovery of Sums Due) shall continue to apply in all other respects after the assignment and shall not be amended without the prior approval of the Authority.

39. Subcontracting and Prompt Payment

- a. Subcontracting any part of the Contract shall not relieve the Contractor of any of the Contractor's obligations, duties or liabilities under the Contract.
- b. Where the Contractor enters into a subcontract, they shall cause a term to be included in such subcontract:
 - (1) providing that where the Subcontractor submits an invoice to the Contractor, the Contractor will consider and verify that invoice in a timely fashion;
 - (2) providing that the Contractor shall pay the Subcontractor any sums due under such an invoice no later than a period of thirty (30) days from the date on which the Contractor has determined that the invoice is valid and undisputed;
 - (3) providing that where the Contractor fails to comply with clause 39.b.(1) above, and there is an undue delay in considering and verifying the invoice, that the invoice shall be regarded as valid and undisputed for the purposes of clause 39.b.(2) after a reasonable time has passed; and
 - (4) requiring the counterparty to that subcontract to include in any subcontract which it awards, provisions having the same effect as clauses 39.b.(1) to 39.b.(4).

Termination

40. Dispute Resolution

- a. The Parties will attempt in good faith to resolve any dispute or claim arising out of or relating to the Contract through negotiations between the respective representatives of the Parties having authority to settle the matter, which attempts may include the use of any alternative dispute resolution procedure on which the Parties may agree.
- b. In the event that the dispute or claim is not resolved pursuant to Clause 40.a the dispute shall be referred to arbitration. Unless otherwise agreed in writing by the Parties, the arbitration and this clause 40.b shall be governed by the Arbitration Act 1996. For the purposes of the arbitration, the arbitrator shall have the power to make provisional awards pursuant to Section 39 of the Arbitration Act 1996.
- c. For the avoidance of doubt, anything said, done or produced in or in relation to the arbitration process (including any awards) shall be confidential between the Parties, except as may be lawfully required in judicial proceedings relating to the arbitration or otherwise.

41. Termination for Insolvency or Corrupt Gifts

Insolvency:

- a. The Authority may terminate the Contract, without paying compensation to the Contractor, by giving written Notice of such termination to the Contractor at any time after any of the following events:

Where the Contractor is an individual or a firm:

- (1) the application by the individual or, in the case of a firm constituted under English law, any partner of the firm to the court for an interim order pursuant to Section 253 of the Insolvency Act 1986; or (2) the court making an interim order pursuant to Section 252 of the Insolvency Act 1986; or
- (3) the individual, the firm or, in the case of a firm constituted under English law, any partner of the firm making a composition or a scheme of arrangement with them or their creditors; or
- (4) the presentation of a petition for bankruptcy order against the individual or, in the case of a firm constituted under English law, any partner of the firm unless it is withdrawn within three (3) Business Days from the date on which the Contractor is notified of the presentation; or
- (5) the court making a bankruptcy order in respect of the individual or, in the case of a firm constituted under English law, any partner of the firm; or
- (6) where the Contractor is either unable to pay their debts as they fall due or has no reasonable prospect of being able to pay debts which are not immediately payable. The Authority shall regard the Contractor as being unable to pay their debts if:
 - (a) they have failed to comply with or to set aside a Statutory demand under Section 268 of the Insolvency Act 1986 within twenty-one (21) days of service of the Statutory Demand on them; or

- (b) execution or other process to enforce a debt due under a judgement or order of the court has been returned unsatisfied in whole or in part.
- (7) the presentation of a petition for sequestration in relation to the Contractor's estates unless it is withdrawn within three (3) Business Days from the date on which the Contractor is notified of the presentation; or
- (8) the court making an award of sequestration in relation to the Contractor's estates.

Where the Contractor is a company registered in England:

- (9) the presentation of a petition for the appointment of an administrator; unless it is withdrawn within three (3) Business Days from the date on which the Contractor is notified of the presentation; or
- (10) the court making an administration order in relation to the company; or
- (11) the presentation of a petition for the winding-up of the company unless it is withdrawn within three (3) Business Days from the date on which the Contractor is notified of the presentation; or
- (12) the company passing a resolution that the company shall be wound-up; or
- (13) the court making an order that the company shall be wound-up; or
- (14) the appointment of a Receiver or manager or administrative Receiver.

Where the Contractor is a company registered other than in England, events occur or are carried out which, within the jurisdiction to which they are subject, are similar in nature or effect to those specified in clauses 41.a.(9) to 41.a.(14) inclusive above.

- b. Such termination shall be without prejudice to and shall not affect any right of action or remedy which shall have accrued or shall accrue thereafter to the Authority and the Contractor.

Corrupt Gifts:

- c. The Contractor shall not do, and warrants that in entering the Contract they have not done any of the following (hereafter referred to as 'prohibited acts'):
 - (1) offer, promise or give to any Crown servant any gift or financial or other advantage of any kind as an inducement or reward;
 - (a) for doing or not doing (or for having done or not having done) any act in relation to the obtaining or execution of this or any other Contract with the Crown; or
 - (b) for showing or not showing favour or disfavour to any person in relation to this or any other Contract with the Crown.
 - (2) enter into this or any other Contract with the Crown in connection with which commission has been paid or has been agreed to be paid by them or on their behalf, or to their knowledge, unless before the Contract is made particulars of any such commission and of the terms and conditions of any such agreement for the payment thereof have been disclosed in writing to the Authority.
- d. If the Contractor, their employees, agents or any Subcontractor (or anyone acting on their behalf or any of their employees) does any of the prohibited acts or commits any offence under the Bribery Act 2010 with or without the knowledge or authority of the Contractor in relation to this Contract or any other contract with the Crown, the Authority shall be entitled:
 - (1) to terminate the Contract and recover from the Contractor the amount of any loss resulting from the termination;
 - (2) to recover from the Contractor the amount or value of any such gift, consideration or commission; and
 - (3) to recover from the Contractor any other loss sustained in consequence of any breach of this Condition, where the Contract has not been terminated.
- e. In exercising its rights or remedies under this Condition, the Authority shall:
 - (1) act in a reasonable and proportionate manner having regard to such matters as the gravity of, and the identity of the person performing, the prohibited act;
 - (2) give all due consideration, where appropriate, to action other than termination of the Contract, including (without being limited to):

- (a) requiring the Contractor to procure the termination of a subcontract where the prohibited act is that of a Subcontractor or anyone acting on their behalf;
 - (b) requiring the Contractor to procure the dismissal of an employee (whether their own or that of a Subcontractor or anyone acting on their behalf) where the prohibited act is that of such employee.
- f. Recovery action taken against any person in His Majesty's service shall be without prejudice to any recovery action taken against the Contractor pursuant to this Condition.

42. Termination for Convenience

- a. The Authority shall have the right to terminate the Contract in whole or in part at any time by giving the Contractor at least twenty (20) Business Days written notice (or such other period as may be stated in Schedule 3 (Contract Data Sheet)). Upon expiry of the notice period the Contract, or relevant part thereof, shall terminate without prejudice to the rights of the parties already accrued up to the date of termination. Where only part of the Contract is being terminated, the Authority and the Contractor shall owe each other no further obligations in respect of the part of the Contract being terminated, but will continue to fulfil their respective obligations on all other parts of the Contract not being terminated.
- b. Following the above notification the Authority shall be entitled to exercise any of the following rights in relation to the Contract (or part being terminated) to direct the Contractor to:
 - (1) not start work on any element of the Contractor Deliverables not yet started;
 - (2) complete in accordance with the Contract the provision of any element of the Contractor Deliverables;
 - (3) as soon as may be reasonably practicable take such steps to ensure that the production rate of the Contractor Deliverables is reduced as quickly as possible;
 - (4) terminate on the best possible terms any subcontracts in support of the Contractor Deliverables that have not been completed, taking into account any direction given under clauses 42.b.(2) and 42.b.(3) of this Condition.
- c. Where this Condition applies (and subject always to the Contractor's compliance with any direction given by the Authority under clause 42.b):
 - (1) The Authority shall take over from the Contractor at a fair and reasonable price all unused and undamaged materiel and any Contractor Deliverables in the course of manufacture that are:
 - (a) in the possession of the Contractor at the date of termination; and
 - (b) provided by or supplied to the Contractor for the performance of the Contract, except such materiel and Contractor Deliverables in the course of manufacture as the Contractor shall, with the agreement of the Authority, choose to retain;
 - (2) the Contractor shall deliver to the Authority within an agreed period, or in absence of such agreement within a period as the Authority may specify, a list of:
 - (a) all such unused and undamaged materiel; and
 - (b) Contractor Deliverables in the course of manufacture, that are liable to be taken over by, or previously belonging to the Authority, and shall deliver such materiel and Contractor Deliverables in accordance with the directions of the Authority;
 - (3) in respect of Services, the Authority shall pay the Contractor fair and reasonable prices for each Service performed, or partially performed, in accordance with the Contract.
- d. The Authority shall (subject to clause 42.e below and to the Contractor's compliance with any direction given by the Authority in clause 42.b above) indemnify the Contractor against any commitments, liabilities or expenditure which would otherwise represent an unavoidable loss by the Contractor by reason of the termination of the Contract, subject to:
 - (1) the Contractor taking all reasonable steps to mitigate such loss; and
 - (2) the Contractor submitting a fully itemised and costed list of such loss, with supporting evidence, reasonably and actually incurred by the Contractor as a result of the termination of the Contract or relevant part.

- e. The Authority's total liability under the provisions of this Condition shall be limited to the total price of the Contractor Deliverables payable under the contract (or relevant part), including any sums paid, due or becoming due to the Contractor at the date of termination.
- f. The Contractor shall include in any subcontract over [REDACTED] which it may enter into for the purpose of the Contract, the right to terminate the subcontract under the terms of clauses 42.a to 42.e except that:
 - (1) the name of the Contractor shall be substituted for the Authority except in clause 42.c.(1);
 - (2) the notice period for termination shall be as specified in the subcontract, or if no period is specified twenty (20) Business Days; and
 - (3) the Contractor's right to terminate the subcontract shall not be exercised unless the main Contract, or relevant part, has been terminated by the Authority in accordance with the provisions of this Condition 42.
- g. Claims for payment under this Condition shall be submitted in accordance with the Authority's direction.

43. Material Breach

- a. In addition to any other rights and remedies, the Authority shall have the right to terminate the Contract (in whole or in part) with immediate effect by giving written Notice to the Contractor where the Contractor is in material breach of their obligations under the Contract.
- b. Where the Authority has terminated the Contract under clause 43.a the Authority shall have the right to claim such damages as may have been sustained as a result of the Contractor's material breach of the Contract, including but not limited to any costs and expenses incurred by the Authority in:
 - (1) carrying out any work that may be required to make the Contractor Deliverables comply with the Contract; or
 - (2) obtaining the Contractor Deliverable in substitution from another supplier.

44. Consequences of Termination

The termination of the Contract, however arising, shall be without prejudice to the rights and duties of either Party accrued prior to termination. The Conditions that expressly or by implication have effect after termination shall continue to be enforceable even after termination.

45 Project specific DEFCONs and DEFCON SC variants that apply to this contract

a. Special Indemnity Conditions

DEFCON 76 (SC2) (Edn. 11/22) – Contractor's Personnel At Government Establishments

DEFCON 501 (Edn. 10/21) – Definitions and Interpretations

DEFCON 503 (Edn 06/22) – Formal Amendments to the Contract

DEFCON 515 (Edn 06/21) - Bankruptcy and Insolvency

DEFCON 516 (Edn 04/12) – Equality

DEFCON 518 (Edn 02/17) – Transfer

DEFCON 526 (Edn 08/02) – Notices

DEFCON 527 (Edn 09/97) – Waiver

DEFCON 528 (Edn 10/24) - Import and Export Licences

DEFCON 532A (Edn. 05/22) -Protection Of Personal Data (Where Personal Data is not being processed on behalf of the Authority)

DEFCON 534 (Edn 02/25) – Subcontracting and Prompt Payment

DEFCON 537 (Edn 12/21) - Rights of Third Parties

DEFCON 538 (Edn 06/02) – Severability

DEFCON 540 (Edn 05/23) – Conflicts of Interest

DEFCON 550 (Edn 02/14) - Child Labour and Employment Law

DEFCON 564 (Edn 02/25) – Sub-Contracting with Suppliers on the Debarment List

DEFCON 566 (Edn 04/24) - Change of Control of Contractor

DEFCON 602A (Edn 04/23) - Quality Assurance (With Deliverable Quality Plan)

DEFCON 620 (SC2) (Edn.06/22) – Contract Change Control Procedure

DEFCON 630 (SC2) (Edn. 02/18) – Framework Agreements

DEFCON 632 (Edn 11/21) - Third Party Intellectual Property - Rights and Restrictions

DEFCON 647 (Edn 03/24) – Financial Management Information

DEFCON 658 (SC2) (Edn. 10/22) – Cyber

Note: Further to DEFCON 658 the Cyber Risk Profile of the Contract is Very Low, as defined in Def Stan 05-138.

DEFCON 660 (Edn 12/15) – Official-Sensitive Security Requirements

DEFCON 671 (Edn 10/22) – Plastic Packaging Tax

DEFCON 687A (SC2) (Edn. 06/21) – Provision Of A Shared Data Environment Service

DEFCON 815 (Edn 04/15) – Single Source Non-qualifying Contracts – Contract Pricing Statement

b. Russian and Belarusian Exclusion Condition for Inclusion in Contracts

1. The Contractor shall, and shall procure that their Sub-contractors shall, notify the Authority in writing as soon as they become aware that:
 - a. the Contract Deliverables and/or Services contain any Russian/Belarusian products and/or services; or
 - b. that the Contractor or any part of the Contractor's supply chain is linked to entities who are constituted or organised under the law of Russia or Belarus, or under the control (full or partial) of a Russian/Belarusian person or entity. Please note that this does not include companies:
 - (1) registered in the UK or in a country with which the UK has a relevant international agreement providing reciprocal rights of access in the relevant field of public procurement; and/or
 - (2) which have significant business operations in the UK or in a country with which the UK has a relevant international agreement providing reciprocal rights of access in the relevant field of public procurement.
2. The Contractor shall, and shall procure that their Sub-contractors shall, include in such notification (or as soon as reasonably practicable following the notification) full details of the Russian products, services and/or entities and shall provide all reasonable assistance to the Authority to understand the nature, scope and impact of any such products, services and/or entities on the provision of the Contract Deliverables and/or Services.
3. The Authority shall consider the notification and information provided by the Contractor and advise the Contractor in writing of any concerns the Authority may have and/or any action which the Authority will require the Contractor to take. The Contractor shall be required to submit a response to the concerns raised by the Authority, including any plans to mitigate those concerns, within 14 business days of receipt of the Authority's written concerns, for the Authority's consideration.
4. The Contractor shall include provisions equivalent to those set out in this clause in all relevant Subcontracts.

46 Special conditions that apply to this Contract

a. LIMITATIONS ON LIABILITY

Definitions

1.1 In this Condition [1] the following words and expressions shall have the meanings given to them, except where the context requires a different meaning:

“Charges” means any of the charges for the provision of the Services, Contractor Deliverables and the performance of any of the Contractor’s other obligations under this Contract, as determined in accordance with this Contract;

“Data Protection Legislation” means all applicable Law in force from time to time in the UK relating to the processing of personal data and privacy, including but not limited to:

- (1) UK GDPR;
- (2) DPA 2018; and
- (3) the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2003/2426) as amended, each to the extent that it relates to the processing of personal data and privacy;

“Default” means any breach of the obligations of the relevant Party (including fundamental breach or breach of a fundamental term) or any other default, act, omission, negligence or statement of the relevant Party, its employees, servants, agents or sub-contractors in connection with or in relation to the subject matter of this Contract and in respect of which such Party is liable to the other. In no event shall a failure or delay in the delivery of an Authority responsibility or an activity to be carried out by the Authority or its representatives in accordance with the Contract be considered a Default;

‘DPA 2018’ means the Data Protection Act 2018;

“Law” means any applicable law, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, regulation, order, regulatory policy, mandatory guidance or code of practice judgment of a relevant court of law, or directives or requirements of any regulatory body, delegated or subordinate legislation or notice of any regulatory body.

“Service Credits” means the amount that the Contractor shall credit or pay to the Authority in the event of a failure by the Contractor to meet the agreed Service Levels as set out/referred to in [cross refer to service credit regime in the contract];

“Term” means the period commencing on the commencement date / the date on which this Contract is signed and ending on the expiry of the Contract.

‘UK GDPR’ means the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in UK law by the EU (Withdrawal) Act 2018 and the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019;

Unlimited liabilities

1.2 Neither Party limits its liability for:

- 1.2.1 death or personal injury caused by its negligence, or that of its employees, agents or subcontractors (as applicable);

1.2.2 fraud or fraudulent misrepresentation by it or its employees;

1.2.3 breach of any obligation as to title implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or

1.2.4 any liability to the extent it cannot be limited or excluded by law.

1.3 The financial caps on liability set out in Clauses 1.4 and 1.5 below shall not apply to the following:

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

1.3.1.1 the Contractor's indemnity in relation to DEFCON 91 (Intellectual Property in Software) and Condition 34 (Third Party IP – Rights and Restrictions);

1.3.1.2 the Contractor's indemnity in relation to TUPE at Schedule 10;

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

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

1.3.2.2 the Authority's indemnity in relation to TUPE under Schedule 10;

1.3.3 breach by the Contractor of DEFCON 532A (SC2) and Data Protection Legislation; and

1.3.4 to the extent it arises as a result of a Default by either Party, any fine or penalty incurred by the other Party pursuant to Law and any costs incurred by such other Party in defending any proceedings which result in such fine or penalty.

1.3.5 For the avoidance of doubt any payments due from either of the Parties to the other in accordance with DEFCON 811 (SC2) or the Defence Reform Act 2014 and/or the Single Source Contract Regulations 2014, as amended from time to time, shall not be excluded or limited under the provisions of Clauses 1.4 and/or 1.5 below.

Financial limits

1.4 Subject to Clauses 1.2 and 1.3 and to the maximum extent permitted by Law:

1.4.1 [throughout the Term] the Contractor's total liability in respect of losses that are caused by Defaults of the Contractor shall in no event exceed:

1.4.1.1 in respect of DEFCON 76 (SC2) [REDACTED] in aggregate; and

1.4.1.2 in respect of DEFCON 514 (SC2) [REDACTED] in aggregate;

1.4.2 without limiting Clause 1.4.1 and subject always to Clauses 1.2, 1.3 and 1.4.3, the Contractor's total liability throughout the Term in respect of all other liabilities (but excluding any Service Credits paid or payable, whether in contract, in tort (including negligence), arising under warranty, under statute or otherwise under or in connection with this Contract shall be [REDACTED] in aggregate.

1.4.3 on the exercise of any and, where more than one, each option period or agreed extension to the Term, the limitation of the Contractor's total liability (in aggregate) set out in Clauses 1.4.1 and 1.4.2 above shall be fully replenished such that on and from each such exercise or extension of the Term, the Authority shall be able to claim up to the full value of the limitation set out in Clauses 1.4.1 and 1.4.2 of this Contract.

1.5 Subject to Clauses 1.2, 1.3 and 1.6, and to the maximum extent permitted by Law the Authority's total liability (in aggregate) whether in contract, in tort (including negligence), under warranty, under statute or otherwise under or in connection with this Contract shall in respect of all liabilities (taken together) be limited to the Charges paid by the Authority in the relevant Contract Year in respect of any and all claims in that Contract Year.

1.6 Clause 1.5 shall not exclude or limit the Contractor's right under this Contract to claim for the Charges.

Consequential loss

1.7 Subject to Clauses 1.2, 1.3 and 1.8, neither Party shall be liable to the other Party or to any third party, whether in contract (including under any warranty), in tort (including negligence), under statute or otherwise for or in respect of:

- 1.7.1 indirect loss or damage;
- 1.7.2 special loss or damage;
- 1.7.3 consequential loss or damage;
- 1.7.4 loss of profits (whether direct or indirect);
- 1.7.5 loss of turnover (whether direct or indirect);
- 1.7.6 loss of business opportunities (whether direct or indirect); or

1.7.7 damage to goodwill (whether direct or indirect), even if that Party was

aware of the possibility of such loss or damage to the other Party.

1.8 The provisions of Clause 1.7 shall not restrict the Authority's ability to recover any of the following losses incurred by the Authority to the extent that they arise as a result of a Default by the Contractor:

1.8.1 any additional operational and administrative costs and expenses arising from the Contractor's Default, including any costs paid or payable by the Authority:

- 1.8.1.1 to any third party;
- 1.8.1.2 for putting in place workarounds for the Contractor Deliverables and other deliverables that are reliant on the Contractor Deliverables; and
- 1.8.1.3 relating to time spent by or on behalf of the Authority in dealing with the consequences of the Default;

1.8.2 any or all wasted expenditure and losses incurred by the Authority arising from the Contractor's Default, including wasted management time;

1.8.3 the additional cost of procuring and maintaining in place transitional assistance and replacement deliverables for the remainder of the Term and any option period or agreed

extension to the Term (including legal and other consultants' fees, re-procurement project costs, other expenses associated with such exercise and any increase in the fees for the replacement services over and above the Contract Price that would have been payable for the relevant Contractor Deliverables);

1.8.4 any losses arising in connection with the loss, destruction, corruption, inaccuracy or degradation of Authority data, or other data or software, including, to the extent the Authority data, other data or software can be recovered or reconstituted, the fees, costs and expenses of reconstituting such Authority data, data or software;

1.8.5 damage to the Authority's physical property and tangible assets, including damage under DEFCONs 76 (SC2) and 611 (SC2);

1.8.6 costs, expenses and charges arising from, or any damages, account of profits or other award made for, infringement of any third-party Intellectual Property Rights or breach of any obligations of confidence;

1.8.7 any additional costs incurred by the Authority in relation to the Authority's contracts with a third party (including any compensation or interest paid to a third party by the Authority) as a result of the Default (including the extension or replacement of such contracts);

1.8.8 any fine or penalty incurred by the Authority pursuant to Law and any costs incurred by the Authority in defending any proceedings which result in such fine or penalty; or

1.8.9 any savings, discounts or price reductions during the Term and any option period or agreed extension to the Term committed to by the Contractor pursuant to this Contract.

Invalidity

1.9 If any limitation or provision contained or expressly referred to in this Condition [1] is held to be invalid under any Law, it will be deemed to be omitted to that extent, and if any Party becomes liable for loss or damage to which that limitation or provision applied, that liability will be subject to the remaining limitations and provisions set out in this Condition [1].

Third party claims or losses

1.10 Without prejudice to any other rights or remedies the Authority may have under this Contract (including but not limited to any indemnity claim under DEFCONs 91 and Condition 34 or at Law), the Authority shall be entitled to make a claim under this Contract against the Contractor in respect of any losses incurred by the Authority which arise out of a claim made against the Authority by a third party under any contract with that third party provided that such third party claim:

1.10.1 arises naturally and ordinarily as a result of the Contractor's failure to provide the Contractor Deliverables or failure to perform any of its obligations under this Contract; and

1.10.2 is a type of claim or loss that would have been recoverable under this Contract if the third party were a party to this Contract (whether as the Authority or the Contractor), such claim to be construed as direct losses for the purpose of this Contract.

No double recovery

1.11 Neither Party shall be entitled to employ such rights and remedies available to it so as to seek to recover more than once in respect of the same loss, but the Authority shall be entitled to use (singly or

together) such rights and remedies available to the Authority so as to recover the full extent of any recoverable losses suffered or incurred, including any remedies the Authority may have against any guarantor.

b. INSURANCE

Obligations to maintain Insurance

1.1 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 5 (Required Insurances) take out and maintain, or procure the taking out and maintenance of the insurances as set out in Schedule 5 (Required Insurances) and any other insurances as may be required by applicable English Law (together the "Required Insurances"). The Contractor shall ensure that each of the Required Insurances is effective no later than the date on which the relevant risk commences.

1.2 The Required Insurances shall be maintained in accordance with Good Industry Practice and (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the marine insurance market from time to time.

1.3 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.

General obligations

1.4 Without limiting the other provisions of this Contract, the Contractor shall:

- a. take or procure the taking of all reasonable risk management and risk control measures in relation to the services as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice;
- b. hold all policies in respect of the Required Insurances and cause any insurance broker effecting the Required Insurances to hold any insurance slips and other evidence of placing cover representing any of the Required Insurances to which it is a party.
- c. discharge all its obligations under the Insurance Act 2015 when placing, renewing, amending or maintaining any insurances required by this Contract, including complying with the duty of fair presentation to insurers.

Non invalidation and failure to insure

1.5 The Contractor (and the Contractor shall procure that none of its Subcontractors of any tier) shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Required Insurances.

1.6 Where the Contractor has failed to purchase any of the Required Insurances or maintain any of the Required Insurances in full force and effect, the Authority may elect (but shall not be obliged) following written notice to the Contractor to purchase the relevant Required Insurances, and the Authority shall be entitled to recover the premium and other reasonable costs incurred in connection therewith as a debt due from the Contractor.

Evidence of insurances

1.7 The Contractor shall from the date of this Contract and within 10 (ten) days after the renewal, replacement or placement of the relevant risk of each of the Required Insurances, provide evidence, in a form satisfactory to the Authority, that the Required Insurances are in force and effect and meet in full the requirements of Schedule 5 (Required Insurances). However inspection nor receipt of such evidence by the Authority shall not in itself constitute acceptance by the Authority of the terms thereof, that the extent of the insurance cover is sufficient or that the terms and conditions thereof are satisfactory nor be a waiver or relieve the Contractor of any of its liabilities and obligations under this Contract.

Cancellation

1.8 Subject to Clause 46 b.1.9, the Contractor shall notify the Authority in writing at least 10 (ten) days prior to the cancellation, suspension, termination or non-renewal of any of the Required Insurances.

1.9 Clause 46 b.1.8 shall not apply where the termination of any Required Insurances occurs purely as a result of a change of insurer in respect of any of the Required Insurances required to be taken out and maintained in accordance with this Clause 46 b and the provisions of Clause 46 b 1.7 shall apply.

Insurance claims

1.10 The Contractor shall promptly notify to insurers any matter arising from, or in relation to, the Services and/or 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 or arising out of the Services or this Contract, the Contractor shall co-operate with the Authority and assist it in dealing with such claims at its own expense including without limitation providing information and documentation in a timely manner.

1.11 Except where the Authority is the claimant party, the Contractor shall give the Authority notice within 10 (ten) days after any insurance claim in excess of one hundred thousand pounds (£100,000) relating to or arising out of 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.

Premiums and deductibles

1.12 Where any Required Insurance requires payment of a premium, the Contractor shall be liable for and shall promptly pay such premium.

1.13 Where any Required Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Contractor shall be liable for such excess or deductible. 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.

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

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

d. Not used.

e. AUDIT OF CONTRACTOR'S QUALITY ASSURANCE SYSTEMS

1.1 The Authority may carry out periodic audits, monitoring and spot checks of the Contractor's quality assurance systems and the Contractor shall procure, through the inclusion of a relevant clause in any subcontracts, that the Authority shall have a like right in respect of any relevant Subcontractors to carry out periodic audits, monitoring and spot checks of the Subcontractor's quality assurance systems. The Contractor shall co-operate and shall procure that any relevant Subcontractor cooperates with the Authority including providing it with all information and documentation which it reasonably requires in connection with its rights under this Condition 46 e.

1.2 The Project QA Focal Point for the requirement is detailed in box 7 of the Defence Form 111, attached to this Contract. Where considered appropriate it is recommended that MOD Government Quality Assurance Representative (GQAR) tasking be raised to carry out any risk-based surveillance. If DQAFF (Defence Quality Assurance Field Force) surveillance is undertaken, please request the Project QA Focal Point to co-ordinate any such tasking.

f. DATA PROTECTION

1.1 Both parties agree there is no Personal Data being processed under the Contract and should the contract be amended to include processing of Personal Data by either Party the contract will be amended to include the appropriate Personal Data conditions, and in such instance(s) the Contractor shall at all times comply with the Data Protection Act 2018 and DEFCON 532B.

g. TUPE

1.1 Contractors are to adhere to the process, definitions and requirements outlined in Schedule 10, TUPE to the Contract.

47 The processes that apply to this Contract are

a. The Services

1.1 The Contractor shall carry out the Services as described in Schedule 1 (Statement of Technical Requirement), and in accordance with these Terms and Conditions of Contract.

b. Core Obligations

1.1 The Contractor, in addition to its obligations set out elsewhere under this Contract, shall carry out the Services, and/or shall procure that the Services are carried out and/or performed in accordance with:

- a. the provisions of Schedule 1 (Statement of Technical Requirement) and other Schedules contained herein;
- b. the relevant Project Work Packages
- c. the KPIs;
- d. the Engineering Load Plan;
- e. Good Industry Practice;
- f. all Necessary Consents;
- g. the Contractor's approved quality assurance systems;
- h. all applicable policies of the Authority;
- i. Legislation.

1.2 In carrying out its obligations, the Contractor shall at all times have due regard to the Ship Cluster Owner (SCO) contractors requirements when developing programme plans and shall work with the Ship Cluster Owner to ensure all maintenance activities are managed as a coherent singular programme in accordance with Clause 47I (Project Work Packages) and with the principles of Schedule 17 (Collaborative Working).

c. Project Work Packages

1.1 The Authority is not bound to authorise any Project Work Packages in any given period and as such projected work may be cancelled or re-scheduled. Such changes could arise as a result of fluctuations in platform availability or Authority financial or political constraints. The Authority shall not pay for any costs incurred by the Contractor as a consequence of maintaining the capability to deliver Project Work Packages, including but not limited to facilities and personnel.

1.2 The Authority does not bind itself to receive and pay for Project Work Packages, other than those committed during the term of the Contract and developed and agreed under this Clause 47I, and for which an Acceptance Certificate has been issued by the Authority.

1.3 Payment of the Project Work Packages shall be made by the Authority in accordance with Schedule 2 and the associated Annexes.

1.4 The Project Work Packages shall be developed by the Authority, the Contractor, the SCO contractor(s) and other MFC(s) as required.

1.5 Each Project Work Package shall clearly define the scope and responsibility of the Contractor, the SCO contractor(s), other MFC(s) and the Authority and shall be agreed by all Parties prior to approval by the Authority.

1.6 Following agreement of the Project Work Package by the Authority pursuant to Clauses 11.9 and 11.13, the respective scope and responsibilities shall form a deliverable on either the Contractor, SCO contractor(s), or other MFC(s) as applicable.

1.7 The Contractor acknowledges that the SCO Contractor(s) are responsible for the integration of an MFC provision, into a singular programme plan (Clause 47(b) 1.2 refers). Where a task has been placed on the SCO contractor, which relates to the Project Management and co-ordination of the Contractor's specification of work as tasked under this Contract, the Contractor shall provide the SCO Contractor(s) with all assistance as requested in completing such work.

General Provisions Relating to the Initiation of Project Work Packages

1.8 Where the Authority authorises a Project Work Package all work shall be carried out to the satisfaction of the Authority in accordance with the Terms and Conditions of the Contract.

1.9 The Authority shall authorise the Contractor to commence work using the Tasking Form (Schedule 4) or by contract amendment. The Contractor shall not undertake any Project Work Package unless it is authorised by the Authority to do so.

1.10 The price to be paid by the Authority in respect of each Project Work Package undertaken by the Contractor shall be in accordance with the provisions of the Pricing and Payment Conditions provided always that:

- i. Prices shall be calculated using the rates contained in Schedule 2 and the associated Annexes and shall not exceed these agreed rates;
- ii. The provisions of this Clause are subject to the relevant provisions of the Pricing and Payment Conditions as regards the maximum amounts payable by the Authority under this Contract;
- iii. The Authority shall not be liable for any costs that exceed the Project Work Package Firm Price.

Non-Fleet Time Support

1.11 For Non-Fleet Time Support (NFTS) requirements, the CST shall maintain a Programme Plan of all current and future projects and their key milestones in a jointly agreed format. At the appropriate planning milestone, the Cluster Support Team Leader (CSTL) will issue a Tasking Form (Schedule 4) to the Contractor for pricing. The Contractor shall provide a quotation with full supporting breakdown and any planned savings or efficiencies in accordance with Condition 17 (Contractor's Records) and Conditions 35 -36 (Pricing and Payment) to the CSTL within the timescale agreed in the project milestone plan.

1.12 Upon agreement of the confirmed Project Work Package price using the Firm Price agreed within Schedule 2 and the associated Annexes, the Authority will amend the Contract accordingly.

Fleet Time Support

1.13 Where Fleet Time Support (FTS) is required, the Authority will raise a Tasking Form (Schedule 4), for each required FTS as it occurs. Where the value of the order is less than £1,500 the Contractor shall proceed with the work and shall provide the Authority with a copy of the quotation for record purposes. Where the value of the order is more than £1,500 the Contractor shall not commence work on the FTS requirement and shall provide the Authority with a quotation as follows:

Routine Priority Tasks

1. The Contractor shall acknowledge receipt of the requirement within 1 (one) working day and provide a Firm Price quotation within 5 (five) working days, or a later period if agreed by the Authority, using the Tasking Form Part 2 (Schedule 4). The Contractor shall provide a full supporting breakdown with their quotations, in accordance with Condition 17 (Contractor's Records) and Conditions 35 -36 (Pricing and Payment).

Urgent Priority Tasks

1. The Contractor shall acknowledge receipt of the requirement within 3 (three) hours and shall agree a maximum price, not exceeding £5,000 (five thousand pounds) with the Authority's Authorised Representative within 1 (one) Business Day. The Contractor shall also confirm that action has been initiated within 4 (four) hours. Within 5 (five) days, the Contractor shall, or as otherwise agreed by the Authority, provide a Firm Price quotation for the repair inclusive of the initial work, using the Tasking Form Part 2 (Schedule 4) which will replace the maximum price. The Contractor must not incur expenditure above the agreed price without authorisation from the Authority.

1.14 For all Project Work Packages agreed in respect of FTS the Authority will, subject to the quotation being considered fair and reasonable, return the Tasking Form countersigned Authorisation to Proceed (Part 3 of Schedule 4) enabling the Contractor to undertake the Project Work Package.

Additional and Emergent Work and Rebates

1.15 In addition to the work agreed in any Project Work Package, the Contractor shall execute and complete all authorised additional and emergent work of whatsoever nature and extent, during the course of the Project Work Package.

1.16 Before any additional or emergent work is undertaken the Contractor shall submit to the CSTL a Tasking Form (Schedule 4) together with confirmation that the work can be completed within the agreed Contract Acceptance Date.

1.17 For all additional or emergent work pursuant to this Clause 47(b) the rates and pricing at Schedule 2 and the associated Annexes shall apply.

1.18 Authorisation to proceed will be given in writing by the CSTL, following submission of a Tasking Form (Schedule 4) in accordance with Clause 1.17 above. The Authority is not bound to pay for additional/emergent work that has not been so authorised.

1.19 In any Project Work Package the Contractor shall assimilate additional and/or emergent work equating to 30% of the total man hours programmed for the Project Work Package without affecting the agreed Contract Acceptance Date, providing this additional and/or emergent work is not on the Critical Path.

1.20 Where the Authority reduces or changes the scope of a Project Work Package which results in a rebate, the Contractor shall submit to the Authority a revised Tasking Form (Schedule 4), taking into account the reduction to the Firm Price. Subject to agreement of the quotation and price breaks, the Authority shall accept the revised Tasking Form.

d. Contractor's Progress Monitoring for Specific Work Packages (e.g. Refit Periods, etc)

1.1 At weekly intervals throughout the period of a Project Work Package, unless otherwise agreed with the Authority's Representative, the Contractor shall attend the progress reports and provide input to the project management plans, cardinal date programmes, labour loading curves and critical path analysis network schedules, which are managed by the SCO Contractor(s).

1.2 Progress reports shall identify the significant risks to the programme and the action to be taken to manage those risks. These reports shall contain the Contractor's assessment of the most optimistic and pessimistic outcomes.

1.3 Progress Meetings shall be held weekly or as otherwise decided by the Authority's Representative. The meetings shall be chaired by the Authority's Representative.

1.4 Attendance at progress meetings shall be as decided by the Authority's Representative. For planning purposes the Authority's Representative shall advise the Contractor of the numbers and names of any Authority Representatives scheduled to attend.

1.5 In addition, the Contractor shall provide facilities for and attend such other meetings as the Authority's Representative may require in order to adequately monitor progress of the Project Work Package(s).

1.6 The submission and acceptance of these reports and minutes shall not prejudice the rights of the Authority under Conditions 40-44 (Termination).

e. Monitoring during Work Packages

1.1 The Authority may elect, at its own cost, to undertake its own performance monitoring at any time for any purpose, including in order to ensure that the Project Work Packages are being provided in accordance with this Contract. The Contractor shall use all reasonable endeavours to assist the Authority in such an exercise. The Authority's Representative shall be entitled to notify the Contractor of the outcome of the performance monitoring exercise, and the Contractor shall have due regard to the Authority's comments in relation to future Project Work Packages.

1.2 If the Authority's Representative issues a notice under Condition 18, the Contractor shall bear its own costs, indemnify and keep the Authority indemnified at all times from and against all reasonable costs and expenses incurred by or on behalf of the Authority in relation to such increased level of monitoring.

f. Corrective Action Plan

1.1 The process for measuring performance against the KPIs is set out in Schedule 11 (Key Performance Indicators) and shall be used to determine any areas of Contractor Default.

1.2 In the event that the Contractor's performance is assessed in a given month as either Amber or Red, which is below the standard required by the Authority, the Contractor shall provide a Corrective Action Plan within 5 (five) Business Days of submission of the performance data analysis provided to the Authority.

1.3 The Corrective Action Plan shall provide, but not be limited to, details of:

- a. any such failure in performance by the Contractor (as described above) (a “Performance Failure”);
- b. the Contractor’s explanation and root cause analysis of such Performance Failure;
- c. the Contractor’s proposed actions to be taken to fully remedy such Performance Failure (the “Remedial Steps”);
- d. any measures (whether interim or otherwise) to prevent future recurrence and/or aggravation of such Performance Failure;
- e. the completion date by which the Contractor shall implement the proposed Remedial Steps (and any other measures, as described in Clause 47f.1.3c above). The Contractor shall note that the completion date must be prior to the next monthly KPI report unless otherwise agreed by the Authority;
- f. the date on which it is proposed that the Authority confirm that the Remedial Steps have been undertaken such that the relevant Performance Failure is remedied to the Authority’s reasonable satisfaction, such confirmation to be provided within 2 (two) Business Days of notification that the Performance Failure has been remedied.

1.4 The Parties shall, acting reasonably, agree (within 5 (five) Business Days of the Contractor’s submission of the Corrective Action Plan) the contents of any Corrective Action Plan submitted pursuant to Clause 47f. In the event that the Parties are unable to so agree, the matter shall be agreed in accordance with Condition 40 (Dispute Resolution).

1.5 Following agreement or determination of the Corrective Action Plan pursuant to Clause 47f the Contractor shall implement such Corrective Action Plan, and shall report to the Authority on a weekly basis (reporting frequency may be reduced at the Authority’s discretion) on its progress in respect of such implementation, identifying within such report each Remedial Step covered by such Corrective Action Plan as being:

- a. On schedule for completion within the relevant timescale identified in the Corrective Action Plan (as agreed or determined pursuant to Clause 47f); or
- b. behind schedule for completion within the relevant timescale identified in the Corrective Action Plan (as agreed or determined pursuant to Clause 47f), but not irretrievably so (“Failing Status”); or
- c. irretrievably behind schedule for completion within the relevant timescale identified in the Corrective Action Plan (as agreed or determined pursuant to Clause 47f) (“Failed Status”).

1.6 If any Remedial Step is identified as being of Failing Status, the Contractor shall, at the same time as submitting the report in which such Remedial Step is so identified, submit its proposals for correcting the fact that such Remedial Step is behind schedule for timely completion, and shall implement such proposals.

1.7 If any Remedial Step is identified as being of Failed Status, the Contractor shall, at the same time as submitting the report in which such Remedial Step is so identified, submit its proposals for correcting the fact that such Remedial Step is irretrievably behind schedule for timely completion (including revising such schedule to the extent necessary), and, if the Authority agrees to such revised schedule, shall implement such proposals.

1.8 Where, pursuant to Clause 47f.1.7, the Contractor cannot either: a) correct any Failed Remedial Step to a timely completion, or b) submit any proposal for correcting the fact that such Remedial Step is behind schedule for timely completion, the Authority withholds the right to invoke any and all options available to it as detailed in Condition 43 (Material Breach).

g. Scheduling

1.1 Time and Programmes

1.1.1 The Contractor shall support the SCO(s) at all times through the delivery of Classification, Survey and Design Appraisal Services.

1.1.2 The Contractor shall work with the ship maintenance contractor to ensure that the milestone dates agreed in the committed Project Work Package(s) are achieved.

1.2 Early Warning of delays in planned Project Work Package Acceptance

1.2.1 Without prejudice to the Contractor's obligation to notify pursuant to Clause 47 h (Compensation Events) and Clause 47 i (Force Majeure Events) if either:

- a. the Contractor becomes aware, or is notified by the Authority's Representative, that the actual progress of a Project Work Package may become or has been significantly delayed in relation to the Project Work Package Programme; or
- b. the Contractor becomes aware that there will be or is likely to be a delay in provision of the Project Work Package, such that a Contract Acceptance Date may not be achieved,

then the Contractor's Representative shall as soon as reasonably practicable and in any event within (two) Business Days of becoming aware of the likely delay, submit to the Authority's Commercial Officer (copied to the Authority's Representative):

- (1) a notice to that effect specifying the reason for the delay or likely delay; and:
- (2) an estimate of the likely effect of the delay on the Project Work Package including any Contract Acceptance Date taking into account any measures that the Contractor proposes to adopt to mitigate the consequences of the delay in accordance with Clause 15.2 and
- (3) a revised Project Work Package Programme showing the manner and the periods in which the Project Work Package shall be carried out to achieve the relevant Contract Acceptance Date.

