



Ministry of Defence

ISS NETWORKS TEAM

CONTRACT NO: 701550380

FOR:

**Support to the Defence Very Low Frequency
Received Signal Service (VLF RSS) (Contract
(MCP21A/5218)) and Very Low Frequency
Evolve (VLF Evolve) Assessment and
Demonstration phase**

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

And

Babcock International Group

Team Name: Defence Digital Networks Radios Team

Address: Ministry of Defence,
[REDACTED]
MOD Corsham,
Westwells Road,
Corsham, SN13 9NR

Email address: claire.howard864@mod.gov.uk
Telephone No: 0306 770 1851

Contractor Name: Babcock International Group

Address: [REDACTED]
[REDACTED]
Ashton House,
Ashton Vale Road,
Bristol,
BS3 2HQ

Email address: [REDACTED]
Telephone No: [REDACTED]

LIST OF CONDITIONS OF CONTRACT

GENERAL CONDITIONS OF CONTRACT

1. DEFENCE CONDITIONS (DEFCONS).

SPECIAL CONDITIONS OF CONTRACT

2. ENTIRE AGREEMENT
3. DURATION
4. OPTIONS
5. CONTRACTOR'S WARRANTIES
6. PUBLICITY AND COMMUNICATIONS WITH THE MEDIA
7. ORDER OF PRECEDENCE
8. CONTRACTOR'S PERSONNEL
9. SUB-CONTRACTING
10. CONFIDENTIALITY
11. SECURITY
12. PERFORMANCE OF WORK UNDER THE CONTRACT
13. ACCEPTANCE
14. PROCEDURE FOR WORK COVERED BY A TASKING FORM
15. INTELLECTUAL PROPERTY RIGHTS
16. PAYMENT
17. CLAIMS FOR PAYMENTS
18. ADVANCES AGAINST THE CONTRACT PRICES FOR WORK COVERED BY TASKING FORMS
19. TERMINATION OF WORK UNDER INDIVIDUAL TASK FORMS
20. EQUIPMENT REPAIRS
21. STANDARDS OF REPAIRS
22. SPECIFICATION/TECHNICAL REQUIREMENT
23. NATO CODIFICATION
24. FOREIGN MILITARY SERVICES (FMS)
25. DISRUPTION
26. QUALITY ASSURANCE
27. SAFETY AND ENVIRONMENTAL PROTECTION
28. SELF TO SELF DELIVERIES
29. TECHNICAL ASSISTANCE TO THE AUTHORITY
30. PERIOD OF THE CONTRACT AND DELIVERY DATES OF CONTRACTOR DELIVERABLES
31. FORCE MAJEURE
32. MEETINGS
33. REPORTS
34. DISPUTE RESOLUTION
35. PERFORMANCE AND REMEDY IN THE EVENT OF CONTRACTOR'S FAILURE
36. NOTIFICATION PERIOD
37. REJECTION
38. CONSEQUENCES OF TERMINATION
39. LIMIT OF LIABILITY
40. EXIT STRATEGY
41. COVID-19: EXENSION OF TIME AND RELIEF FROM PERFORMANCE

SCHEDULES OF THE CONTRACT

ANNEX A	STATEMENT OF WORK (SoW)
ANNEX B	SCHEDULE OF REQUIREMENTS

OFFICIAL SENSITIVE – COVERING SECRET

ANNEX C	DEFINITIONS
ANNEX D	COMMERCIALLY SENSITIVE INFORMATION (DEFFORM 539A)
ANNEX E	OFFICIAL AND OFFICIAL-SENSITIVE CONTRACTUAL SECURITY CONDITIONS
ANNEX F	DEFFORM 111
ANNEX G	DEFFORM 177
ANNEX H	TASKING FORM TEMPLATE
ANNEX I	ASSUMPTIONS LIST
ANNEX J	IPR RESTRICTIONS GUIDANCE
ANNEX K	IPR RESTRICTIONS FORM (TEMPLATE)
ANNEX L	SECURITY ASPECTS LETTER (SAL) (issued at SECRET)
ANNEX M	DEFFORM 528