1.2.2 The Contractor shall provide any further information relating to the delay as is reasonably requested by the Authority's Commercial Officer.

1.2.3 The Contractor shall take all reasonable steps to mitigate the delay and consequences of any delay which is the subject of a notice pursuant to Clause 47g.1.2.1 above.

1.3 Extensions of Time for Project Work Packages

1.3.1 If any delay or anticipated failure to meet a Contract Acceptance Date for a given Project Work Package is notified to the Authority's Commercial Officer (copied to the Authority's Representative) by the Contractor's representative as being in the Contractor's reasonable opinion attributable to:

- a. a Compensation Event, then the provisions of Clause 47 h (Compensation Events) shall apply; or
- b. a Force Majeure Event, then the provisions of Clause 47 i (Force Majeure Events) shall apply; or
- c. a Change, then the provisions of DEFCON 620 (Change Control Procedure) shall apply.

h. Compensation Events

1.1 If, for any Project Work Package, the following events occur:

- a. a breach by the Authority of any of its obligations under this Contract; and/or
- b. material damage to the Contractor's Sites caused by the Authority's Representative and/or an
- c. Authority Related Party in exercising its rights under performance monitoring;

hereinafter referred to as “Compensation Events”, and as a direct result of these Compensation Events:

- (1) the Contractor is unable to achieve an Acceptance Certificate for the relevant Project Work Package on or before the Contract Acceptance Date for that Project Work Package; or
- (2) the Contractor is unable to comply with its obligations under this Contract;

then the Contractor is entitled to apply for an extension of time to the Contract Acceptance Date for that Project Work Package and/or relief from its obligations under this Contract, provided this is limited to Project Work Packages previously submitted and agreed by the Authority including the provision of long-lead requirements.

1.2 Procedure for Compensation Event Claims

1.2.1 To obtain an extension of time and/or relief and/or claim compensation the Contractor must:

- a. as soon as practicable, and in any event within 2 (two) Business Days after it became aware that the Compensation Event has caused or is likely to cause delay, breach of an obligation under this Contract and/or the Contractor to incur costs and/or lose revenue, notify the
- b. Authority's Commercial Officer and the CSTL of its claim for an extension of time to the Contract Acceptance Date for the relevant Project Work Package and/or payment of compensation and/or relief from its obligations under this Contract; and
- c. as soon as practicable, and in any event within 2 (two) Business Days of service of the notice referred to in Sub-Clause 18.2 a., notify the Authority's Commercial Officer of full details of the Compensation Event and the extension of time and/or relief from its obligations and/or any Estimated Change in Project Costs and/or loss of revenue claimed; and
- d. demonstrate to the reasonable satisfaction of the Authority's Commercial Officer that:
 - (1) the Compensation Event was the direct cause of the Estimated Change in Project Costs and/or loss of revenue and/or delay in the achievement of the Contract Acceptance Date for the relevant Project Work Package and/or breach of the Contractor's obligations under this Contract; and
 - (2) the Estimated Change in Project Costs and/or loss of revenue, time lost, and/or relief from the obligations under this Contract claimed, could not reasonably be expected to be mitigated or recovered by the Contractor acting in accordance with Good Industry Practice.

1.3 The Contractor shall have no claim against the Authority for any loss or delay occasioned by Crown establishments being closed for holidays.

1.4 Effect of a Compensation Event

1.4.1 If the Contractor has complied with its obligations under Clause 47h.1.2 (Procedure for Compensation Event Claims), then:

- a. any relevant Contract Acceptance Date shall be adjusted by such time as shall be reasonable for such a Compensation Event, taking into account the likely effect of the delay; and
- b. in the case of an additional cost being incurred by the Contractor on or before the Contract Acceptance Date for that Project Work Package, the Authority shall compensate the Contractor for the actual Estimated Change in Project Costs as adjusted to reflect the actual costs reasonably incurred; and
- c. the Authority shall give the Contractor such relief from its obligations (including any deductions from payments due to the Contractor under this Contract that the Authority is entitled to make in

accordance with this Contract) under this Contract as is reasonable for such a Compensation Event.

1.5 *Late Provision of Notice or Information*

1.5.1 If the information required by Clause 47 h 1.2 (Procedure for Compensation Event Claims) is provided after the dates referred to in that Clause, then the Contractor shall not be entitled to any extension of time, compensation or relief from its obligations under this Contract in respect of the period for which the relevant information is delayed.

1.6 *Failure to Agree*

1.6.1 Subject to Clause 47h.1.5, if the Parties cannot agree the extent of any compensation, delay incurred, relief from the Contractor's obligations under this Contract, or the Authority disagrees that a Compensation Event has occurred (or as to its consequences), or that the Contractor is entitled to relief under this Clause 47h.1.6, the Parties shall resolve the matter in accordance with Condition 40 (Dispute Resolution).

i. Force Majeure Events

1.1 The Contractor 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 result from a "Force Majeure Event". For the purposes of this Contract a Force Majeure Event is defined as one of the following:

- a. acts of nature;
- b. war;
- c. hostilities;
- d. fire at any of the Contractor's premises or those of its suppliers except to the extent that the fire was caused by their own negligence.

1.2 The Contractor shall immediately notify the Authority in writing on the occurrence of a Force Majeure Event, including details of the Force Majeure Event, its effect on the Contractor's obligations under this Contract, and the actions proposed to mitigate its effect.

1.3 The Contractor shall be entitled to an appropriate extension of time for performing such obligations provided always that the Contractor has used, to the satisfaction of the Authority, all reasonable endeavours, both to mitigate the effects of the Force Majeure Event, and to facilitate the continued performance of its obligations under this Contract.

1.4 The maximum extension of time granted under this clause shall be limited to 4 (four) weeks after which time the Authority may, on giving written notice to the Contractor, terminate this Contract, without seeking compensation from the Contractor, with immediate effect.

1.5 No Party shall be entitled to bring a claim for a breach of obligations under this Contract by the other Party or incur any liability to the other Party for any losses or damages incurred by that other Party to the extent that a Force Majeure Event occurs and the affected Party is prevented from carrying out obligations by that Force Majeure Event. Pursuant to Clause 47i.1.4, the Authority shall not be entitled to terminate this Contract for Contractor Default to the extent that such Contractor Default arises from a Force Majeure Event.

1.6 Nothing in Clause 47i.1.5 shall affect the Authority's entitlement to make payment retentions in the period during which a Force Majeure Event is subsisting, but payment retentions shall not be made in

respect of a failing KPI, where it is agreed that the circumstances giving rise to such payment retentions was as a result of a Force Majeure event.

1.7 Cessation of Force Majeure Event

1.7.1 The Contractor shall notify the other Party as soon as practicable after the Force Majeure Event ceases or no longer causes the Contractor to be unable to comply with its obligations under this Contract. Following such notification this Contract shall continue to be performed on the terms existing immediately prior to the occurrence of the Force Majeure Event.

1.8 Failure to Agree

1.8.1 If the Parties cannot agree that the circumstances giving rise to deductions were as a result of a Force Majeure Event, the Parties shall resolve the matter in accordance with Condition 40 (Dispute Resolution).

j. Joint Development

1.1 The Contractor acknowledges and agrees that a programme of development with the Authority, hereinafter referred to as Joint Development, shall be maintained to ensure that the obligations of the Contract are met by:

- a. improving working relationships between the Parties;
- b. enhancing communication between the Parties;
- c. enabling the Authority to better meet its operational requirements;
- d. facilitating continuous reduction in the cost to the Authority of provision of the Services;
and
- e. identifying any means by which greater efficiency in the implementation of this Contract can be achieved.

1.2 Accordingly, the Contractor and the Authority shall undertake Joint Development activities which shall include as a minimum:

- a. a baseline assessment against Schedule 17 (Collaborative Working) to the Contract;
- b. agreed objectives to support the contract delivery and improvement, to be described in a specific, measurable, achievable, realistic, and time-limited format;
- c. agreed review dates for the Market Facing Contractor, Ship Cluster Owner and Cluster Support Team (CST) to determine performance against the Joint Development activities described herein, and any resultant on-going action planning;
- d. compliance with the strategic meeting governance process as defined in Clause 47 I (Contract Governance) and Schedule 1 Annex D (Contract Meetings);
- e. development of cost reduction plans to assist the CST in the delivery of Project Work Package target costs development of process and efficiency improvements; and
- f. details of a system for recording lessons learned and details of any agreed actions;

which will be summarised and discussed at the bi-annual Joint Development meeting, as per Schedule 1 Annex D (Contract Meetings).

- 1.3 Any agreement made following the activities detailed within Clause 1.2 above shall be recorded within a Joint Development Plan, which shall be reviewed at each Bi-Annual Joint Development Meeting as detailed at Schedule 1 Annex D (Contract Meetings).
- 1.4 In fulfilling its requirements under this Clause 47(d), and as and when required by the Authority, the Contractor acknowledges and agrees to review their relationship by re-assessing itself against Schedule 17 (Collaborative Working) in accordance with the provisions of Clause 47 I (Contract Governance), and shall work to the principles of BS11000/ISO44001.
- 1.5 The Contractor hereby acknowledges and accepts that Joint Development forms part of the Authority's performance monitoring and Schedule 1 Annex D (Contract Meetings).

Nothing in this Clause, or as a result of this Clause, shall relieve the Contractor of its obligations, and no assistance, or lack of assistance received from the Authority, may be used by the Contractor as a reason for poor performance.

k. Risk Management

- 1.1 Within 30 (thirty) Business Days of the Commencement Date and thereafter throughout the Contract Period, the Parties shall develop the contents of the Risk Register (Schedule 12), as described or in the form (as relevant) set out in Schedule 1 (SOTR).
- 1.2 For the avoidance of doubt, the agreement of the Risk Register is for Project Management purposes only and shall in no way affect the Parties' respective rights and obligations as more particularly set out in this Contract.

l. Contract Governance

- 1.3 The Contractor and the Authority shall comply with, and actively participate in, the governance process as defined in Schedule 1 Annex D (Contract Meetings).
- 1.4 The organisational responsibility for all events, meetings and workshops shall lie with the Authority's Representative. Each party shall bear its own associated costs for attendance.

m. Exit Management

- 1.1 The Parties shall comply with the provisions of Schedule 14 (Exit Management) and any current Exit Plan in relation to orderly transition of the Services to the Authority or a Replacement Supplier.

n. Social Value

- 1.1 The Authority and Contractor will monitor during the Annual Contract Performance Review, the commitment the Contractor is making under Schedule 11 – Key Performance Indicator Data Report, against the Social Value theme – Fighting Climate Change.

Contract 713713451 for the Procurement of Classification, Survey and Design Appraisal Services

This Contract shall come into effect on the date of signature by both parties. Services to commence from 1st October 2025.

For and on behalf of Lloyd's Register EMEA

Name, Title and Company Position	
Signature	
Date	

For and on behalf of the Secretary of State for Defence

Name and Title	
Signature	
Date	

Definitions**Article**

means an object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition;

Articles

means the Contractor Deliverables (goods and/or the services), including Packaging (and Certificate(s) of Conformity and supplied in accordance with any QA requirements if specified) which the Contractor is required to provide under the Contract in accordance with Schedule 2 (Schedule of Requirements), but excluding incidentals outside Schedule 2 (Schedule of Requirements) such as progress reports.

Assets Subject to Special Controls (ASSC)

means a Contractor Deliverable which is:

- a. subject to the United States International Traffic In Arms Regulations (ITAR);
- b. subject to the 600 series of the United States Export Administration Regulations (EAR); or
- c. classified as Attractive to Criminal and Terrorist Organisations (ACTO), meaning that it includes material which represents an immediate risk to Defence personnel or the public; or which is considered as attractive to criminal and terrorist organisations;

ASSC Indicator

means for Contractor Deliverables subject to ITAR, a United States Munitions List (USML) or for Contractor Deliverables subject to the 600 series of the EAR, an Export Control Classification Number (ECCN);

Authority

means the Secretary of State for Defence acting on behalf of the Crown;

Authority's Representative(s)

shall be those person(s) defined in Schedule 3 (Contract Data Sheet) who will act as the Authority's Representative(s) in connection with the Contract. Where the term "Authority's Representative(s)" in the Conditions is immediately followed by a functional description in brackets, the appropriate Authority's Representative(s) shall be the designated person(s) for the purposes of Condition 7;

Business Day

means 09:00 to 17:00 Monday to Friday, excluding public and statutory holidays;

Central Government Body	a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: a. Government Department; b. Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); c. Non-Ministerial Department; or d. Executive Agency;
Collect	means pick up the Contractor Deliverables from the Consignor. This shall include loading, and any other specific arrangements for Collected items and Collection shall be construed accordingly;
Commercial Packaging	means commercial Packaging for military use as described in Def Stan 81-041 (Part 1)
Conditions	means the terms and conditions set out in this document;
Consignee	means that part of the Authority identified in Schedule 3 (Contract Data Sheet) to whom the Contractor Deliverables are to be Delivered or on whose behalf they are to be Collected at the address specified in Schedule 3 (Contract Data Sheet) or such other part of the Authority as may be instructed by the Authority by means of a Diversion Order;
Consignor	means the name and address specified in Schedule 3 (Contract Data Sheet) from whom the Contractor Deliverables will be dispatched or Collected;
Contract	means the Contract including its Schedules and any amendments agreed by the Parties in accordance with condition 6 (Formal Amendments to the Contract);
Contract Price	means the amount set out in Schedule 2 (Schedule of Requirements) to be paid (inclusive of Packaging and exclusive of any applicable VAT) by the Authority to the Contractor, for the full and proper performance by the Contractor of its obligations under the Contract.
Contractor	means the person who, by the Contract, undertakes to supply the Contractor Deliverables, for the Authority as is provided by the Contract. Where the Contractor is an individual or a partnership, the expression shall include the personal representatives of the individual or of the partners, as the case may be, and the expression shall also include any person to whom the benefit of the Contract may be assigned by the Contractor with the consent of the Authority;
Contractor Deliverables	means the goods and/or the services, including Packaging (and Certificate(s) of Conformity and supplied in accordance with any QA requirements if specified) which the Contractor is required to provide under the Contract;
Control	means the power of a person to secure that the affairs of the

Contractor are conducted in accordance with the wishes of that person:

- a. by means of the holding of shares, or the possession of voting powers in, or in relation to, the Contractor; or
 - b. by virtue of any powers conferred by the constitutional or corporate documents, or any other document, regulating the Contractor;
- and a change of Control occurs if a person who Controls the Contractor ceases to do so or if another person acquires Control of the Contractor;

CPET

means the UK Government's Central Point of Expertise on Timber, which provides a free telephone helpline and website to support implementation of the UK Government timber procurement policy;

Crown Use

in relation to a patent means the doing of anything by virtue of Sections 55 to 57 of the Patents Act 1977 which otherwise would be an infringement of the patent and in relation to a Registered Design has the meaning given in paragraph 2A(6) of the First Schedule to the Registered Designs Act 1949;

Dangerous Goods

means those substances, preparations and articles that are capable of posing a risk to health, safety, property or the environment which are prohibited by regulation, or classified and authorised only under the conditions prescribed by the:

- a. Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009 (CDG) (as amended 2011);
- b. European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR);
- c. Regulations Concerning the International Carriage of Dangerous Goods by Rail (RID);
- d. International Maritime Dangerous Goods (IMDG) Code;
- e. International Civil Aviation Organisation (ICAO) Technical Instructions for the Safe Transport of Dangerous Goods by Air;
- f. International Air Transport Association (IATA) Dangerous Goods Regulations.

DBS Finance

means Defence Business Services Finance, at the address stated in Schedule 3 (Contract Data Sheet);

DEFFORM

means the MOD DEFFORM series which can be found at <https://www.kid.mod.uk>;

DEF STAN

means Defence Standards which can be accessed at <https://www.dstan.mod.uk>;

Deliver

means hand over the Contractor Deliverables to the Consignee. This shall include unloading, and any other specific arrangements, agreed in accordance with Condition 28 and Delivered and Delivery shall be construed accordingly;

Delivery Date	means the date as specified in Schedule 2 (Schedule of Requirements) on which the Contractor Deliverables or the relevant portion of them are to be Delivered or made available for Collection;
Denomination of Quantity (D of Q)	means the quantity or measure by which an item of material is managed;
Design Right(s)	has the meaning ascribed to it by Section 213 of the Copyright, Designs and Patents Act 1988;
Diversion Order	means the Authority's written instruction (typically given by MOD Form 199) for urgent Delivery of specified quantities of Contractor Deliverables to a Consignee other than the Consignee stated in Schedule 3 (Contract Data Sheet);
Effective Date of Contract Evidence	means the date upon which both Parties have signed the Contract; means either: a. an invoice or delivery note from the timber supplier or Subcontractor to the Contractor specifying that the product supplied to the Authority is FSC or PEFC certified; or b. other robust Evidence of sustainability or FLEGT licensed origin, as advised by CPET;
Firm Price	means a price (excluding VAT) which is not subject to variation;
First-Tier Sub-Contractor	means a Sub-contractor directly engaged by the Contractor to provide Contractor Deliverables wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of the Contract;
FLEGT	means the Forest Law Enforcement, Governance and Trade initiative by the European Union to use the power of timber-consuming countries to reduce the extent of illegal logging;
Government Furnished Assets (GFA)	is a generic term for any MOD asset such as equipment, information or resources issued or made available to the Contractor in connection with the Contract by or on behalf of the Authority;
Hazardous Contractor Deliverable	means a Contractor Deliverable or a component of a Contractor Deliverable that is itself a hazardous material or substance or that may in the course of its use, maintenance, disposal, or in the event of an accident, release one or more hazardous materials or substances and each material or substance that may be so released;
Independent Verification	means that an evaluation is undertaken and reported by an individual or body whose organisation, systems and procedures conform to

"ISO Guide 65:1996 (EN 45011:1998) General requirements for bodies operating product certification systems or equivalent", and who is accredited to audit against forest management standards by a body whose organisation, systems and procedures conform to "ISO 17011: 2004 General Requirements for Providing Assessment and Accreditation of Conformity Assessment Bodies or equivalent";

Information

means any Information in any written or other tangible form disclosed to one Party by or on behalf of the other Party under or in connection with the Contract;

Issued Property

means any item of Government Furnished Assets (GFA), including any materiel issued or otherwise furnished to the Contractor in connection with the Contract by or on behalf of the Authority;

Licence

means, in relation to clause 33 only, import licence, export licence or other import or export related authorisation, agreement, exception or exemption, including (but not limited to) the export licences required by the United States under the International Traffic in Arms Regulations (ITAR), Export Administration Regulations (EAR) and Foreign Military Sales (FMS), or those required as a result of any applicable UK-US agreements;

Legal and Sustainable

means production and process methods, also referred to as timber production standards, as defined by the document titled "UK Government Timber Production Policy: Definition of legal and sustainable for timber procurement". The edition current on the day the Contract documents are issued by the Authority shall apply;

Legislation

means in relation to the United Kingdom any Act of Parliament, any subordinate legislation within the meaning of section 21 of the Interpretation Act 1978, or any exercise of Royal Prerogative;

Lower-Tier Sub-Contractor

means any Sub-contractor other than any First-Tier Sub-Contractor at any lower level of the supply chain engaged to provide Contractor Deliverables wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of the Contract;

Materiel

means, in relation to clause 33 only, information, technical data, and items, including all goods, components of goods and software;

Military Level Packaging (MLP)

means Packaging that provides enhanced protection in accordance with Def Stan 81-041 (Part 1), beyond that which Commercial Packaging normally provides for the military supply chain;

Military Packager Approval Scheme (MPAS)

is a MOD sponsored scheme to certify military Packaging designers and register organisations, as capable of producing acceptable Services Packaging Instruction Sheet (SPIS) designs in accordance with Defence Standard (Def Stan) 81-041 (Part 4);

Military Packaging Level (MPL)

shall have the meaning described in Def Stan 81-041 (Part 1);

Mixture	means a mixture or solution composed of two or more substances;
MPAS Registered Organisation	is a packaging organisation having one or more MPAS Certificated Designers capable of Military Level designs. A company capable of both Military Level and commercial Packaging designs including MOD labelling requirements;
MPAS Certificated Designer	shall mean an experienced Packaging designer trained and certified to MPAS requirements;
NATO	means the North Atlantic Treaty Organisation which is an inter-governmental military alliance based on the North Atlantic Treaty which was signed on 4 April 1949;
Notices	shall mean all Notices, orders, or other forms of communication required to be given in writing under or in connection with the Contract;
Overseas	shall mean non UK or foreign;
Packaging	Verb. The operations involved in the preparation of materiel for; transportation, handling, storage and Delivery to the user; Noun. The materials and components used for the preparation of the Contractor Deliverables for transportation and storage in accordance with the Contract;
Packaging Design Authority (PDA)	shall mean the organisation that is responsible for the original design of the Packaging except where transferred by agreement. The PDA shall be identified in the Contract, see Annex A to Schedule 3 (Appendix – Addresses and Other Information), Box 3;
Parties	means the Contractor and the Authority, and Party shall be construed accordingly;
Plastic Packaging Components	shall have the same meaning as set out in Part 2 of the Finance Act 2021 together with any associated secondary legislation;
PPT	means a tax called "plastic packaging tax" charged in accordance with Part 2 of the Finance Act 2021;
PPT Legislation	means the legislative provisions set out in Part 2 and Schedule 9-15 of the Finance Act 2021 together with any secondary legislation made under powers contained in Part 2 of the Finance Act 2021. This includes, but is not limited to, The Plastic Packaging Tax (Descriptions of Products) Regulations 2021 and The Plastic Packaging Tax (General) Regulations 2022;

Primary Packaging Quantity (PPQ)	means the quantity of an item of material to be contained in an individual package, which has been selected as being the most suitable for issue(s) to the ultimate user, as described in Def Stan 81-041 (Part 1);
Publishable Performance Information	means any of the Information in Schedule 11 (KPI Data Report) as it relates to Key Performance Indicator where it is expressed as publishable in the table in Schedule 11 which shall not contain any Information which is exempt from disclosure which shall be determined by the Authority; and which shall not constitute Sensitive Information;
Recycled Timber	means recovered wood that prior to being supplied to the Authority had an end use as a standalone object or as part of a structure. Recycled Timber covers: a. pre-consumer reclaimed wood and wood fibre and industrial byproducts; b. post-consumer reclaimed wood and wood fibre, and driftwood; c. reclaimed timber abandoned or confiscated at least ten years previously; it excludes sawmill co-products;
Restrictions	means, in relation to clause 33 only, end use or end user restrictions including (but not limited to) restrictions on transfers to third parties or disclosure to individuals based on their nationality, residency status and/or employment status;
Robust Contractor Deliverables	shall mean Robust items as described in Def Stan 81-041 (Part 2)
Safety Data Sheet	has the meaning as defined in the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulations 2007 (as amended);
Schedule of Requirements	means Schedule 2 (Schedule of Requirements), which identifies, either directly or by reference, Contractor Deliverables to be provided, the quantities and dates involved and the price or pricing terms in relation to each Contractor Deliverable;
Unique Item Identifier (UII)	means a unique and unambiguous identifier that distinguishes an item from all other like and unlike items, consisting of: a. NATO Stock Number (NSN);

- b. NATO Commercial and Government Entity (NCAGE) code;
- c. ASSC Indicator, where applicable;
- d. serial number; and
- e. part number;.

Virgin Timber

means Timber and Wood-Derived Products that do not include Recycled Timber.

Where project specific DEFCONs are included under Condition 45 definitions shall be in accordance with DEFCON 501.

Additional Definitions of Contract

The following definitions shall apply to the Contract, unless the context otherwise requires:

“Acceptance Certificate” means a certificate issued by the Authority pursuant to Condition 47(c) confirming that the Project Work Package Requirements have been met (Authority’s Requirements);
“Actual Acceptance Date” means the date on which the Authority accepts the Vessel from the Contractor following the issue of the Acceptance Certificate relating to the final Project Work Package to be undertaken in any period in which the Vessel is subject to Non-Fleet Time conditions;
“Actual Cost” means the receipted and agreed cost outturn of a Project Work Package;
“Affected Party” is as defined in the definition of Force Majeure Event;
“Affiliate” means, in relation to any person, any Holding Company or subsidiary of that person or any subsidiary of such holding company, and "Holding Company" and "subsidiary" shall have the meaning given to them in Section 736 of the Companies Act 1985;
“Alteration and Addition (A&A)” means a change to a Vessel that alters the structure, systems and/or layout of a ship. A&As are classified as: a. ‘Type A’ to increase the capability of the Vessel; or b. ‘Type B’ to maintain the Vessel.
“Appropriate Limit” means the capped value for undertaking FOIA investigations;
“Articles” means all goods (excluding Services) which the Contractor is required under the Contract to supply;
“As fitted” is a status describing the validity of information following an activity that has physically changed the Vessel. Post change there are a number of documents that will be required to be updated, including but not limited to: drawings, handbooks, technical documentation, plans and information boards held onboard, and ShipHaz boards. Once updated these documents can be considered to reflect the 'as fitted' configuration of the ship;

“Asset Availability Service (AAS)” means the AAS Contractor shall provide a specified level of Platform availability. The Contractor is incentivised to further reduce support cost by a combination of

- i) flexible Maintenance Repair Overhaul (MRO) scheduling
- ii) improved integration of support chains at lower levels in the equipment assembly hierarchy
- iii) adjustments to the maintenance policy
- iv) management of Update in its entirety (reliability and obsolescence).

“Assets” means, all assets and rights to enable the Authority or a successor contractor to own, operate and maintain the Project in accordance with this Contract, including:

- a. any equipment
- b. any books and records (including operating and maintenance manuals, health and safety manuals and other know-how);
- c. any spare parts, tools and other assets (together with any warranties in respect of assets being transferred);
- d. any IPR; and/or
- e. any Contractor’s equipment,

but excluding any assets and rights in respect of which the Authority is the full legal and beneficial owner;

“Authority Background IPR” means, the Background IPR owned by the Authority whether arising before or after the Commencement Date;

“Authority Foreground IPR” means a piece of equipment or documentation which is subject to redesign under the terms of this Contract. In such instances the Foreground IPR shall remain the property of the Authority;

“Authority Inspection Teams” means outside authorities who may be required to inspect any work. e.g.: Statutory or Mod Inspections;

“Authority Property” means property belonging to the Authority and shall for the purposes of this Contract include the RFA Vessels;

“Authority Related Parties” means:

- a. an officer, servant or agent of the Authority, or any affiliate of the Authority; and/or
- b. the Subcontractors and/or any Subcontractor of the same NOT directly contracted under this Framework Agreement; and/or;
- c. any person on or at any of the Authority Sites at the express or implied invitation of the Authority (other than a Contractor Related Party); and/or
- d. any officer, servant or agent of such a person;

“Authority Sites” means any site owned by the Authority and shall for the purposes of this Contract include the Vessels;

“Authority’s Authorised Representative” means those persons on the RFA Support Ships Team authorised to approve the placement of orders;

“Authority’s Representative” in any provision of the Contract means the person duly authorised by the Authority to act for the purposes of the provision and identified in the Contract or in any subsequent notice to act for the purposes of the provision; this term should **NOT** be taken as synonymous with **“Authority’s Authorised Representative”**.

“Authority’s Commercial Officer” is the individual identified in the DEFFORM 111;

“Background IPR” means any IPR created or subsisting prior to or outside the scope of this Contract;

“Baseline Cost” means the Authority’s approved financial value for the duration of the contract period;

“Baseline Price” means the price of a unit of a Type B item of stores which has been previously purchased by the Authority, and is recorded on the MOD Stores Inventory System;

“Baseline Specification” means the content of the SOTR and associated rates/tariffs priced by the Contractor during the tender process, and accepted by the Authority at Contract Award;

“Benchmarking” means the process the Authority will use to identify best practice (in terms of performance and cost reduction) across the Ship Cluster and Market Facing Category contracts;

“Benefit Tracking” means the process of capturing all benefits and progress them (monthly) including identification of Innovation, Benefits costing, Return on Investment, Benefits Realisation (to record the benefits of Collaboration) and ideally some form of Learning From Experience .
“Breach of Security” means any breach of the Security Provisions;
“Business Day” means any day excluding: a. Saturdays, Sundays and public and statutory holidays in the jurisdiction of either Party; and/or b. privilege days notified in writing by the Authority’s Representative to the Contractor’s Representative at least 10 (ten) Business Days in advance; and/or c. such other periods of holiday closure of the Contractor’s premises notified in writing by the Contractor’s Representative to the Authority’s Representative at least 10 (ten) Business Days in advance;
“Calendar” means the 12 (twelve) month period from and including a day to and including the day preceding the day bearing the same number in the same month of the following year (or, in the case only of a period commencing on 29 February, ending on the next following 28 February);
“Capital Expenditure” means any expenditure which falls to be treated as capital expenditure in accordance with generally accepted accounting principles in the United Kingdom from time to time;
“Cardinal Date Plan” means Key Milestones that affect the critical path;
“Claim” means any claim, demand, proceeding, complaint of any nature or kind;
“Cluster Support Team” means a collective support organisation for communication between RFA Support Ships, Ship’s Staff, the Ship Cluster Owner and the Market Facing Contractors to facilitate decisions on support activities. Its principal role will be to undertake, direct and manage all support activities for the ships in that Cluster in accordance with defined guidelines on a through-life basis. The CST will report to the CSS Deputy Head Availability;
“Cluster Support Team Leader (CSTL)” means the Authority’s senior representative with management responsibility for the Cluster Support Team;
“Cluster” means the group of ships supported by the Contractor following Contract Award, in accordance with the Framework Agreement;

“Commanding Officer” means the member of Ship's Staff who, at the relevant time, is in command of the Vessel for the purposes of the Authority;
“Commencement Date” means the date of Contract placement once signed by both parties.
“Commencement of Services Date” means the date of the Commencement of Services. The expected Commencement of Services Date is 1 October 2025.
“Commencement of Services” is when the Contractor assumes full responsibility for the delivery of the Contract following Transition, and the previous Contractor's contract has expired, excluding any pre-arranged completion activities placed prior to the previous contract's expiry;
“Commercial Officer” means the authority so designated in the Contract as identified in the DEFFORM 111;
“Condition Monitoring (CM)” means the process of monitoring a parameter of condition in machinery (vibration, temperature etc.), in order to identify a significant change which is indicative of a developing fault. It is a major component of predictive maintenance;
“Confidential Information” means a. Information that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) and may include Commercially Sensitive Information, trade secrets, IPR, know-how, of either party and all personal data and sensitive personal data within the meaning of the Data Protection Act 1988; and/or; b. Commercially Sensitive Information;
“Contract Acceptance Date” shall, in the terms of this Contract, be synonymous with “Project Work Package Acceptance Date”, as defined below;
“Contract Financial Year” means a period of 12 (twelve) months commencing on 1st April and expiring on 31st March the following year;
“Contract Period” means the period from the Commencement Date to the Expiry Date or Termination Date, whichever is the earlier;
“Contract Price” means the price exclusive of Value Added Tax, payable to the Contractor by the Authority under the Contract for the full and proper performance by the Contractor of his part of the Contract as determined under the provisions of the Contract;
“Contract Year” means a period of 12 (twelve) months commencing on the Commencement of Services Date or an anniversary of the Commencement of Services Date i.e. from 1st October to 30th September;

“Contract” means the agreement concluded between the Authority and the Contractor, including all specifications, plans, drawings, Schedules and other documentation, expressly made part of the agreement.

“Contractor Background IPR” means the Background IPR owned by the Contractor at the time it is licensed to the Authority;

“Contractor Related Parties” means:

- a. an officer, servant or agent of the Contractor, or any Affiliate of the Contractor; and/or
- b. the Subcontractors and/or any Subcontractor of the same; and/or
- c. any person on or at any of the Authority Sites at the express or implied invitation of the Contractor (other than an Authority Related Party); and/or
- d. any officer, servant or agent of such a person;

“Contractor” means the company who, by the Contract, undertakes to supply the Articles or perform the Service or both for the Authority as is provided by the Contract. Where the Contractor is an individual or a partnership, the expression shall include the personal representatives of the individual or of the partners, as the case may be, and the expression shall also include any person to whom the benefit of the Contract may be assigned by the Contractor with the consent of the Authority;

“Contractor's Quality Plan” means the plan provided by the Contractor detailing all their quality management systems and processes;

“Contractor's Sites” means those sites or parts of sites which are not Authority Sites but which are used by Contractor Related Parties in connection with the Project;

“Corrective Action Plan” means the method and process the Contractor shall use when the Authority determines that the Contractor's performance is below a satisfactory standard as detailed in Clause 47 f

“Critical Path” means all task(s) whereby a delay in the completion of any of those said task(s) would directly result in a delay in the completion of the Project Work Package.

“Damage Control” means the limiting of any damage caused by an incident and controlling any repercussions;

“Dangerous Goods” means hazardous articles or substances, pyrotechnics, explosives, gasoline and other highly flammable materials;

“Deep Upkeep Documentation” means documentation that the Contractor provides to the Authority as deliverables in support of a Deep Upkeep Period;

“DEFCON” means a standard defence condition, as published by the Authority under that name, and “DEFCONs” shall be construed accordingly;
“Delegated Design Authority” means the person with responsibility for holding a complete set of information about a part of a Vessel;
“Delivery Label” means a label attached to any packages for delivery for the Vessel identifying the contents and destination;
“Design Authority” means the entity appointed by the Authority to be responsible for the adequacy and fitness for purpose of the design and certification of the Vessel(s);
“Design” means a plan or drawing produced to show the look and function or workings of a building, garment, or other object before it is made;
“Dimension Reports” means a record of the dimensional measurements of an item;
“Direct Losses” means all Losses other than Indirect Losses;
“Disclosed Data” means information relating to the Project disclosed to the Contractor and its Shareholders and advisers;
“Docking Period (DP)” means a pre-determined period of maintenance activity where the docking of a Vessel in a graving dock for a significant period is a prerequisite to conducting upkeep activity;
“Docking Plan” means an approved (by the Authority) arrangement to dock the Vessel;
“DPA” means the Data Protection Act 2018;
“Earned Value (EV)” means the budgeted cost of work performed for the period which includes overheads but is exclusive of profit;
“Earned Value Management (EVM)” means the objective management of how much work has been accomplished on a Project Work Package;
“Effective Date” means the date upon which the relevant required insurance risk commences;
“EMS” means Environmental Management System part of ISO 14001:1996;
“Engineering Load Plan/Engineering Support Plan” means a plan containing the estimated dates for each Maintenance Period. Dates are indicative only and subject to change;
“Engineering Load” means the work associated with Maintenance Periods;

“Environmental Information Regulations” means the Environmental Information Regulations 2004;
“Environmental Regulations” means all Legislation relating to environmental matters;
“Equipment” means equipment, books, records, spare parts and tools comprising the Assets;
“Estimated Change in Project Costs” means the aggregate of any estimated increased Capital Expenditure, Operating Expenditure and financing costs less the aggregate of any estimated reduced Capital Expenditure, Operating Expenditure and financing costs;
“Expiry Date” means the date stated in Schedule 3 Condition 2 – Duration of Contract.
“Failed Status” means a corrective action plan that is irremediably behind schedule for completion;
“Failing Status” means a corrective action plan that is behind schedule for completion but not irremediably so;
“Fees Regulations” means the Freedom of Information Data Protection (Appropriate Limit Fees) Regulations 2004, as amended from time to time;
“Finance Records” means documents and records relating to the Finances of either the project or Contractor, pursuant to the Clause in question;
“Fire Check” means a check to ensure there are no fires or fire hazards;
“Firm Price” means a price, agreed for the Articles or Services, or both, which is not subject to variation;
“Fixed Price” means a price, agreed for the Articles or Services, or both, that is subject to variation in accordance with the variation of price provisions of the Contract;

“Fleet Time Support (FTS)” is the term applied to any maintenance and engineering support carried out on a Vessel, including but not limited to:

- a. Annual Certification Period (ACP)
- b. Assisted Maintenance Period (AMP)
- c. Contractor Support Period (CSP)
- d. Update and Upgrade Work
- e. Provision of Type C spares
- f. OPDEF Rectification

whilst it is operational and under the direct tasking and authority of the user (Fleet Commander and Deputy Chief of the Naval Staff);

“Fleet Time Support Period (FTSP)” means a period of Fleet Time Support;

“Follow-on Contractor” means a subsequent Contractor that shall take over provision of the services to the Authority following termination of this Contract according to Clause 47 m (Exit Management);

“Good Industry Practice” means that degree of skill, care, prudence, foresight and operating practice which would reasonably and ordinarily be expected from time to time of a skilled and experienced operator engaged in the same type of undertaking as that of the Contractor and/or any Subcontractor under the same or similar circumstances;

“Guidance” means:

- a. British Standards and Codes of Practice;
- b. Joint Service Publication 440;
- c. the Montreal Protocol on substances that deplete the ozone layer as agreed on 16 September 1987 as amended as at the Commencement Date;
- d. all relevant local requirements pursuant to the environment in which the goods and services are performed as relevant to the provision of the Services;

“Holding Company” is as defined in Section 736 of the Companies Act 1985, as amended by section 144 of the Companies Act 1989;

“Hot Work Operations” means any operation that involves raising the temperature above ambient, for which a hot work permit is required;

“Identified Project Work Packages” means any and/or all substantive Project Work Packages identified by the Pre-Upkeep Material Assessment (PUMA) and other requirements;
“Incentive Fee (IF)” means the percentage share payable to the Contractor of any cost underrun from the target cost to the lower confidence level, once performance against the KPIs has been taken into account;
“Incentivised Reliability Improvements (IRI)” means incentivising the Contractor to reduce the likelihood and cost of Upkeep occurrences and further reduce cost by developing modifications which improve equipment reliability. The Contractor manages the reliability improvement aspects of Update occurrences. Having reduced the cost of providing spares to upkeep (Spares Inclusive Upkeep - SIU), and having reduced the ‘engineering’ cost per occurrence (Incentivised Upkeep Cost Reduction - IUCR), this design focuses the Contractor’s engineering expertise on reducing the volume of corrective maintenance Upkeep occurrences. The assumption is that the engineering challenge of improving equipment reliability is greater than improving the efficiency of upkeep. Hence this design is considered to be a distinct next step from IUCR.
“Incentivised Upkeep Cost Reduction (IUCR)” means incentivising the Contractor to reduce Upkeep cost by: a. rationalising work scope; b. generating component repair schemes to reduce cost of spares consumed; c. challenging test acceptance limits; Having taken advantage of the Contractor’s ability to plan/procure spares effectively (Spares Inclusive Upkeep - SIU), this design focuses Industry’s engineering expertise on reducing the cost per Upkeep occurrence.
“Inclining Experiments” means trials to determine the transverse (heel) stability of the Vessel and centre of gravity;
“Inclining Officer” means Officer appointed by the Authority to be in charge of the Inclining Experiment;
“Incremental Design” means an item of Equipment which can only be bought with another item, or a modification to an item of Equipment;
“Indirect Losses” means loss of profits, loss of use, loss of production, loss of business, loss of business opportunity, loss of revenue, loss of contract, loss of goodwill or any claim for consequential loss or for indirect loss of any nature;

“Information” has the meaning given under Section 84 of the Freedom of Information Act 2000;
“Joint Commissioning” means any installation, commissioning, testing or running in of plant, machinery or facilities as shown in the Statement of Technical requirements as being carried out by the Contractor and the Authority together;
“Joint Development (JD)” means the process of strengthening the performance of both the Authority and the Contractor to enable both parties to acquire new skills to assist in the process of continuous improvement and reducing costs;
“Joint Development Plan” means a plan developed jointly by the Authority and the Contractor to document performance improvement and cost reduction activities over the life of the Contract;
“Key Performance Indicators (KPIs)” means a list of indicators made to monitor the Contractor’s performance, all of which are key to the Project Work Package;
“Key Personnel” means personnel that are vital to the completion of the Project Work Package;
“Live On Board” means in Fleet Time, the Ship Staff will be living on Board whilst the Project Work Package is being undertaken; in Non-Fleet Time it is the point in the Project Work Package at which Ship Staff will take up residency on board the Vessel;
“Lower Confidence Level” means the level at which the Contractor no longer gains a percentage of any cost underrun;
“Maintenance Management System (MMS)” means a system that maintains information about an organisation's maintenance operations. This information is intended to help maintenance workers do their jobs more effectively;
“Maintenance Period” means any period of Fleet Time Support / Non-Fleet Time Support;
“Major Fire Fighting Equipment” means non-portable fire-fighting equipment;
“Manual of Protective Security” means the Manual of Protective Security issued by the Cabinet Office as amended from time to time;
“Market Facing Contractor (MFC)” means (as relevant) one of: a. Classification, {LLOYDS REGISTER EMEA}; b. Technical Coatings, {INTERNATIONAL PAINT LIMITED};

“Materiel” is a generic term meaning equipment (including fixed assets), stores, supplies and spares;
“MFC Contract” means a contract relating to the provision of certain Services entered between the Authority and an MFC;
“Milestone Payment Plan” is a list of predetermined cost-neutral advances against the agreed Project Work Package Target Cost, to be paid at the listed predetermined milestones in the programme;
“Minimum Ship Definition (MSD)” is a sub set of the total design information and document set held for each ship, that will be funded for update post a period of physical change to the ship. Those documents/drawings outside of the 'Minimum Ship Definition' will be updated if funding allows and/or priorities dictate;
“MoD Purple Gate” means a process to ensure the regulation of materiel flow into the MOD Joint Support Chain (JSC) for the sustainment of Operational Theatres;
“Monitoring Reports” means a report that details the outcome of the monitoring that has taken place on the work package;
“NATO” means the North Atlantic Treaty Organisation;
“Naval Authority Certification” is essential to provide assurance to Duty Holders and thus via the Defence Maritime Regulator to the Secretary of State for Defence, of those areas of ship safety for which DSA02-DMR – Mod Shipping Regulations for Safety and Environmental Protection JSP430 Part 3: Naval Authority Certification requires the rigor of a certificatory regime to manage safety risk. Responsibility for the process and issuing of Naval Authority Certification rests with the Head of the Naval Authority. A Naval Authority Certification is required to provide safety assurance for the period when the hazard addressed by the Naval Authority Certification is present and the Platform Duty Holder is responsible for ensuring the ship is safe to operate. The Platform Duty Holder shall agree with the Naval Authority in the Naval Authority Certification Strategy when Certification is required.
“Necessary Consents” means all permits, licences, permissions, consents, approvals, certificates and authorisations (whether statutory or otherwise) which are required for the performance of any of the Contractor’s obligations under this Contract, whether required in order to comply with Legislation or as a result of the rights of any third party;
“New Standalone Design” means an item of Equipment which has a separate market so that it can be bought as an individual item;

“Non-Fleet Time Support (NFTS)” is the term applied to any maintenance and engineering support carried out on a Vessel including but not limited to; a. Docking Periods b. Refit Periods c. Upgrade and Update work d. Provision of Type C spares During these times the ship will be out of operational service and CSS will become the scheduling authority;
“Not to Exceed Price” means the Maximum Price agreed between the Authority and Contractor at the Commencement of each Project Work Package;
“Notice of Retention” means the notification that shall be provided by the Authority to the Contractor, when payment is being retained due to a defined number of Red and/or Amber KPI scores being reported.
“Operating Expenditure” means operating costs including maintenance costs, staffing costs and utility costs;
“Operational Defect (OPDEF)” means a defect that occurs to a Vessel of varying severity, causing corrective action to be completed within the timeframe required.
“Operational Upkeep” means the rectification of OPDEFs and other voyage repair outside of Non-Fleet Time;
“Out of Service Date (OSD)” means the date at which a platform or item is retired/temporarily unavailable;
“Ozone Depleting Gases” means the gases stipulated in the Montreal Protocol;
“Parties” means the parties to this Contract;
“Party’s Representative” means the person duly authorised by the Party to the Contract to act for the purposes of the provision of the Contract and identified in the Contract or in any subsequent notice to act for the purposes of the provision;
“Payment Period” means an agreed length of time at the end of which payment will be received;
“Personal Data” means personal data as defined in the DPA which is supplied to the Contractor by the Authority or obtained by the Contractor in the course of the Project;

“Planned Efficiency” represents an area identified for cost reduction with a high degree of confidence but not yet implemented;
“Planned Project Work Package Acceptance Date” means the date planned for the inspection of the Planned Project Work Package with a view to achieving an Acceptance Certificate;
“Portable Fire Extinguisher” means a handheld fire extinguisher, which can be readily detached from its fixings;
“Prescribed Rate” means the rate of statutory interest set out by the UK government and the Late Payment of Commercial Debts (Interest) act, 1988. Further information can be found via: www.gov.uk;
“Pre-Upkeep Material Assessment (PUMA)” means a comprehensive series of static and limited dynamic assessments undertaken to ascertain a Vessel’s precise material state. This will ensure the Project Work Package reflects the Vessel requirements;
“Programme Plan” means a plan showing current and future projects being undertaken through the Contract, together with their key milestones and dates planned and achieved in a mutually agreed format;
“Project” means, the provision of the Through Life Support Services;
“Project Acceptance Certificate” means a document for recording outstanding items of work in preparation for acceptance of the Vessel;
“Project Data” means: a. all Design Data; and b. any other materials, documents or data acquired or brought into existence or used in relation to Asset Provision, Service Provision or this Contract;
“Project Documents” means this Contract;
“Project Management Plan” means a plan provided by the Contractor detailing how they plan to manage the Project;
“Project Manager” and “Equipment Support Manager” mean the authority so designated in the Contract;
“Project Quality Assurance Focal Point” in any provision of the Contract means the person duly authorised by the Authority to act as the point of contact for any Quality Assurance matters detailed within Schedule 3;
“Project Records” means documents and records relating to the project;

“Project Work Package” means a discrete package of work or packages of work which: a. bear(s) a unique reference number and is contained in Schedule 1; and/or; b. is otherwise described in sufficient detail for the Contractor to be reasonably able to propose a price for the undertaking of such task or set of tasks and is notified to the Contractor by the Authority as being a Requirement;
“Project Work Package Acceptance Date” means an Acceptance Certificate is issued in relation to a Package of Work pursuant to Clause 47 c;
“Project Work Package Price” means, in relation to any Project Work Package, the Maximum Price payable by the Authority in respect of such Project Work Package, as set out in the Schedule 5;
“Project Work Package Programme” means the programme for the individual Work Package provided pursuant to Clause 47 c (Project Work Packages);
“Project Work Package Specification” means the specification of the relevant requirement;
“Public Domain” means the sharing of documentation across Ship Cluster Owner, Market Facing Category providers, and any other external stakeholders to the MoD;
“RAG Status” means the status (being Red, Amber or Green) of the Contractor's performance against a KPI, as determined by reference to the information contained in the table at Schedule 6;
“Receipt” means the date and time that either party receives documentation from the other party. For the purposes of performance monitoring the Contractor shall stamp each Definition of Project Work Package Form and Confirmation of Project Work Package Form with the date and time it arrives by any means, including e-mail;
“Refit Period (RP)” means a pre-determined period of maintenance, upkeep and upgrade activity necessary to sustain and improve a Vessel's capability. A Refit Period is likely to require a significant period of docking followed by a lengthy period alongside to complete all engineering activity;
“Relationship Maturity Matrix” is a means of measuring the a relationship maturity between 2 (two) or more parties;
“Relevant Authority” means any court with the relevant jurisdiction and any local, national or supra-national agency, inspectorate, minister, ministry, official or public or statutory person of the government of the United Kingdom or of the European Union;
“Relevant Day” means the day which is 30 (thirty) Business Days after the later of:

a. the day upon which a valid request for Payment Approval is received by the Authority's Representative; and b. the day upon which a valid delivery label is received by the Authority's Representative; and c. the date of completion or performance of the part of the Services for the relevant Payment Period;
"Remedial Step" means the individual steps taken by the Contractor that can be tracked and reported against in order to report to the Authority on the progress of a Corrective Action Plan;
"Representative of the Authority" in any provision of the Contract means the person duly authorised by the Authority to act for the purposes of the provision and identified in the Contract or in any subsequent notice to act for the purposes of the provision;
"Request for Information" shall have the meaning set out in the FOIA or any apparent request for information under the FOIA;
"RET" means Relationship Evaluation Tool;
"Risk Register" means a register (in the form set out in Schedule 12) listing certain risks affecting the provision of the Services, and, for the avoidance of doubt, such risks (and the identification thereof) are not intended to: a. consist of the risks specifically dealt with and allocated as between the Parties under this Contract; nor; b. derogate from such risk allocation;
"Root Cause Analysis" means the implementation of a logical and systematic process for solving a problem through the identification of the actions, activity or phenomena responsible for a specific issue or incident;
"S2022" means Defect & Shortcomings report. It is used by ships staff to report to the Shore Side Support organisations any shortcomings or deficiencies in Material (structure, equipment or systems), Design (how the equipment or systems perform, functionally and safely), Support (availability of spares, calibration & test equipment, support arrangements) and Documentation (maintenance information, technical handbooks, manufacturers documents).
"Safety Officer" means the Ship's Safety Officer, the Officer on the Ship in charge of safety, and the Contractor's Safety Personnel;
"Safety Plan" means a plan detailing the safety provisions of the Contractor for the Project Work Package;

“Schedule of Requirements” means that part of the Contract which identifies, either directly or by reference, the Articles, Services or Contract Deliverables to be supplied or carried out, the quantities involved and the price or pricing terms in relation to each Article, Service or Contract Deliverable;
“SCRIA” means Supply Chains Relation In Action tool and is a means of agreeing the codes of best practice for better working relationships;
“Sea Trials” means a period of time at sea to test Vessel equipment worked on during the Project Work Package;
“Secret Matter” means any matter connected with any Project Document or the performance of the Project which is designated in writing by the Authority as "Top Secret", "Secret", or "Confidential", and shall include any information concerning the content of such matter and anything which contains or may reveal that matter;
“Security Requirements” means the requirements of the Authority in relation to the security aspects of the provision of the Services set out in the Contract;
“Senior Ship Staff” means members of Ship Staff holding the rank of 1st Officer (RFA), or equivalent (RN), or higher;
“Service Provision” means the provision of the Services which satisfies the Tasking request agreed between the parties;
“Services” means all steps required to be undertaken by the Contractor to ensure compliance with the Authority's Requirements, the Contractor's Proposals, and all other relevant obligations of the Contractor (pertaining to the Vessel) under this Contract;
“Shareholder” means any person from time to time holding share capital in the Contractor or a Subcontractor;
“Ship Cluster Owner (SCO)” means, after the Competition, the Contractor. At the Offer of Contract Stage, all references to ‘Ship Lot Owner’ will revert to ‘Ship Cluster Owner’ to ensure continuation of terminology post Contract Award;
“Ship Cluster” means the Vessels identified in Schedule 1 of this Contract;
“Ship Lot Owner” means, during the Competition, the successful Tenderer. At the Offer of Contract Stage, all references to ‘Ship Lot Owner’ will revert to ‘Ship Cluster Owner’ to ensure continuation of terminology post Contract Award;
“Ship Lot” means a group of Ships available to be Tendered for. At the Offer of Contract Stage, all references to ‘Ship Lot’ will revert to ‘Ship Cluster’ to ensure continuation of terminology post Contract Award;

“Ship Staff Move On Board” means the time at which the Ship's Staff (or a significant proportion thereof) occupy the Vessel in anticipation of taking the Vessel out of NonFleet Time conditions;
“Ship” means Vessel;
“Ship's Programme” means the programme detailing the location of the Vessel over a set period of time;
“Ship's Staff” means all Authority employees whose employment relates primarily to a Vessel;
“Sites” means the Authority Sites and/or the Contractor's Sites;
“Snagging Items” means minor defects, deficiencies or omissions of a snagging nature which do not impact upon the operational capability of the Vessel and which do not prevent the Inspection Officer from issuing an Acceptance Certificate in respect of a given Service Level;
“Specially Written Software” means programs or databases or modifications to existing programs or databases comprising Contractor Foreground IPR;
“Strategic Contract Meetings” means the meetings required by this Contract at monthly, quarterly and bi-annual periodicity;
“Subcontractor Breakage Costs” means Losses that have been or shall be reasonably and properly incurred by the Contractor as a direct result of the termination of this Contract, but only to the extent that the Authority has approved such pre-provisioning: a. the Losses are incurred in connection with the Project and in respect of the provision of Services or completion of works, including: (1) any materials or goods ordered or Subcontracts placed that cannot be cancelled without such Losses being incurred; and/or (2) any expenditure incurred in anticipation of the provision of the Services in the future; and/or (3) the cost of demobilisation including the cost of any relocation of equipment used in connection with the Project; and/or b. the Losses are incurred under arrangements and/or contracts that are consistent with terms that have been entered into in the ordinary course of business and on reasonable commercial terms; and c. the Contractor and the relevant Subcontractor has each used its reasonable endeavours to minimise and mitigate the Losses;

“Subcontractor” (or “Sub-Contractor”) means each Contractor or any other person engaged by the Contractor from time to time as may be permitted by this Contract to perform the provision of the Services;

“Subcontracts” (or “Sub-Contracts”) means the contracts entered into between the Contractor and the Subcontractors;

“Suitable Substitute Subcontractor” means a person who is a Suitable Third Party and who is approved by the Authority’s Representative (such approval not to be unreasonably withheld or delayed) as:

- a. having the legal capacity, power and authority to become a party to and perform the obligations it is proposed to undertake in relation to the Project; and
- b. employing persons having the appropriate qualifications, experience and technical competence and having the resources available to it (including committed financial resources and Subcontracts) which are sufficient to enable it to perform the obligations it is proposed to undertake in relation to the Project;

If the Project includes, or shall involve, the disclosure of information about a Secret Matter, for the purposes of this definition, **“Subcontractor”** shall mean a Subcontractor to the Contractor, a Subcontractor of a Subcontractor to the Contractor, and any other Subcontractor of whatever tier involved in Asset Provision and/or Service Provision who has or may have access to the Secret Matter;

“Suitable Third Party” means, any person who is not an Unsuitable Third Party;

“Suitably Qualified and Experienced Personnel (SQEP)” means a person or people that have appropriate qualifications and experience to perform a particular task;

“Supplier and Customer Performance Measurement Process” means the Authority's supplier development scheme used to provide a consistent uniform means of reporting performance achievement across Ministry of Defence-wide business, against predetermined activities at various times throughout the life of a contract;

“TAGOUT Procedure” means a procedure for the isolation of equipment so that such equipment is safe to work on, in accordance with Good Industry Practice;

“Take In Hand (TIH) Date” means the date the Contractor takes responsibility for the care and protection of the Vessel and may start work;

“Take In Hand of the Vessel” is when a Vessel becomes the responsibility of the Contractor (as above);

“Tax” means any kind of tax, duty, levy or other charge (other than VAT) whether or not similar to any in force at the Commencement Date and whether imposed by a local, governmental or other Relevant Authority in the United Kingdom or elsewhere;
“Technical Assistance Agreement” means an agreement for the performance of a defence service(s) or the disclosure of technical data.
“Technical Dispute” means a Dispute that is, in the reasonable opinion of either Party, of such a nature that it requires specialist technical knowledge for its proper and efficient resolution;
“Tempest Testing” means the testing of computer equipment which handles information protectively marked CONFIDENTIAL and above, for the phenomenon of the unintentional emanation of compromising signals from the equipment;
“Termination Date” means the date of early termination of this Contract in accordance with its terms;
“Termination Notice” means a notice of termination issued in accordance with this Contract;
“The Authority” means the Secretary of State for Defence, acting on behalf of the Crown;
“Third Party IPR” means IPR owned by a third party;
“Transition” means the period between Contract Award and the Commencement of Services, during which achievement of full support capability/readiness shall be achieved such that the supplier can discharge all of the requirements of the Contract (including the SOTR) from the Commencement of Services date;
“Type B Support” means the support of Type B items. Type B items are codified and have a NATO Stock Number (NSN). They are supported by commercial handbooks supplemented by a separate document that cross-references selected parts and equipment to their NATO stock numbers across the configuration of the Vessels. All spares and equipment are supplied from stock against demands placed on Naval Bases/Dockyards;
“Type C Support” means the support of Type C items. Type C items are uncodified and do not have a NATO Stock Number (NSN). They are supported by commercial handbooks, and the Vessels supported by uncodified spare gear. Given their sometimes unique nature, a greater level of detail is required in order to demand a replacement (e.g. maker, makers details, equipment description). The lack of commonality dictates that spares are not held ashore in reserve, which are demanded and supplied on a JustInTime basis. Spares are not held ashore in reserve, but carried by each individual vessel;

“Unsuitable Third Party” means any person: a. whose activities, in the reasonable opinion of the Authority, pose or could pose a threat to national security, providing that the Authority's opinion shall be deemed to be reasonable if personally confirmed to the Contractor by a Senior Civil Servant at 2* level (or equivalent grade) or above; and/or b. whose activities are, in the reasonable opinion of the Authority, incompatible with any operations or activities carried out by the Authority for the purposes contemplated by this Contract or any other of the Authority's legal duties or other functions; and/or c. who is, in the reasonable opinion of the Authority, inappropriate because the Authority has received specific information from the Crown, the Serious Fraud Office or the Crown Prosecution Service about the suitability of the proposed new third party to act in relation to the Project; and/or d. if the Project includes, or shall involve, the disclosure about a Secret Matter, who is not a List X Organisation;
“Update” means to maintain current capability but to overcome obsolescence and changes in legislation. Update is the term used to describe modification or ‘Type B’ Alteration and Addition (A&A) activity that is undertaken to maintain an existing level of capability, but will involve material changes to overcome obsolescence, improve safety and operability or to reduce the cost of ownership by the introduction of new types of equipment. Update is funded by the Authority;
“Upgrade” means to add a new capability. Upgrade is the term used to describe a modification, UOR, or ‘Type A’ A&A activity that is undertaken to improve the Vessel capability. Upgrade normally involves the fitting of new equipment and is funded by the Authority;
“Upkeep” means the use of any or all resources required to assure or restore a vessel to a specified material condition or level of performance.
“Upkeep Plan” means the detailed plan of when Vessels are programmed for Upkeep work;
“Use” means use, copy, disclose or distribute to third parties, amend and/or keep;
“Value For Money (VFM) Review” means the process the Authority will undertake to assure itself that the Contractor is providing Value For Money;
“Value For Money” means the process under which the Authority's procurement, projects and processes are systematically evaluated and assessed to provide confidence about suitability, effectiveness, prudence, quality, value and avoidance of error;
“VAT” means any value added taxes;

“Vessels” means the Vessels listed in Schedule 1 which may be removed from or added to by the Authority from time to time in accordance with this Contract;

Schedule 1

Statement of Technical Requirements

SoTR Section	Requirement	Performance Measure	Performance Target
1	Scope of Requirement		
1.1	The Contractor is required to provide a worldwide Classification Service, they must have the ability to a) Conduct Classification and Naval surveys in accordance with (i) Lloyds Register Rules and Regulations for the Classification of Ships and (ii) Lloyds Register Rules and Regulations for the Classification of Naval Ships. b) Conduct UK Flag State (MCA) Statutory Surveys c) Conduct DE&S Naval Authority Surveys and Inspection d) Issue appropriate certification on behave of Class, Statue and DES Naval Authority Group, (via Delegated Authority). e) Conduct Design Change Appraisal and issue Plan Approval against these appropriate Rules and Regulations.		
2	Classification Surveys, Inspection and Reporting		
2.1.1	The Contractor is required to conduct surveys of the ships as detailed at Annex A of this Schedule to verify compliance with either i) Lloyds Register Rules and Regulations for the Classification of Ships and (ii) Lloyds Register Rules and Regulations for the Classification of Naval Ships.	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard. KPI - Surveyor Inspection Report
2.1.2	The contractor is required to carry out periodic and non-periodic classification surveys in order to confirm that the condition of the Hull, Machinery, Lifting Equipment, and other equipment and appliances remain compliant with the Lloyd Registers Rules and Regulations for the Classification of Ships	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard. KPI - Surveyor Inspection Report
2.1.3	The contractor is required to carry out periodic and non-periodic classification surveys in order to confirm that the condition of the Hull, Machinery, Lifting Equipment, and other equipment and appliances remain compliant with the Lloyds Registers Rules and Regulations for the Classification of Naval Ships	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard.

			KPI - Surveyor Inspection Report
2.1.4	The Contractor is required to be available to conduct unscheduled surveys and inspections on hull, machinery, lifting, equipment and appliances as a result of a defect (OPDEF) that may affect class become apparent, or damage is sustained between the relevant surveys. A surveyor is to be in attendance during subsequent remedial action. The Contractor shall provide the authority with guidance and any restrictions that the defect may have on the ships classification status e.g. Condition of Class.	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard. KPI - Surveyor Inspection Report
2.1.5	The Contractor shall upon completion of any Class survey or inspection issue the Authority with the appropriate Class and/or Statutory Certification.	Surveys completed to the satisfaction of the Authority.	Survey Reports, Certification, Document of Compliance issued within agreed timescale and to required standard. KPI - Surveyor Inspection Report
2.1.6	The Contractor shall provide the Authority with access to the latest published register [CD-Live or equivalent] (classification information) including a wide range of invaluable supporting information.	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard. KPI - Surveyor Inspection Report
3	Statutory Surveys, Inspection and Reporting		
3.1.1	The Contractor must be a Recognised Organisation (RO) and Certifying Authority (CA) of the Maritime and Coastguard Agency (MCA) (UK Flag Administration) as defined in SOLAS Chapter XI-1, Regulation 1 and listed accordingly in the IMO database, Global Integrated Shipping Information System (GISIS)	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard. KPI - Surveyor Inspection Report
3.1.2	The Contractor is required to carry out periodic and non-periodic Statute survey and inspections of the hull, machinery, equipment and appliances in order to confirm that they comply with the applicable requirements as laid down by the relevant national laws based on International Conventions to which the	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard.

	Government is a signatory, together with additional instructions that may be issued by the flag Administration.		KPI - Surveyor Inspection Report
3.1.3	The Contractor shall undertake Statutory Statement of Compliance Surveys of the hull, machinery, equipment and appliances in order to confirm that they comply with the applicable requirements as laid down by the relevant national laws based on International Conventions to which the Government is a signatory, together with additional instructions that may be issued by the flag Administration.	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard. KPI - Surveyor Inspection Report
3.1.4	The Contractor shall upon completion of any Class or Statutory survey or inspection issue to the Authority the appropriate Class and/or Statutory Certification or Documentation of Compliance.	Surveys completed to the satisfaction of the Authority.	Survey Reports, Certification, Document of Compliance issued within agreed timescale and to required standard.KPI - Surveyor Inspection Report
4	Naval Authority Surveys, Inspection and Reporting		
4.1.1	The Contractor shall undertake the Surveys of the hull, machinery, equipment and appliances in order to confirm that they comply with the applicable requirements as laid down by the Navy Authority Group.	Surveys completed to the satisfaction of the Authority.	Surveys conducted within agreed timescale and to required standard. KPI - Surveyor Inspection Report
4.1.2	The Contractor shall upon completion of any survey or inspection issue to the Authority, in its role as Delegated Agent, the appropriate Naval Authority Group Certification or Documentation of Compliance.	Surveys completed to the satisfaction of the Authority.	Survey Reports, Certification, Document of Compliance issued within agreed timescale and to required standard. KPI - Surveyor Inspection Report
5	Technical Review of the Design Plans (Design Appraisal)		
5.1.1	If and when requested to do so by the Authority, the Contractor shall provide a Technical Review Service, capable of conducting a Technical Appraisal of any proposed design change (plan and related documentation) to verify compliance with Lloyds Register Rules and Regulations for the Classification of Ships. To issue appropriate Design Appraisal documentation upon completion of review.	Design Reviews completed to the satisfaction of the Authority	Reviews conducted within agreed timescale and to required standard.

			KPI - Design Approval Document (DAD)
5.1.2	If and when requested to do so by the Authority, the Contractor shall provide a Technical Review Service, capable of conducting a Technical Appraisal of any proposed design change (plan and related documentation) to verify compliance with Lloyds Register Rules and Regulations for the Classification of Naval Ships. To issue appropriate Design Appraisal documentation upon completion of review.	Design Reviews completed to the satisfaction of the Authority	Reviews conducted within agreed timescale and to required standard. KPI - Design Approval Document (DAD)
5.1.3	If and when requested to do so by the Authority, the Contractor shall provide a service for the Technical Appraisal and Plan Approval of any design change plans and related documentation to verify compliance with the applicable requirements as laid down by the relevant national laws based on International Conventions to which the Government is a signatory, together with additional instructions that may be issued by the flag Administration.	Design Reviews completed to the satisfaction of the Authority	Reviews conducted within agreed timescale and to required standard. KPI - Design Approval Document (DAD)
5.1.4	If and when requested to do so by the Authority, the Contractor shall be in attendance in the shipyard to verify that the design change is being installed in accordance with the approved design plans and applicable Lloyds Register Rules and Regulations for the classification of Ships or Lloyds Register Rules and Register for the Classification of Naval Ships.		
6	Technical Review and Meetings		
6.1.1	The Contractor shall be required to attend and support any Pre-Upkeep Material Assessment (PUMA) for the vessels contained within the Ship Scope detailed at Annex A to this SoTR. The Contractor shall provide the Authority a report on observations and recommendations.	Attendance completed as required.	Attendance completed and report produced within required timescales.
6.1.2	The Contractor shall be required to attend and contribute to any after action reviews conducted by the Authority.	Attendance completed as required.	Attendance completed and report produced within required timescales.
6.1.3	The Contractor shall be required to attend and contribute to any final work package reviews conducted by the Authority.	Attendance completed as required.	Attendance completed and report produced within required timescales.
7	Ship Emergency Responses Service		

7.1.1	The Contractor shall provide a global 24/7 Ship Emergency Response Service (SERS) capable of providing rapid technical assistance to Authority in a casualty situation by assessing the damage stability and residual longitudinal strength of the vessels contained within the Ship Scope detailed at Annex A to this Schedule.		The response service should be available 24 hours per day, all year round. The response service should be available to input details of the conditions of the ship within two hours of being activated. For passenger ships addressed by MSC.1 Circ. 1400, the response service should be available within one hour.
7.1.2	The Contractor shall demonstrate that they are familiar with the authority preferred ship structural modelling tool (Marine Structural Software)	Measure	Completed within time, cost and performance parameters
7.1.3	The Contractor shall have the skills and knowledge to appraise and recommend any adjustments to the preferred Ship Stability Model, if appropriate, establishing information to take account of changes to the structure, etc, as they arise on the vessel.	Measure	Completed within time, cost and performance parameters
7.1.4	The Contractor shall support the Authority in conducting up to three Ship Emergency Response Service exercises per year to meet the requirements of Annex B of this Schedule.	Measure	Completed within time, cost and performance parameters
7.1.5	If and when requested to do so by the Authority, the Contractor shall provide up to 4 (four) standard scope SERS exercises per annum.	Measure	Completed within time, cost and performance parameters
7.1.6	The Contractor shall be capable of providing 2 (two) [one for the Authority and another for NCHQ and Commanding Officers] SERS Training Courses per year. The course should cover (a) SERS emergency response preparedness and technical capability, (b) roles and responsibilities, (c) call out and response procedures, (d) information flow, (e) technical issues for different casualties and (f) live exercises and scenarios.	Measure	Completed within time, cost and performance parameters
8	Training		
8.1.1	Specific training courses be agreed between the Authority and the Contractor on a case by case basis as required.		
9	Behaviours		

9.1.1	The contractor shall, where appropriate and possible, explore the application of innovation with the aim of reducing costs and improving quality and/or timescales in meeting this requirement.	Attendance completed as required.	Attendance completed and report produced within required timescales.
9.1.2	The contractor shall work collaboratively with the Authority and its associates (Ship Repair Organisations and other Market Facing Contractors) in line with the principles of ISO44001 Collaborative Business Relationship Management in meeting this requirement.	Attendance completed as required.	Attendance completed and report produced within required timescales.
9.1.3	The Contractor shall use technical expertise and capability to advise the Authority and support people and technology with respect to attaining type approval according to their Type Approval Certification Regime for items that are Ministry Supplied Material (MSM) and Contractor Supplied Material (CSM).	Attendance completed as required.	Attendance completed and report produced within required timescales.
9.1.4	The Contractor shall be required to work within the principles and guidelines detailed at Annex C, Appendix 1 & 2, to this SoTR.	Attendance completed as required.	Attendance completed and report produced within required timescales.
10	Business Management & Improvement		
10.1	Occupational Health and Safety Standards		
10.1.1	The Contractor shall comply with all rules, regulations, standards, policies and legislation, including but not limited to: a) the Royal Fleet Auxiliary (RFA) and Royal Navy (RN) Safe Systems Of Work - detailed in this SoTR Annex C (Contractor Safety Awareness Form) for RFA and RN, and also BRd167 (The Safety, Health, and Environmental Manual) for RN OSV and SVHO. b) The contractor shall comply with the site safety standards for the primary contractor as a minimum or any higher standards that may be applicable on other sites (including foreign yards).	Compliance with all relevant rules, regulations, standards, policies and legislation as applicable, including all standards mentioned in this SoTR.	No instances of non-compliance.
10.2	Collaborative Working		
10.2.1	The Contractor shall be required to work collaboratively with the Authority and its associates (e.g. other Market Facing Contractors (MFCs) and ship repair organisations) in line with the principles of ISO44001 Collaborative Business Relationship Management System (CBRM).	To work in line with the principles of ISO44001 (CBRM), and to attend and actively participate in the development meetings for Collaborative Working.	To see growth and score highly on the Relationship Maturity Matrix (RMM), and have the necessary systems and documentation in place to pass a ISO44001 (CBRM) audit.
10.3	Provide updates on new and pending legislation, etc.		

10.3.1	The Contractor shall provide regular updates on any legislation relevant to Naval, Class or Statute Rules and Regulations where appropriate.	To help ensure that the Authority is aware of any pending legislation changes.	No breach of legislation.
11	CONDO		
11.1	The Contractor shall identify and maintain a cadre of suitably trained deployable Contractors on Deployed Operations (CONDO) personnel in accordance with DEFCON 697.	CONDO trained personnel identified and available to deploy.	No issues of non-conformance.

Schedule 1 - Annex A Vessel Description

<u>Vessel</u>	<u>Role</u>	<u>Class Notation</u>	<u>In-Service Date</u>	<u>Length</u>	<u>Beam</u>	<u>Displacement (light)</u>	<u>Displacement (deep)</u>
Wave Knight	Auxiliary Oiler (AO) Tanker	+100A1, DTsm Oil Cargoes (FP above 60C), Ice Class 1D, +LMC, UMS, IGS, ICC,SCM, +Lloyds RMC	Jun-02				
Wave Ruler	Auxiliary Oiler (AO) Tanker	+100A1, DTsm Oil Cargoes (FP above 60C), Ice Class 1D, +LMC, UMS, IGS, ICC,SCM, +Lloyds RMC	Jun-02				
Fort Victoria	Auxiliary Oiler Replenishment (AOR) Vessel	+100A1, DTsm Oil Cargoes (FP above 60C), Ice Class 1D, (c.c.) +LMC, UMS, IGS +Lloyds RMC	Mar-93				
Argus	Primary Casualty Receiving Ship	*100A1 Cargo Ship, LMC,UMS	Mar 1988 (post conversion)				
Mounts Bay	Landing Ship Dock Auxiliary (LSDA) Vessel	*100A1 RoRo Passenger Ship, CL,CG,CR,*IWS,LI,EP (N, S) *LMC, UMS, PSMR.	Dec-05				
Lyme Bay	Landing Ship Dock Auxiliary (LSDA) Vessel	*100A1 RoRo Passenger Ship, CL,CG,CR,*IWS,LI,EP (N, S) *LMC, UMS, PSMR.	Jul-07				
Cardigan Bay	Landing Ship Dock Auxiliary (LSDA) Vessel	*100A1 RoRo Passenger Ship, CL,CG,CR,*IWS,LI,EP (N, S) *LMC, UMS, PSMR.	Oct-07				
HMS Scott	Ocean Survey Vessel	*100A1 Research Vessel, NS1, SA1, IWS, Ice Class 1A, ES, PCWBT, LMC,UMS	1995				
Tidespring	Military Afloat Reach and Sustainability (MARS) Tanker	+100A1, +LMC, UMS, Lloyds Naval Rules	Dec-17				
Tiderace	Military Afloat Reach and Sustainability (MARS) Tanker	+100A1, +LMC, UMS, Lloyds Naval Rules	Apr 2018*				
Tidesurge	Military Afloat Reach and Sustainability (MARS) Tanker	+100A1, +LMC, UMS, Lloyds Naval Rules	Jul 2018*				
Tideforce	Military Afloat Reach and Sustainability (MARS) Tanker	+100A1, +LMC, UMS, Lloyds Naval Rules	Oct 2018*				
Proteus	Multi Role Ocean Surveillance (MROS)	*1A1 Offshore service vessel BWM(T) Clean(Design) COMF(C-3, V-3) Crane DK(+)	March 2018 (Launch)				

		DYNPOS(AUTR) E0 HELDK NAUT(AW) Recyclable SF SPS	Date original owner)				
Stirling Castle	Mine Hunting Capability (MHC)	*1A1 Offshore service vessel(Supply) Clean(Design) COMF(V-3) DK(+) DYNPOS(AUTR) E0 HELDK HL(2.8) Ice(C) NAUT(OSV(A)) SF SPS	June 2012 (Launch Date original owner)				
HMS ECHO	Survey Vessel Hydrographic and Oceanographic	X100A1, Survey Vessel, Ice Class 1C, XLMC, PSMR*, UMS, ES (2) (Sheerstrake, Exposed No. 1 Deck, flat of bottom), *IWS, ShipRight PCWBT, PMS (CM), HCM, CCS, ICC, SERS, EP and SCM	18-Oct-03				
HMS ENTERPRISE	Survey Vessel Hydrographic and Oceanographic	X100A1, Survey Vessel, Ice Class 1C, XLMC, PSMR*, UMS, ES (2) (Sheerstrake, Exposed No. 1 Deck, flat of bottom), *IWS, ShipRight PCWBT, PMS (CM), HCM, CCS, ICC, SERS, EP and SCM	30 June 2004				

Schedule 1 - Annex B**Ship Emergency Response Service (SERS) Exercise - Scope of Work****OBJECTIVE**

- 1.1 The objectives of the Support Ships RFA (SSRFA) Emergency Response Exercise are:
- a) Test communications e.g. ship correctly invokes Classification SERS.
 - b) Satisfy legislative requirements, where applicable.
 - c) Develop awareness of the Ship Emergency Response Service amongst ship staff and shore based staff.
 - d) Demonstrate the Service and the format used in transmission of information.
 - e) Provide feedback to the Authority and Classification Society such that any difficulties encountered can be identified, allowing improvements to be made by either party where appropriate.

INITIATION

1.2 An agreed date for the exercise shall be arranged in advance in order to avoid exercises occurring simultaneously. The SSRFA Emergency Response Exercise shall take place during normal UK office hours (09:00 to 17:00hrs).

1.3 The Authority will initiate the exercise at an agreed time using the procedures described in the Emergency Manual. When calling the SERS 24 hour help desk, the Authority shall make it clear that SERS is being requested for an exercise.

COMMUNICATIONS

1.4 The SERS team shall immediately contact the Authority to establish lines of communication. The Authority shall then be requested to forward details of the exercise scenario using the Casualty Report Form from the Emergency Manual. This shall include details of the intact loading and damage conditions, along with the proposed remedial action. The SERS team shall be in contact with the Authority throughout the exercise.

SCENARIO

1.5 For the purposes of an SSRFA Emergency Response Exercise, the Authority will supply details of the ship intact loading condition, the damage case shall be limited to one static condition based on one of the following:

- a. Water ingress to any number of empty compartments, possibly including either (b) or (c) below.
- b. Liquid outflow / water ingress involving cargo / bunker compartment(s).
- c. Single point grounding.

SERS RESPONSE

1.6 Intact Condition - Using the casualty information supplied the SERS team will model the intact condition of the ship and provide a faxed summary of the stability and longitudinal strength details to the Authority.

1.7 Damage Condition - Using the casualty information supplied, the SERS team will model the damage condition of the ship and supply a faxed summary of the floatability, damage stability and damage longitudinal strength details to the authority, along with any other associated information, e.g. fluid outflow, draughts, heel etc.

1.8 Remedial Action - The remedial action proposed by the Authority will be reviewed and the SERS team will discuss the viability of the proposals with the Authority. Remedial actions shall be modelled if considered necessary by the SERS team.

1.9 Completion - Once the above tasks have been carried out satisfactorily a final summary fax shall be transmitted to the Authority to confirm completion of the SSRFA Emergency Response Exercise.

DELIVERABLES

1.10 The following deliverable are required:

- a. Written confirmation at the start of the exercise.
- b. Written summary of the details of the intact condition.
- c. Written summary of the details of the damaged condition.
- d. Written confirmation of the conclusion of the exercise.
- e. On completion, a final summary of SERS involvement.
- f. A letter giving formal confirmation that an exercise has been completed on the relevant date.

Schedule 1 - Annex C**1. Part 1 - SUPPORT TASKS - GENERAL**

1.1 The Project Work Package Tasking procedures are set out in Clause 47 c to the Contract. The Through Life Support arrangements for this Contract shall embrace all Engineering support requirements as detailed in the following paragraphs.

1.2 NON FLEET TIME SUPPORT

1.2.1 Non Fleet Time Maintenance is the term applied to any maintenance and engineering support package carried out on a vessel whilst non operational. At such times, the responsibility and tasking transfers to DE&S RFA Support Ships (RFASS).

1.2.2 Ships are taken out of Operational Fleet Time on a regular basis, to allow Deep Upkeep maintenance and survey tasks to be carried out. Refit Periods (RPs) are conducted once every 5 years. Docking Periods or Contractor Support Periods (DPs or CSPs) are carried out between RPs at year 2 or 3 in the Vessels survey cycle. The timing and frequency of these support periods (set out in the Commercially Supported Shipping Upkeep and Fleet Time Maintenance Cycles) have been agreed with the commitments at Navy Command Headquarters.

1.2.3 Whilst it is possible and, in certain instances, desirable to move work from Non Fleet Time periods (RP/DP) into Fleet Time upkeep periods (AMPs), any modification to the upkeep cycle shall be the subject of a formal change procedure. Upkeep timeliness is seen as important to the Authority.

1.2.4 Work carried out during Upkeep periods shall include:

- (a) Provision of services
- (b) Statutory and Class items
- (c) Defect rectification
- (d) A & As (Upgrade & Update)
- (e) Maintenance of Military items
- (f) General ships husbandry
- (g) Rectification of items outstanding from Fleet Time Support carried over.

1.2.5 Ships require destoring, de-ammunitioning, tank cleaning, and tank gas freeing in order for the Non Fleet Time upkeep period to take place. Wherever possible this shall be completed prior to the maintenance period and prior to the Vessel's arrival at the planned location for the Upkeep

1.2.6 During Non Fleet Time maintenance periods, due to the nature of work carried out, conditions onboard the vessel are generally not considered habitable for ship's staff. Ship's staff shall move ashore to live for an appropriate period of time to allow deep upkeep maintenance to be carried out.

1.2.7 The RFA Cluster Support Team (RFA CST), in conjunction with the Ship Cluster Owner (SCO), shall be responsible for the management, planning and co-ordination of Non Fleet Time upkeep work packages for RFA vessels.

1.2.8 The material availability of Ships to meet their allocated tasking is seen as a high priority by the Authority and its customers. To that end, the preparation and planning of maintenance periods is seen as a very important evolution.

1.2.9 Periodically there will be some vessels on the Schedule of the Requirements (SOTR) for this contract that will not be in Upkeep but will be in Extended Readiness (ER) and will have been assigned to a Class Laid Up (CLU) status. Any maintenance to the vessel in support of the requirements for ER and CLU status will be organised as required by either the RFA CST for RFA vessels and HMS Scott; or Hydro & Patrol Waterfront Support Team (as appropriate) for the two ships that are currently decommissioned and awaiting disposal (HMS Echo and HMS Enterprise).

Requirement

1.2.10 No Fleet Time Upkeep work shall be carried out in the UK, unless otherwise required by the Authority.

1.2.11 Non Fleet Time Upkeep shall be undertaken at a time and place to be decided by the Authority, taking into account the Master Schedule, ensuring dry-dock, berth & logistic support availability.

Roles and Responsibilities

1.2.12 **Ship Cluster Owner (SCO).** The SCO shall be responsible for the delivery of all Non Fleet Time Upkeep activity for items and areas of responsibility attributed to them, as detailed within the scope of the contract and as detailed within the Work Breakdown Structure. The SCO shall be responsible for developing and costing work packages, planning project management and carrying out work packages. The SCO shall be required to work with the Contractor to develop and manage an overall project plan.

1.2.13 **The Contractor.** The Contractor shall be responsible for the delivery of all Non Fleet Time Upkeep activity for items and areas of responsibility attributed to them, as detailed within the scope of the Contract. The Contractor shall be responsible for developing and costing relevant work packages, integrating with the SCO project management plans and carrying out relevant work packages.

1.2.14 **RFA Cluster Support Team (RFA CST).** The RFA CST shall be responsible for the planning and co-ordination of Non Fleet Time upkeep work packages.

Quality & Safety

1.2.15 Responsibilities for Health & Safety whilst the vessel is in a Non Fleet Time maintenance period, is set out in the Safety Management Plan and Contractual Agreement applicable to the relevant SCO. The Contractor, whilst complying with their own company policies, shall also comply with all regulations and policies laid down by the SCO during Non Fleet Time maintenance periods.

1.3 FLEET TIME SUPPORT

1.3.1 Fleet Time Support (FTS) is the term applied to any maintenance and engineering support carried out on a Vessel whilst it is operational and under the direct tasking and authority of the User (NCHQ).

1.3.2 Whilst Vessels undergo regular Non Fleet Time Support Upkeep Periods, defects, survey requirements, etc. arise during the course of operations which require to be actioned. Such items are generally described as Voyage Repairs and include those that are Operational Defects (which have the potential to prevent a vessel performing its allocated task or proceeding to sea) or lesser items, which nevertheless, cannot be deferred until the next programmed upkeep period.

FTS encompasses maintenance and surveys carried out on vessels when operational and under the direct programming authority of the User. It consists of two distinct areas:

- (a) Operational Defect (OPDEF) Rectification
- (b) Assisted Maintenance Periods (AMP)

1.3.4 FTS is a key process keeping vessels in a safe, materially available and capable condition to meet all planned evolutions and taskings.

1.3.5 RFA Support Ships (RFASS) is also measured within DE&S on the efficacy of OPDEF rectification, this takes place continually and is highlighted to MOD senior management on a weekly basis.

1.3.6 The budget for FTS is set annually and is allocated as part of the Base Class Costs for operating each Vessel, which is derived from historical costs. RFASS shall centrally manage the budget for FTS across the Ship Clusters.