GENERAL CONDITIONS OF CONTRACT

1. DEFENCE CONDITIONS

1.1 The Defence Conditions (DEFCONS) listed hereunder shall apply to the Contract:

DEFCON 5J (Edn 18/11/16)	Unique Identifiers
DEFCON 23 (Edn 08/09)	Special Jigs, Tooling and Test Equipment
DEFCON 68 (Edn 02/19)	Supply of Data for Hazardous Articles, Materials and Substances Note: Applicable to work under a Tasking Form that calls for the supply of goods (annotated as applying on the Tasking Form)
DEFCON 76 (Edn 12/06)	Contractor's Personnel at Government Establishments
DEFCON 82 (11/16)	Special Procedures for Initial Spares Note: Applicable to work under a Tasking Form that calls for the supply of goods (annotated as applying on the Tasking Form)
DEFCON 90 (Edn 11/06)	Copyright. Applicable to documents delivered under the Contract
DEFCON 113 (Edn 02/17)	Diversion Orders Note: Applicable to work under a Tasking Form that calls for the supply of goods (annotated as applying on the Tasking Form)
DEFCON 117 (End 10/13)	Supply of Information for NATO Codification and Defence Inventory Introduction Note: Applicable to work under a Tasking Form that calls for the supply of goods (annotated as applying on the Tasking Form)
DEFCON 127 (Edn 10/04)	Price Fixing Condition for Contracts of Lesser Value

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

Note: If/when the throughput of this Contract exceeds £1m, a Contract Amendment will be required to include additional DEFCONs for Single Source Contracts as necessary

DEFCON 129 (Edn 07/19)	Packaging (for articles other than Munitions) Note: Applicable to work under a Tasking Form that calls for the supply of goods (annotated as applying on the Tasking Form)
DEFCON 129J (Edn 18/11/16)	The Use of Electronic Business Delivery Form
DEFCON 501 (Edn 11/17)	Definitions and Interpretations. Note: In addition to the definitions within this DEFCON and other DEFCONs called up in the Contract, the definitions at Annex C to the Contract apply. In addition to the order of precedence at paragraph 1e of this DEFCON, the further order of precedence is at Condition 7 of the Contract
DEFCON 502 (Edn 05/17)	Specifications Changes
DEFCON 503 (Edn 12/14)	Formal Amendments to Contract
DEFCON 507 (Edn 10/98)	Delivery
DEFCON 513 (Edn 11/16)	Value Added Tax
DEFCON 514 (Edn 08/15)	Material Breach
DEFCON 514A (Edn 03/16)	Failure of Performance under Research and Development Contracts
DEFCON 515 (Edn 02/17)	Bankruptcy and Insolvency
DEFCON 516 (Edn 04/12)	Equality
DEFCON 518 (Edn 02/17)	Transfer
DEFCON 520 (Edn 05/18)	Corrupt Gifts and Payments of Commission
DEFCON 522 (Edn 11/17)	Payment and Recovery of Sums Due
DEFCON 524 (Edn 02/20)	Rejection
DEFCON 524A (Edn 02/20)	Counterfeit Materiel Note: Applicable to work under a Tasking Form that calls for the supply of goods (annotated as applying on the Tasking Form)
DEFCON 525 (Edn 10/98)	Acceptance Note: For the avoidance of doubt, such reasonable time for rejection shall not exceed 30 days from delivery
DEFCON 526 (Edn 08/02)	Notices

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

DEFCON 527 (Edn 09/97)	Waiver
DEFCON 528 (Edn 07/17)	Import and Export Licenses
DEFCON 529 (Edn 09/97)	Law (English)
DEFCON 530 (Edn 12/14)	Dispute Resolution (English Law). Note: See Condition 34 of the Contract
DEFCON 531 (Edn 11/14)	Disclosure of Information
DEFCON 532A (Edn 05/18)	Protection of Personal Data (Where Personal Data is not being processed on behalf of the Authority)
DEFCON 534 (Edn 06/17)	Subcontracting and Prompt Payment
DEFCON 537 (Edn 06/02)	Rights of Third Parties
DEFCON 538 (Edn 06/02)	Severability
DEFCON 539 (Edn 08/13)	Transparency Note: The DEFFORM 539A mentioned in 1b of this DEFCON is at Annex D to the Contract
DEFCON 550 (Edn 02/14)	Child Labour and Employment Law
DEFCON 566 (Edn 10/20)	Change of Control of Contractor
DEFCON 595 (Edn 02/16)	General Purpose Automatic Test Equipment Data Requirement
DEFCON 601 (Edn 04/14)	Redundant Materiel Note: Used solely in relation to DEFCON 611
DEFCON 602B (Edn 12/17)	Quality Assurance (without Deliverable Quality Plan)
DEFCON 604 (Edn 06/14)	Progress Reports Note: As per section 1.1.2 of the SoW and Condition 33 of these T&Cs
DEFCON 606 (Edn 06/14)	Change and Configuration Control Procedure
DEFCON 607 (Edn 05/08)	Radio Transmissions
DEFCON 608 (Edn 10/14)	Access and Facilities to be provided by the Contractor
DEFCON 609 (Edn 08/18)	Contractor's Records
DEFCON 611 (Edn 02/16)	Issued Property
DEFCON 612 (Edn 10/98)	Loss of or Damage to the Articles