It should be noted that, due to a varied and unpredictable programme, RFA vessels do not have a designated 'Base Port' which they return to for maintenance. Whilst it remains policy to carry out Non Fleet Time Support in the UK (wherever possible), OPDEF items and AMPs may need to be completed globally.

Quality and Health & Safety

1.3.7 Whilst in Fleet Time (Operational), the responsibility for all aspects of Health & Safety on board each vessel remains with the Ship's Safety Officer. In addition, the Contractor, whilst complying with their own company policies, shall also comply with all regulations and policies laid down by the Ship's Safety Officer. A Permit-To-Work system is operated by the Ship's Safety Officer.

1.3.8 For each work authorisation, the Contractor shall liaise with the respective Ship's Safety Officer, before starting any work, to discuss matters relating to Health & Safety.

1.4 OPDEF RECTIFICATION

1.4.1 This includes any in service, non-programmed support. Specifically, this can be an Operational Defect (OPDEF), immediate voyage repairs, survey requirement or spares requirements. An OPDEF is defined as any item that occurs during Fleet Time that affects the ship's safety or its ability to perform its programmed role as required by FLEET programmers.

1.4.2 It is intended that the management and decision-making responsibility for OPDEF Rectification shall initially remain with RFASS and this may be reviewed at some point in the future.

Requirement

1.4.3 Work may be required on vessels, which are at a UK port, at an overseas port, or at sea. The contractor shall react, in accordance with performance criteria which shall be laid down and agreed under individual work orders, to requirements for the rectification of defects and shall make provision for global service to respond to OPDEF-related and other demands world-wide. This shall require the provision of a suitable technically qualified, managerially empowered, Single Point of Contact (SPOC) to liaise with RFASS duty personnel by phone, fax or e-mail.

1.4.4 Requests for operational defect rectification shall be submitted to RFA Cluster Support Team (RFA CST) from the Ship, RFA CST shall confirm the requirement and the priority of request and forward to the SCO for actioning. Upon receipt of a suitable quotation RFA CST shall give approval for any work to proceed. The accepting authority for work undertaken shall normally be the ship's Maintenance Manager (Chief Engineer

Officer). For operational defect rectification, RFA CST is responsible for managing each request in full consultation with the SCO.

1.4.5 Close liaison with the RFA CST is seen as necessary and advantageous. Implicit with this is good record keeping and trend-monitoring, feeding into Failure Analysis, Cost of Ownership and Obsolescence Monitoring.

1.4.6 The material availability of Ships to meet their allocated tasking is seen as a high priority by the Authority and its customers.

Roles and Responsibilities

1.4.7 **Ship Cluster Owner (SCO).** The SCO shall be responsible for the delivery of all FTS activity for items and areas of responsibility attributed to them, as detailed within the Scope of the Contract. The SCO shall also be responsible for costing and carrying out work packages.

1.4.8 **RFA Support Ships (RFASS).** RFASS shall be responsible for the management of co-ordinating activities flotilla wide in respect of OPDEF rectification, maintaining the required levels of capability and availability. They shall receive work package requests from vessels and forward to the SCO or the relevant contractor as appropriate.

1.4.9 **The Contractor.** The Contractor shall be responsible for the delivery of all Fleet Time Upkeep activity for items and areas of responsibility attributed to them, as detailed within the scope of the Contract. The Contractor shall be responsible for developing and costing relevant work packages, integrating with the SCO project management plans and carrying out relevant work packages.

1.4.10 **Ships Staff.** Ships staff will generate work specification(s) in the form of an RFA48 stating the work scope required and the priority to be applied. They will then forward them to the RFA CST for consideration and processing. Once authorisation has been given to proceed by RFA CST, the CEO will be the Single Point of Contact on board the vessel and will be the Accepting Authority for work carried out. Ships Staff do not have any financial delegation for FTS work and cannot authorise any Additional or Extra and Emergent work, this can only be done through the RFA CST.

1.4.11 **RFA Cluster Support Team (RFA CST).** The RFA CST shall liaise with the SCO, contractor and RFASS as required.

Business Processes

1.4.12 The relevant business process can be found in the Through Life Business Manual, which gives a description of the interface between RFASS the SCO and the Contractor.

1.4.13 The business procedures detail the performance requirements and measures expected. These performance indicators shall inform and contribute to the Key Performance Indicators of the contract.

1.5 ASSISTED MAINTENANCE PERIOD

1.5.1 Assisted Maintenance Period (AMP) is the term applied to any maintenance and engineering support package including survey requirements carried out on a vessel whilst operational and under the direct tasking and authority of NCHQ.

1.5.2 Whilst vessels undergo regular upkeep periods, defects and survey requirements, etc. arise during the course of operations which need to be actioned. Such items that cannot be termed as OPDEFs, which have the potential to prevent a vessel performing its allocated task or proceeding to sea, or lesser items which,

nevertheless, cannot be deferred until the next programmed upkeep period, can be prioritised and carried out in the allocated AMP. AMPs may also include OPDEF rectification.

1.5.3 AMPs are carried out at approximately 3 monthly intervals during Fleet Time and are of three working weeks (15 effective working days) duration. AMPs are not carried out in Non Fleet Time periods.

1.5.4 Work packages shall be assembled on a regular basis by the RFA CST and shall consist of defect rectification and survey items that do not fall under the OPDEF/Immediate requirements but cannot be deferred until the next DP/RP, and/or Planned Maintenance items.

Requirement

1.5.5 The RFA CST, in conjunction with the SCO, and with input from the relevant Contractors as required, shall be responsible for the management and co-ordination of AMP work packages.

1.5.6 The Contractor shall react, in accordance with performance criteria which shall be laid down and agreed, to requirements for the rectification of defects, survey requirements and shall make provision for a global service to respond to demands world-wide.

1.5.7 The SCO shall carry out and/or arrange AMPs and shall be responsible for developing and implementing a fully integrated project plan including all SCO and Contractor involvement.

1.5.8 The Contractor shall be responsible for co-ordinating and managing their own areas of responsibility within the overall SCO's Project Schedule for the maintenance period.

1.5.9 Work may be required on vessels which are at a UK port or at an overseas port.

1.5.10 Requests for operational upkeep shall be submitted to RFA CST from the Ship, RFA CST shall confirm the necessity and the priority of request and forward to the Contractor for actioning. Upon receipt of a suitable quotation, the Authority shall give approval for any work to proceed. The accepting authority for work undertaken shall normally be the Ship's Maintenance Manager (Chief Engineer Officer (CEO)).

1.5.11 Close liaison with the RFA CST is seen as necessary and advantageous. Implicit with this is good record keeping and trend-monitoring, feeding into Failure Analysis, Cost of Ownership and Obsolescence Monitoring.

Roles and Responsibilities

1.5.12 **Ship Cluster Owner (SCO).** The SCO shall be responsible for the delivery of all AMP activity for items and areas of responsibility attributed to them, as detailed within the Scope of the Contract. The SCO shall be responsible for costing, planning and carrying out work packages.

1.5.13 **RFA Support Ships (RFASS).** RFASS shall be responsible for the management of co-ordinating activities flotilla wide in respect of OPDEF rectification, maintaining the required levels of capability and availability. They shall receive work package requests from vessels and forward to the SCO or the relevant contractor as appropriate.

1.5.14 **The Contractor.** The Contractor shall be responsible for the delivery of all AMP activity for items and areas of responsibility attributed to them, as detailed within the scope of the Contract. The Contractor shall be responsible for developing and costing relevant work packages, integrating with the SCO project management plans and carrying out relevant work packages.

1.5.15 **Ships Staff.** Ships staff will generate work specification(s) in the form of an RFA48 stating the work scope required and the priority to be applied. They will then forward them to the RFA CST for consideration and processing. Once authorisation has been given to proceed by RFA CST, the CEO will be the Single Point

of Contact on board the vessel and will be the Accepting Authority for work carried out. Ships Staff do not have any financial delegation for FTS work and cannot authorise any Additional or Extra and Emergent work, this can only be done through the RFA CST.

1.5.16 RFA Cluster Support Team (RFA CST). The RFA CST shall liaise with the SCO, contractor and RFASS as required.

1.6 CAPABILITY MANAGEMENT

Overview

1.6.1 RFA Support Ships Capability (RFASS CAP) are the Design Authority for all in-service RFA ships. They are responsible discharging this Design Authority role. Within the Capability Team the head of section responsible for delivering the Design Authority role is RFASS Capability Platform Chief Engineer (RFASS PCE). The team are responsible for the safety of the designs of all in-service ships of the RFA Flotilla.

1.6.2 RFASS PCE is responsible for the design configuration of RFA ships and all changes made to those designs. This role is discharged through the availability of specialist resources for the technical management of: constructive engineering, marine/mechanical engineering, weapons/electrical engineering, naval architecture and safety management professionals. CSDA also contributes to the integration of engineering with support functions within RFASS.

1.6.3 Capability Management caters for the Upgrade (introduction of new and improved performance capabilities) and Update (managing technology update and obsolescence for existing capability). These Upgrades and Updates are managed by a change management system called Alterations and Additions (A&As). An A&A is defined as a change to a vessel, which alters the structure, systems and/or layout of that vessel. Prior approval of CSDA must be obtained before any changes are made to RFA ships. Both of the A&A types have the potential to affect safety, therefore they are subject to the control of RFASS Safety and Environmental Management System (SEMS) and the controls imposed by Class (Lloyds Register EMEA (LR), Statue (Maritime & Coast Guard Agency (MCA)) and DE&S Naval Authorities (NA) (under direction of JSP 430).

1.6.4 Capability Management also caters for the management of modifications to equipment and/or systems. These more minor changes (defined as not largely changing the fit, form or function of equipment and/or systems) are usually discharged by RFASS waterfront teams, who will seek advice and guidance from RFASS PCE and specialist resources as required.

1.6.5 RFASS CAP processes are integrated with other RFASS resources, most importantly to the RFA Cluster Support Teams (RFA CST) at each waterfront, Fleet Time Support (FTS) for in service changes & technical advice, and also provide a link between design/engineering functions and AfSup logistics to cater for integration with drawings, technical documentation, spares and other support functions.

1.6.6 In addition to the above, RFASS CAP undertake a number of other tasks as part of their design and safety responsibility in providing support for RFAs, any of which may require design assistance and specialist advice from LR under direct contract to RFASS CAP:

- a. Formal Design Appraisal of A&A Design Guidance, Installation Specifications and drawings.
- b. Provision of structural, stability, manoeuvring, sea keeping, endurance and loading information to ships.
- c. Management of emergency response.
- d. Concept and feasibility studies in support of changes in ship's roles,
- e. Advice on Class and Legislation issues for commercial shipping.

Processes Required under RFA Contract Arrangements

1.6.7 RFASS CAP contract for feasibility studies, design support services and A&A installation Specifications through the Ship Cluster Owners (SCO). MoD Fleetwide Equipment Project Team may sponsor specific design changes to RFA ships, and gaining Classification Society (CS) approval where appropriate may form part of their specification production task. Occasionally, RFASS CAP may produce A&A specifications using in-house resources.

1.6.8 The design development process for each A&A requires that the CS be consulted to determine whether a design change affects Class and therefore requires their design approval or indeed whether a local surveyor can sign off as part of normal installation routines. This stage usually takes the form of the SCO leading a meeting, on RFASS CAP behalf, with the CS and the respective waterfront local surveyor to sanction the design A&A packages.

1.6.9 Where the CS require to see the design work the SCO will submit the design to them for approval. The CS will estimate the cost for this service and provide a quotation to RFASS CAP for authorisation. Once authority to proceed has been given, the CS complete their evaluation and provide a written record of their comments and stamped up drawings to the SCO and RFASS CAP WF. DC Business Process DC-BP-011 refers.

Roles and Responsibilities

1.6.10 Ship Cluster Owner (SCO).

- a. Consult the CS to determine their involvement in any design study task placed by CSDA and obtain their input to the final report;
- b. Review the CS comments and guidance on design work, incorporate LR requirements into design deliverables;
- c. Provide copies of approval and stamped approved drawings, or expressions of “no interest” with the final deliverables to RFASS CAP.

1.6.11 RFASS CAP Waterfront post.

- a. Act as an interface between RFASS CAP (Abbey Wood) ABW and SCO for design investigations, production of A&A specifications and implementation of A&As. For minor A&As, place such tasks with the SCO;
- b. Assist the SCO to develop design solutions and specifications;

1.6.12 RFASS CAP ABW

- a. Decide which A&As will be accepted from its NCHQ customer and contract SCO for development of A&A specification. Review deliverables for all support tasks;
- b. Receive costs from LR for Design Appraisal work, agree requirements and raise task contract paperwork;
- c. Review deliverables and authorise payment for CS services in connection with Design Appraisal tasks.

Part 2 - ROLES and RESPONSIBILITIES - GENERAL

The following paragraphs provide a brief description of the roles and responsibilities of all parties involved in the TLS Contract.

2.1 RFA Support Ships Directorate

2.1.1 Ultimately, the Head of RFASS (RFA-TL) will retain overall responsibility for all aspects of support and for delivering the required standards and outputs in the following areas:

- (a) Platform Safety
- (b) Design Authority
- (c) Delivery of the Upgrade programme to the Sponsor (RFASS PCE)
- (d) Maintaining the required levels of capability and availability to the User (NCHQ)
- (e) Overall budget management.

2.1.2 Reporting and accounting procedures shall be established for each of the areas in 2.1.1 above to enable performance to be continuously monitored.

2.2 Cluster Support Team Leader

2.2.1 The Authority shall appoint an RFA CST Leader (CSTL), who shall be drawn from RFASS, to:

- (a) Give leadership and programme contract management;
- (b) Delegate tasks to the other members of the RFA CST as necessary;
- (c) Shall have overall ownership and responsibility for decisions taken by the RFA CST;
- (d) Shall have overall management and control for the budget allocated to the RFA CST;
- (e) Shall be the first point of contact for any dispute resolution issues;
- (f) Shall agree Contractor representatives of the RFA CST and approve changes to personnel;
- (g) Shall act as the Inspecting Officer, as laid down in the contract;
- (h) Transition skills from the MOD to industry;
- (i) Shall inspect and approve the work being done under the Contract, and/or any part thereof, including materials and articles used or to be used therein;
- (j) Assist the MFC with information and advice as required;
- (k) Monitor the progress of work on the vessel(s);
- (l) Shall authorise Contract Change Proposal Forms;

- (m) Co-ordinate all visits by Authority staff in connection with the Contract to the MFC premises;
- (n) Arrange for the attendance of all Authority Inspection teams required.
- (o) Undertake Performance Measurement & Monitoring.

2.2.2 The rights of the CSTL shall include, but not be limited to the following:

- (a) Reject any workmanship, article or material which does not conform with the requirements of the Contract;
- (b) Stop any test or trial or any other activity being carried out by the SCO or Contractor on the vessel at any time if, in his opinion, the safety of the vessel, its equipment or personnel on board, are being placed in jeopardy;
- (c) Monitor or to carry out product surveillance audits and to inspect any work in progress which relates to the Contract at any reasonable time.

2.2.3 The Authority will appoint a Cost Engineer to validate costs and prices submitted by the MFC as required by the Authority.

2.3 SHIP CLUSTER OWNER

2.3.1 The Ship Cluster Owner (SCO) shall be contractually responsible to the Authority for the delivery of all support activity for items and areas of responsibility attributed to them, as detailed within the Scope of the Support Contract.

2.3.2 The SCO shall be an integral part of the RFA CST (see fig.1 page 19) and, as such, shall be required to participate in all of the activities of the RFA CST and shall be required to supply adequate resources to fulfil its requirements.

2.3.3 The SCO shall be totally responsible for all aspects of their Sub-Contractor performance, whether Sub-Contractors have been selected by the SCO, nominated by the Authority in the Specification (or elsewhere in the Contract documentation), approved by the Authority as an alternative to a nominated Sub-Contractor, or otherwise employed on the Support Contract.

2.3.4 Robust procedures for ensuring the effective management and quality assurance of all Sub-Contract work shall be clearly detailed in the SCO's Quality Plan.

2.3.5 Each Sub-Contract placed by the SCO shall be subject to the Terms and Conditions of the Support Contract where these are relevant, together with such other conditions as the Contractor may require.

2.3.6 The SCO shall work closely with all Contractors as required to plan, manage and implement work packages. The relationships between SCO and Contractors are identified as a critical success factor for through life support.

2.4 The Contractor

2.4.1 The Contractor shall be contractually responsible to the Authority for the delivery of all support activity for items and areas of responsibility attributed to them, as detailed within the Scope of the Contract.

2.4.2 They shall provide resources to the RFA CST as required in order to fulfil the remit in 2.4.1.

2.4.4 The Authority reserves the right to select other areas to further develop future Contracts as and when identified.

2.4.5 The Contractor shall liaise closely with RFASS and RFA CST and, as such, shall be required to participate in all relevant activities of the RFACST as required and shall be required to supply adequate resources to fulfil its requirements. Whilst the Contractor will not directly be a member of the CST the Contractor will be required to participate in relevant RFA CST activities as and when required as dictated by the workload round any particular work scope (ie: not on a year round full time basis).

2.4.6 The Contractor shall work closely with SCOs as required to plan, manage and implement relevant work packages. The relationships between the Contractor and SCOs are identified as a critical success factor for through life support.

2.5 RFA CLUSTER SUPPORT TEAM (RFA CST)

2.5.1 The RFA CST shall be the collective support organisation comprising members from Commercially Supported Shipping and, where appropriate, include members of the SCO and/or service providers. Its principal role will be to undertake, direct and manage all support activities for the ships in that cluster in accordance with defined guidelines on a through-life basis. The CSTL shall report to RFASS Availability Manager.

2.5.2 The members of the RFA CST shall work together collaboratively to optimise all support activities in terms of the work undertaken and its timing, whilst continuing to achieve the stated outputs. The CST shall be given a delegated budget under the responsibility of the CSTL. The team composition shall depend on the size of the cluster, and may have responsibility for multiple clusters depending upon the results of the competition.

2.5.3 The RFA CST shall form the primary interface between CSS and its strategic supply base and, as such, becomes the supplier facing section of the organisation.

2.5.4 The RFA CST shall be located at the Ship Cluster Owners premises or other location mutually acceptable to both parties, and shall comprise members from RFASS, the SCO, Contractors and Ships' Staff as required.

2.5.5 Whilst it is accepted that the RFA CST location may not be the location that Non Fleet Time Support Maintenance is carried out, it is imperative that members of the RFACST are located alongside the vessel during such upkeep periods. It shall be the responsibility of each individual Contractor to provide for any movements and facilities required by them.

2.5.6 Its principal role shall be to direct and manage all support activity for the ships in that cluster within defined guidelines. Detailed Terms of Reference shall be agreed for this activity and provide a focal point for all functions.

2.5.7 The RFA CST shall be responsible for:

- (a) Controlling the Planned Maintenance agenda and operating the Maintenance Management System.
- (b) Cost Accounting - budgeting, forecast of out turn, etc.
- (c) Cost of Ownership - cost data, collection, recording and analysis
- (d) Configuration Control - managing a plant register, etc.
- (e) Risk Management - risk is to be proactively identified, shared and successfully managed
- (f) Managing Obsolescence

- (g) Upkeep Period Planning
- (h) Specification Production
- (i) Involvement in the PUMA process
- (j) Dealing with routine Class and MCA transactions
- (k) Focal Point for RFASS and the wider MOD. Dealing with routine matters with Fleet programmers and engineering staff
- (l) Performance Monitoring and Measurement
- (m) Co-ordinating Contractor involvement and attendance
- (n) Failure Data Management
- (o) Development and proactive use of innovation
- (p) Harnessing the skills and experience that exist within industry, RFASS and Navy Command (including ship's staff)
- (q) Focusing actual support spend on areas that shall have greatest effect in terms of increased safety, operational reliability and maintainability; allowing gain, in terms of Cost avoidance, to be quantified and shared
- (r) Optimising business processes as lessons are learnt; leading to refinement and increased efficiency; identification and elimination of all aspects that do not add value to the overall cluster.

2.5.8 The CST shall utilise the existing Maintenance Management System fitted to the Vessel as the primary maintenance planning tool and shall work together to decide the timing of each maintenance activity against the upkeep cycle and the ship's operational programme.

2.5.9 The CST shall undertake a Pre-Upkeep Material Assessment (PUMA) as required and shall be required to report the ship's material condition to Head of Commercially Supported Shipping on a regular basis.

2.5.10 The CST shall have no executive authority over the Ship's Staff; decisions taken by the CST, which involve tasking of Ship's Staff shall be executed through the Chief Engineer Officer and Commanding Officer only.

2.5.11 The SCO shall make provision for an office located at the SCO's premises or other location mutually acceptable, for the Cluster Support Team.

2.5.12 Whilst the CST requirements and procedures are predominately centred around the SCO/Commercially Supported Shipping the MFCs are considered a vital and important component and as such shall contribute towards them when appropriate and as required.

Schedule 1 - Annex D

CONTRACT MEETINGS

1. STRATEGIC CONTRACT MEETINGS

1.1 In accordance with the provisions of Clause 47 I (Contract Governance), the meeting hierarchy (Figure 1 below) shows the RFA and OSV Through Life Support Strategic Contract Meetings required for this Contract. Tables 1 and 2 detail the terms of reference, objectives, owner, attendees and frequency of the meetings.

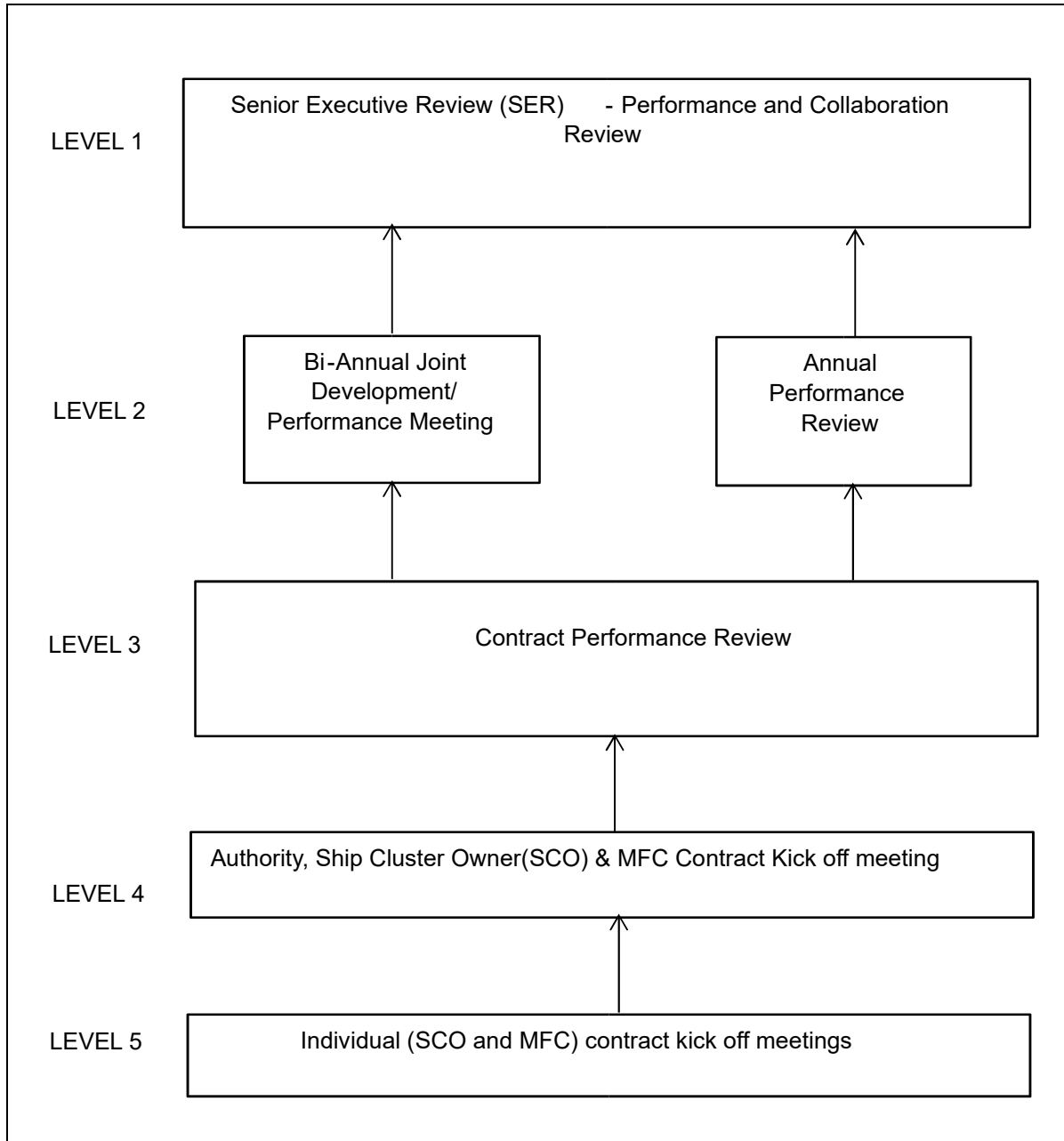


Figure 1: Hierarchy of Strategic Contract Meetings

Table 1: Strategic Contract Meeting Details

Level	Serial	Meeting Title	Purpose/Objective	Owner Key Attendance	Frequency Location
1	1.1	Senior Executive Review (SER) - Performance and Collaboration	Address and provide strategic direction and guidance regarding requirements, finance, performance & collaboration. Promote knowledge-sharing and best practice across all contracts.	Head of CSS CEO/MD of each Ship Cluster Owner (SCO) and Market Facing Contractor (MFC) CSS Senior Commercial representative	Annual SCO and MFC/ premises on rotation
2	2.1	Annual Performance Review	Provide a contract performance report for senior management review. Instigate any corrective action.	CSS Availability Lead CSS Waterfront team representative CSS Commercial representative MFC CEO CSS provided Meeting Secretary	Annual – end of month 12 (p/contract year) MFC premises
2	2.2	Bi-Annual Joint Development	Review: - Joint Development plans (incl. continuous improvement and cost reduction). -Relationship Maturity Matrix across all SCO and MFC contracts. Identify and exploit key learning opportunities and mitigate risks.	CSS Waterfront Leads CSS Availability representative SCO MFC Owners CSS Commercial representative ICSM CMT Facilitator Meeting Secretary	Bi-Annual – end of month 6 (p/contract year) SCO site
3	3.1	Contract Performance Review	Review contract performance (Programme progress, Safety, KPIs, risks, issues, opportunities and finance) in order to identify progress and areas for improvement and brief upwards as appropriate.	CSS Commercial representative CSS Waterfront representatives MFC representative Meeting Secretary	Quarterly (if required) Authority and MFC premises on rotation
4	4.1	Authority, SCO & MFC Contract Kickoff Meeting	To facilitate the initial meeting of the MFC, the Authority and each SCO to implement the transition plan and build the collaborative relationships.	CSS Availability Lead CSS Waterfront Leads CSS Commercial representative Each SCO and all MFC Owners FISS representatives	Within one month of contract placement SCO site

5	5.1	Individual Contract Kick-off meeting	To ensure that all parties understand the contract requirements and start to instigate the ways of working.	CSS Availability Lead Waterfront teams Commercial Each individual SCO and MFC owner	Within one month of contract placement SCO site
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1.2 The Contractor shall comply with the following Terms of Reference for the Strategic Contract Meetings required as part of this contract and in accordance with Clause 47 I (Contract Governance).

1.3 The Contractor shall note that the Authority reserves the right to amend Table 1 and 2 and these Terms of Reference.

1.4 The sequencing of the meetings will follow the dependencies shown in the hierarchy in Figure 1 to optimise the currency of management information

Table 2: Terms of Reference for Strategic Contract Meetings

Level	Serial	Meeting Title	Terms of Reference
3	3.1	Contract Performance Review	The purpose of the meeting is for the Authority to review the Contract Performance with the MFC, in order to identify issues, risks, agree corrective action and areas for improvement, and agree action plans moving forward. Data to be provided (the Contract Performance Review report) by the Supplier should be agreed with the Authority one week before the meeting. Data to be reviewed during the meeting includes (but is not limited to): • Planning (Master Schedule). • Progress / Performance against: ○ 1 and 5 Year Plan ○ RPs, DPs, AMPs, Taskings etc. • Development of future Project Work Packages ○ PUMAs ○ Specifications and Tasks • Financial Performance & Incentivisation • Performance (KPI report) ○ Score against each criteria aggregated to one overall marking for Contract performance • Risks, Issues and opportunities ○ Summary of Risks and Issues applicable to the MFC requirement. ○ Summary of those Risks and Issues that need resolving at the CSS Deputy Head, Availability and SCO level. • Health and Safety and Environmental • Review of jointly agreed action plan – updated monthly by the contractor to highlight future actions required to fulfil the Authority's requirement(s). Secretariat duties (meeting organisation, minute taking, capturing meeting actions, etc.) to be provided by the contractor.
2	2.2	Bi-annual Joint Development Meeting (Authority & MFC)	The purpose of this meeting is for the Authority to review progress against the Relationship Maturity Matrix and to undertake a strategic review of the Joint Development Activities & Cost Improvements Register. Data to be reviewed includes (but is not limited to): • Relationship Maturity Matrix • Joint Development Plan (which includes the continuous cost reduction plan) Secretariat duties (meeting organisation, minute taking, capturing meeting actions, etc.) to be provided by the contractor.

2	2.1	Annual Performance Review	The purpose of the Annual Performance Review is to provide a brief report on Contract performance during the previous Contract Year, and provide a documented status for management review. It provides an opportunity to review the data collected through the Contract Performance Reviews and Contract Performance Review reports to ensure the planned objectives are on course, or if necessary instigate appropriate corrective action. Content of the Annual Report: This will take a similar format to the Contract Performance Review report but will contain aggregated data showing overall performance of the contract in the 12 (twelve) month period. • Executive Summary ◦ Insert narrative to provide analysis of the results, highlighting any changes to the Contract over the 12 (twelve) months and to include comments on the plans moving forward. • Planning & Delivery • Summary showing achievement against planned milestones • Health & Safety (H&S) and Environmental • Companies to provide accident statistics data ◦ Discuss other H&S issues • Financial Performance • Output Performance (KPIs) a. Breakdown of aggregated monthly contract performance b. High level analysis of performance against model and narrative of actions moving forward. • Collaborative Working & Master Actions Log status • Relationships • Assessment of Relationship Maturity Matrix extracted from the Bi-annual Joint Development Meeting. • Corporate Social Responsibility ◦ Sustainable Procurement ◦ Sustainable Development • Risks, Issues and opportunities Secretariat duties (meeting organisation, minute taking, capturing meeting actions, etc.) to be provided by the contractor.
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1	1.1	Senior Executive Review (SER) - Performance and Collaboration	The Purpose of the Meeting is to provide a forum (akin to an Executive Board) for the Authority, the Market Facing Contractors (MFCs) and the Ship Cluster Owners (SCOs) to address the strategic requirements of the RFA and RN, which are to provide through life support to the Flotilla, at reduced cost, whilst maintaining or improving output. The purpose of the meeting is also to promote the sharing of knowledge and best practice. Data to be reviewed includes (but not limited to): • Monthly Benchmarking Dashboard (QCTCM RPIX & Commodities) • Joint Business Agreement data • Annual Performance Reports • Forward Upkeep Programme • Financial Status Secretariat duties (meeting organisation, minute taking, capturing meeting actions, etc.) to be provided by the Authority.
4	4.1	Authority, SCO & MFC Contract Kick-Off meeting	To facilitate the initial meeting of the MFCs, the Authority and the SCOs and to implement the transition plan, and agree processes and procedures leading up to the Commencement Date. These meetings will eventually migrate into the Contract Performance Review. Secretariat duties (meeting organisation, minute taking, capturing meeting actions, etc.) to be provided by the Authority.
5	5.1	Individual Contract Kickoff meeting	To ensure that all parties understand the contract requirements and start to instigate the ways of working.

Schedule 2

Schedule of Requirements

All prices must be £Sterling to two decimal places.

Line Item No.	Description	Total Quantity	Total Limit of Liability (£) Ex VAT
1	Year 1 of Classification, Survey and Design Appraisal Services in accordance with Schedules 1 and 2	N/A	
2	Year 2 of Classification, Survey and Design Appraisal Services in accordance with Schedules 1 and 2	N/A	
3	Year 3 of Classification, Survey and Design Appraisal Services in accordance with Schedules 1 and 2	N/A	
4	Year 4 of Classification, Survey and Design Appraisal Services in accordance with Schedules 1 and 2	N/A	
5	Year 5 of Classification, Survey and Design Appraisal Services in accordance with Schedules 1 and 2	N/A	
6	OPTION 1: Extension for Year 6 of Classification, Survey and Design Appraisal Services in accordance with Schedules 1 and 2	N/A	
7	OPTION 2: Extension for Year 7 of Classification, Survey and Design Appraisal Services in accordance with Schedules 1 and 2	N/A	
TOTAL CONTRACT VALUE			

Schedule 2 – Annex A**PRICING AND PAYMENT****SECTION 1 – TERMS AND CONDITIONS****1. PRICING**

1.1 The monies payable by the Authority for all work completed under the terms of this Contract shall be through a Firm Price arrangement pursuant to Schedule 2 Annex B (Schedule of Rates), Schedule 2 Annex C (Ship Emergency Response Service (SERS)), Schedule 2 Annex D (Provision of Classification Society Surveyors) and Schedule 4 (Project Work Package Tasking Form).

Variation on Volume

1.2 The Authority is not bound to place any Project Work Packages in any given period and does not guarantee the frequency or value of orders, nor that any orders will be placed.

1.3 In the event of an amendment by the Authority to a Project Work Package agreed price, the Authority shall pay for any work which has commenced under an agreed Project Work Package, but which has not been completed at the time of the amendment.

Variation of Requirement

1.4 In the event of a Classification Society product and/or requirement that is in addition to that within Schedule 2 Annex B (Schedule of Rates), then the Authority and the Contractor shall agree a Firm Price. The Authority reserves the right to include the Classification product within Schedule 4 Annex A (Schedule of Rates) at the agreed Firm Price. No work shall be put in hand without the prior agreement of the Authority.

Firm Price Arrangements

1.5 All work completed under this Contract shall be priced using the rates detailed at Schedule 2 Annex B (Schedule of Rates), Schedule 2 Annex C (Ship Emergency Response Service (SERS)) and Schedule 2 Annex D (Provision of Classification Society Surveyors). The rates detailed at Schedule 2 Annex B (Schedule of Rates), Schedule 2 Annex C (Ship Emergency Response Service (SERS)) and Schedule 2 Annex D (Provision of Classification Society Surveyors) are made up of Firm Prices for Years 1 to Year 3 and Fixed Prices for Years 4, 5 (and Option Years 6 and 7 if invoked) as per the Variation of Price clauses 1.7 to 1.14.

1.6 All prices quoted are:

- a. Exclusive of UK VAT in accordance with DEFCON 513;
- b. Inclusive of delivery of the service at the location stated within the Tasking Form;

Variation of Price (VOP)

1.7 The prices stated in the Schedule of Requirements for Years 4, 5 (and Option Years 6 and 7 if invoked) are FIXED at Year 1 price levels. The prices do not include provision beyond this date for increases or decreased in the market price of the Articles being purchased. Any such variation shall be calculated in accordance with the following formula:

$$V = P (O_i/O_0) - P$$

Where:

V represents the variation of price

P represents the FIRM price for Year 1 as stated in the Schedule of Requirements

O represents the index HSGG - SPPI INDEX OUTPUT DOMESTIC - M Professional, scientific and technical services

O₀ represents the 12 month average OUTPUT Price Index Figure for the base period (12 months before the Commencement Date to the Commencement Date).

O_i represents the average of index HSGG for the 4 most recently published index values for the contract year

1.8 The Index referred to in Clause 1.7 above shall be taken from the following Tables:

**OUTPUT Price Index – HSGG - SPPI INDEX OUTPUT DOMESTIC - M
Professional, scientific and technical services**

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

1.10 In the event the agreed index or indices cease to be published (e.g. because of a change in the Standard Industrial Classification) the Authority and the Contractor shall agree an appropriate replacement index or indices, which shall cover to the maximum extent possible the same economic

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

1.12 The Contractor shall notify the Authority of any significant changes in the purchasing / manufacturing plan on the basis of which these provisions were drawn up and agreed, or of any other factor having a material bearing on the operation of these provisions such as to cause a

significant divergence from their intended purpose, in order that both parties may consider whether any change in this provision would be appropriate.

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

1.14 Claims under this Condition shall be submitted to the Bill Paying Branch, certified to the effect that the requirements of this Clause 1.13 have been met.

Amendment to a Project Work Package

1.15 Where a Contract Change is agreed under Condition 6 (Formal Amendments to the Contract) or DEFCON 620 (Contract Change Control Procedure) and the Terms and Conditions of Contract, that requires a change in the Project Work Package Firm Price, these shall be incorporated by way of an amendment to Contract. Such changes to a Project Work Package Firm Price, as appropriate, shall use the rates detailed within Schedule 2.

2. PAYMENT PROVISIONS

General

2.1 The Authority shall, subject to and in accordance with the provisions of DEFCON 522 (Edn 04/25), Payment and Recovery of Sums Due, pay the Contractor the agreed Project Work Package Price in respect of each Project Work Package in accordance with the agreed Stage Payment Scheme or payment terms and the Contractor shall be entitled to claim such payment in accordance with: DEFCON 129J (Edn 18/11/16), The Use of the Electronic Business Delivery Form; DEFCON 522 (Edn 04/25), Payment and Recovery of Sums Due; and DEFCON 649 (Edn 12/16), Vesting.

Payment of Compensation Sums

2.2 If, under this Contract, the Authority is required to make payments to the Contractor, other than in respect of a Project Work Package, then Clause 2.3 below shall apply. Such instances may include:

- a. If a Compensation Event has occurred, any amounts payable to the Contractor other than by way of an adjustment to the agreed Project Work Package Price pursuant to Clause 47 h (Compensation Events) of the Terms and Conditions of Contract.
- b. If the Authority has confirmed a Notice of Change pursuant to Condition 6 (Formal Amendments to the Contract) or DEFCON 620 (Contract Change Control Procedure) any amounts payable to the Contractor other than by way of an adjustment to the agreed Project Work Package price pursuant to the Terms and Conditions of Contract and falling due within the previous month.

2.3 The Delivery Label shall be accompanied by a report (and all relevant evidence in accordance with Condition 17 (Contractor's Records) of the Terms and Conditions of Contract certified by the Contractor's Representative showing that such payments are due to the Contractor pursuant to this Contract.

Billing Process

- 2.4 Subject to Clauses 3 (Disputed Amounts) and 4 (Set Off: Disputed Sums) of this Schedule 2, the Authority shall, on or before the Relevant Day, pay the amount stated in any valid, properly completed claim for payment submitted to the Authority within 30 (thirty) calendar days.
- 2.5 All invoices must clearly state the Project Work Package reference, description of work and agreed price together with documentary evidence showing the Authority's certificate of completion. Failure to comply shall result in delay in the approval process and payment of the Contractor's invoice. The Authority shall not be responsible for any delayed payments in this instance.

Use of the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.

- 2.6 All invoices cleared for payment shall be processed through the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.

3. DISPUTED AMOUNTS

- 3.1 The Authority may withhold payment of any amount it believes the Contractor is not entitled to pursuant to this Contract, here on referred to as the "Disputed Amount", pending agreement or determination of the Contractor's entitlement in relation to the Disputed Amount, but shall pay any undisputed amounts on or before the Relevant Day, in accordance with DEFCON 522 (Edn 04/25), Payment and Recovery of Sums Due.
- 3.2 Within 5 (five) Business Days following receipt by the Contractor's Representative of any notice served by the Authority's Representative, the Contractor's Representative shall respond by notifying the Authority's Representative as to whether or not it agrees with the statements made in that notice and the grounds for such agreement or disagreement. If the Contractor indicates that it does agree, or if the Contractor's Representative fails to make such a response within that time limit, the Authority shall be entitled:
- a. to retain on a permanent basis any amounts withheld pursuant to Clause 3.1 above; and
 - b. to reclaim from the Contractor the amount of any over-payment which may have been made to the Contractor together with interest on any such amount at the Prescribed Rate calculated on a daily basis and compounded quarterly from the date on which the over-payment was made until that amount has been paid in full and whether before or after judgement.
- 3.3 If the Contractor's Representative responds pursuant to Clause 3.2 above that it does not agree with all or any of the statements made in any notice served by the Authority, the matter or matters in question shall be determined under the Dispute Resolution Procedure.
- 3.4 If the determination of any Dispute conducted pursuant to this Clause 3 shows that:
- a. the Authority has withheld any amount which the Contractor was entitled to be paid; or
 - b. the Contractor has claimed under DEFCON 522 (Edn 04/25) (Payment and Recovery of Sums Due) any amount which it was not entitled to be paid,

the Authority shall pay such withheld amount to the Contractor or the Contractor shall repay such wrongly claimed amount to the Authority (as the case may be) with interest in each case on that amount at the Prescribed Rate calculated on a daily basis and compounded quarterly from the date on which payment should have been made (in the case of failure to pay by the Authority) or from the date on which over payment was made (in the case of excessive claims by the Contractor) until all relevant monies have been paid in full and whether before or after judgement.

4. SET-OFF: DISPUTED SUMS

- 4.1 If the payment or deduction of any amount referred to in DEFCON 522 (Edn 04/25) (Payment and Recovery of Sums Due) is disputed, then any undisputed element of that amount shall be paid and the disputed element shall be dealt with in accordance with the Dispute Resolution Procedure.

5. EARNED VALUE MANAGEMENT (EVM)

- 5.1 The Contractor is to undertake Earned Value Management (EVM) as a part of its Project Management obligations under this Contract.
- 5.2 The Project Work Packages to which EVM will apply shall be agreed by both parties on a case by case basis. Those Project Work Packages that will qualify for consideration for use of EVM are either:
- a. longer than 3 (three) months in duration; and/or
 - b. anticipated to be above £100k (One Hundred Thousand Pounds) in value; and will be explicit to the Project Work Package in question.
- 5.3 Any agreement, in accordance with Clause 5.2, should be made before any such price is agreed upon, to allow the Contractor to factor in such requirements into their Project Work Package cost.
- 5.4 Any outputs from the Contractors EVM and financial and schedule management information system will be used to assess performance in conjunction with the KPIs at Schedule 11.

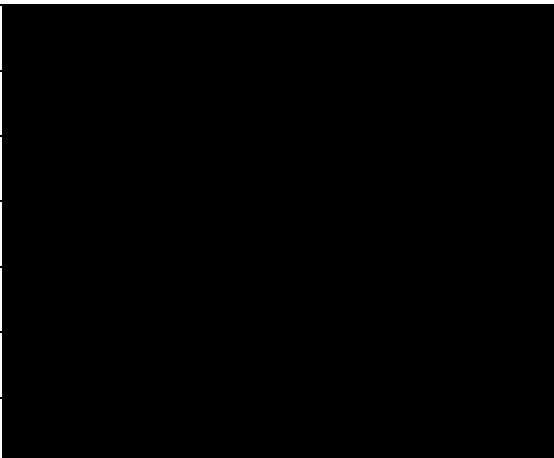
6. TRAVEL AND SUBSISTENCE RATES

- 6.1 Travel and Subsistence rates for the Contractor, its employees and Subcontractors, when required to travel/be accommodated when carrying out delivery of the Services away from the usual business place of work, are stated below.

Travel

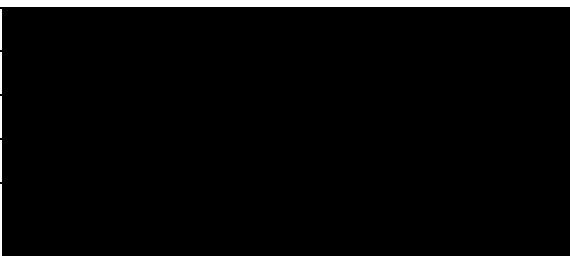
- 6.2 If personnel have been asked to travel to an event, and are clear that attendance is required, they are first to consider how to ensure best value for money in achieving the business output:
- a. Only those necessary to deliver should travel.
 - b. Investigate how you can maximise outcomes, eg: include multiple tasks.
 - c. Choose the best value for money means of transport, taking into account potential subsistence costs.

- d. Investigate whether you can share means of travel (car hire, taxi, private vehicle etc.) with the Authority, Supplier, or another MFC (if applicable).
- e. All staff will travel in Economy class for air, rail and other travel by public transport.
- f. Car: When using a private vehicle, fuel costs will be reimbursed according to the current MOD rates, as stated in the table below, and will update along with MOD guidance.

Up to 10000 miles	
Over 10000 miles	
Motorcycle allowance	
Bicycles	
Passenger supplement	
First passenger	
Second & additional passenger	

Subsistence

6.3 Subsistence covers the reimbursement of the necessary additional costs of working away from your normal place of work or home on official duty, (business travel), and is normally defined as meaning food, drink (excluding alcoholic beverages) and temporary living accommodation costs. Subsistence rates are as follows:

Over 5 hours	
Over 10 hours	
Over 12 hours	
Evening meal (overnight stay)	
Breakfast	

Reasonable accommodation expenses will be paid according to actual receipted costs. No alcohol may be claimed via subsistence by either Contractor or any tier of Subcontractor.

6.4 The above rates will be updated along with MOD policy.

SCHEDULE OF RATES

The rates set out in Annex B to Schedule 2 are FIRM/FIXED and are for global supply.

	Year 1 from 1 st October 2025 to 30 th September 2026							Year 2 from 1 st October 2026 to 30 September 2027						
	Firm Price £ (Ex VAT)							Firm Price £ (Ex VAT)						
	ARGUS	BAY CLASS	WAVE CLASS	HMS SCOTT	FORT VICTORIA	SVHO	TIDE CLASS	ARGUS	BAY CLASS	WAVE CLASS	HMS SCOTT	FORT VICTORIA	SVHO	TIDE CLASS
Annual Survey (AS)														
Intermediate Special Survey (Ship under 5 years of age).														
Intermediate Special Survey (Ship 5 years of age and not yet 10 years of age)														
Intermediate Special Survey (Ships 10 years of age and not yet 15 years of age)														
Intermediate Special Survey (Ships 15 years of age and over)														
Docking/In Water Survey (DS/IWS)														
Special Survey 1 (ship up to 5 years of age).														
Special Survey 2 (ship up to 10 years of age)														
Special Survey 3 (ship up to 15 years of age)														
Special Survey 4 (ship up to 20 years of age and subsequent special surveys)														
Laid Up Special Survey (Ship up to 5 years of age).														
Laid Up Special Survey (Ship 5 years of age and not yet 10 years of age)														
Laid Up Special Survey (Ships 10 years of age and not yet 15 years of age)														
Laid Up Special Survey (Ship up to 20 years of age and subsequent Laid Up Special Surveys)														
Laid Up Annual Survey (LUAS)														
Continuous Survey Hull (CSH) (per%) Special Survey 1 (ship up to 5 years of age).														
Continuous Survey Hull (CSH) (per%) Special Survey 2 (ship up to 10 years of age)														
Continuous Survey Hull (CSH) (per%) Special Survey 3 (ship up to 15 years of age)														
Continuous Survey Hull (CSH) (per%) Special Survey 4 (ship up to 20 years of age and subsequent)														
Continuous Survey Machinery (CSM) (per%)														
Domestic Boiler Survey (DBS 1)														
Domestic Boiler Survey (DBS 2)														
Domestic Boiler Survey (DBS 3)														
Auxiliary Boiler Survey (ABS 1)														
Auxiliary Boiler Survey (ABS 2)														
Thermal Oil Heater (TOH1)														
Thermal Oil Heater (TOH2)														
Electric Propelling Machinery														
Auxiliary Electrical														
Control														
DP Control System Complete Survey														
Tailshaft Survey (TS1)														
Tailshaft Survey (TS2)														
Directional Propeller (DIRP 1)														
Directional Propeller (DIRP 2)														

Directional Propeller (DIRP 3)	
IGS (when not held concurrently with AS)	
Watertight Integrity Annual (PLI Loadline Inspection)	
Watertight Integrity Renewal (PLR Loadline Renewal)	
Radio Periodical (RTP)	
Radio Renewal	
MARPOL I (Oil) Annual (MOAH)	
MARPOL I (Oil) Renewal (MORH)	
MARPOL VI (Air) Annual (MAAH)	
MARPOL VI (Air) Renewal (MARH)	
MARPOL IV (Sewage) Renewal (MSRH)	
Safety Construction Renewal (SAFCON)	
Safety Equipment Annual (SEAH)	
Safety Equipment Renewal (SERH)	
Lifting Appliances (ILO 152) Statutory Annual TE	
Lifting Appliances (ILO 152) Statutory Renewal TE Including Testing	
Classed Lifting Appliances (LAAS) Annual TE	
Classed Lifting Appliances (LAQS) Renewal TE Including Testing	
Steam Pipe Survey	
Special Purpose Ships SPS Code Annual	
Special Purpose Ships SPS Code Renewal	
Ballast Water (BWA, BWI & BWR)	
Inventory of Hazardous Materials (HMA, HMR & HMNR)	
Environmental Protection Notation Survey (ECAS, ECCR, ENAS, ENCR, EPAS, EPCR, GPCR, GPCI, GPCA, GPAA)	
Dangerous Goods Annual, Intermediate or Renewal Survey	
Naval Specific Requirements for Structures (STRR)	
Naval Specific Requirements for Stability (STBR)	
Naval Specific Requirements for Escape and Evacuation (EERR, EERA)	
Refrigeration Survey – Annual Survey	
Refrigeration Survey – Renewal Survey	
Hourly Rate for Lifting Appliances when requested on exception	
Hourly Rate for damage, repairs, meetings, COC/Repairs/SEM/MCHY/POLM and other activity	

	Year 3 1 st October 2027 to 30 September 2028							Year 4 from 1 st October 2028 to 30 September 2029						
	Firm Price £ (Ex VAT)							Fixed Price in accordance with Schedule 2 Annex A VOP £ (Ex VAT)						
	ARGUS	BAY CLASS	WAVE CLASS	HMS SCOTT	FORT VICTORIA	SVHO	TIDE CLASS	ARGUS	BAY CLASS	WAVE CLASS	HMS SCOTT	FORT VICTORIA	SVHO	TIDE CLASS
Annual Survey (AS)														
Intermediate Special Survey (Ship under 5 years of age).														
Intermediate Special Survey (Ship 5 years of age and not yet 10 years of age)														
Intermediate Special Survey (Ships 10 years of age and not yet 15 years of age)														
Intermediate Special Survey (Ships 15 years of age and over)														
Docking/In Water Survey (DS/IWS)														
Special Survey 1 (ship up to 5 years of age).														
Special Survey 2 (ship up to 10 years of age)														
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Tailshaft Survey (TS2)														
Directional Propeller (DIRP 1)														
Directional Propeller (DIRP 2)														
Directional Propeller (DIRP 3)														
IGS (when not held concurrently with AS)														

Watertight Integrity Annual (PLI Loadline Inspection)							
Watertight Integrity Renewal (PLR Loadline Renewal)							
Radio Periodical (RTP)							
Radio Renewal							
MARPOL I (Oil) Annual (MOAH)							
MARPOL I (Oil) Renewal (MORH)							
MARPOL VI (Air) Annual (MAAH)							
MARPOL VI (Air) Renewal (MARH)							
MARPOL IV (Sewage) Renewal (MSRH)							
Safety Construction Renewal (SAFCON)							
Safety Equipment Annual (SEAH)							
Safety Equipment Renewal (SERH)							
Lifting Appliances (ILO 152) Statutory Annual TE							
Lifting Appliances (ILO 152) Statutory Renewal TE Including Testing							
Classed Lifting Appliances (LAAS) Annual TE							
Classed Lifting Appliances (LAQS) Renewal TE Including Testing							
Steam Pipe Survey							
Special Purpose Ships SPS Code Annual							
Special Purpose Ships SPS Code Renewal							
Ballast Water (BWA, BWI & BWR)							
Inventory of Hazardous Materials (HMA, HMR & HMNR)							
Environmental Protection Notation Survey (ECAS, ECCR, ENAS, ENCR, EPAS, EPCR, GPCR, GPCI, GPCA, GPAA)							
Dangerous Goods Annual, Intermediate or Renewal Survey							
Naval Specific Requirements for Structures (STRR)							
Naval Specific Requirements for Stability (STBR)							
Naval Specific Requirements for Escape and Evacuation (EERR, EERA)							
Refrigeration Survey – Annual Survey							
Refrigeration Survey – Renewal Survey							
Hourly Rate for Lifting Appliances when requested on exception							
Hourly Rate for damage, repairs, meetings, COC/Repairs/SEM/MCHY/POLM and other activity							

	Year 5 1 st October 2029 to 30 September 2030						
	Fixed Price in accordance with Schedule 2 Annex A VOP £ (Ex VAT)						
	ARGUS	BAY CLASS	WAVE CLASS	HMS SCOTT	FORT VICTORIA	SVHO	TIDE CLASS
Annual Survey (AS)							
Intermediate Special Survey (Ship under 5 years of age)							
Intermediate Special Survey (Ship 5 years of age and not yet 10 years of age)							
Intermediate Special Survey (Ships 10 years of age and not yet 15 years of age)							
Intermediate Special Survey (Ships 15 years of age and over)							
Docking/In Water Survey (DS/IWS)							
Special Survey 1 (ship up to 5 years of age).							
Special Survey 2 (ship up to 10 years of age)							
Special Survey 3 (ship up to 15 years of age)							
Special Survey 4 (ship up to 20 years of age and subsequent special surveys)							
Laid Up Special Survey (Ship up to 5 years of age).							
Laid Up Special Survey (Ship 5 years of age and not yet 10 years of age)							
Laid Up Special Survey (Ships 10 years of age and not yet 15 years of age)							
Laid Up Special Survey (Ship up to 20 years of age and subsequent Laid Up Special Surveys)							
Laid Up Annual Survey (LUAS)							
Continuous Survey Hull (CSH) (per%) Special Survey 1 (ship up to 5 years of age).							
Continuous Survey Hull (CSH) (per%) Special Survey 2 (ship up to 10 years of age)							
Continuous Survey Hull (CSH) (per%) Special Survey 3 (ship up to 15 years of age)							
Continuous Survey Hull (CSH) (per%) Special Survey 4 (ship up to 20 years of age and subsequent)							
Continuous Survey Machinery (CSM) (per%)							
Domestic Boiler Survey (DBS 1)							
Domestic Boiler Survey (DBS 2)							
Domestic Boiler Survey (DBS 3)							
Auxiliary Boiler Survey (ABS 1)							
Auxiliary Boiler Survey (ABS 2)							
Thermal Oil Heater (TOH1)							
Thermal Oil Heater (TOH2)							
Electric Propelling Machinery							
Auxiliary Electrical							
Control							
DP Control System Complete Survey							
Tailshaft Survey (TS1)							
Tailshaft Survey (TS2)							
Directional Propeller (DIRP 1)							
Directional Propeller (DIRP 2)							
Directional Propeller (DIRP 3)							
IGS (when not held concurrently with AS)							
Watertight Integrity Annual (PLI Loadline Inspection)							
Watertight Integrity Renewal (PLR Loadline Renewal)							

Radio Periodical (RTP)							
Radio Renewal							
MARPOL I (Oil) Annual (MOAH)							
MARPOL I (Oil) Renewal (MORH)							
MARPOL VI (Air) Annual (MAAH)							
MARPOL VI (Air) Renewal (MARH)							
MARPOL IV (Sewage) Renewal (MSRH)							
Safety Construction Renewal (SAFCON)							
Safety Equipment Annual (SEAH)							
Safety Equipment Renewal (SERH)							
Lifting Appliances (ILO 152) Statutory Annual TE							
Lifting Appliances (ILO 152) Statutory Renewal TE Including Testing							
Classed Lifting Appliances (LAAS) Annual TE							
Classed Lifting Appliances (LAQS) Renewal TE Including Testing							
Steam Pipe Survey							
Special Purpose Ships SPS Code Annual							
Special Purpose Ships SPS Code Renewal							
Ballast Water (BWA, BWI & BWR)							
Inventory of Hazardous Materials (HMA, HMR & HMNR)							
Environmental Protection Notation Survey (ECAS, ECCR, ENAS, ENCR, EPAS, EPCR, GPCR, GPCI, GPCA, GPAA)							
Dangerous Goods Annual, Intermediate or Renewal Survey							
Naval Specific Requirements for Structures (STRR)							
Naval Specific Requirements for Stability (STBR)							
Naval Specific Requirements for Escape and Evacuation (EERR, EERA)							
Refrigeration Survey – Annual Survey							
Refrigeration Survey – Renewal Survey							
Hourly Rate for Lifting Appliances when requested on exception							
Hourly Rate for damage, repairs, meetings, COC/Repairs/SEM/MCHY/POLM and other activity							

	OPTION Year 6 1 st October 2030 to 30 September 2031 Subject to Option being invoked by the Authority via a Contract Amendment							OPTION Year 7 from 1 st October 2031 to 30 September 2032 Subject to Option being invoked by the Authority via a Contract Amendment						
	Fixed Price in accordance with Schedule 2 Annex A VOP £ (Ex VAT)							Fixed Price in accordance with Schedule 2 Annex A VOP £ (Ex VAT)						
	ARGUS	BAY CLASS	WAVE CLASS	HMS SCOTT	FORT VICTORIA	SVHO	TIDE CLASS	ARGUS	BAY CLASS	WAVE CLASS	HMS SCOTT	FORT VICTORIA	SVHO	TIDE CLASS
Annual Survey (AS)														
Intermediate Special Survey (Ship under 5 years of age).														
Intermediate Special Survey (Ship 5 years of age and not yet 10 years of age)														
Intermediate Special Survey (Ships 10 years of age and not yet 15 years of age)														
Intermediate Special Survey (Ships 15 years of age and over)														
Docking/In Water Survey (DS/IWS)														
Special Survey 1 (ship up to 5 years of age).														
Special Survey 2 (ship up to 10 years of age)														
Special Survey 3 (ship up to 15 years of age)														
Special Survey 4 (ship up to 20 years of age and subsequent special surveys)														
Laid Up Special Survey (Ship up to 5 years of age).														
Laid Up Special Survey (Ship 5 years of age and not yet 10 years of age)														
Laid Up Special Survey (Ships 10 years of age and not yet 15 years of age)														
Laid Up Special Survey (Ship up to 20 years of age and subsequent Laid Up Special Surveys)														
Laid Up Annual Survey (LUAS)														
Continuous Survey Hull (CSH) (per%) Special Survey 1 (ship up to 5 years of age).														
Continuous Survey Hull (CSH) (per%) Special Survey 2 (ship up to 10 years of age)														
Continuous Survey Hull (CSH) (per%) Special Survey 3 (ship up to 15 years of age)														
Continuous Survey Hull (CSH) (per%) Special Survey 4 (ship up to 20 years of age and subsequent)														
Continuous Survey Machinery (CSM) (per%)														
Domestic Boiler Survey (DBS 1)														
Domestic Boiler Survey (DBS 2)														
Domestic Boiler Survey (DBS 3)														
Auxiliary Boiler Survey (ABS 1)														
Auxiliary Boiler Survey (ABS 2)														
Thermal Oil Heater (TOH1)														
Thermal Oil Heater (TOH2)														
Electric Propelling Machinery														
Auxiliary Electrical														
Control														
DP Control System Complete Survey														
Tailshaft Survey (TS1)														
Tailshaft Survey (TS2)														
Directional Propeller (DIRP 1)														
Directional Propeller (DIRP 2)														

Directional Propeller (DIRP 3)														
IGS (when not held concurrently with AS)														
Watertight Integrity Annual (PLI Loadline Inspection)														
Watertight Integrity Renewal (PLR Loadline Renewal)														
Radio Periodical (RTP)														
Radio Renewal														
MARPOL I (Oil) Annual (MOAH)														
MARPOL I (Oil) Renewal (MORH)														
MARPOL VI (Air) Annual (MAAH)														
MARPOL VI (Air) Renewal (MARH)														
MARPOL IV (Sewage) Renewal (MSRH)														
Safety Construction Renewal (SAFCON)														
Safety Equipment Annual (SEAH)														
Safety Equipment Renewal (SERH)														
Lifting Appliances (ILO 152) Statutory Annual TE														
Lifting Appliances (ILO 152) Statutory Renewal TE Including Testing														
Classed Lifting Appliances (LAAS) Annual TE														
Classed Lifting Appliances (LAQS) Renewal TE Including Testing														
Steam Pipe Survey														
Special Purpose Ships SPS Code Annual														
Special Purpose Ships SPS Code Renewal														
Ballast Water (BWA, BWI & BWR)														
Inventory of Hazardous Materials (HMA, HMR & HMNR)														
Environmental Protection Notation Survey (ECAS, ECCR, ENAS, ENCR, EPAS, EPCR, GPCR, GPCI, GPCA, GPAA)														
Dangerous Goods Annual, Intermediate or Renewal Survey														
Naval Specific Requirements for Structures (STRR)														
Naval Specific Requirements for Stability (STBR)														
Naval Specific Requirements for Escape and Evacuation (EERR, EERA)														
Refrigeration Survey – Annual Survey														
Refrigeration Survey – Renewal Survey														
Hourly Rate for Lifting Appliances when requested on exception														
Hourly Rate for damage, repairs, meetings, COC/Repairs/SEM/MCHY/POLM and other activity														

SHIP EMERGENCY RESPONSE SERVICE (SERS)

Table A - Provision of Annual Subscription to Lloyd's SERS

Note: the rates in the following tables shall run in Contract Years to 30th September each year.

SHIP EMERGENCY RESPONSE SERVICE (SERS) - Annual Subscription Fees									
Note: These rates shall run from 1st January to 31st December each year unless otherwise specified.									
<u>Ship Name</u>	<u>LR Number</u>	<u>Lead/Sister Ship</u>	<u>2026</u> £ (Ex VAT)	<u>2027</u> £ (Ex VAT)	<u>2028</u> £ (Ex VAT)	<u>2029 (VOP)</u> £ (Ex VAT)	<u>2030 (VOP)</u> £ (Ex VAT)	<u>2031 (VOP)</u> £ (Ex VAT)	<u>2032 (VOP)</u> £ (Ex VAT)
ARGUS	7822550	Lead						Subject to being invoked by contract amendment	Subject to being invoked by contract amendment
CARDIGAN BAY	9240782	Sister							
ECHO	9079456	Lead							
ENTERPRISE	9234020	Sister							
LYME BAY	9240768	Sister							
MOUNTS BAY	9240770	Sister							
FORT VICTORIA	8606032	Lead							
TIDESPRING	9655535	Lead							
TIDERACE	9655547	Sister							
TIDESURGE	9655559	Sister							
TIDEFORCE	9655561	Sister							
SCOTT	9127289	Lead							
WAVE KNIGHT	9232175	Lead							
WAVE RULER	9232199	Sister							
PROTEUS	N/A	Lead							
STIRLING CASTLE	N/A	Lead							

Table B - SHIP EMERGENCY RESPONSE SERVICE (SERS) – Service Rates

<u>Description</u>	<u>Year 1</u> <u>Firm Price</u> £ (Ex VAT)	<u>Year 2</u> <u>Firm Price</u> £ (Ex VAT)	<u>Year 3</u> <u>Firm Price</u> £ (Ex VAT)	<u>Year 4</u> <u>Fixed Price</u> £ (Ex VAT)	<u>Year 5</u> <u>Fixed Price</u> £ (Ex VAT)	<u>Option Year 6</u> £ (Ex VAT)	<u>Option Year 7</u> £ (Ex VAT)
Carry out adjustments to the Ship Database to take account of changes to the structure etc. of each vessel as the arise for the years						Subject to Option being invoked by the Authority via a Contract Amendment	Subject to Option being invoked by the Authority via a Contract Amendment
Provision of ONE SERS exercise as required for the years							
Provision of ONE SERS Training Course as required for the years							
Provision of Ship Emergency Response Service							
Per man-hour during UK office hours i.e. 09.00 to 17.00 hrs Monday to Friday (except Public holidays)							
Per man-hour on working days outside UK Office hours (i.e. 17.00 to 09.00 hrs Monday to Friday)							
Per man-hour on weekend days and UK Public Holidays							

NOTE: Prices for other courses :
Class and Statutory Course [REDACTED] per delegate for a 3 day course
Naval Courses (price per delegate): [REDACTED]
Prices for additional bespoke training courses are available on application and will be dependent on the authority's training requirement.

Provision of Classification Society Surveyors

FIRM HOURLY RATES (£) (Ex VAT)

FIRM HOURLY RATES (£) (Ex VAT)						
	GRADE				CALCULATION FACTOR	
YEAR	ADVISORY SERVICES SPECIALIST	CLASS SURVEYOR/ SPECIALIST	ADMINISTRATIVE	SURVEYOR/SPECIALIST AT SEA DAILY RATE	WEEKEND RATE	BANK HOLIDAY RATE
Year 1 - from Contract Award to 30th September 2026					1.5 x STANDARD HOURLY RATE	1.5 x STANDARD HOURLY RATE
Year 2 - from 1st October 2026 to 30 September 2027					1.5 x STANDARD HOURLY RATE	1.5 x STANDARD HOURLY RATE
Year 3 - 1st October 2027 to 30 September 2028					1.5 x STANDARD HOURLY RATE	1.5 x STANDARD HOURLY RATE
Year 4 - from 1st October 2028 to 30 September 2029 (VOP)					1.5 x STANDARD HOURLY RATE	1.5 x STANDARD HOURLY RATE
Year 5 - 1st October 2029 to 30 September 2030 (VOP)					1.5 x STANDARD HOURLY RATE	1.5 x STANDARD HOURLY RATE
OPTION Year 6 1st October 2030 to 30 September 2031 Subject to Option being invoked by the Authority via a Contract Amendment (VOP)					1.5 x STANDARD HOURLY RATE	1.5 x STANDARD HOURLY RATE
OPTION Year 7 from 1st October 2031 to 30 September 2032 Subject to Option being invoked by the Authority via a Contract Amendment (VOP)					1.5 x STANDARD HOURLY RATE	1.5 x STANDARD HOURLY RATE

NOTES:

1. All rates in this table are in pounds sterling and run from 1st October to 30 September each year.
2. Individual non-surveying tasks will be quoted for using the above rates on a case by case basis.
3. Normal daily rates apply between 0900 and 1700 Monday to Friday inclusive. Weekends, Bank holidays and work conducted outside of normal working hours or whilst at sea will be subject to the rates as defined above.
4. Travel to and from specified Vessel included in survey price, except where Vessel is offshore or outside the normal coverage of the local Lloyds Register office, (within one hour of travel time in total) in which case the mileage rates at paragraph 6.2 shall apply.

Annex E to Schedule 2

Overseas Supplement

Country / Area	Percentage Supplement*
Australia	
Bahrain	
Canada	
Chile	
Curacao	
France	
Germany	
Greece & Cyprus	
Italy	
Japan	
Kuwait	
New Zealand	
Norway	
Oman	
Panama	
Saudi Arabia	
Singapore	
Spain (Inc. Gibraltar)	
Sweden	
Trinidad	
Turkey	
UAE	
USA (and associated areas)	

NOTES:

1. A listed % supplement will be applied to both fixed price and hourly rates to account for the different cost rates of LR surveyor resources in those countries.
2. Any country not listed above will be advised at the time of quotation (supplement will not exceed 19%).

Schedule 3

Contract Data Sheet

General Conditions
Condition 2 – Duration of Contract: The Contract expiry date shall be: 30th September 2030
Condition 4 – Governing Law: Contract to be governed and construed in accordance with: English Law Solicitors or other persons based in England and Wales (or Scotland if Scots Law applies) irrevocably appointed for Contractors without a place of business in England (or Scotland, if Scots Law applies) in accordance with clause 4.g (if applicable) are as follows: Solicitors Appointed: _____
Condition 7 – Authority's Representatives: The Authority's Representatives for the Contract are as follows: Commercial: As per Annex A to Schedule 3 (DEFFORM 111) Project Manager: As per Annex A to Schedule 3) (DEFFORM 111)
Condition 18 – Notices: Notices served under the Contract shall be sent to the following address: Authority: [REDACTED] (as per Annex A to Schedule 3 (DEFFORM 111)) Contractor: [REDACTED]

Notices can be sent by electronic mail?

Yes

Condition 19.a – Progress Meetings:

The Contractor shall be required to attend the following meetings:

Progress Meetings Details: Quarterly_____

Governance Meetings: Senior Executive and Joint Development Reviews in accordance with Schedule 1 Annex D (Contract Meetings)

Condition 19.b – Progress Reports:

The Contractor is required to submit the following Reports:

Progress Reports: Quarterly – 10 days prior to the Quarterly Progress Meeting

Reports shall be Delivered to the following address:

██████████ and the Authority's Project Manager

Supply of Contractor Deliverables

Condition 20 – Quality Assurance:

Is a Deliverable Quality Plan required for this Contract?

Yes

If yes:

A Deliverable Quality Plan is required in accordance with DEFCON 602A (SC2)

A Deliverable Quality Plan with additional Quality Assurance Information is required in accordance with DEFCON 602A (SC2)

If required, the Deliverable Quality Plan and/or Deliverable Quality Plan with Assurance Information must be delivered to the Authority (Quality) within 30 Business Days of Contract Award.

Other Quality Requirements:

In accordance with the SOTR at Annex A

Condition 21 – Marking of Contractor Deliverables:

Special Marking requirements: N/A

[]

Condition 24 - Supply of Data for Hazardous Substances, Mixtures and Articles in Contractor Deliverables:

A completed Schedule 7 (Hazardous and Non-Hazardous Substances, Mixture or Articles Statement), and if applicable, UK REACH compliant Safety Data Sheet(s) are to be provided by e-mail with attachments in Adobe PDF or MS WORD format to:

a) The Authority's Representative (Commercial)

b) Defence Safety Authority – [REDACTED]

to be Delivered no later than one (1) month prior to the Delivery Date for the Contract Deliverable or by the following date: []

Condition 25 – Timber and Wood-Derived Products:

A completed Schedule 9 (Timber and Wood-Derived Products Supplied under the Contract: Data Requirements) is to be provided by e-mail with attachments in Adobe PDF or MS WORD format to the Authority's Representative (Commercial)

to be Delivered by the following date: []

Condition 26 – Certificate of Conformity:

Is a Certificate of Conformity required for this Contract?

No

Applicable to Line Items: []

If required, does the Contractor Deliverables require traceability throughout the supply chain?

No

Applicable to Line Items: []

Condition 28.b – Delivery by the Contractor:

The following Line Items are to be Delivered by the Contractor:

[]

Special Delivery Instructions:

Each consignment is to be accompanied by a DEFFORM 129J.

Condition 28.c - Collection by the Authority:

The following Line Items are to be Collected by the Authority:

[]

Special Delivery Instructions:

[]

Each consignment is to be accompanied by a DEFFORM 129J.

Consignor details (in accordance with Condition 28.c.(4)):

Line Items: [] Address: []

] Line Items: [] Address: []

]]

Consignee details (in accordance with condition 22):

Line Items: [] Address: []

Line Items: [] Address: []

Condition 30 – Rejection:

The default time limit for rejection of the Contractor Deliverables is thirty (30) days unless otherwise specified here:

The time limit for rejection shall be [] Business Days.

Condition 32 – Self-to-Self Delivery:

Self-to-Self Delivery required? (delete as appropriate)

No

If required, Delivery address applicable:

[]

Pricing and Payment

Condition 35 – Contract Price:

All Schedule 2 line items shall be FIRM Price other than those stated below:

Line Items []

Clause 46. [] refers

Termination

Condition 42 – Termination for Convenience:

The Notice period for terminating the Contract shall be twenty (20) days unless otherwise specified here:

The Notice period for termination shall be [] Business Days

Other Addresses and Other Information (*forms and publications addresses and official use information*)

See Annex A to Schedule 3 (DEFFORM 111)

Appendix - Addresses and Other Information

1. Commercial Officer

Name: [REDACTED]

Address: Birch 2b, MOD Abbey Wood, Bristol, BS34 8JH

Email: [REDACTED]

2. Project Manager, Equipment Support Manager or PT Leader (from whom technical information is available)

Name: [REDACTED]

Address: [REDACTED] MOD Abbey Wood, Bristol, BS34 8JH

Email: [REDACTED]

3. Packaging Design Authority

Organisation & point of contact:

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



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

Branch/Name:

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



(b) U.I.N.

5. Drawings/Specifications are available from

Authority's Project Manager above

6. Intentionally Blank

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
☎ [REDACTED]

9. Consignment Instructions

The items are to be consigned as follows:

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 ☎ [REDACTED]

EXPORTS ☎ [REDACTED]

Surface Freight Centre

IMPORTS ☎ [REDACTED]

EXPORTS ☎ [REDACTED]

B. JSCS

JSCS Helpdesk No. [REDACTED] (select option 2, then option 3)

JSCS Fax No. [REDACTED]

Users requiring an account to use the MOD Freight Collection Service should contact [REDACTED] in the first instance.

11. The Invoice Paying Authority

Ministry of Defence



DBS Finance

Walker House, Exchange Flags

Fax: [REDACTED]

Liverpool, L2 3YL

Website is:

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

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:

Leidos-FormsPublications@teamleidos.mod.uk

7. Quality Assurance Representative:

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

Commercial staff are reminded that all Quality Assurance requirements should be listed under the General Contract Conditions.

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

*** NOTE**

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

<https://www.kid.mod.uk/maincontent/business/commercial/index.htm>

2. If the required forms or documentation are not available on the MOD Internet site requests should be submitted through the Commercial Officer named in Section 1.

PROJECT WORK PACKAGE TASKING FORM**Section 1****RFA PROJECT WORK PACKAGE TASKING FORM - CONTRACT 713713451**

Ship Name		Contractor name and Task No.	
RFA Reference			
Sponsor		Priority (delete as applicable)	

PART A – PROPOSAL (The Authority)
<u>Task Title</u>
<u>Task Description</u>
<u>Deliverables</u>
Signature: Name (Block Capitals): Post: Date:

Note: If a Project Work Package requires the Contractor to provide goods and services, please use two Tasking Forms, one for goods and one for services.

Your quotation should be in the form of a full price breakdown, including: No. of days or hours of work required, associated activity and anything else contributing to your final quoted price.

This is not an instruction to proceed and nothing in this letter constitutes acceptance. No work shall commence on this task until authorisation has been given at part C.

PART B – RESPONSE (Contractor)
Firm Price -

This firm price quotation has been built up using rates as stated in the contract.

Description
Our Price is Built Up as Follows:
Firm Completion Date
Scope of Work
Deliverables

Signature:

Name (Block Capitals):

Post:

Date:

Note: No work is to be put in hand until authorised to do so by RFA Commercial of the DE&S (the Authority).

RFA PROJECT WORK PACKAGE TASKING FORM - CONTRACT 713713451**PART C – APPROVALS FOR WORK UNDER TASK TO PROCEED (The Authority)****PROJECT APPROVAL FOR WORK UNDER TASK TO PROCEED (The Authority)**

The time-scale and level of work reported in the Contractor's quote are acceptable for this task.

A completion date of is therefore appropriate for this task.

Project Management approval is hereby given for this task to proceed at a Firm price of:

Authorisation and financial approval for this Task Form has been made via CP&F.

Signature: Name (Block Capitals):

Post: Date:

FINANCE APPROVAL FOR WORK UNDER TASK TO PROCEED (The Authority)**Financial officer:**

Lloyd's Register EMEA is hereby authorised to proceed with this Task as at Part A above, at the Price and Delivery timescales identified at Part B above of £_____, in accordance with the Terms and Conditions of Contract 713713451.

Requisition:	UIN:	RAC:	VAT Code:
LPC:			

Signature: Name (Block Capitals):

Post: Date:

COMMERCIAL APPROVAL FOR WORK UNDER TASK TO PROCEED (The Authority)**Commercial Officer:**

Lloyd's Register EMEA is hereby authorised to proceed with this Task as at Part A above, at the Price and Delivery timescales identified at Part B above of £_____, in accordance with the Terms and Conditions of Contract 713713451.

Signature: Name (Block Capitals):

Post: Date:.....

Please Note: No work is authorised, or to be put in hand, without the full completion of Part B and C above.

REQUIRED INSURANCES

1. Pursuant to Condition 46 b of the Contract, the Contractor is required to have the insurances set out in the Appendix to this Schedule 5 in place from the date this Contract is awarded. The insurance policies shall be in place for the duration of the Contract.

THIRD PARTY PUBLIC & PRODUCTS LIABILITY INSURANCE**1.1 Insured**

1.1.1 The Contractor.

1.2 Interest

1.2.1 To indemnify the Insured in respect of all sums that the Insured may become legally liable to pay as damages (including claimants' costs and expenses) in respect of accidental:

1.2.1.1 death or bodily injury to, or sickness, loss of sight, anguish or shock whether mental or otherwise, or illness or disease contracted by any person;

1.2.1.2 loss of or damage to property;

happening during the period of insurance (as set out below in paragraph 1.5 below) and arising out of or in connection with the Contract.

1.3 Limit of indemnity

1.3.1 Not less than ten million pounds (£10,000,000) in respect of any one occurrence, the number of occurrences being unlimited in any annual policy period, but ten million pounds (£10,000,000) for any one occurrence and in the aggregate per annum in respect of products and pollution liability.

1.4 Territorial limits

1.4.1 Worldwide.

1.5 Period of insurance

1.5.1 From the date of the Contract for the duration of the Contract and renewable on an annual basis unless agreed otherwise with the Authority.

1.6 Cover features and extensions

1.6.1 NOT USED.

1.6.2 NOT USED.

1.6.3 Legal defence costs in addition to the limit.

1.6.4 Indemnity to principals clause or additional insured equivalent under which the Authority shall be indemnified in respect of claims made against the Authority arising from death or bodily injury and/or third party property damage for which the Contractor is legally liable under this Contract.

1.7 Principal exclusions

1.7.1 Nuclear/radioactive risks.

1.7.2 War and related perils.

- 1.7.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured arising out of the course of their employment.
- 1.7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicles.
- 1.7.5 Liability in respect of predetermined penalties or liquidated damages imposed under the Contract entered into by the Insured.
- 1.7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.
- 1.7.7 Liability arising from the ownership, possession or use of any aircraft or marine vessel.
- 1.7.8 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.
- 1.7.9 Cyber liability.

1.8 Maximum deductible threshold

- 1.8.1 Not to exceed [£5000 Five Thousand] each occurrence in respect of loss of or damage to third party property. Personal injury claims to be paid in full.

2. PROFESSIONAL INDEMNITY INSURANCE

2.1 Insured

- 2.1.1 The Contractor.

2.2 Interest

- 2.2.1 To indemnify the Insured for all sums which the Insured shall become legally liable to pay (including claimants costs and expenses) as a result of any claim or claims first made against the Insured during the period of insurance (in paragraph 2.5 below) by reason of any act, error and/or omission arising from the conduct and execution of the Contractor's professional activities and duties or in connection with the Contract.

2.3 Limit of indemnity

- 2.3.1 Not less than ten million pounds (£10,000,000) in respect of any one occurrence and in the aggregate per annum.

2.4 Territorial limits

- 2.4.1 Worldwide.

2.5 Period of insurance

- 2.5.1 From the date of the Contract for the duration of the Contract Period and renewable on an annual basis unless otherwise agreed with the Authority and a period of 6 (six) years following the Expiry Date or the Termination Date, whichever occurs earlier.

2.6 Cover features and extensions

2.6.1 In respect of any cover provided on a claims made policy wording retroactive cover from the date of the Contract.

2.7 Principal exclusions

2.7.1 Nuclear/radioactive risks.

2.7.2 War and related perils.

2.7.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured arising out of the course of their employment.

2.7.4 Liability arising out of the use of mechanical propelled vehicles which required to be compulsorily insured by legislation in respect of such vehicles.

2.7.5 Liability in respect of predetermined penalties or liquidated damages imposed under the Agreement entered into by the Insured.

2.8 Maximum deductible threshold

2.8.1 Not to exceed [£NIL] each and every claim

3. COMPULSORY INSURANCES

3.1 The Contractor is required to meet their United Kingdom and other territory statutory insurance obligations in full. Insurances required to comply with all statutory requirements relating to the Contract including, but not limited to, United Kingdom employers' liability and motor third party liability insurance.

3.2 The limit of indemnity for the employers' liability insurance shall not be less than £10,000,000 (ten million) (or such other limit as may be required by law from time to time) for any one occurrence inclusive of costs, the number of occurrences being unlimited in any annual policy period.

3.3 Compulsory insurances shall contain an indemnity to principals clause or additional insured equivalent under which the Authority shall be indemnified in respect of claims made against the Authority arising from death or bodily injury to employees of the Contractor for which the Contractor is legally liable under this Contract.

Supplier's Commercially Sensitive Information (DEFFORM 539A)**Contract No:** 713713451

Contract No: 713713451
Description of Contractor's Sensitive Information: Pricing information contained in the tender document
Cross Reference(s) to location of Sensitive Information: Annex B to schedule 2 Pricing Rates provided at 3.1.1 in tender response
Explanation of Sensitivity: Commercially Sensitive information on LR pricing rates
Details of potential harm resulting from disclosure: Commercial advantage to competitors
Period of Confidence (if applicable): N/A- Enduring
Contact Details for Transparency / Freedom of Information matters: Name: [REDACTED] Position: Naval Classification Manager Address: [REDACTED] Telephone Number: [REDACTED] Email Address: [REDACTED]

Schedule 7

**Hazardous Substances, Mixtures and Articles in Contractor Deliverables Supplied under
the Contract (i.a.w. Condition 24): Data Requirements for Contract No: []**

**Hazardous and Non-Hazardous Substances, Mixtures or
Articles Statement by the Contractor**

Contract No: []

Contract Title: []

]

]

* To the best of our knowledge there are no hazardous Substances, Mixtures or Articles in the Contractor

* To the best of our knowledge the hazards associated with Substances, Mixtures or Articles in the Contractor Deliverables to be supplied under the Contract are identified in the Safety Data Sheets or UK REACH Communication attached in accordance with Condition 24.

Contractor: []

Date of Contract: []

Deliverables to be supplied.

Contractor's Signature: []

Name: []

Job Title: []

Date: []

* delete as appropriate

To be completed by the Authority

Domestic Management Code (DMC): []

NATO Stock Number: []

Contact Name: []

Contact Phone Number: []

Contact Address: []

Copy to be forwarded to:

██████████ MOD Abbey Wood (South)

Bristol BS34 8JH

Email: ██████████

Acceptance Procedure (i.a.w. condition 29) Contract No: 713713451

In accordance with the Contract Terms and Conditions and to the satisfaction of the Authority's Project Manager.

Schedule 9

Timber and Wood- Derived Products Supplied under the Contract: Data Requirements for Contract No: []

The following information is provided in respect of condition 25 (Timber and Wood-Derived Products):

Schedule of Requirements item and timber product type	Volume of timber Delivered to the Authority with FSC, PEFC or equivalent evidence	Volume of timber Delivered to the Authority with other evidence	Volume (as Delivered to the Authority) of timber without evidence of compliance with Government Timber Procurement Policy	Total volume of timber Delivered to the Authority under the Contract
[]	[]	[]	[]	[]
[]	[]	[]	[]	[]
[]	[]	[]	[]	[]
[]	[]	[]	[]	[]
[]	[]	[]	[]	[]
[]	[]	[]	[]	[]

TRANSFER OF UNDERTAKINGS PROTECTION OF EMPLOYMENT (TUPE) REGULATIONS

PART 1 - EMPLOYEE TRANSFER ARRANGEMENTS ON ENTRY

1 DEFINITIONS

1.1 In this Schedule 10 Part 1, save where otherwise provided, words and terms defined in Annexes A1 and A2 (Definitions) of the Contract shall have the meaning ascribed to them in the Contract Terms and Conditions.