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

Note: Applicable to work under a Tasking Form that calls for the supply of goods (annotated as applying on the Tasking Form)

DEFCON 620 (Edn 05/17)	Contract Change Control Procedure
DEFCON 621B (Edn 10/04)	Transport (if the Contractor Is Responsible for Transport)
DEFCON 624 (Edn 11/13)	Use of Asbestos
DEFCON 625 (Edn 10/98)	Co-operation on Expiry of Contract
DEFCON 627 (Edn 12/10)	Certificate of Conformity
DEFCON 632 (Edn 08/12)	Third Party Intellectual Property – Rights and Restrictions
DEFCON 637 (Edn 05/17)	Defect investigation and Liability
DEFCON 642 (Edn 06/14)	Progress Meetings Note: See Condition 32 of these T&Cs
DEFCON 644 (End 07/18)	Marking of Articles
DEFCON 649 (Edn 12/16)	Vesting Note: Applicable to a Tasking Form only when requested and only when Interim Payments are agreed and as annotated in the table at Appendix II to the Schedule of Requirements)
DEFCON 653 (Edn 12/14)	Pricing On Ascertained Costs Note: If/when the throughput of this Contract exceeds £1m, a Contract Amendment will be required to include additional DEFCONs for Single Source Contracts as necessary
DEFCON 656A (Edn 08/16)	Termination for Convenience – Under £5M. Note: For the purposes of this Condition, the periods of Notice shall be 3 months and 2 months respectively.
DEFCON 658 (Edn 10/17)	Cyber Note: For the purposes of this DEFCON the Cyber risk level of this Contract is ' LOW ' as detailed in Def-Stan 05-138.
DEFCON 659A (Edn 02/17)	Security Measures
DEFCON 660 (Edn 12/15)	Reportable Official and Official Sensitive Security Requirement Note: The Security Aspects Letter (issued at SECRET- Annex L) and Security Conditions referred to in paragraph 2 of this DEFCON are at Annexes D and E respectively
DEFCON 694 (07/18)	Accounting For Property of the Authority
DEFCON 703 (Edn 08/13)	Intellectual Property Rights – Vesting In the Authority. Note: See Condition 15 of the Contract

SPECIAL CONDITIONS OF CONTRACT

OFFICIAL SENSITIVE – COVERING SECRET

2. ENTIRE AGREEMENT

2.1 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. The assumptions made by the Contractor as part of his tender reference **701550380** dated 21st May 2021 agreed by the Authority are either embedded in the Terms and Conditions or listed at Annex I to the Contract.

2.2 All work carried out by the Contractor shall be to the satisfaction of the Project Manager (PM) listed at Box 2 of DEFFORM 111 – Annex F – and shall be carried out in accordance with the Statement of Work (SoW) at Annex A, and the specification for Taskings in accordance with individual Task Administration Forms (TAF) at Annex H to the Terms and Conditions of Contract.

2.3 Because of the fluctuating nature of the Defence requirements over time, the Authority reserves the right to add, amend or delete line items from the Statement of Work during the course of the Contract.

2.4 To avoid delays the Contract Number **701550380** should be quoted on all correspondence, claims, etc relating to the Contract.

3. DURATION

3.1 The Contract shall cover all work properly authorised in accordance with these Terms and Conditions of Contract during a period of three (3) years from **1st June 2021 to 31st May 2024**. The Authority further reserves the right to extend the contact for a period not to exceed 12 (12) months.

4. OPTIONS

4.1 In consideration of the award of the Contract and within the period of the Contract as set out in Condition 3.1 of the Contract, the Contractor hereby grants to the Authority the irrevocable Option to extend the period of the Contract as set out in Appendix III to the Schedule of Requirements (Annex B), in accordance with the Conditions set out in the Contract, it being agreed that the Authority has no obligation to exercise such Options.

4.2 The Authority shall have the right to exercise the option at the specified dates or within such further period as corresponds to the aggregate of any period(s):

- a. of delay in the delivery programme whether constituting any breach of the Contract or resulting from any force majeure event within Condition 31, or
- b. for the duration of which the Authority is prevented from exercising any such Option by reason of any other breach of the Contract by the Contractor.