1.2 Without prejudice to Annexes A1 and A2 (Definitions) of the Contract, in this Schedule 10 Part 1 unless the context otherwise requires:

"DPA" means Data Protection Act 2018 as amended or replaced from time to time;

"Employing Subcontractor" means any Subcontractor of the Contractor providing any part of the Services who is or is to be the employer of an Authority Employee, a Previous Contractor Employee or an Unexpected Employee;

"New Provider" means any replacement service provider or providers engaged to provide the Services (or part thereof) or substantially similar services or the Authority itself where the Services or substantially similar services or part thereof continue to be provided by the Authority after partial termination, termination or expiry of this Contract;

"Previous Contractor" means the Contractor responsible for provision of the Services prior to the New Provider and whose employees may be subject to a Relevant Transfer to the New Provider. This includes Subcontractors with employees engaged in delivering the Services and who may also be subject to a Relevant Transfer.

"Previous Contractor Employee" means an employee of a Previous Contractor who immediately before the Relevant Transfer Date is assigned to carry out the services to be carried out by the Contractor or Subcontractor under this Contract and who has not been dismissed, resigned, been reassigned or objected to the Relevant Transfer;

"Relevant Transfer" means a transfer to the Contractor or an Employing Subcontractor of a Previous Contractor Employee pursuant to this Contract and the Transfer Regulations;

"Relevant Transfer Date" means the date on which a Relevant Transfer is effected for Previous Contractor Employees;

"Relevant Statutory Scheme" has the same meaning as in Regulation 8 of the Transfer Regulations;

"Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time and/or the Service

Provision Change (Protection of Employment) Regulations (Northern Ireland) 2006 (as amended from time to time), as appropriate.

2 PREVIOUS CONTRACTOR EMPLOYEES

2.1 Employee Information

- 2.1.1 No later than three months prior to the Relevant Transfer Date the Authority shall provide to the Contractor the information listed in Appendix 1 of this Schedule 10 Part 1 in respect of Previous Contractor Employees to the extent that such information has been provided to the Authority by the Previous Contractor.
- 2.1.2 The Authority shall provide the Contractor with any update to the information provided under paragraph 2.1.1 as soon as is reasonably practicable, to the extent that such information has been provided to the Authority by the Previous Contractor.
- 2.1.3 The Contractor shall provide any information provided to it by the Authority pursuant to paragraph 2.1.1 to an Employing Subcontractor within seven Business Days of receipt to the extent that such Previous Contractor Employees are to transfer to an Employing Subcontractor under a Relevant Transfer on the Relevant Transfer Date.
- 2.1.4 Paragraph 2.1.1 is subject to the Authority and any Previous Contractor's obligations in respect of the DPA and any data provided by the Authority in accordance with paragraph 2.1.1 shall be provided in anonymous form in order to enable its disclosure. To the extent anonymous data has been provided by the Authority pursuant to its obligations under Paragraph 2.1.1 above, the Authority shall provide full data no later than 28 days prior to the Relevant Transfer.
- 2.1.5 The Authority does not warrant the accuracy of the information provided under paragraph 2.1.1.

2.2 Obligations in respect of Previous Contractor Employees

- 2.2.1 The Contractor and the Authority acknowledge (and the Contractor shall procure that the Employing Subcontractor acknowledges) that the provision of the Services under this Contract will constitute a Relevant Transfer.
- 2.2.2 The Contractor agrees (and will procure that the Employing Subcontractor agrees) that from the Relevant Transfer Date the contracts of employment of any Previous Contractor Employees together with any collective agreements (save insofar as such contracts and such agreements relate to benefits for old age, invalidity or survivors under any occupational pension scheme or otherwise do not transfer pursuant to regulation 4A of the Transfer Regulations) will take effect as if originally made between the Contractor or an Employing Subcontractor and the Previous Contractor Employees (or the relevant trade union, as the case may be) subject to any variations to such contracts of employment made pursuant to Regulation 9 of the Transfer Regulations, where applicable.
- 2.2.3 The Contractor agrees that it will comply with its obligations under sections 257 and 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005.
- 2.2.4 Save for any liabilities in respect of Previous Contractor Employees under a Relevant Statutory Scheme or Schemes, the Contractor or Employing Subcontractor (as the case may be) shall have responsibility for all emoluments and outgoings (including without limitation all wages, bonuses, commissions, payments in respect of holiday

taken after the Relevant Transfer Date as appropriate, PAYE, national insurance contributions and contributions to retirement benefit schemes) in relation to the Previous Contractor Employees with effect from and including the Relevant Transfer Date and shall indemnify the Authority and the Previous Contractor in respect of the same.

2.3 Indemnities

2.3.1 The Contractor shall indemnify and hold harmless the Authority and any Previous Contractor against all demands, claims, liabilities, losses and damages, costs and expenses (including all interest, penalties, legal and other costs and expenses) together with any applicable Value Added and similar taxes or liability for deduction of PAYE tax properly incurred by the Authority or any Previous Contractor arising out of or in connection with:

- a. any breach by the Contractor and/or any Employing Subcontractor of their obligations under Regulation 13 of the Transfer Regulations;
- b. any act or proposal by the Contractor or any Employing Subcontractor prior to or following the Relevant Transfer Date which amounts to a repudiatory breach of contract as referred to in Regulation 4(11) of the Transfer Regulations and/or to make a substantial change in working conditions of any Previous Contractor Employee to the material detriment of that employee. For the purposes of this sub-clause the expressions “repudiatory breach”, “substantial change” and “material detriment” shall have the same meanings as for the purposes of Regulation 4(9) and 4(11) of the Transfer Regulations; and
- c. any collective agreement or any arrangement with any trade union or staff association after the Relevant Transfer Date.
- d. any variations or proposed variations to any Previous Contractor Employee's terms and conditions of employment pursuant to regulations 4(5) and 4(5B).

3 GENERAL PROVISIONS APPLICABLE TO PREVIOUS CONTRACTOR EMPLOYEES AND CONTRACTOR PERSONNEL

3.1 Contractor Indemnity

3.1.1 The Contractor shall indemnify the Authority and any New Provider against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with the employment or termination of employment by the Contractor or any Employing Subcontractor of any person (including the Previous Contractor Employees) engaged in connection with the provision of the Services during the term of this Agreement.

3.2 Post Transfer Reporting

3.2.1 The Contractor shall upon request by the Authority provide (or shall procure that an Employing Subcontractor shall provide) the Authority with the following information in respect of the employees who are wholly or mainly employed, assigned or engaged in providing the Services:

- a. any proposed, agreed or imposed changes to terms and conditions of service;

- b. disputes relating to compliance with the Transfer Regulations which are regarded as unresolved by a recognised Trade Union;
- c. any court action or tribunal proceedings relating to compliance with the Transfer Regulations;
- d. completed court action or tribunal proceedings relating to compliance with the Transfer Regulations; and
- e. out of court settlements relating to compliance with the Transfer Regulations if possible having regard to the wording of the settlement.

PERSONNEL INFORMATION TO BE RELEASED PURSUANT TO THIS AGREEMENT**PART A**

1. Pursuant to paragraph 2.1.1 of this Schedule 10 Part 1, the written statement of employment particulars as required by section 1 of the Employment Rights Act 1996 together with the following information (save where that information is included within that statement) will be provided to the extent it is not included within the written statement of employment particulars:

1.1 Personal, Employment and Career

- a. Age;
- b. Security Vetting Clearance;
- c. Job title;
- d. Work location;
- e. Conditioned hours of work;
- f. Employment Status;
- g. Details of training and operating licensing required for Statutory and Health and Safety reasons;
- h. Details of training or sponsorship commitments;
- i. Standard Annual leave entitlement and current leave year entitlement and record;
- j. Annual leave reckonable service date;
- k. Details of disciplinary or grievance proceedings taken by or against transferring employees in the last two years;
- l. Information of any legal proceedings between employees and their employer within the previous two years or any such proceedings that the transferor has reasonable grounds to believe that an employee may bring against the transferee arising out of their employment with the transferor;
- m. Issue of Uniform/Protective Clothing;
- n. Working Time Directive opt-out forms; and
- o. Date from which the latest period of continuous employment began.

1.2 Performance Appraisal

- a. The current year's Performance Appraisal;
- b. Current year's training plan (if it exists); and
- c. Performance Pay Recommendations (PPR) forms completed in the current reporting year, or where relevant, any bonus entitlements;

1.3 Superannuation and Pay

- a. Maternity leave or other long-term leave of absence (meaning more than 4 weeks) planned or taken within the last two years;
- b. Annual salary and rates of pay band/grade;
- c. Shifts, unsociable hours or other premium rates of pay;
- d. Overtime history for the preceding twelve-month period;
- e. Allowances and bonuses for the preceding twelve-month period;
- f. Details of outstanding loan, advances on salary or debts;
- g. Cumulative pay for tax and pension purposes;
- h. Cumulative tax paid;
- i. National Insurance Number;
- j. National Insurance contribution rate;
- k. Other payments or deductions being made for statutory reasons;
- l. Any other voluntary deductions from pay;
- m. Pension Scheme Membership;
- n. For pension purposes, the notional reckonable service date;
- o. Pensionable pay history for three years to date of transfer;
- p. Percentage of any pay currently contributed under additional voluntary contribution arrangements; and
- q. Percentage of pay currently contributed under any added years arrangements.

1.4 Medical

- a. Sickness and absence records for the immediately preceding four-year period; and
- b. Details of any active restoring efficiency case for health purposes.

1.5 Disciplinary

- a. Details of any active restoring efficiency case for reasons of performance; and
- b. Details of any active disciplinary cases where corrective action is on going.

1.6 Further information

- a. Information about specific adjustments that have been made for an individual under the Disability Discrimination Act 1995 or the Equality Act 2010;
- b. Short term variations to attendance hours to accommodate a domestic situation;
- c. Individuals that are members of the Reserves, or staff may have been granted special leave as a School Governor; and
- d. Information about any maternity or other statutory leave or other absence from work.

PART B

1.7 Information to be provided 28 days prior to the Relevant Transfer Date:

- a. Employee's full name;
- b. Date of Birth
- c. Home address;
- d. Bank/building society account details for payroll purposes Tax Code.

PART 2 – STAFF TRANSFER ARRANGEMENTS ON EXIT

1. DEFINITIONS

1.1 In this Schedule 10 Part 2, save where otherwise provided, words and terms defined in Annexes A1 and A2 (Definitions) or Schedule 10 Part 1 of the Contract shall have the meaning ascribed to them in Annexes A1 and A2 (Definitions) or Schedule 10 Part 1 of the Contract.

1.2 Without prejudice to Annexes A1 and A2 (Definitions) of the Contract or Schedule 10, Part 1, in this Schedule 10 Part 2 unless the context otherwise requires:

"Employee Liability Information" has the same meaning as in Regulation 11(2) of the Transfer Regulations;

"Employing Subcontractor" means any Subcontractor of the Contractor providing all or any part of the Services who employs or engages any person in providing the Services;

"Subsequent Relevant Transfer" means a transfer of the employment of Subsequent Transferring Employees from the Contractor or any Employing Subcontractor to a New Provider or the Authority under the Transfer Regulations;

"Subsequent Transfer Date" means the date on which the transfer of a Subsequent Transferring Employee takes place under the Transfer Regulations;

"Subsequent Transferring Employee" means an employee wholly or mainly employed or otherwise assigned to the Services (or in respect of partial termination, the relevant part of the Services) whose employment transfers under the Transfer Regulations from the Contractor or any Employing Subcontractor to a New Provider;

"Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time and/or the Service Provision Change (Protection of Employment) Regulations (Northern Ireland) 2006 (as amended from time to time), as appropriate .

2. EMPLOYMENT

2.1 Information on Re-tender, Partial Termination, Termination or Expiry

2.1.1 No earlier than two years preceding the termination, partial termination or Expiry of this Contract or a potential Subsequent Transfer Date or at any time after the service of a notice to terminate this Contract or the provision of any of the Services (whether in whole or part) or on receipt of a

written request by the Authority, the Contractor shall (and shall procure that any Employing Subcontractor shall):

- a. supply to the Authority such information as the Authority may reasonably require in order to consider the application of the Transfer Regulations on the termination, partial termination or expiry of this Contract;
- b. supply to the Authority such full and accurate and up-to-date information as may be requested by the Authority including the information listed in Appendix 1 to this Schedule 10 Part 2 relating to the employees who are wholly or mainly employed, assigned or engaged in providing the Services
or part of the Services under this Contract who may be subject to a Subsequent Relevant Transfer;
- c. provide the information promptly and in any event not later than three months from the date when a request for such information is made and at no cost to the Authority;
- d. acknowledge that the Authority will use the information for informing any prospective New Provider for any services which are substantially the same as the Services or part of the Services provided pursuant to this Contract;
- e. inform the Authority of any changes to the information provided under paragraph 2.1.1 a. or 2.1.1 b. up to the Subsequent Transfer Date as soon as reasonably practicable.

2.1.2 Three months preceding the termination, partial termination or expiry of this Contract or on receipt of a written request from the Authority the Contractor shall:

- a. ensure that Employee Liability Information and such information listed in Part A of Appendix 2 of Part 2 of this Schedule 10 (Personnel Information) relating to the Subsequent Transferring Employees is provided to the Authority and/or any New Provider;
- b. inform the Authority and/or any New Provider of any changes to the information provided under this Paragraph 2.1.2 up to any Subsequent Transfer Date as soon as reasonably practicable;
- c. enable and assist the Authority and/or any New Provider or any subcontractor of a New Provider to communicate with and meet those employees and their trade union or other employee representatives.

2.1.3 No later than 28 days prior to the Subsequent Transfer Date the Contractor shall provide the Authority and/or any New Provider with a final list of the Subsequent Transferring Employees together with the information listed in Part B of Appendix 2 of Part 2 of this Schedule 10 (Personnel Information) relating to the Subsequent Transferring Employees. The Contractor shall inform the Authority and/or New Provider of any changes to this list or information up to the Subsequent Transfer Date.

2.1.4 Paragraphs 2.1.1 and 2.1.2 of this Appendix are subject to the Contractor's obligations in respect of the DPA and the Contractor shall use its best endeavours to obtain the consent of its employees (and shall procure that its Subcontractors use their best endeavours to obtain the consent of their employees) to the extent necessary under the DPA or provide the data in an anonymous form in order to enable disclosure of the information required under paragraphs 2.1.1

and 2.1.2. Notwithstanding this paragraph 2.1.4, the Contractor acknowledges (and shall procure that its Subcontractors acknowledge) that they are required to provide sufficient information to the Authority to enable the Authority to determine the nature of the activities being undertaken by employees engaged in providing the Services, to assess whether there is an organised grouping for the purposes of the Transfer Regulations and to assess who is assigned to such organised grouping. To the extent that anonymous data has been provided by the Contractor pursuant to its obligations under Paragraph 2.1.1 or 2.1.2 above, the Contractor shall provide full data to the Authority no later than 28 days prior to the Subsequent Transfer Date.

2.1.5 On notification to the Contractor by the Authority of a New Provider or within the period of six months prior to the Termination Date or after service of a notice to terminate this Contract (whether in whole or in part), whichever is earlier and in any event on receipt of a written request by the Authority, the Contractor shall not and shall procure that an Employing Subcontractor shall not:

- a. materially amend or promise to amend the rates of remuneration or other terms and conditions of employment of any person wholly or mainly employed or engaged in providing the Services under this Contract; or
- b. replace or re-deploy from the Services any person wholly or mainly employed or engaged in providing the Services, or materially increase or decrease the number of persons performing the Services under this Contract or the working time spent on the Services (or any part thereof); or
- c. reorganise any working methods or assign to any person wholly or mainly employed or engaged in providing the Services (or any part thereof) any duties unconnected with the Services (or any part thereof) under this Contract; or
- d. terminate or give notice to terminate the employment of any person wholly or mainly employed or engaged in providing the Services (or any part thereof) under this Contract other than in the case of serious misconduct or for poor performance,

save in the ordinary course of business and with the prior written consent of the Authority (not to be unreasonably withheld or delayed) and the Contractor shall indemnify and keep indemnified the Authority in respect of any reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any breach of paragraphs 2.1.1, 2.1.2, 2.1.3 or 2.1.5 of this Schedule 10 Part 2.

2.1.6 The Authority may at any time prior to the period set out in paragraph 2.1.5 of this Schedule 10 Part 2 request from the Contractor any of the information in sections 1 a. to d. of Appendix 1 and the Contractor shall and shall procure any Subcontractor will provide the information requested within 28 days of receipt of that request.

2.2 Obligations in Respect of Subsequent Transferring Employees

2.2.1 To the extent that the Transfer Regulations apply on expiry, termination or partial termination of this contract, the Contractor shall and shall procure any Employing Subcontractor shall and the Authority shall and shall procure that a New Provider shall in such circumstances:

- a. before and in relation to the Subsequent Transfer Date liaise with each other and shall co-operate with each other in order to implement effectively the smooth transfer of the Subsequent Transferring Employees to the Authority and/or a New Provider; and
- b. comply with their respective obligations under the Transfer Regulations including their obligations to inform and consult under Regulation 13 of the Transfer Regulations.

2.3 Unexpected Subsequent Transferring Employees

2.3.1 If a claim or allegation is made by an employee or former employee of the Contractor or any Employing Subcontractor who is not named on the list of Subsequent Transferring Employees provided under paragraph 2.1.3 (an "Unexpected Subsequent Transferring Employee") that he has or should have transferred to the Authority and/or New Provider by virtue of the Transfer Regulations, the Party receiving the claim or allegation shall notify the other Party (or the Contractor shall notify the Authority on the Subcontractor's behalf and the Authority shall notify the Contractor on the New Provider's behalf) in writing as soon as reasonably practicable and no later than ten Business Days after receiving notification of the Unexpected Subsequent Transferring Employee's claim or allegation, whereupon:

- a. the Contractor shall (or shall procure that the Employing Subcontractor shall), as soon as reasonably practicable, offer and/or confirm continued employment to the Unexpected Subsequent Transferring Employee or take such other steps so as to effect a written withdrawal of the claim or allegation; and
- b. if the Unexpected Subsequent Transferring Employee's claim or allegation is not withdrawn or resolved the Contractor shall notify the Authority (who will notify any New Provider who is a party to such claim or allegation), and the Authority (insofar as it is permitted) and/or New Provider (as appropriate) shall employ the Unexpected Subsequent Transferring Employee or as soon as reasonably practicable, (subject to compliance with its obligations at paragraph 2.3.1 c. (3)), serve notice to terminate the Unexpected Subsequent Transferring Employee's employment in accordance with his contract of employment; and
- c. the Contractor shall indemnify the Authority against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any of the following liabilities incurred by the Authority or New Provider in dealing with or disposing of the Unexpected Subsequent Transferring Employee's claim or allegation:

- (1) any additional costs of employing the Unexpected Subsequent Transferring Employee up to the date of dismissal where the Unexpected Subsequent Transferring Employee has been dismissed in accordance with paragraph 2.3.1 b.;
- (2) any liabilities acquired by virtue of the Transfer Regulations in relation to the Unexpected Subsequent Transferring Employee;
- (3) any liabilities relating to the termination of the Unexpected Subsequent Transferring Employee's employment but excluding such proportion or amount of any liability for unfair dismissal, breach of contract or discrimination attributable:
 - (A) to a failure by the Authority or a New Provider to act reasonably to mitigate the costs of dismissing such person);

(B) directly or indirectly to the procedure followed by the Authority or a New Provider in dismissing the Unexpected Transferee; or

(C) to the acts/omissions of the Authority or a New Provider not wholly connected to the dismissal of that person;

(4) any liabilities incurred under a settlement of the Unexpected Subsequent Transferring Employee's claim which was reached with the express permission of the Contractor (not to be unreasonably withheld or delayed);

(5) reasonable administrative costs incurred by the Authority or New Provider in dealing with the Unexpected Subsequent Transferring Employee's claim or allegation, subject to a cap per Unexpected Subsequent Transferring Employee of £5,000; and

(6) legal and other professional costs reasonably incurred;

2.3.2 the Authority shall be deemed to have waived its right to an indemnity under paragraph 2.3.1 c., if it fails without reasonable cause to take, or fails to procure any New Provider takes, any action in accordance with any of the timescales referred to in this paragraph 2.3.

2.4 Indemnities on Subsequent transfer under the Transfer Regulations on Partial Termination, Termination or Expiry of the Contract

2.4.1 If on the expiry, termination or partial termination of the Contract there is a Subsequent Relevant Transfer, the Contractor shall indemnify the Authority and any New Provider against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any claim by any employee or trade union representative or employee representative arising whether before or after the Subsequent Transfer Date out of any failure by the Contractor or any Subcontractor to comply with their obligations under Regulation 13 of the Transfer Regulations in relation to any Subsequent Transferring Employee or any other employee of the Contractor or any Subcontractor affected by the Subsequent Relevant Transfer (as defined by Regulation 13 of the Transfer Regulations), save to the extent that all reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and liabilities are a result of the act or omission of the Authority or the New Provider.

2.4.2 If there is a Subsequent Relevant Transfer, the Authority shall indemnify the Contractor against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of, or in connection with:

a. any claim or claims by a Subsequent Transferring Employee at any time on or after the Subsequent Transfer Date which arise as a result of an act or omission of the Authority or a New Provider or a sub-contractor of a New Provider during the period from and including the Subsequent Transfer Date;

b. subject to paragraph 2.4.1 any claim by any employee or trade union representative or employee representative arising whether before or after the Subsequent Transfer Date out of any failure by the Authority or a New Provider or a sub-contractor of a New Provider to comply with their obligations under Regulation 13 of the Transfer Regulations in relation to any Subsequent Transferring Employee or any other employee engaged

wholly or mainly in connection with the Services by the New Provider or any other employee of the Authority or any New Provider affected by the Subsequent Relevant Transfer effected by this Contract (as defined by Regulation 13 of the Transfer Regulations),

save to the extent that all reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and liabilities are a result of the act or omission of the Contractor or any Employing Subcontractor.

2.4.3 In the event of a Subsequent Relevant Transfer, the Authority shall indemnify the Contractor in respect of all reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and other liabilities arising out of or in connection with or as a result of a substantial change by the Authority [or a New Provider or any sub-contractor of a New Provider] on or after the Subsequent Transfer Date to the working conditions of any Subsequent Transferring Employee to the material detriment of any such Subsequent Transferring Employee. For the purposes of this paragraph 2.4.3, the expressions "substantial change" and "material detriment" shall have the

meanings as are ascribed to them for the purposes of Regulation 4(9) of the Transfer Regulations.

2.5 Contracts (Rights of Third Parties) Act 1999

2.5.1 A New Provider may enforce the terms of paragraph 2.3 and 2.4 against the Contractor in accordance with the Contracts (Rights of Third Parties) Act 1999.

2.5.2 The consent of a New Provider (save where the New Provider is the Authority) is not required to rescind, vary or terminate this Contract.

2.5.3 Nothing in this paragraph 2.6 shall affect the accrued rights of the New Provider prior to the rescission, variation, expiry or termination of this Contract.

2.6 General

2.6.1 The Contractor shall not recover any Costs and/or other losses under this Schedule 10 where such Costs and/or losses are recoverable by the Contractor elsewhere in this Contract and/or are recoverable under the Transfer Regulations or otherwise.

Appendix 2**CONTRACTOR PERSONNEL-RELATED INFORMATION TO BE RELEASED UPON RETENDERING WHERE THE TRANSFER REGULATIONS APPLIES**

1. Pursuant to paragraph 2.1.1 b. of Part 2 of this Schedule 10, the following information will be provided:
 - a. The total number of individual employees (including any employees of Subcontractors) that are currently engaged, assigned or employed in providing the Services and who may therefore be transferred. Alternatively the Contractor should provide information why any of their employees or those of their Subcontractors will not transfer;
 - b. The total number of posts or proportion of posts expressed as a full-time equivalent value that currently undertakes the work that is to transfer;
 - c. The preceding 12 months total pay costs – (Pay, benefits employee/employer ERNIC and Overtime);
 - d. Total redundancy liability including any enhanced contractual payments;
2. In respect of those employees included in the total at 1 a., the following information:
 - a. Age (not date of Birth);
 - b. Employment Status (i.e. Fixed Term, Casual, Permanent);
 - c. Length of current period of continuous employment (in years, months) and notice entitlement;
 - d. Weekly conditioned hours of attendance (gross);
 - e. Standard Annual Holiday Entitlement (not "in year" holiday entitlement that may contain carry over or deficit from previous leave years);
 - f. Pension Scheme Membership;
 - g. Pension and redundancy liability information;
 - h. Annual Salary;
 - i. Details of any regular overtime commitments (these may be weekly, monthly or annual commitments for which staff may receive an overtime payment);
 - j. Details of attendance patterns that attract enhanced rates of pay or allowances;
 - k. Regular/recurring allowances;
 - l. Outstanding financial claims arising from employment (i.e. season ticket loans, transfer grants);
3. The information to be provided under this Appendix 1 should not identify an individual employee by name or other unique personal identifier unless such information is being provided 28 days prior to the Subsequent Transfer Date.

4. The Contractor will provide (and will procure that the Subcontractors provide) the Authority/tenderers with access to the Contractor's and Subcontractor's general employment terms and conditions applicable to those employees identified at paragraph 1 a. of this Appendix 1.

PERSONNEL INFORMATION TO BE RELEASED PURSUANT TO THIS CONTRACT**Part A**

1. Pursuant to paragraph 2.1.2 of this Schedule 10, part 2, the written statement of employment particulars as required by section 1 of the Employment Rights Act 1996 together with the following information (save where that information is included within that statement) which will be provided to the extent it is not included within the written statement of employment particulars:
 - a. Personal, Employment and Career
 - b. Age;
 - c. Security Vetting Clearance;
 - d. Job title;
 - e. Work location;
 - f. Conditioned hours of work;
 - g. Employment Status;
 - h. Details of training and operating licensing required for Statutory and Health and Safety reasons;
 - i. Details of training or sponsorship commitments;
 - j. Standard Annual leave entitlement and current leave year entitlement and record;
 - k. Annual leave reckonable service date;
 - l. Details of disciplinary or grievance proceedings taken by or against transferring employees in the last two years;
 - m. Information of any legal proceedings between employees and their employer within the previous two years or such proceedings that the transferor has reasonable grounds to believe that an employee may bring against the transferee arising out of their employment with the transferor;
 - n. Issue of Uniform/Protective Clothing;
 - o. Working Time Directive opt-out forms; and
 - p. Date from which the latest period of continuous employment began.

1.2 Performance Appraisal

- a. The current year's Performance Appraisal;
- b. Current year's training plan (if it exists); and

- c. Performance Pay Recommendations (PPR) forms completed in the current reporting year, or where relevant, any bonus entitlements.

1.3 Superannuation and Pay

- a. Maternity leave or other long-term leave of absence (meaning more than 4 weeks) planned or taken during the last two years;
- b. Annual salary and rates of pay band/grade;
- c. Shifts, unsociable hours or other premium rates of pay;
- d. Overtime history for the preceding twelve-month period;
- e. Allowances and bonuses for the preceding twelve-month period;
- f. Details of outstanding loan, advances on salary or debts;
- g. Cumulative pay for tax and pension purposes;
- h. Cumulative tax paid;
- i. National Insurance Number;
- j. National Insurance contribution rate;
- k. Other payments or deductions being made for statutory reasons;
- l. Any other voluntary deductions from pay;
- m. Pension Scheme Membership;
- n. For pension purposes, the notional reckonable service date;
- o. Pensionable pay history for three years to date of transfer;
- p. Percentage of any pay currently contributed under additional voluntary contribution arrangements; and
- q. Percentage of pay currently contributed under any added years arrangements.

1.4 Medical

- a. Sickness and absence records for the immediately preceding four-year period; and
- b. Details of any active restoring efficiency case for health purposes.

1.5 Disciplinary

- a. Details of any active restoring efficiency case for reasons of performance; and
- b. Details of any active disciplinary cases where corrective action is on going.

1.6 Further information

- a. Information about specific adjustments that have been made for an individual under the Disability Discrimination Act 1995 or the Equality Act 2010;
- b. Short term variations to attendance hours to accommodate a domestic situation;
- c. Individuals that are members of the Reserves, or staff that may have been granted special leave as a School Governor; and
- d. Information about any maternity or other statutory leave or other absence from work.

Part B

1.7 Information to be provided 28 days prior to the Subsequent Transfer Date:

- a. Employee's full name;
- b. Date of Birth
- c. Home address;
- d. Bank/building society account details for payroll purposes Tax Code.

Schedule 11**KEY PERFORMANCE INDICATORS****1. KEY PERFORMANCE INDICATORS (KPIs)**

1.1 This Schedule 11 sets out the KPIs to be applied to the assessment of the Contractor's Performance in delivery of the requirements of the contract in accordance with the Terms and Conditions of the Contract. The KPIs are shown at Annex A to this schedule.

1.2 The Contractor shall acknowledge that performance of its obligations is an absolute requirement of this Contract. Failure to comply with such obligations shall result in Contract default. In such instances, the Authority shall invoke the exit strategy leading to Contract termination unless performance is improved within agreed timescales. (Clause 66 refers)

2. OUTPUTS FROM THE PERFORMANCE MEASUREMENT PROCESS (USE OF KPIs)

2.1 The enclosed KPIs shall be used to monitor the Contractor's performance throughout the period of this Contract. The results from the monthly KPIs will inform the Authority's Contract Performance Reviews and be aggregated to provide overall Contract performance status that will inform the Exit Strategy if performance is below the required standards for the periods detailed in Clause 66.

2.2 The results from the monthly KPIs will inform the Authority's Joint Development Activities as detailed in Clause 4 (Joint Development) of the Terms and Conditions of Contract.

3. PERFORMANCE MEASUREMENT PROCESS

3.1 Performance data will be collected by the Contractor on a continuous basis and placed on a central Performance Management database provided by the Authority. Each database should hold one month's worth of performance data. The following information shall be used to compile the monthly performance report:

- a) The number of KPI occurrences within the month;
- b) The number of times the performance was compliant with the standards set in the KPI (GREEN);
- c) The number of times the performance was non-compliant with the standards set in the KPI (AMBER);
- d) The number of times the performance was significantly noncompliant with the standards set in the KPI (RED)

3.2 The database will automatically calculate the RED/AMBER/GREEN (RAG) status of the KPI. If there is no activity on a KPI in any 1 (one) month, the KPI will be excluded for measurement purposes for that period.

3.3 The number of RAG occurrences will be multiplied by the following factors to give a score for each KPI:

- a) GREEN occurrences shall be multiplied by a factor of 3 (three)
- b) AMBER occurrences shall be multiplied by a factor of 2 (two)
- c) RED occurrences shall be multiplied by a factor of 1 (one)

This will be shown against the maximum number of available points as a percentage, e.g. if there were 10 occurrences, then the maximum potential number of points would be 30 (10 x 3). If the sum of the multiplied occurrences was 20, then the KPI overall performance for the month would be 67%. An example of a KPI data collection sheet is at Annex B1 to this Schedule.

3.4 The overall Performance score for each KPI is then automatically fed into the KPI spreadsheet shown at Annex B2.

3.5 The individual KPI and overall contract performance status will fall into three bandings:

Red <70%

Amber 71-90%

Green >90%

The resultant final scores and RAG assessments for the month will be shown in the template at Annex B3 and will be used to inform the Default provisions detailed in Clause 4 below.

3.6 The period of assessment for all KPIs will be from the first calendar day of the month to the last day of the month.

4. CONTRACTOR DEFAULT FOR PERFORMANCE

4.1 The Authority will, on a monthly basis, measure the performance of the Contractor areas against the KPIs. Where Performance in any of the 5 key areas does not meet the Authority's required standard (Green), then the Authority shall require the Contractor to produce a Corrective Action Plan.

4.2 The Contractor shall be deemed to be in Contract default, entitling the Authority to issue a Termination Notice in accordance with Clause 66.5 (Contractor Default for Performance) if a KPI status equals:

- a. There are 2 (two) RED markings on a SINGLE KPI in a 12 (twelve) month rolling period; or

- b. There are 4 (four) RED markings in total across ALL KPIs in a 12 (twelve) month rolling period; or
- c. There are 4 (four) AMBER and/or RED markings on a SINGLE KPI in a 12 (twelve) month rolling period; or
- d. There are 7 (seven) AMBER and/or RED markings in total across ALL KPIs in a 12 (twelve) month rolling period;

Key Performance Indicators

PI	Title	Definition	Incidence Measure	Frequency		Service Area	QCTCM Band	Responsibility	Exclusions	Performance Levels and Criteria		
				Monitoring	Reporting					Green	Amber	Red
1	Provision of Plan Appraisal Price, agreed start date and duration	Price provided to Authority nominated representative in response to task form. Plan Appraisal start date and duration provided and agreed with Authority nominated representative.	Price, start date and task duration provided within agreed timescale	Every Request	Monthly	Design / Fleet Time/ Non-Fleet Time Support	Time	Contractor	Subject to correct information/suitable number of plans being submitted	On or before agreed timescale	Up to 3 business days late	More than 3 business days late
2	Successful performance delivery of Plan Appraisal and Tasking requirements	Successful Delivery of Tasking and Plan Appraisal requirements	Number of instances of performance shortfall in the Reporting Period	Every Request	Monthly	Fleet Time/ Non-Fleet Time Support	Time	Contractor	Incomplete documentation or information (including quotation acceptance) provided by the Authority or other MFC and/or SCO	On or before agreed timescale	Up to 3 business days late	More than 3 business days late
3	Acknowledgement of Task	Acknowledgement of task and notification of Attending Surveyor	Time taken from initial receipt of task	Every Request	Monthly	Fleet Time/ Non-Fleet Time Support	Time	Contractor	n/a	On or before agreed timescale	Up to 5 business days late	More than 5 business days late
4	Provision of Certification	Timeliness and quality of certification after completion of survey /inspection issued within the agreed timescale.	Certification receipted by Authority representative. CD-Live (or replacement) updated.	Every Certificate	Monthly	Fleet Time/ Non-Fleet Time Support	Time	Contractor	n/a	On or before agreed timescale	Up to 5 business days late	More than 5 business days late
5	Successful delivery of Post Design Services	Design Appraisal activity and Technical Investigation services provided within agreed timescales as defined within the tasking form	Deliverables/Advice provided within agreed timescales	Every deliverable	Monthly	Design	Time	Contractor	n/a	On or before agreed timescale	Up to 3 business days late	More than 5 business days late
6	Timely submission of accurate invoice	Submission of invoice to Authority representative for agreed final price of work package within agreed timescale	Variance from Agreed Date	Every Request	Monthly	Fleet Time/ Non-Fleet Time Support	Management	Contractor	n/a	Within 30 business days of task completion	Up to 5 business days late	More than 5 business days late
7	Joint Development and After-Action Reviews	Ensure actions arising from the Joint Development Quarterly Reviews and After-Action Reviews are completed within agreed timescale	Variance from Agreed Date	Every Request	Monthly	Joint Development	Management	Contractor	n/a	On or before agreed timescale	Up to 5 business days late	More than 5 business days late

8	Corrective Action Plans	Ensure Corrective Action Plans are submitted within 5 Business days and actions completed against agreed timescale	Variance from Agreed Date	Every Request	Monthly	Joint Development	Management	Contractor	n/a	On or before agreed timescale	Up to 5 business days late	More than 5 business days late
9	Social Value: Fighting Climate Change	Reduction in emissions of greenhouse gases due to LR group activity, in relation to operations and electricity consumption, measured in metric tonnes carbon dioxide equivalents (MTCDE).	LR will calculate the carbon impact of operational activity each year.	Annually	Annually	Social Value	Management	Contractor	n/a			

KPI 1	Provision of Plan Appraisal Price and an agreed start date & duration
-------	---

Design	Price provided to CSS nominated representative in response to task form. Plan Appraisal start date and duration provided and agreed with CSS nominated representative.
--------	---

Green	On or before agreed timescale
Yellow	Up to three business days late
Red	More than three business days late

No. of Occurrences		Multiplier	Score	Maximum Possible Score	Contractor's Overall Performance
Red	0	Occurrences x 1	0		
Amber	0	Occurrences x 2	0		
Green	0	Occurrences x 3	0		
Total Occurrences	0		0	0	0.00%

[illegible]

Company Title	Lloyds Register EMEA		
Date			

Time		KPI Performance	KPI Percentage
KPI Number			
1	Provision of Plan Appraisal Price and an agreed start date & duration	90.00%	
2	Provision of Plan Appraisal	90.00%	
3	Timeliness of a Priced Specification	100.00%	
4	Acknowledgement of Task	100.00%	
5	Provision of Certification	100.00%	
KPI Totals			95.00

Management		KPI Performance	KPI Percentage
KPI Number			
6	Provision of Final Price	100.00%	
7	Joint Development and After Action Reviews.		
8	Submission of Corrective Action Plans		
KPI Totals			100.00

Overall Total	Overall KPI Percentage
	96.00

Overall KPI Score sheet template from EXCEL spreadsheet

Company Title	
Date	

Banding	Audit Evaluation	Result
>85%	Compliant	Green
66%-85%	Non Compliant	Yellow
<66%	Significantly Non Compliant	Red

[illegible][illegible]

Schedule 12

Lloyds Register EMEA - RISK REGISTER

DATE REVIEWED: 16/06/2025

Id. Number	Date Raised	Risk Identification			Pre Mitigation		Risk Owner	Mitigation Actions	Action Owner	Action Completion Date	Fallback Plan (if risk occurs)	Status	Comm
		Description	Cause	Effect	Prob	Impact							

[illegible]

Risk Scale

	Very Low	Low	Medium	High	Very High
Probability	0-5%	6-20%	21-40%	41-60%	>60%
Performance (P)	Minor shortfall in ancillary requirements	Major shortfall in ancillary requirements	Minor shortfall to Key User Requirement(s)	Moderate shortfall to Key User Requirement(s)	Major shortfall to Key User Requirement(s)
Cost (C)	<=£25k	>£25k - <=£50k	>£50k - <=£100k	>£100k - <=£250k	>£250k
Time (T)	<=1 week	>1 - <=2 weeks	>2 - <=4 weeks	>1 - <=2 months	>2 months

Notification of Intellectual Property Rights (IPR) Restrictions for Contract No. 713713451

Ministry of Defence

DEFFORM 711 – NOTIFICATION OF INTELLECTUAL PROPERTY RIGHTS (IPR) RESTRICTIONS**DEFFORM 711 - PART A – Notification of IPR Restrictions**

1. <u>ITT / Contract Number</u>		712522451		
2. <u>ID #</u>	3. <u>Unique Technical Data Reference Number / Label</u>	4. <u>Unique Article(s) Identification Number / Label</u>	5. <u>Statement Describing IPR Restriction</u>	6. <u>Ownership of the Intellectual Property Rights</u>
1	None	N/A	N/A	N/A
2				
3				
4				
5				
6				
7				
8				
9				

Please continue on additional sheets where necessary.

DEFFORM 711 - PART B – System / Product Breakdown Structure (PBS)

The Contractor should insert their PBS here. For Software, please provide a Modular Breakdown Structure.

DEFFORM 711 Completion Notes

Part A

If any information / technical data that is deliverable or delivered under the relevant Contract conditions is, or may be, subject to any IPR restrictions (or any other type of restriction which may include export restrictions) affecting the Authority's ability to use or disclose the information / technical data in accordance with the conditions of any resulting Contract, then the Contractor must identify this restricted information / technical data in this Part A. Otherwise, the Authority shall treat such information in accordance with the same rights under the Contract it would enjoy should no restrictions exist.

For example, any of the following must be disclosed:

- a) any restriction on the provision of information / technical data to the Authority; any restriction on disclosure or the use of information by, or on behalf of, the Authority; any obligations to make payments in respect of IPR, and any patent or registered design (or application for either) or other IPR (including unregistered design right) owned or controlled by you or a third party;
- b) any allegation made against the Contractor, whether by claim or otherwise, of an infringement of IPR (whether a patent, registered design, unregistered design right, copyright or otherwise) or of a breach of confidence, which relates to the performance of the Contract or subsequent use by or for the Authority of any Contract deliverables;
- c) the nature of any allegation referred to under sub-paragraph (b) above, including any request or obligation to make payments in respect of the IPR of any confidential information and / or;
- d) any action the Contractor needs to take, or the Authority is requested to take, to deal with the consequences of any allegation referred to under sub-paragraph (b) above.

Block 1	Enter the associated Invitation to Tender (ITT) or Contract number as appropriate.
Block 2	No action – This sequential numbering is to assist isolation and discussion of any line item
Block 3	Identify a unique reference number for the information / technical data (i.e. a Contractor's document or file reference number) including any dates and version numbers. Documents may only be grouped and listed as a single entry where they relate to the same Article and where the restrictions and IPR owner are the same.
Block 4	Identify the Article(s) associated with the information / technical data by entering a unique identification number / label for the Article(s). This may range from platform level down to sub-system level. This is to enable the Authority to quickly identify the approximate technical boundary to any user rights limitation (e.g. The RADAR or Defensive Aid Sub-System etc). This identification shall be at the lowest level of replaceability of the Article(s) or part of it to which the restrictions apply (i.e. if the restrictions apply to a sub-system the parent system should not be used to identify the restriction boundary). <u>Any entry without a unique identifier shall be treated as a nil entry.</u> NOTE: The Authority does not accept any IPR restrictions in respect of the physical Articles themselves. Block 4 is solely to provide an applied picture to any technical data stated under Block 3 as having IPR restrictions.
Block 5	This is a freeform narrative field to allow a short explanation justifying why this information / technical data has limited rights applying to it.
Block 6	Identify who is the owner of the IPR in the information / technical data (i.e. copyright, design right etc). If it is a sub-contractor or supplier, please identify this also.

Part B

If neither hardware nor software is proposed to be designed, developed or delivered as part of the Contract, Part B should be marked "NIL RETURN".

Otherwise, the Contractor must include a System / Product Breakdown Structure (PBS) in a format which is consistent with ISO 21511 and / or the configuration requirements of DEFSTAN 05-057, unless an alternative format better represents your design configuration. For software, a modular breakdown structure must be provided. For reasons of clarity, it is acceptable to provide several levels of breakdown if this assists in organising the configuration of the Articles.

Details provided under Part B shall not imply any restriction of use over the Contract Articles, nor any restriction on associated technical data to be delivered under the Contract. Any restrictions of such technical data must be identified within Part A.

Against each unique item within the PBS / module breakdown, one of the following categories shall be recorded:

- a) (PVF) - Private Venture Funded - where the article existed prior to the proposed Contract and its design was created through funding otherwise than from His Majesty's Government (HMG).
- b) (PAF) - Previous Authority Funded (inc. HMG Funded) - where the article existed prior to the proposed Contract and its design was created through Previous Authority Funding.
- c) (CAF) - Contract Authority Funded (inc. HMG Funded) - where the article did not exist prior to the Contract and its design will be created through Contract Authority Funding under this Contract.
- d) (DNM) Design Not Mature - where the article / design configuration is not yet fixed.

In combination with one of categories (a) to (d) above, the Contractor shall further identify where an item has, or will have, foreign export control applying to it, through use of the further following category:

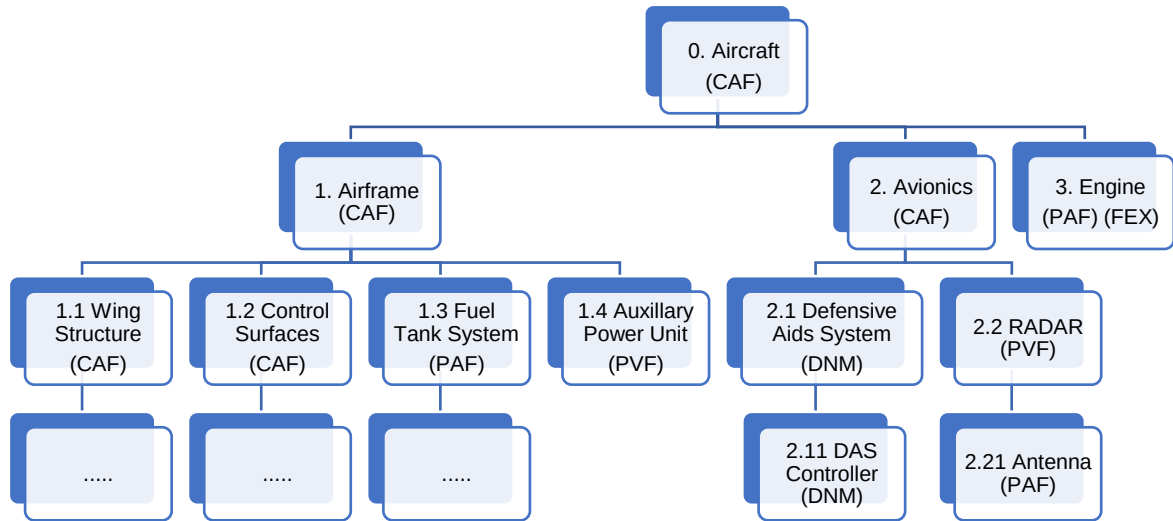
- e) (FEX) Foreign Export Controlled

Notes:

- 1. During the term of the Contract the Contractor may transition any items identified as category (d) above into category (b) or (c). Transitions from category (d) into category (a) may only be made with the express written agreement of the Authority's Senior Commercial Officer, and by following the amendment process set out in the Contract.
- 2. It is acceptable to specify the highest level of structure to which the category (a), (b) or (c) applies (i.e. there is no need to specify each sub-system / componentry if the entirety of the parent system was for example, Private Venture Funded). See guidance examples overleaf.
- 3. For the avoidance of doubt, where a parent system did not exist prior to the Contract yet makes use of Private Venture Funded Articles, it must be identified as (CAF). The Private Venture Funded sub-components / sub-systems can be identified as PVF.
- 4. Where items are identified as category (b), the Contractor should provide the number(s) of the previous Contract(s) under which the design was created and the Previous Authority Funding was applied.

Example PBS

A theoretical pictorial example is given below but it is to be noted that the configuration may equally be dealt with in a hierarchal tabularised format.



The diagram above indicates a highly simplified and hypothetical Contract scenario dealing with the procurement of a new air asset.

- i. The proposed new aircraft would be considered Contract Authority Funded (CAF) at its top level.
- ii. Items denoted as Private Venture Funded (PVF) would generally indicate that it and all of its sub-components have been funded by sources other than HMG. In this instance there is no need to proceed down the product breakdown structure any further (see 1.4), except unusually where a generally PVF regarded item has incorporated a Previous Authority Funded (PAF) item (see 2.21).
- iii. The proposed design is making use of a PAF engine.
- iv. This engine has Foreign Export Control (FEX) applying to items within it.
- v. The Defensive Aids System at 2.1 is covered as part of the Contract but the exact configuration and design has not yet been fixed "Design Not Mature" (DNM).
- vi. It is not feasible for a parent PVF system to make use of a CAF item; the parent system configuration would not have existed prior to the Contract.

Exit Management

1. Definitions

1.1 In this Schedule, the following definitions shall apply:

- “Emergency Exit” any termination of this Contract which is a:
- (a) termination of the whole or part of this Contract in accordance with Clause 31 (Termination Rights), except where the period of notice given under that Clause is greater than or equal to 6 months;
 - (a) termination of the provision of the Services for any reason prior to the expiry of any period of notice of termination served pursuant to Clause 31 (Termination Rights); or
 - (b) wrongful termination or repudiation of this Contract by either Party;
- “Ethical Wall Agreement” an ethical wall agreement in a form similar to the draft ethical wall agreement set out at Annex 2;
- “Exclusive Assets” those Assets used by the Supplier or a Key Sub-contractor which are used exclusively in the provision of the Services;
- “Exit Information” has the meaning given in Paragraph 3.1;
- “Exit Manager” the person appointed by each Party pursuant to Paragraph 2.3 for managing the Parties’ respective obligations under this Schedule;
- “Net Book Value” the net book value of the relevant Asset(s) calculated in accordance with the depreciation policy of the Supplier set out in the letter in the agreed form from the Supplier to the Authority of the same date as this Contract;
- “Non-Exclusive Assets” those Assets (if any) which are used by the Supplier or a Key Sub-contractor in connection with the Services but which are also used by the Supplier or Key Sub-contractor for other purposes of material value;
- “Ordinary Exit” any termination of the whole or any part of this Contract which occurs:
- (a) pursuant to Clause 31 (Termination Rights) where the period of notice given by the Party serving notice to terminate pursuant to such Clause is greater than or equal to 6 months; or
 - (a) as a result of the expiry of the Initial Term or any Extension Period;
- “Transferable Assets” those of the Exclusive Assets which are capable of legal transfer to the Authority;

“Transferable Contracts” the Sub-contracts, licences for Supplier’s Software, licences for Third Party Software or other agreements which are necessary to enable the Authority or any Replacement Supplier to perform the Services or the Replacement Services, including in relation to licences all relevant Documentation; and

“Transferring Contracts” has the meaning given in Paragraph 7.2.3.

2. Obligations During the Term to Facilitate Exit

2.1 During the Term, the Supplier shall:

2.1.1 create and maintain a register of all:

(a) Sub-contracts and other relevant agreements (including relevant software licences, maintenance and support agreements and equipment rental and lease agreements) required for the performance of the Services;

2.1.2 create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Supplier provides the Services, which shall contain sufficient detail to permit the Authority and/or Replacement Supplier to understand how the Supplier provides the Services and to enable the smooth transition of the Services with the minimum of disruption;

2.1.3 agree the format of the Registers with the Authority as part of the process of agreeing the Exit Plan; and

2.1.4 at all times keep the Registers up to date, in particular in the event that Assets, Sub-contracts or other relevant agreements are added to or removed from the Services.

2.2 Each Party shall appoint a person for the purposes of managing the Parties’ respective obligations under this Schedule and provide written notification of such appointment to the other Party within 3 months of the Effective Date. The Supplier’s Exit Manager shall be responsible for ensuring that the Supplier and its employees, agents and Sub-contractors comply with this Schedule. The Supplier shall ensure that its Exit Manager has the requisite authority to arrange and procure any resources of the Supplier as are reasonably necessary to enable the Supplier to comply with the requirements set out in this Schedule. The Parties’ Exit Managers will liaise with one another in relation to all issues relevant to the termination of this Contract and all matters connected with this Schedule and each Party’s compliance with it.

3. Obligations to Assist on Re-tendering of Services

3.1 On reasonable notice at any point during the Term, the Supplier shall provide to the Authority and/or its potential Replacement Suppliers (subject to the potential Replacement Suppliers entering into reasonable written confidentiality undertakings), the following material and information in order to facilitate the preparation by the Authority of any invitation to tender and/or to facilitate any potential Replacement Suppliers undertaking due diligence:

3.1.1 details of the Service(s);

3.1.2 a copy of the Registers, updated by the Supplier up to the date of delivery of such Registers;

- 3.1.3 an inventory of Authority Data in the Supplier's possession or control;
- 3.1.4 details of any key terms of any third party contracts and licences, particularly as regards charges, termination, assignment and novation;
- 3.1.5 a list of on-going and/or threatened disputes in relation to the provision of the Services;
- 3.1.6 to the extent permitted by applicable Law, all information relating to Transferring Supplier Employees required to be provided by the Supplier under this Contract; and
- 3.1.7 such other material and information as the Authority shall reasonably require,

(together, the "Exit Information").

3.2 The Supplier acknowledges that the Authority may disclose the Supplier's Confidential Information to an actual or prospective Replacement Supplier or any third party whom the Authority is considering engaging to the extent that such disclosure is necessary in connection with such engagement (except that the Authority may not under this Paragraph 3.2 disclose any Supplier's Confidential Information which is information relating to the Supplier's or its Sub-contractors' prices or costs).

3.3 The Supplier shall:

3.3.1 notify the Authority within 5 Working Days of any material change to the Exit Information which may adversely impact upon the potential transfer and/or continuance of any Services and shall consult with the Authority regarding such proposed material changes; and

3.3.2 provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and in any event within 10 Working Days of a request in writing from the Authority.

3.4 The Supplier may charge the Authority for its reasonable additional costs to the extent the Authority requests more than 4 updates in any 6 month period.

3.5 The Exit Information shall be accurate and complete in all material respects and the level of detail to be provided by the Supplier shall be such as would be reasonably necessary to enable a third party to:

3.5.1 prepare an informed offer for those Services; and

3.5.2 not be disadvantaged in any subsequent procurement process compared to the Supplier (if the Supplier is invited to participate).

4. Obligation to enter into an Ethical Wall Agreement on Re-tendering of Services

4.1 The Authority may require the Supplier to enter into the Ethical Wall Agreement at any point during a re-tendering or contemplated re-tendering of the Services or any part of the Services.

4.2 If required to enter into the Ethical Wall Agreement, the Supplier will return a signed copy of the Ethical Wall Agreement within 10 Working Days of receipt. The Supplier's costs of entering into the Ethical Wall Agreement will be borne solely by the Supplier.

5. Exit Plan

- 5.1 The Supplier shall, **within 3 months after the Effective Date**, deliver to the Authority an Exit Plan which:
- 5.1.1 sets out the Supplier's proposed methodology for achieving an orderly transition of the relevant Services from the Supplier to the Authority and/or its Replacement Supplier on the Partial Termination, expiry or termination of this Contract;
 - 5.1.2 complies with the requirements set out in Paragraph 5.2; and
 - 5.1.3 is otherwise reasonably satisfactory to the Authority.
- 5.2 The Parties shall use reasonable endeavours to agree the contents of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within 20 Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 5.3 The Exit Plan shall set out, as a minimum:
- 5.3.1 how the Exit Information is obtained;
 - 5.3.2 separate mechanisms for dealing with Ordinary Exit and Emergency Exit, the provisions relating to Emergency Exit being prepared on the assumption that the Supplier may be unable to provide the full level of assistance which is required by the provisions relating to Ordinary Exit, and in the case of Emergency Exit, provision for the supply by the Supplier of all such reasonable assistance as the Authority shall require to enable the Authority or its sub-contractors to provide the Services;
 - 5.3.3 a mechanism for dealing with Partial Termination on the assumption that the Supplier will continue to provide the remaining Services under this Contract;
 - 5.3.4 the management structure to be employed during both transfer and cessation of the Services in an Ordinary Exit and an Emergency Exit;
 - 5.3.5 the management structure to be employed during the Termination Assistance Period;
 - 5.3.6 a detailed description of both the transfer and cessation processes, including a timetable, applicable in the case of an Ordinary Exit and an Emergency Exit;
 - 5.3.7 how the Services will transfer to the Replacement Supplier and/or the Authority, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Authority's technology components from any technology components operated by the Supplier or its Sub-contractors (where applicable);
 - 5.3.8 the scope of the Termination Services that may be required for the benefit of the Authority (including such of the services set out in Annex 1 as are applicable);
 - 5.3.9 a timetable and critical issues for providing the Termination Services;
 - 5.3.10 any charges that would be payable for the provision of the Termination Services (calculated in accordance with the methodology that would apply if such Services were being treated as a Contract Change), together with a capped estimate of such charges;
 - 5.3.11 how the Termination Services would be provided (if required) during the Termination Assistance Period;
 - 5.3.12 procedures to deal with requests made by the Authority and/or a Replacement Supplier for Staffing Information pursuant to Part 2 (Staff Transfer Arrangements on Exit); and
 - 5.3.13 how each of the issues set out in this Schedule will be addressed to facilitate the transition of the Services from the Supplier to the Replacement Supplier and/or the Authority with the aim of ensuring that there is no disruption to or degradation of the Services during the Termination Assistance Period.

5.4 The Parties acknowledge that the migration of the Services from the Supplier to the Authority and/or its Replacement Supplier may be phased, such that certain of the Services are handed over before others.

5.5 The Supplier shall review and (if appropriate) update the Exit Plan on a basis consistent with the principles set out in this Schedule in the first month of each Contract Year (commencing with the second Contract Year) and if requested by the Authority following the occurrence of a Financial Distress Event, within 14 days of such request, to reflect any changes in the Services that have occurred since the Exit Plan was last agreed. Following such update, the Supplier shall submit the revised Exit Plan to the Authority for review. Within 20 Working Days following submission of the revised Exit Plan, the Parties shall meet and use reasonable endeavours to agree the contents of the revised Exit Plan. If the Parties are unable to agree the contents of the revised Exit Plan within that 20 Working Day period, such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

Finalisation of the Exit Plan

5.6 Within 20 Working Days after service of a Termination Notice by either Party or 6 months prior to the expiry of this Contract, the Supplier will submit for the Authority's approval the Exit Plan in a final form that could be implemented immediately. The final form of the Exit Plan shall be prepared on a basis consistent with the principles set out in this Schedule and shall reflect any changes in the Services that have occurred since the Exit Plan was last agreed.

5.7 The Parties will meet and use their respective reasonable endeavours to agree the contents of the final form of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within 20 Working Days following its delivery to the Authority then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure. Until the agreement of the final form of the Exit Plan, the Supplier shall provide the Termination Services in accordance with the principles set out in this Schedule and the last approved version of the Exit Plan (insofar as relevant).

6. Termination Services

Notification of Requirements for Termination Services

6.1 The Authority shall be entitled to require the provision of Termination Services at any time during the Term by giving written notice to the Supplier (a "Termination Assistance Notice") at least 4 months prior to the date of termination or expiry of this Contract or as soon as reasonably practicable (but in any event, not later than 1 month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:

6.1.1 the date from which Termination Services are required;

6.1.2 the nature of the Termination Services required; and

6.1.3 the period during which it is anticipated that Termination Services will be required, which shall continue no longer than 24 months after the expiry of the Initial Term or any Extension Period or earlier termination of this Contract;

6.2 The Authority shall have:

6.2.1 an option to extend the period of assistance beyond the period specified in the Termination Assistance Notice provided that such extension shall not extend the Termination Assistance period beyond the date which is 30 months after expiry of the Initial Term or any Extension Period or earlier termination of this Contract ;and provided that it shall notify the Supplier to such effect no later than 20 Working Days prior to the date on which the provision of Termination Services is otherwise due to expire; and

6.2.2 the right to terminate its requirement for Termination Services by serving not less than 20 Working Days' written notice upon the Supplier to such effect.

Termination Assistance Period

6.3 Throughout the Termination Assistance Period, or such shorter period as the Authority may require, the Supplier shall:

6.3.1 continue to provide the Services (as applicable) and, if required by the Authority pursuant to Paragraph 6.1, provide the Termination Services;

6.3.2 in addition to providing the Services and the Termination Services, provide to the Authority any reasonable assistance requested by the Authority to allow the Services to continue without interruption following the Partial Termination, termination or expiry of this Contract and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Authority and/or its Replacement Supplier;

6.3.3 use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in Paragraph 6.3.2 without additional costs to the Authority;

6.3.4 provide the Services and the Termination Services at no detriment to the Target Performance Levels, save to the extent that the Parties agree otherwise in accordance with Paragraph 6.5; and

6.3.5 at the Authority's request and on reasonable notice, deliver up-to-date Registers to the Authority.

6.4 Without prejudice to the Supplier's obligations under Paragraph 6.3.3, if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 6.3.2 without additional costs to the Authority, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Termination Services or the Exit Plan shall be subject to the Change Control Procedure.

6.5 If the Supplier demonstrates to the Authority's reasonable satisfaction that transition of the Services and provision of the Termination Services during the Termination Assistance Period will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Target Performance Level(s), the Parties shall vary the relevant Target Performance Level(s) and/or the applicable Service Credits to take account of such adverse effect.

Termination Obligations

6.6 The Supplier shall comply with all of its obligations contained in the Exit Plan in respect of any Partial Termination or termination.

6.7 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule) in respect of the Services that have been terminated, the Supplier shall:

- 6.7.1 cease to use the Authority Data;
- 6.7.2 provide the Authority and/or the Replacement Supplier with a complete and uncorrupted version of the Authority Data in electronic form (or such other format as reasonably required by the Authority);
- 6.7.3 erase from any computers, storage devices and storage media that are to be retained by the Supplier after the end of the Termination Assistance Period all Authority Data and promptly certify to the Authority that it has completed such deletion;
- 6.7.4 return to the Authority such of the following as is in the Supplier's possession or control:
 - (a) any parts of the IT Environment and any other equipment which belongs to the Authority; and
 - (b) any items that have been on-charged to the Authority, such as consumables;
- 6.7.5 provide access during normal working hours to the Authority and/or the Replacement Supplier for up to 12 months after the Partial Termination, expiry or termination of this Contract to:
 - (a) such information relating to the Services as remains in the possession or control of the Supplier; and
 - (b) such members of the Supplier Personnel as have been involved in the design, development and provision of the Services and who are still employed by the Supplier, provided that the Authority and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to requests for access under this Paragraph 6.7.6(b).

6.8 Upon Partial Termination, termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party in respect of the terminated Services and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services or Termination Services or for statutory compliance purposes.

1. Assets, Sub-contracts and Software

- 7.1 Following notice of termination or Partial Termination of this Contract and during the Termination Assistance Period, the Supplier shall not, in respect of the terminated Services, without the Authority's prior written consent:
 - 7.1.1 terminate, enter into or vary any Sub-contract except to the extent that such change does not or will not affect the provision of Services or the Charges;
 - 7.1.2 (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Assets or acquire any new Assets; or
 - 7.1.3 terminate, enter into or vary any licence for software in connection with the Services.
- 7.2 Within 20 Working Days of receipt of the up-to-date Registers provided by the Supplier pursuant to Paragraph 6.3.5, the Authority shall provide written notice to the Supplier setting out:
 - 7.2.1 which, if any, of the Transferable Assets the Authority requires to be transferred to the Authority and/or the Replacement Supplier in respect of the terminated Services ("Transferring Assets");
 - 7.2.2 which, if any, of:
 - (a) the Exclusive Assets that are not Transferable Assets; and
 - (b) the Non-Exclusive Assets,the Authority and/or the Replacement Supplier requires the continued use of; and

7.2.3 which, if any, of Transferable Contracts the Authority requires to be assigned or novated to the Authority and/or the Replacement Supplier (the “Transferring Contracts”),

in order for the Authority and/or its Replacement Supplier to provide the Services from the expiry of the Termination Assistance Period. Where requested by the Authority and/or its Replacement Supplier, the Supplier shall provide all reasonable assistance to the Authority and/or its Replacement Supplier to enable it to determine which Transferable Assets and Transferable Contracts the Authority and/or its Replacement Supplier requires to provide the Services or Replacement Services. Where requested by the Supplier, the Authority and/or its Replacement Supplier shall discuss in good faith with the Supplier which Transferable Contracts are used by the Supplier in matters unconnected to the Services or Replacement Services.

7.3 With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Authority and/or its nominated Replacement Supplier for a consideration equal to their Net Book Value, except where:

7.3.1 a Termination Payment is payable by the Authority to the Supplier, in which case, payment for such Assets shall be included within the Termination Payment; or

7.3.2 the cost of the Transferring Asset has been partially or fully paid for through the Charges at the time of expiry or termination of this Contract, in which case the Authority shall pay the Supplier the Net Book Value of the Transferring Asset less the amount already paid through the Charges.

7.4 Risk in the Transferring Assets shall pass to the Authority or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title to the Transferring Assets shall pass to the Authority or the Replacement Supplier (as appropriate) on payment for the same.

7.5 Where the Supplier is notified in accordance with Paragraph 7.2.3 that the Authority and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:

7.5.1 procure a non-exclusive, perpetual, royalty-free licence (or licence on such other terms that have been agreed by the Authority) for the Authority and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which

7.5.2 procure a suitable alternative to such assets and the Authority or the Replacement Supplier shall bear the reasonable proven costs of procuring the same.

7.6 The Supplier shall as soon as reasonably practicable assign or procure the novation to the Authority and/or the Replacement Supplier of the Transferring Contracts. The Supplier shall execute such documents and provide such other assistance as the Authority reasonably requires to effect this novation or assignment.

7.7 The Authority shall:

7.7.1 accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and

7.7.2 once a Transferring Contract is novated or assigned to the Authority and/or the Replacement Supplier, carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.

7.8 The Supplier shall hold any Transferring Contracts on trust for the Authority until such time as the transfer of the relevant Transferring Contract to the Authority and/or the Replacement Supplier has been effected.

7.9 The Supplier shall indemnify the Authority (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Authority (and/or Replacement Supplier) pursuant to Paragraph 7.6 both:

7.9.1 in relation to any matters arising prior to the date of assignment or novation of such Sub-contract; and

7.9.2 in relation to any matters arising after the date of assignment or novation of such Sub-contract where the loss, liability or cost arises as a result of the Supplier's failure to comply with Clause 16 (Intellectual Property Rights) and/or Schedule 13 (Intellectual Property Rights).

2. Supplier Personnel

8.1 The Authority and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Services or part of them for any reason, Part 2 (Staff Transfer Arrangements on Exit) shall apply.

8.2 The Supplier shall not take any step (expressly or implicitly or directly or indirectly by itself or through any other person) to dissuade or discourage any employees engaged in the provision of the Services from transferring their employment to the Authority and/or the Replacement Supplier.

8.3 During the Termination Assistance Period, the Supplier shall give the Authority and/or the Replacement Supplier reasonable access to the Supplier's personnel to present the case for transferring their employment to the Authority and/or the Replacement Supplier.

8.4 The Supplier shall immediately notify the Authority or, at the direction of the Authority, the Replacement Supplier of any period of notice given by the Supplier or received from any person referred to in the Staffing Information, regardless of when such notice takes effect.

8.5 The Supplier shall not for a period of 12 months from the date of transfer re-employ or re-engage or entice any employees, suppliers or Sub-contractors whose employment or engagement is transferred to the Authority and/or the Replacement Supplier, except that this Paragraph shall not apply where the employee, supplier or Sub-contractor applies in response to a public advertisement of a vacancy.

9. Charges

9.1 During the Termination Assistance Period (or for such shorter period as the Authority may require the Supplier to provide the Termination Services), the Authority shall pay the Charges to the Supplier in respect of the Termination Services in accordance with the rates set out in the Exit Plan (but shall not be required to pay costs in excess of the estimate set out in the Exit Plan). If the scope or timing of the Termination Services is changed and this results in a change to the costs of such Termination Services, the estimate may be varied in accordance with the Change Control Procedure.

9.2 Where the Authority requests an extension to the Termination Services beyond the Termination Assistance Period in accordance with Paragraph 6.2:

9.2.1 where more than 6 months' notice is provided, the same rate as set out in the Exit Plan (or the Charges when not stated in the Exit Plan) shall be payable; and

9.2.2 where less than 6 months' notice is provided, no more than 1.2 times the rate as set out in the Exit Plan (or the Charges when not stated in the Exit Plan) shall be payable.

9.3 For the purpose of calculating the costs of providing the Termination Services for inclusion in the Exit Plan or, if no Exit Plan has been agreed, the costs of providing Termination Services shall be determined in accordance with the Change Control Procedure.

9.4 Except as otherwise expressly specified in this Agreement, the Supplier shall not make any charges for the services provided by the Supplier pursuant to, and the Authority shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with, this Schedule including the preparation and implementation of the Exit Plan and any activities mutually agreed between the Parties to carry on after the expiry of the Termination Assistance Period.

3. Apportionments

10.1 All outgoing and expenses (including any remuneration due) and all rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Authority and the Supplier and/or the Replacement Supplier and the Supplier (as applicable) as follows:

10.1.1 the amounts shall be annualised and divided by 365 to reach a daily rate;

10.1.2 the Authority shall be responsible for (or shall procure that the Replacement Supplier shall be responsible for) or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and

10.1.3 the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.

10.2 Each Party shall pay (and/or the Authority shall procure that the Replacement Supplier shall pay) any monies due under Paragraph 10.1 as soon as reasonably practicable.

Annex 1: Scope of the Termination Services

1. Scope of the Termination Services

1.1 The Termination Services to be provided by the Supplier shall include such of the following services as the Authority may specify:

1.1.1 ceasing all non-critical Software changes (except where agreed in writing with the Authority);

1.1.2 notifying the Sub-contractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed;

1.1.3 providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures

such that they are appropriate for use by the Authority and/or the Replacement Supplier after the end of the Termination Assistance Period;

1.1.4 delivering to the Authority the existing systems support profiles, monitoring or system logs, problem tracking/resolution documentation and status reports all relating to the 12 month period immediately prior to the commencement of the Termination Services;

1.1.5 providing details of work volumes and staffing requirements over the 12 month period immediately prior to the commencement of the Termination Services;

1.1.6 with respect to work in progress as at the end of the Termination Assistance Period, documenting the current status and stabilising for continuity during transition;

1.1.7 providing the Authority with any problem logs which have not previously been provided to the Authority;

1.1.8 providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services and re-writing and implementing these during and for a period of 12 months after the Termination Assistance Period;

1.1.9 providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Services and re-writing and implementing these such that they are appropriate for the continuation of the Services after the Termination Assistance Period;

1.1.10 agreeing with the Authority an effective communication strategy and joint communications plan which sets out the implications for Supplier Personnel, Authority staff, customers and key stakeholders;

1.1.11 reviewing all Software libraries used in connection with the Services and providing details of these to the Authority and/or the Replacement Supplier;

1.1.12 providing assistance and expertise as necessary to support the Authority and/or the Replacement Supplier develop the migration plan for business operations and Authority Data to the Replacement Supplier, which may include migration approach, testing of plans, contingency options, and handling of historic or archived Authority Data;

1.1.13 provide all necessary support, equipment, tools, and Software such as data migration services and/or Automated Programming Interfaces, in order to enable and support the execution of the migration plan by the Authority and/or Replacement Supplier;

1.1.14 making available to the Authority and/or the Replacement Supplier expertise to analyse training requirements and provide all necessary training for the use of tools by such staff as are nominated by the Authority (acting reasonably) at the time of termination or expiry;

1.1.15 assisting in establishing naming conventions for any new production site;

1.1.16 analysing and providing information about capacity and performance requirements, processor requirements and bandwidth requirements, and known planned requirements for capacity growth across these areas;

1.1.17 generating a computer listing of the Source Code of relevant Software in a form and on media reasonably requested by the Authority;

1.1.18 agreeing with the Authority a handover plan for all of the Supplier's responsibilities as set out in the Security Management Plan;

1.1.19 delivering copies of the production databases (with content listings) to the Authority's and/or the Replacement Supplier's operations staff (on appropriate media) as reasonably requested by the Authority;

1.1.20 assisting with the loading, testing and implementation of the production databases;

1.1.21 assisting in the execution of a parallel operation until the effective date of expiry or termination of this Contract;

1.1.22 in respect of the maintenance and support of the Supplier System, providing historical performance data for the previous 12 months.

1.1.23 assisting in the execution of a parallel operation of the maintenance and support of the Supplier System until the end of the Termination Assistance Period or as otherwise specified by the Authority (provided that these Services shall end on a date no later than the end of the Termination Assistance Period);

1.1.24 providing an information pack listing and describing the Services for use by the Authority in the procurement of the Replacement Services;

1.1.25 answering all reasonable questions from the Authority and/or the Replacement Supplier regarding the Services;

1.1.26 agreeing with the Authority and/or the Replacement Supplier a plan for the migration of the Authority Data to the Authority and/or the Replacement Supplier;

1.1.27 providing access to the Authority and/or the Replacement Supplier during the Termination Assistance Period and for a period not exceeding 6 months afterwards for the purpose of the smooth transfer of the Services to the Authority and/or the Replacement Supplier:

(a) to information and documentation relating to the Transferring Services that is in the possession or control of the Supplier or its Sub-contractors (and the Supplier agrees and shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; and

(b) following reasonable notice and during the Supplier's normal business hours, to members of the Supplier Personnel who have been involved in the provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors; and

1.1.28 knowledge transfer services, including:

(a) transferring all training material and providing appropriate training to those Authority and/or Replacement Supplier staff responsible for internal training in connection with the provision of the Services;

(b) providing for transfer to the Authority and/or the Replacement Supplier of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents;

(c) providing the Supplier and/or the Replacement Supplier with access to such members of the Supplier's or its Sub-contractors' personnel as have been involved in the design, development, provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors; and

(d) allowing the Authority and/or the Replacement Supplier to work alongside and observe the performance of the Services by the Supplier at its Sites used to fulfil the Services (subject to compliance by the Authority and the Replacement Supplier with any applicable security and/or health and safety restrictions,

and any such person who is provided with such knowledge transfer services will sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require)).

1.2 The Supplier shall:

1.2.1 provide a documented plan relating to the training matters referred to in Paragraph 1.1.14 for agreement by the Authority at the time of termination or expiry of this Contract;

1.2.2 co-operate fully in the execution of the handover plan agreed pursuant to Paragraph 1.1.18, providing skills and expertise of a suitable standard; and

1.2.3 fully co-operate in the execution of the Authority Data migration plan agreed pursuant to Paragraph 1.1.26, providing skills and expertise of a reasonably acceptable standard.

1.3 To facilitate the transfer of knowledge from the Supplier to the Authority and/or its Replacement Supplier, the Supplier shall provide a detailed explanation of the procedures and operations used to provide the Services, the change management process and other standards and procedures to the operations personnel of the Authority and/or the Replacement Supplier.

1.4 The information which the Supplier shall provide to the Authority and/or the Replacement Supplier pursuant to Paragraph 1.1.27 1.1.26 shall include:

1.4.1 copies of up-to-date procedures and operations manuals;

1.4.2 product information;

1.4.3 agreements with third party suppliers of goods and services which are to be transferred to the Authority and/or the Replacement Supplier;

1.4.4 key support contact details for third party supplier personnel under contracts which are to be assigned or novated to the Authority pursuant to this Schedule;

1.4.5 information regarding any unresolved faults in progress at the commencement of the Termination Assistance Period as well as those expected to be in progress at the end of the Termination Assistance Period;

1.4.6 details of physical and logical security processes and tools which will be available to the Authority; and

1.4.7 any relevant interface information,

and such information shall be updated by the Supplier at the end of the Termination Assistance Period.

1.5 During the Termination Assistance Period the Supplier shall grant any agent or personnel (including employees, consultants and Suppliers) of the Replacement Supplier and/or the Authority access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that:

1.5.1 any such agent or personnel (including employees, consultants and suppliers) having access to any Sites pursuant to this Paragraph 1.5 shall:

(a) sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require); and

(b) during each period of access comply with the security, systems and facilities operating procedures of the Supplier relevant to such Site and that the Authority deems reasonable; and

1.5.2 the Authority and/or the Replacement Supplier shall pay the reasonable, proven and proper costs of the Supplier incurred in facilitating such access.

Annex 2: Draft Ethical Wall Agreement

(Not required for completion at this time)

[THE AUTHORITY]

and

[C Data Marine Ltd]

ETHICAL WALL AGREEMENT

This Agreement is dated [] 20[] (the “Effective Date”).

BETWEEN:

- (a) [insert NAME OF AUTHORITY] (the “Authority”) [acting on behalf of the Crown] of [insert Authority’s address]; and
- (b) [NAME OF COUNTERPARTY] a [company]/[limited liability partnership] registered in England and Wales under registered number [insert registered number] whose registered office is at [insert Counterparty’s registered address] (the “Counterparty”),
- together the “Parties” and each a “Party”.

BACKGROUND

(A) The Authority is obliged to ensure transparency, fairness, non-discrimination and equal treatment in relation to its procurement process pursuant to the Procurement Regulations (defined below). The purpose of this document (“Agreement”) is to define the protocols to be followed to prevent, identify and remedy any conflict of interest (whether actual, potential or perceived) in the context of the Purpose (defined below).

(B) The Authority is conducting a procurement exercise for the provision] of RFA Business Support services currently supplied by C Data Marine Ltd (the “Purpose”).

(C) The Parties wish to enter into this Agreement to ensure that a set of management processes, barriers and disciplines are put in place to ensure that conflicts of interest do not arise, and that the Counterparty does not obtain an unfair competitive advantage over Other Bidders.

IT IS AGREED:

1. Definitions and Interpretation

1.1 The following capitalised words and expressions shall have the following meanings in this Agreement and its recitals:

“Affiliate” means in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;

“Agreement” means this ethical walls agreement duly executed by the Parties;

“Bid Team” means any Representatives of the Counterparty, any of its Affiliates and/or any Subcontractors connected to the preparation of an ITT Response;

“Crown Body” means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics, including:

- (a) Government Departments;
- (b) Non-Departmental Public Bodies or Assembly Sponsored Public Bodies (advisory, executive, or tribunal);
- (c) Non-Ministerial Departments; or
- (d) Executive Agencies;

“Conflicted Personnel” means any Representatives of:

- (a) the Counterparty;
- (b) any of the Counterparty's Affiliates; and/or
- (c) any Subcontractors,

who, because of the Counterparty's, any of its Affiliates' and/or any Subcontractors' relationship with the Authority under any Contract, have or have had access to information which creates or may create a conflict of interest or provide the Bid Team with an unfair advantage as regards information Other Bidders would not have;

“Contract” means any pre-existing or previous contract between the Authority and:

- (a) the Counterparty;
- (b) any of the Counterparty's Affiliates;
- (c) any Subcontractor; and
- (d) any other Third Party,

relating to the subject matter of the Purpose at the date of the commencement of the ITT Process;

“Control” means the beneficial ownership of more than 50% of the issued share capital of a company or the legal power to direct or cause the direction of the management of the company and “Controls” and “Controlled” shall be interpreted accordingly;

“Effective Date” means the date of this Agreement as set out above;

“Invitation to Tender” or “ITT” means an invitation to submit tenders issued by the Authority as part of an ITT Process (and shall include an Invitation to Negotiate);

“ITT Process” means, with regard to the Purpose, the relevant procedure provided for in the Procurement Regulations (as amended), which the Authority has elected to use to select a contractor or contractors, together with all relevant information, data, correspondence and/or documents issued and/or made available by or on behalf of the Authority as part of that procurement exercise and all information, correspondence and/or documents issued and/or made available by or on behalf of the bidders in response together with any resulting contracts;

“ITT Response” means the tender(s) submitted, or to be submitted, by the Counterparty, any of its Affiliates and/or any Subcontractors in response to any invitation(s) to submit bids under the ITT process;

“Other Bidder” means any other bidder or potential bidder that is not the Counterparty or any of its Affiliates that has taken or is taking part in the ITT Process;

“Procurement Process” means the period commencing on the earlier of: (a) the publication of the first notice in relation to the Purpose; and (b) the execution of this Agreement, and ending on the occurrence of: (i) the publication by the Authority of all contract award notices that result from the ITT Process; or (ii) the abandonment or termination of the ITT Process as notified by the Authority;

“Procurement Regulations” means the Public Contracts Regulations 2015, the Public Procurement (Amendment etc.)(EU Exit) Regulations 2020, the Defence and Security Public Contracts Regulations 2011, the Utilities Contracts Regulations 2016, and the Concession Contracts Regulations 2016, each as amended from time to time;

“Professional Advisor” means a supplier, subcontractor, advisor or consultant engaged by the Counterparty and/or any of its Affiliates under the auspices of compiling its ITT response;

“Purpose” has the meaning given to it in recital B to this Agreement;

“Representative” refers to a person’s officers, directors, employees, advisers (including the officers, directors, employees, advisers and agents of any Professional Advisors), agents and, where the context admits, providers or potential providers of finance (including their representatives) to the Counterparty, any of its Affiliates and/or any subcontractors engaged in connection with the ITT Process;

“Subcontractor” means an existing or proposed subcontractor of:

- (a) the Counterparty; and/or
- (b) any of the Counterparty’s Affiliates,

who is connected to the preparation of an ITT Response (including key subcontractors named in the ITT Response);

“Third Party” means any person who is not a Party, including Other Bidders, their Affiliates and/or their Representatives; and

“Working Day” means any day of the week other than a weekend, when Banks in England and Wales are open for business.

1.2 Reference to the disclosure of information includes any communication or making available information and includes both direct and indirect disclosure.

1.3 Reference to the disclosure of information, or provision of access, by or to the Authority, the Counterparty, any of the Counterparty’s Affiliates and/or any Subcontractors includes disclosure, or provision of access, by or to the Representatives of the Authority, the Counterparty, any of its Affiliates and/or any Subcontractors (as the case may be).

1.4 Reference to persons includes legal and natural persons.

1.5 Reference to any enactment is to that enactment as amended, supplemented, re-enacted or replaced from time to time.

1.6 Reference to clauses and recitals is to clauses of and recitals to this Agreement.

1.7 Reference to any gender includes any other.

1.8 Reference to writing includes email.

1.9 The terms “associate”, “holding company”, “subsidiary”, “subsidiary undertaking” and “wholly owned subsidiary” have the meanings attributed to them in the Companies Act 2006, except that for the purposes of section 1159(1)(a) of that Act, the words ‘holds a majority of the voting rights’ shall be changed to ‘holds 30% or more of the voting rights’, and other expressions shall be construed accordingly.

1.10 The words “include” and “including” are to be construed without limitation.

1.11 The singular includes the plural and vice versa.

1.12 The headings contained in this Agreement shall not affect its construction or interpretation.

2. Ethical Walls

2.1 In consideration of the sum of £1 payable by the Authority to the Counterparty, receipt of which is hereby acknowledged, the Parties agree to be bound by the terms of this Agreement.

Conflicts of Interest

2.2 The Counterparty:

2.2.1 shall take all appropriate steps to ensure that neither the Counterparty, nor its Affiliates, nor any Subcontractors nor any Representatives are in a position where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Counterparty,

any of its Affiliates, any Subcontractors and/or any Representatives and the duties owed to the Authority under any Contract or pursuant to an open and transparent ITT Process; and

2.2.2 acknowledges and agrees that a conflict of interest may arise in situations where the Counterparty, any of its Affiliates, any Subcontractors and/or any Representatives intend to take part in the ITT Process and because of the Counterparty's, any of its Affiliates', any Subcontractors' and/or any Representatives' relationship with the Authority under any Contract, the Counterparty, any of its Affiliates, any Subcontractors and/or any Representatives have or have had access to information which could provide the Counterparty, any of its Affiliates, any Subcontractors and/or any Representatives with an advantage and render unfair an otherwise genuine and open competitive ITT Process.

2.3 Where there is or is likely to be a conflict of interest, or the perception of a conflict of interest, of any kind in relation to the ITT Process, the Counterparty shall take such steps that are necessary to eliminate the conflict of interest to the Authority's satisfaction, including one or more of the following:

2.3.1 not assigning any of the Conflicted Personnel to the Bid Team at any time;

2.3.2 providing to the Authority promptly upon request a complete and up to date list of any Conflicted Personnel and the personnel comprising the Bid Team and reissue such list to the Authority promptly upon any change to it;

2.3.3 ensuring that no act or omission by itself, its Affiliates, any Subcontractors and/or any Representatives results in information of any kind, however conveyed, or in any format and however so stored:

(a) about the ITT Process (gleaned from the performance of any Contract or otherwise); and/or

(b) which would or could in the opinion of the Authority confer an unfair advantage on the Counterparty in relation to its participation in the ITT Process,

becoming available to the Bid Team where the Authority has not made generally available that information to Other Bidders;

2.3.4 ensuring that by no act or omission by itself, its Affiliates, any Subcontractors and/or any Representatives and in particular the Bid Team results in information of any kind, however conveyed, in any format and however so stored about the ITT Process, its operation and all matters connected or ancillary to it becoming available to the Conflicted Personnel;

2.3.5 ensure that agreements that flow down the Counterparty's obligations in this Agreement, are entered into as necessary, between the Counterparty and its Affiliates and any Subcontractors [in a form to be approved by the Authority];

2.3.6 physically separating the Conflicted Personnel and the Bid Team, either in separate buildings or in areas with restricted access;

2.3.7 providing regular training to its Affiliates, any Subcontractors and/or Representatives to ensure it is complying with this Agreement;

2.3.8 monitoring Conflicted Personnel movements within restricted areas (both physical and electronic online areas) to ensure it is complying with this Agreement and to ensure adherence to the ethical wall arrangements the Counterparty, its Affiliates, any Subcontractors and/or any Representatives have put in place in order to comply with this Agreement;

2.3.9 ensuring that the Conflicted Personnel and the Bid Team are line managed and report independently of each other; and

2.3.10 complying with any other action as the Authority, acting reasonably, may direct in connection with the ITT Process and/or this Agreement.

Notification of Conflicts of Interest

2.4 The Counterparty shall:

2.4.1 notify the Authority immediately in writing of all perceived, potential and/or actual conflicts of interest that arise or have arisen;

2.4.2 submit in writing to the Authority full details of the nature of the perceived, potential and/or actual conflict of interest including full details of the risk assessments undertaken, the impact or potential impact of the perceived,

potential and/or actual conflict, the measures and arrangements that have been established and/or are due to be established, to eliminate the perceived, potential and/or actual conflict, and the Counterparty's plans to prevent potential conflicts of interests from arising ("Proposed Avoidance Measures"); and

2.4.3 seek the Authority's approval to the Proposed Avoidance Measures which the Authority shall have the right to grant, grant conditionally or deny (if the Authority rejects the Proposed Avoidance Measures the Counterparty shall repeat the process set out in this Clause 2.4 until such time as the Authority grants approval or the Counterparty withdraws from the ITT Process).

2.5 The Counterparty will provide to the Authority, on demand, any and all information in relation to its adherence with its obligations set out under Clauses 2.2 and 2.3 as reasonably requested by the Authority.

2.6 The Authority reserves the right to require the Counterparty to demonstrate the measures put in place by the Counterparty under Clauses 2.2 and 2.3.

2.7 The Counterparty acknowledges that any provision of information or demonstration of measures, in accordance with Clauses 2.5 and 2.6, does not constitute acceptance by the Authority of the adequacy of such measures and does not discharge the Counterparty of its obligations or liability under this Agreement.

Exclusion from the ITT Process

2.8 Where, in the reasonable opinion of the Authority, there has been any breach by the Counterparty of Clauses 2.2, 2.3, or 2.4 or failure to obtain the Authority's approval of the Proposed Avoidance Measures the Authority shall be entitled to exclude the Counterparty, or any of its Affiliates and/or any Representatives, from the ITT Process, and the Authority may, in addition to the right to exclude, take such other steps as it deems necessary.

2.9 The actions of the Authority pursuant to Clause 2.8 shall not prejudice or affect any right of action or remedy under this Agreement or at law which shall have accrued or shall thereafter accrue to the Authority.

Bid Costs

2.10 In no event shall the Authority be liable for any bid costs incurred by:

2.10.1 the Counterparty or any of its Affiliates, any Representatives and/or any Subcontractors; or

2.10.2 any Third Party,

as a result of any breach of this Agreement by the Counterparty, any of its Affiliates, any Subcontractors and/or Representatives, including where the Counterparty, any of its Affiliates, any Subcontractors or Representatives, or any Third Party is or are excluded from the ITT Process.

Specific Remedies

2.11 The Counterparty acknowledges and agrees that:

2.11.1 neither damages nor specific performance are adequate remedies in the event of a breach of the obligations in Clause 2; and

2.11.2 in the event of a breach of any of the obligations in Clause 2 which cannot be effectively remedied the Authority shall have the right to terminate both this Agreement and the Counterparty's participation in the ITT Process in each case with immediate effect on written notice.

3. Sole Responsibility

3.1 It is the sole responsibility of the Counterparty to comply with the terms of this Agreement, including ensuring its Affiliates, any Subcontractors, and/or any Representatives comply with the terms of this Agreement. No approval by the Authority of any procedures, agreements or arrangements provided by the Counterparty, any of its Affiliates, any Subcontractors and/or their Representatives to the Authority shall discharge the Counterparty's obligations.

4. Waiver and Invalidity

4.1 No failure or delay by any Party in exercising any right, power or privilege under this Agreement or by law shall constitute a waiver of that or any other right, power or privilege, nor shall it restrict the further exercise of that or any other right, power or privilege. No single or partial exercise of such right, power or privilege shall prevent or restrict the further exercise of that or any other right, power or privilege.

4.2 If any provision of this Agreement is prohibited or unenforceable in any jurisdiction in relation to any Party, such prohibition or unenforceability will not invalidate the remaining provisions of this Agreement, or affect the validity or enforceability of the provisions of this Agreement in relation to any other Party or any other jurisdiction.

5. Assignment and Novation

5.1 The Counterparty shall not assign, novate or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Agreement without the prior written consent of the Authority.

5.2 The Authority may assign, novate or otherwise dispose of any or all of its rights, obligations and liabilities under this Agreement and/or any associated licences to:

5.2.1 any Crown Body; or

5.2.2 to a body other than a Crown Body (including any private sector body) which performs any of the functions that previously had been performed by the Authority; and

5.2.3 the Counterparty shall, at the Authority's request, enter into a novation agreement in such form as the Authority may reasonably specify in order to enable the Authority to exercise its rights pursuant to this Clause 5.

5.3 A change in the legal status of the Authority such that it ceases to be a Crown Body shall not affect the validity of this Agreement and this Agreement shall be binding on any successor body to the Authority.

6. Contracts (Rights of Third Parties) Act 1999

6.1 A person who is not a Party to this Agreement has no right under the Contract (Rights of Third Parties) Act 1999 (as amended, updated or replaced from time to time) to enforce any term of this Agreement, but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

7. Transparency

7.1 The Parties acknowledge and agree that the Authority is under a legal duty pursuant to the Procurement Regulations to run transparent and fair procurement processes. Accordingly, the Authority may disclose the contents of this Agreement to Other Bidders (and/or potential Other Bidders) for the purposes of transparency and in order to evidence that a fair procurement process has been followed.

8. Notices

8.1 Any notices sent under this Agreement must be in writing.

8.2 The following table sets out the method by which notices may be served under this Agreement and the respective deemed time and proof of service:

Manner of Delivery	Deemed time of service	Proof of service
--------------------	------------------------	------------------

Email.	9.00am on the first Working Day after sending	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message.
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Personal delivery.	On delivery, provided delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the next Working Day.	Properly addressed and delivered as evidenced by signature of a delivery receipt.
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Prepaid, Royal Mail Signed For™	1st Class or other prepaid, next Working Day service providing proof of delivery.	
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	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm).	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt.
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8.3 Notices shall be sent to the addresses set out below or at such other address as the relevant Party may give notice to the other Party for the purpose of service of notices under this Agreement:

Counterparty	Authority
--------------	-----------

Contact	
---------	--

Address	
---------	--

Email	
-------	--

8.4 This Clause 8 does not apply to the service of any proceedings or other documents in any legal action or other method of dispute resolution.

9. Waiver and Cumulative Remedies

9.1 The rights and remedies under this Agreement may be waived only by notice, and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Agreement or by law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

9.2 Unless otherwise provided in this Agreement, rights and remedies under this Agreement are cumulative and do not exclude any rights or remedies provided by law, in equity or otherwise.

10. Term

10.1 Each Party's obligations under this Agreement shall continue in full force and effect for period of [] years from the Effective Date/[or for the period of the duration of the Procurement Process]

11. Governing Law and Jurisdiction

11.1 This Agreement and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

11.2 The Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Agreement or its subject matter or formation.

Signed by the Authority

Name:

Signature:

Position in Authority:

Signed by the Counterparty

Name:

Signature:

Position in Counterparty:

Security Aspects Letter (SAL)

Defence Equipment & Support

MOD Abbey Wood

BRISTOL

BS34 8JH

Military network: N/A

Telephone: Email:

File reference: Contract Number
713713451

Insert Date: 17/09/2025

Lloyd's Register EMEA
 Naval Centre of Expertise
 One Temple Quay
 Temple Back East
 Bristol
 BS1 6DZ

Contract No. 713713451**Title: The provision of Classification, Survey and Design Appraisal Services to support the Future In Service Support (FISS) requirement**

On behalf of the Secretary of State for Defence, I hereby give you notice of the information or assets connected with, or arising from, the referenced ITT that constitute classified material.

Aspects that constitute OFFICIAL-SENSITIVE for the purpose of DEFCON 660 are specified below. These aspects must be fully safeguarded. The enclosed Security Condition [Annex B] outlines the minimum measures required to safeguard OFFICIAL-SENSITIVE assets and information.

ASPECTS	CLASSIFICATION
DRAFT Contract Terms and Conditions and all DRAFT Contract Schedules (including all annexes and appendices)	OFFICIAL-SENSITIVE
DEFFORM 047ST (including all annexes and appendices)	OFFICIAL-SENSITIVE
Ship programmes	OFFICIAL-SENSITIVE
Ship design and equipment fit	OFFICIAL-SENSITIVE

Your attention is drawn to the provisions of the Official Secrets Act 1989 and the National Security Act 2023. In particular you should take all reasonable steps to make sure that all individuals employed on any work in connection with this ITT have notice of the above specified aspects and that the

aforementioned statutory provisions apply to them and will continue to apply should the ITT be unsuccessful.

Will you please confirm that:

This definition of the classified aspects of the referenced Invitation to Tender has been brought to the attention of the person directly responsible for security of classified material.

The definition is fully understood.

Measures can, and will, be taken to safeguard the classified aspects identified herein in accordance with applicable national laws and regulations. [The requirement and obligations set out above and in any contractual document can and will be met and that the classified material shall be protected in accordance with applicable national laws and regulations.]

All employees of the company who will have access to classified material have either signed an OSA/NSA Declaration Form in duplicate and one copy is retained by the Company Security Officer or have otherwise been informed that the provisions of the OSA/NSA apply to all classified information and assets associated with this ITT.

If you have any difficulty either in interpreting this definition of the classified aspects or in safeguarding them, will you please let me know immediately.

Classified Information associated with this ITT must not be published or communicated to anyone without the approval of the MOD Contracting Authority.

Any access to classified information or assets on MOD premises that may be needed will be subject to MOD security regulations under the direction of the MOD Project Security Officer (PSyO) in accordance with DEFCON 76.

Contact details for the MOD Project Security Officer (PSyO) (responsible for the co-ordination of effective security measures throughout the Project/Programme) are included below:

Yours faithfully

[REDACTED]

Copy via email to:

[REDACTED]

ANNEX B

UK OFFICIAL AND UK OFFICIAL-SENSITIVE CONTRACTUAL SECURITY CONDITIONS

Purpose

1. This document provides guidance for Defence Suppliers where classified material provided to or generated by the Defence Supplier is graded UK OFFICIAL or UK OFFICIAL-SENSITIVE. Where the measures requested below cannot be achieved or are not fully understood, further advice should be sought from the UK Designated Security Authority (Email: COO-DSR-IIPCSy@mod.gov.uk).

Definitions(

2. The term "Authority" for the purposes of this Annex means the UK MOD Contracting Authority.
3. The term "Classified Material" for the purposes of this Annex means classified information and assets.

Security Grading

4. The SENSITIVE marking is used to denote UK OFFICIAL material that is of a particular sensitivity and where there is a need to reinforce the 'need to know'. The Security Aspects Letter, issued by the Authority shall define the UK OFFICIAL-SENSITIVE material that is provided to the Defence Supplier, or which is to be developed by it, under this Contract. The Defence Supplier shall mark all UK OFFICIAL-SENSITIVE documents which it originates or copies during the Contract with the applicable security grading. The Defence Supplier is not required to mark documents graded UK OFFICIAL unless they are transmitted overseas or generated by a Defence Supplier based outside the UK in a third-party country.

Security Conditions

5. The Defence Supplier shall take all reasonable steps to adhere to the provisions specified in the Contract or listed in this Annex. The Defence Supplier shall make sure that all individuals employed on any work in connection with the Contract have notice that these provisions apply to them and shall continue so to apply after the completion or earlier termination of the Contract.
6. Where a Defence Supplier is based outside the UK in a third-party country the national rules and regulations of the third-party country take precedence over these conditions only if the third-party country has an extant bilateral security agreement or arrangement with the UK.
7. The Authority shall state the data retention periods to allow the Defence Supplier to produce a data management policy.

8. If you are a Defence Supplier located in the UK, your attention is also drawn to the provisions of the Official Secrets Act 1989 and the National Security Act 2023.

Protection of UK OFFICIAL and UK OFFICIAL-SENSITIVE Classified Material

9. The Defence Supplier shall protect UK OFFICIAL and UK OFFICIAL-SENSITIVE material provided to or generated by it in accordance with the requirements detailed in this Security Condition and any other conditions that may be specified by the Authority. The Defence Supplier shall take all reasonable steps to prevent the loss or compromise of classified material whether accidentally or from deliberate or opportunist attack.

10. Once the Contract has been awarded, where the Defence Supplier is required to store or process UK MOD classified information electronically, they shall comply with the requirements specified in ISNs, Defence Condition 658 and Defence Standard 05-138. Details can be found at the links below:

<https://www.gov.uk/government/publications/industry-security-notice-isns>.

<https://www.dstan.mod.uk/toolset/05/138/000003000.pdf>

<https://www.gov.uk/government/publications/defence-condition-658-cyber-flow-down>

11. All UK classified material including documents, media and other assets shall be physically secured to prevent unauthorised access. When not in use UK classified material shall be handled with care to prevent loss or inappropriate access. As a minimum UK OFFICIAL-SENSITIVE material shall be stored under lock and key and shall be placed in a lockable room, cabinets, drawers or safe and the keys/combinations shall be controlled.

12. Disclosure of UK classified material shall be strictly controlled in accordance with the "need to know" principle. Except with the written consent of the Authority, the Defence Supplier shall not disclose the Contract or any provision thereof to any person other than to a person directly employed by the Defence Supplier or Subcontractor.

13. Except with the consent in writing of the Authority the Defence Supplier shall not make use of the Contract or any classified material issued or provided by or on behalf of the Authority otherwise than for the purpose of the Contract, and, same as provided for in paragraph 9 above, the Defence Supplier shall not make use of any article or part thereof similar to the articles for any other purpose.

14. Subject to any intellectual property rights of third parties, nothing in this Security Condition shall restrict the Defence Supplier from using any specifications, plans, drawings and other documents generated outside of this Contract.

15. Any samples, patterns, specifications, plans, drawings or any other documents issued by or on behalf of the Authority for the purposes of the Contract remain the property of the Authority and shall be returned on completion of the Contract or, if directed by the Authority, destroyed in accordance with paragraph 37.

Access

16. Access to UK classified material shall be confined to those individuals who have a "need-to-know", have been made aware of the requirement to protect the material and whose access is essential for the purpose of their duties.

17. The Defence Supplier shall ensure that all individuals requiring access to UK OFFICIAL and UK OFFICIAL-SENSITIVE material have undergone basic recruitment checks. This should include establishing proof of identity; confirming that they satisfy all legal requirements for employment by the Defence Supplier; and verification of their employment record. Criminal record checks should also be undertaken where permissible under national/local laws and regulations. This is in keeping with the core principles set out in the

UK Government (HMG) Baseline Personnel Security Standard (BPSS) which can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/714002/HMG_Baseline_Personnel_Security_Standard_-_May_2018.pdf

Hard Copy Distribution

18. UK OFFICIAL and UK OFFICIAL-SENSITIVE documents may be distributed internally and externally of Defence Supplier premises. To maintain confidentiality, integrity and availability, distribution shall be controlled such that access to documents is only by authorised personnel. They may be sent by ordinary post in a single envelope. The words UK OFFICIAL or UK OFFICIAL-SENSITIVE must not appear on the envelope. The envelope must bear a stamp or marking that clearly indicates the full address of the office from which it was sent. Commercial Couriers may be used.

19. Advice on the distribution of UK OFFICIAL-SENSITIVE documents abroad or any other general advice including the distribution of UK OFFICIAL-SENSITIVE shall be sought from the Authority.

Electronic Communication and Telephony and Facsimile Services

20. UK OFFICIAL information may be emailed unencrypted over the internet. UK OFFICIAL-SENSITIVE information shall normally only be transmitted over the internet encrypted using either a National Cyber Security Centre (NCSC) Commercial Product Assurance (CPA) cryptographic product or a UK MOD approved cryptographic technique such as Transmission Layer Security (TLS). In the case of TLS both the sender and recipient organisations must have TLS enabled. Details of the required TLS implementation and CPA scheme are available at:

<https://www.ncsc.gov.uk/guidance/tls-external-facing-services>

<https://www.ncsc.gov.uk/scheme/commercial-product-assurance-cpa>

21. Exceptionally, in urgent cases UK OFFICIAL-SENSITIVE information may be emailed unencrypted over the internet where there is a strong business need to do so, but only with the prior approval of the Authority. However, it shall only be sent when it is known that the recipient has been made aware of and can comply with the requirements of these Security Conditions and subject to any explicit limitations that the Authority require. Such limitations including any regarding publication, further circulation or other handling instructions shall be clearly identified in the email sent with the information.

22. UK OFFICIAL and UK OFFICIAL-SENSITIVE information may be discussed verbally on corporate telephones and other corporate electronic devices with persons located both within the country of the Defence Supplier and overseas. UK OFFICIAL-SENSITIVE information should only be discussed where there is a strong business need to do so.

23. UK OFFICIAL information may be faxed to recipients located both within the country of the Defence Supplier and overseas, however UK OFFICIAL-SENSITIVE information may be transmitted only where there is a strong business case to do so and only with the prior approval of the Authority.

Use of Information Systems

24. The detailed functions that must be provided by an IT system to satisfy the minimum requirements cannot all be described here in specific detail; it is for the implementers to identify possible means of attack and ensure proportionate security mitigations are applied to prevent a successful attack.

25. The Defence Supplier should ensure **10 Steps to Cyber Security** (Link below) is applied in a proportionate manner for each IT and communications system storing, processing or generating UK OFFICIAL or UK OFFICIAL-SENSITIVE information.

<https://www.ncsc.gov.uk/guidance/10-steps-cyber-security>

26. As a general rule, any communication path between an unauthorised user and the data can be used to carry out an attack on the system or be used to compromise or ex-filtrate data. Within the framework of the 10 Steps to Cyber Security, the following describes the minimum security requirements for processing and accessing UK OFFICIAL and UK OFFICIAL-SENSITIVE information on IT systems.

a. Access. Physical access to all hardware elements of the IT system is to be strictly controlled. The principle of “least privilege” will be applied to System Administrators. Users of the IT System (Administrators) should not conduct ‘standard’ User functions using their privileged accounts.

b. Identification and Authentication (ID&A). All systems are to have the following functionality:

(1) Up-to-date lists of authorised users.

(2) Positive identification of all users at the start of each processing session

c. Passwords. Passwords are part of most ID&A security measures. Passwords are to be “strong” using an appropriate method to achieve this, e.g., including numeric and “special” characters (if permitted by the system) as well as alphabetic characters.

d. Internal Access Control. All systems are to have internal Access Controls to prevent unauthorised users from accessing or modifying the data.

e. Data Transmission. Unless the Authority authorises otherwise, UK OFFICIAL-SENSITIVE information may only be transmitted or accessed electronically (e.g., point to point computer links) via a public network like the Internet, using a CPA product or equivalent as described in paragraph 20 above.

f. Security Accounting and Audit. Security relevant events fall into two categories, namely legitimate events and violations.

(1) The following events shall always be recorded:

(a) All log on attempts whether successful or failed,

- (b) Log off (including time out where applicable),
- (c) The creation, deletion or alteration of access rights and privileges,
- (d) The creation, deletion or alteration of passwords.

(2) For each of the events listed above, the following information is to be recorded:

- (a) Type of event,
- (b) User ID,
- (c) Date & Time,
- (d) Device ID.

(3) The accounting records are to have a facility to provide the System Manager with a hard copy of all or selected activity. There also must be a facility for the records to be printed in an easily readable form. All security records are to be inaccessible to users without a need to know. If the operating system is unable to provide this, then the equipment must be protected by physical means when not in use i.e., locked away or the hard drive removed and locked away.

g. Integrity & Availability. The following supporting measures are to be implemented:

- (1) Provide general protection against normally foreseeable accidents/mishaps and known recurrent problems (e.g., viruses and power supply variations),
- (2) Defined Business Contingency Plan,
- (3) Data backup with local storage,
- (4) Anti-Virus Software (Implementation, with updates, of an acceptable industry standard Anti-virus software),
- (5) Operating systems, applications and firmware should be supported,
- (6) Patching of Operating Systems and Applications used are to be in line with the manufacturers recommended schedule. If patches cannot be applied an understanding of the resulting risk will be documented.

h. Logon Banners. Wherever possible, a "Logon Banner" will be provided to summarise the requirements for access to a system which may be needed to institute legal action in case of any breach occurring. A suggested format for the text (depending on national legal requirements) could be: "Unauthorised access to this computer system may constitute a criminal offence".

i. Unattended Terminals. Users are to be automatically logged off the system if their terminals have been inactive for some predetermined period of time, or systems must activate a password protected screen saver after 15 minutes of inactivity, to prevent an attacker making use of an unattended terminal.

j. Internet Connections. Computer systems must not be connected direct to the Internet or “un-trusted” systems unless protected by a firewall (a software based personal firewall is the minimum, but risk assessment and management must be used to identify whether this is sufficient).

k. Disposal. Before IT storage media (e.g., disks) are disposed of, an erasure product must be used to overwrite the data. This is a more thorough process than deletion of files, which does not remove the data.

Portable Electronic Devices

27. Portable Electronic Devices holding any UK OFFICIAL-SENSITIVE information shall be encrypted using a CPA product or equivalent as described in paragraph 20 above.

28. Unencrypted Portable Electronic Device and drives containing personal data are not to be taken outside of secure sites¹. For the avoidance of doubt the term “drives” includes all removable, recordable media e.g., memory sticks, compact flash, recordable optical media (CDs and DVDs), floppy discs and external hard drives.

29. Any token, touch memory device or password(s) associated with the encryption package is to be kept separate from the machine whenever the machine is not in use, left unattended or in transit.

30. Portable Electronic Devices holding the Authorities’ data are not to be left unattended in any public location. They are not to be left unattended in any motor vehicles either in view or in the boot or luggage compartment at any time. When the vehicle is being driven the Portable Electronic Device is to be secured out of sight in the glove compartment, boot or luggage compartment as appropriate to deter opportunist theft.

Loss and Incident Reporting

31. The Defence Supplier shall immediately report any loss or otherwise compromise of any Defence Related Classified Material to the Authority. The term Defence Related Classified Material includes any information or asset that has been given a security classification by the UK MOD. The term also includes classified information and assets held by UK Defence Suppliers which are owned by a third party e.g., NATO or another country for which the UK MOD is responsible.

32. In addition, any loss or otherwise compromise of Defence Related Classified Material is to be immediately reported to the UK MOD Defence Industry Warning, Advice and Reporting Point (WARP). This will assist the UK MOD in formulating a formal information security reporting process and the management of any associated risks, impact analysis and upward reporting to the UK MOD’s Chief Information Officer (CIO) and, as appropriate, the Defence Supplier concerned. The UK MOD Defence Industry WARP will also advise the Defence Supplier what further action is required to be undertaken.

UK MOD Defence Industry WARP Contact Details

Email: [REDACTED]

RLI Email: [REDACTED]

Telephone (Office hours): +44 (0) [REDACTED]

Mail: [REDACTED]

MOD Abbey Wood, [REDACTED] Bristol, BS34 8JH

33. Reporting instructions for any security incidents involving Defence Related Classified Material can be found in the Incident Reporting Industry Security Notice at:

<https://www.gov.uk/government/publications/industry-security-notices-isns>

Subcontracts

34. Where the Defence Supplier wishes to subcontract any elements of a Contract to Subcontractors within its own country or to Subcontractors located in the UK such subcontracts will be notified to the Authority. The Defence Supplier shall ensure that these Security Conditions are incorporated within the subcontract document.

35. The prior approval of the Authority shall be obtained should the Defence Supplier wish to subcontract any UK OFFICIAL-SENSITIVE elements of the Contract to a Subcontractor facility located in another (third party) country. The first page of MOD Form 1686 (F1686) is to be used for seeking such approval. The MOD Form 1686 can be found in the "Subcontracting or Collaborating on Classified MOD Programmes ISN" at the link below: <https://www.gov.uk/government/publications/industry-security-notices-isns>

36. If the subcontract is approved, the Defence Supplier shall flow down the Security Conditions in line with paragraph 34 above to the Subcontractor. Defence Suppliers located overseas may seek further advice and/or assistance from the Authority with regards the completion of F1686.

Physical Destruction

37. As soon as no longer required, UK OFFICIAL and UK OFFICIAL-SENSITIVE material shall be destroyed in such a way as to make reconstitution very difficult or impossible, for example, by burning, shredding or tearing into small pieces. Advice shall be sought from the Authority when the classified material cannot be destroyed or, unless already authorised by the Authority, when its retention is considered by the Defence Supplier to be necessary or desirable. Unwanted UK OFFICIAL-SENSITIVE classified material which cannot be destroyed in such a way shall be returned to the Authority.

Private Venture Activities

38. Private Venture (PV) funded (i.e., non-MOD funded) defence related projects and technology fall within one of the following three categories:

- a. Variants. Variants of standard defence equipment under research, development or in production, e.g., aircraft, military vehicles or ships, etc. with non-standard equipment or fitments, offered to meet special customer requirements or to avoid security or commercial difficulties associated with the sale of an item in-Service with UK Armed Forces.
- b. Derivatives. Equipment for military or civil use that is not based on standard Service designs but is dependent upon expertise or technology acquired in the course of defence contracts.
- c. Freelance. Equipment of defence importance that is in no way based on information gained from defence contracts.

39. UK Defence Suppliers shall ensure that any PV activity that falls into one of the above categories has been formally security graded by the MOD Directorate of Security and Resilience. Please see PV guidance on the following website further information:

<https://www.gov.uk/government/publications/private-venture-pv-grading-and-exhibition-clearance-information-sheets>

Publicity Material

40. Defence Suppliers wishing to release any publicity material or display assets that arises from a Contract to which these Security Conditions apply must seek the prior approval of the Authority. Publicity material includes open publication in the Defence Supplier's publicity literature or website or through the media; displays at exhibitions in any country; lectures or symposia; scientific or technical papers, or any other occasion where members of the general public may have access to the information even if organised or sponsored by the UK Government.

41. For UK Defence Suppliers where the exhibition assets relate to multiple Delivery Teams or for Private Venture defence related classified material where there is no defined Delivery Team, the Defence Supplier shall request clearance for exhibition from the Directorate of Security and Resilience. See the MOD Exhibition Guidance on the following website for further information:

<https://www.gov.uk/government/publications/private-venture-pv-grading-and-exhibition-clearance-information-sheets>

Export sales/promotion

42. The MOD Form 680 (F680) security procedure enables MOD to control when, how, and if defence related classified material is released by UK Defence Suppliers to foreign entities for the purposes of promotion or sales of equipment or services. Before undertaking any targeted promotion or demonstration or entering into any contractual commitments involving the sale or release of defence equipment, information or technology classified UK OFFICIAL-SENSITIVE or above to a foreign entity, a UK Defence Supplier shall obtain F680 approval from the Export Control Joint Unit (ECJU) MOD Team. This includes assets classified UK OFFICIAL-SENSITIVE or above either developed to meet a UK MOD requirement or Private Venture (PV) equipment, as formally advised in a Security Aspects Letter (SAL) issued by the relevant Authority, or PV Security Grading issued by the MOD Directorate of Security and Resilience. Guidance regarding the F680 procedure issued by ECJU can be found at:

<https://www.gov.uk/government/publications/ministry-of-defence-form-680-procedure-guidance>

43. If a Defence Supplier has received an approval to subcontract, under an MOD Form 1686 (F1686), for development/production of parts of an equipment, that approval also permits the production of additional quantities for supply to an export customer, when the Defence Supplier has MOD Form 680 approval for supply of the complete equipment, as long as:

- a. they are identical, except for component obsolescence, to items produced under the UK programme that the approval to subcontract relates to; and
- b. no additional OFFICIAL-SENSITIVE or above material is required to be released to the overseas Subcontractor.

Interpretation/Guidance

44. Advice regarding the interpretation of the above requirements should be sought from the Authority.

45. Further requirements, advice and guidance for the protection of UK classified material at the level of UK OFFICIAL and UK OFFICIAL-SENSITIVE may be found in Industry Security Notices at:

<https://www.gov.uk/government/publications/industry-security-notices-isns>

Audit

46. Where considered necessary by the Authority the Defence Supplier shall provide evidence of compliance with this Security Condition and/or permit the inspection of the Defence Supplier's processes and facilities by representatives of the Defence Supplier's National/Designated Security Authorities or the Authority to ensure compliance with these requirements.

SUSTAINABLE PROCUREMENT CHARTER

The parties below are fully committed to the principles of Sustainable Procurement (SP) and to using their purchasing power to promote good SP practice. Industry understands the importance for companies to become more sustainable in order to remain competitive in the market, bringing benefit to their shareholders, employees and customers. Whilst delivery of operational capability must always be the primary goal, MOD wishes to work actively and in partnership with its Suppliers and their Trade Associations to capitalise on industry's enterprise and innovation to develop and embed SP principles into acquisition and through life management practices.

In this context signatories agree to define SP as a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves best value for money on a through life basis with minimal adverse impacts on the environment and society. It follows that SP will consider the environmental, social and economic consequences of design, non-renewable material, energy use, use of hazardous substances, manufacture and production methods, logistics, service delivery, use, operation, maintenance, emissions, reuse, recycling and recovery options, disposal, and suppliers' capabilities to address these consequences throughout the supply chain.

With the aim of continual improvement to their economic, environmental and social performance, Support Ships RFA and Lloyd's Register EMEA will, in accordance with this charter, agree to support joint MOD-Industry activity to:

- Educate all layers of the supply chain in the principles of SP;
- Ensure an informed decision-making process to maintain a balance between economic, social and environmental priorities in making purchasing choices, whilst meeting the required operational and business outputs;
- Develop appropriate SP performance measurement criteria;
- Develop and disseminate SP processes and tools that will enable the supply chain to work towards sustainable development and share best practice.

Support Ships RFA and Lloyd's Register EMEA will promote sustainability enhancing processes that represent good practice wherever they are found.



Support Ships - RFA

Director
Lloyd's Register EMEA

COLLABORATIVE WORKING

- 1.1 The Collaborative Working Principles at Annex A to this Schedule will come into effect on the Commencement Date of this Contract and will continue in force until the Expiry Date. These Collaborative Working Principles are enshrined in the Collaborative Working Charter at Annex B to Schedule 17.
- 1.2 For the purpose of this Schedule only, the term “Parties” shall apply to Support Ships (the Authority), Ship Cluster Owners and Asset Availability Supplier (AAS) (Contractors) and Market Facing Contractors (MFCs).
- 1.3 The Parties will agree to the principles contained in the Collaborative Working Principles and will endeavour to act in good faith to work collaboratively with all Parties.
- 1.4 The Parties will actively participate in Joint Development and the Supplier Collaborative in accordance with Clause 47 I (Contract Governance), and Schedule 1 - Annex D (Strategic Contract Meetings) which details the Terms of Reference and associated timescales for the meetings.
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Annex A to Schedule 17

COLLABORATIVE WORKING PRINCIPLES

Introduction

1. For the purpose of these Collaborative Working Principles the term “Parties” referred to herein shall mean the Support Ships RFA Team, the Ship Cluster Owner, AAS supplier and the Classification, Survey and Design Appraisal Services Provider, and the term “Authority” referred to herein shall mean the Support Ships RFA Team.

Mission Statement

2. The joint aim of these Collaborative Working Principles is to provide for the planning, procurement and supply of Classification, Survey and Design Appraisal Services to support x13 RFA and x3 RN platforms. Services to include: Classification, Survey and Design Appraisal. Achieving these within the required parameters of cost, performance, time and quality, within a framework offering continuous improvement, at the same time as achieving continuous cost reduction and improved output to the Fleet in accordance with the contracted agreed targets and timescales.
3. These Collaborative Working Principles supplement the following Support Ships In Service Support Contracts (and their future replacements as appropriate), placed with the Supplier and the Classification, Survey and Design Appraisal Services Provider.

CSS/0122 – UK Docks

CSS/0145 – Cammell Laird Shiprepairers and Shipbuilders Limited

CSS/0146 – A&P Group Limited

CSS/0147 - Cammell Laird Shiprepairers and Shipbuilders Limited

CSS/0125 – International Paint Limited

CSS/0126/713713451 – Lloyd's Register EMEA

Vision/High Level Principles

4. The Ship Cluster Owner, AAS suppliers and Market Facing Contractors agree to carry out their core obligations, warranties and undertakings in accordance with the provisions of their respective Through Life Support Contracts, integrating at all levels within their respective organisations to provide a cohesive and holistic service to the Authority, thus ensuring that the requirements of Navy Command (The Customer) are met.

5. To achieve the integrated working and strategic collaborative working relationship desired by the Parties, and in working towards the joint aims of the collaborative working arrangements, the Parties agree that they must and will work together in an open and honest environment. The Parties agree that they are dedicated to successful collaborative working with the goal of achieving value for money and continually improving the quality and standard of the service provided to the RFA and RN Flotilla.

6. In particular the Parties are committed to ensuring that the following overarching and general principles defined below are upheld in the Parties conduct during the Term of this Contract, in carrying out their respective obligations under these Collaborative Working Principles, and in their dealings with the other Parties at all times:

- **Mutual Objectives** – The Parties shall strive to meet their agreed mutual objectives, whilst at the same time recognising each others' own objectives.
- **Working Together** – The Parties are committed to working together in an open and honest way, to develop shared values and mutual trust, and the assumption will be made that people are well intentioned.
- **Sharing Information** – The Parties are committed to the timely sharing of information to the greatest extent possible. The Parties shall define the IT systems to be used and shall agree procedures e.g. for the provision of data, access to databases and responsibilities for maintenance. Such arrangements shall be implemented in accordance with the change procedures contained within this Contract. The Parties shall work towards the adoption of common databases with multiple users for data and shall use EDI/SWE where practical to do so.
- **Safety** – The Parties are committed to maintaining a sound safety culture and to ensure that joint endeavour is undertaken to the highest standards when on Contractors' premises or Ship Repair Facilities.
- **Innovation** – The Parties shall work together through the use of the Joint Development Plan to encourage and enable innovation at all levels. The aim of each Party is to learn from the others' skills and talents, and to foster a climate of knowledge sharing and promoting best practice.
- **Integration** – The Ship Cluster Owner and AAS Supplier shall at all times have due regard to the Classification, Survey and Design Appraisal Services requirements, and shall incorporate the Classification, Survey and Design Appraisal Services Provider's plans into its own plans. Likewise the Classification, Survey and Design Appraisal Services Provider shall have due regard to the Ship Cluster Owner's requirements and both shall integrate their requirements into the overall plan, mitigating risk and incorporating lean practices to reduce costs.

- **Sharing Risk** – The parties are committed to the effective management and mitigation of risk and acknowledges that the Terms and Conditions of this Contract and Collaborative Working Principles embodies and represents an effective structure for dealing with risk.
- **Resolving Problems** – Subject to the Terms of these Collaborative Working Principles the Parties shall jointly develop and evolve a management process for resolving problems. The Parties shall actively promote a no-blame culture with the aim of learning from mistakes and moving forward.
- **Continuous Improvement and Cost Reduction** – The Parties shall monitor performance against targets using the data provided from the Performance Measurement Reviews.
- **Collaborative Working** – The Parties shall develop, maintain and strengthen this Strategic Collaborative Working Relationship during the term of this Contract.

Supplier Collaborative

7. The Parties agree to actively participate in the Supplier Collaborative in accordance with the requirements of their respective Through Life Support Contracts referenced in paragraph 3.
8. The Parties acknowledge that this Collaborative Working Principles Document (CWPD) is not entered into as a legally binding agreement, nor does it create rights or obligations enforceable under law. Neither in this PPD nor in any agreement that results from this CWPD nor in the working out of the agreement nor its subsequent management is there any intention on the part of the Parties to create a partnership as defined in the Partnership Act 1890.

COLLABORATIVE WORKING CHARTER



April 2025

The parties below are committed to ensuring that the following overarching and general principles are upheld in the Parties' conduct at all times:

Mutual Objectives – The Parties shall strive to meet their agreed mutual objectives, whilst at the same time recognising each other's own objectives.

Working Together – The Parties are committed to working together in an open and honest way to develop shared values and mutual trust, and the assumption will be made that people are well intentioned.

Sharing Information – the Parties are committed to the timely sharing of information to the greatest extent possible.

Safety – The Parties are committed to maintaining a sound safety culture and to ensure that joint endeavour is undertaken to the highest standards when on Contractor's premises or Ship Repair Facilities.

Innovation – The Parties shall work together through the use of the Joint Development Plan to encourage and enable innovation at all levels. The aim of each Party is to learn from the other's skills and talents, and to foster a climate of knowledge-sharing and promoting best practice.

Integration – The Ship Cluster Owner (SCO) shall at all times have due regard to the Market Facing Contractor (MFC) requirements, and shall incorporate the MFC plans into its own plans. Likewise the MFCs shall have due regard to the SCO's requirements and both shall integrate requirements into the overall plan, mitigating risk and incorporating lean practices to reduce costs.

Sharing Risk – The Parties are committed to the effective management and mitigation of risk.

Resolving Problems – The Parties shall jointly develop and evolve a management process for resolving problems. The Parties shall actively promote a no-blame culture with the aim of learning from mistakes and moving forward.

Continuous Improvement and Cost Reduction – The Parties shall monitor performance against targets using the data provided from the Performance Measurement Reviews.

Collaborative Working – The Parties shall develop, maintain and strengthen this Strategic Collaborative Working Relationship and work to the principles of BS11000/ ISO44001.

Annex C to Schedule 17

Relationship Maturity Matrix

	Failing	Reactive	Performing	Co-Operative	Collaborative
Communication Planning	Meetings are limited and irregular and communication structure is ad hoc with no defined points of contact.	One way (transactional) communication. No agreed points of contact. Meetings are planned as and when required and focus on addressing problems.	Frequent communication. Points of contact are known and mapped. Meetings focus on both short term actions and long term planning. All goals are clear and understood by both parties.	Joint strategic governance focussed on communication, relationship and performance planning. Integrated stakeholder maps define roles and responsibilities. Goals are developed together from the outset.	
Information Exchange	Secrecy prevails. No sharing of information. Reliant on formal, written communication.	Information provision on request although often ambiguous and inconclusive.	High quality information (clear, accurate and timely) is provided in advance of requirements.	High quality information is freely available in a shared open environment.	
Problem Solving	Blame culture prevails. No acknowledgement of problems.	Fire-fighting culture, focused on resolution rather than prevention. plans in advance. Uses potential problems. problem-solving tools and techniques.	Identifies problems early and communicates recovery solutions to emergent and problems. problem-solving tools and techniques.	Proactively suggests on recovery solutions to emergent and problems. problem-solving tools and techniques.	Joint activity to pre-empt and mitigate any problems or issues
Responsiveness	No / poor response to enquiries and requests.	Responses to enquiries are reactive and often lack definition. Responds to predicted requirements.	Responses to enquiries are timely and compliant.	Responds to predicted requirements	Organisation anticipates a need for response and works jointly with the team to deliver responses that provide suggestions for improvement.

Behaviours	Little / no behavioural standards exist	Recognition of different behavioural standards. A jointly agreed charter of behavioural standards is in place.	Behaviours demonstrate appreciation of professional and ethical standards	Behavioural standards, managed and deployed. maintained. Confidence, Openness and Respect are embedded in the culture and widely spread throughout the supply chain.	Joint behavioural charter agreed
Strategic Alignment	No awareness of each others business strategy.	Limited awareness of the other party's strategy. No activity to capture benefit or capture opportunities	Shared awareness of each other's strategy and understand impact on own strategic planning process.	Some joint, project specific, strategic planning between the parties.	Full visibility, understanding and alignment of strategies. Impacts are known and jointly managed.
Through Life Support	TLS not considered.	Recognition of TLS concept. Activities limited to specific project requirements.	TLS limited to contractual obligations.	TLS concept jointly integrated at a project level.	TLS is jointly embedded within business processes.
Value	Focus is solely on cost / price Value is not defined.	Concept of 'Value' is recognised and defined	'Value' is considered in decision making	'Value Added' is jointly measured and targets are established.	Sophisticated measures of 'Value Added' are employed. Targets achieved / exceeded.
Solution Development	Little / no participation in developing solutions.	Little, or late, participation in developing solutions. Requirements modified to fit current products / processes.	Solutions reflect the participation of both parties. Investment to meet development milestones.	Parties engaged at early stage of solution definition. Investment to improve performance.	Full collaborative participation. Investment focussed on Joint Objectives.