5. CONTRACTOR'S WARRANTIES

5.1 The Contractor warrants and represents that:

- (a) it has the full capacity and authority to enter into, and to exercise its rights and perform its obligations under the Contract.
- (b) from the Effective Date of Contract and for so long as the Contract remains in force it shall

OFFICIAL SENSITIVE – COVERING SECRET

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 itself or a Sub-Contractor which would adversely affect the Contractor's ability to perform its obligations under the Contract.

- (c) 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 its winding-up 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.
- (d) for so long as the Contract remains in force it 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 its winding-up or dissolution or for the appointment of a receiver, administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues.

6. PUBLICITY AND COMMUNICATIONS WITH THE MEDIA

6.1 The Contractor shall not, and shall ensure that any employee or Sub-contractor 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.

7. ORDER OF PRECEDENCE

7.1 All work shall be undertaken in accordance with the Terms and Conditions of Contract contained herein. In the event of any conflict between the conditions herein and any other document within the contract documentation the following order of precedence shall prevail:

- a. Para 1e of DEFCON 501.
- b. Special Conditions of the Contract Terms and Conditions;
- c. DEFCONs listed in the Contract Terms and Conditions
- d. Annex A to the Contract - Statement of Work
- e. The remaining Annexes to the Contract.
- f. The remainder of the Contractor's proposal reference 701550380 dated 26th April 2021 (sent via email)
- g. Any other documents expressly referred to in the Contract.

7.2 If either Party becomes aware of any inconsistency within or between the documents referred to in clause 7.1 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 7.1. 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 34 of the Contract.

8. CONTRACTOR'S PERSONNEL

8.1 By accepting this Contract the Contractor has provided an understanding that the key personnel identified and named in his Tender documentation will, under normal circumstances, be employed throughout the period of this Contract and that any necessary replacement personnel will be of a similar quality.

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

8.2 Should the occasion arise for any such change in the named personnel, the Contractor shall advise the PM immediately and shall provide the Curriculum Vitae for the suggested replacement employee, in order that the PM can consider their acceptability and terms of reference. Acceptance of replacement personnel will be subject to the reasonable agreement of the PM, and appropriate security clearance being granted by the Authority.

9. SUB-CONTRACTING

9.1 Prompt payment of subcontractors shall be made in accordance with DEFCON 534.

9.2 Sub-Contracting any part of the Contract shall not relieve the Contractor of any obligation, duty or liability attributable to the Contractor under the Contract.

9.3 The Contractor shall ensure, to the extent that they are applicable, and where so governed in the Contract, that the Conditions of the Contract are reflected in any sub-contracts for any part of the Contract.

9.4 The Contractor shall not place any sub-contract or order involving the design or development of equipment required under a Tasking Form without the prior written consent of the Authority's Commercial Officer.

9.5 Unless otherwise agreed, such consent will be conditional on the proposed Sub-contractor concluding a direct agreement with the Authority (in this instance the Authority's Commercial Officer) in the form set out at Annex G to the Contract. Wherever possible the request for approval should be accompanied by two copies of the agreement signed by the Sub-contractor. If, in any case the Contractor is unable to comply with this Condition he shall report the matter to the Authority's Commercial Officer and await further instructions before placing the Sub-contract or order.

9.6 The Contractor shall not place any subcontract or order involving the design or development of equipment required under this Contract without prior approval the Contracting Authority, which shall not be unreasonably withheld. Once approval has been given the Contractor shall not enter into any other commitment in relation to the work specified in the Contract as may be amended from time to time, until the subcontractor has entered into an agreement with the Authority in the format of DEFORM 177 (Edn 3/80) Design rights and Patents (Sub –Contractor's Agreement) – Annex G. Whenever possible, two copies of the agreement signed by the subcontractor should accompany the request for approval. If, in any case the Contractor is unable to comply with this condition he shall immediately report the matter to the Commercial Officer listed at Box 1 of the DEFORM 111 (Annex F), and await further instructions before placing the subcontract or order, such further instructions to be provided within a reasonable time frame.

10. CONFIDENTIALITY

10.1 Upon completion, or termination of the Contract for whatever reason, the Contractor shall, within 60 days of completion or termination, return to the Authority all information obtained from the Authority and any copies or reproductions thereof whether in possession of the Contractor or any of his employees.

10.2 The Contractor and all his staff assigned to work under the Contract shall keep secure and separate from other work and staff, of the Contractor, outside of the Contract, the information, work, materials, facilities and articles of the Contract. The Contractor shall ensure that similar conditions are secured for all subcontract orders and co-contractor agreements.

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

10.3 The Contractor shall indemnify the Authority against any claim made against the Authority, the Contractor or any of his employees arising from breaches of confidentiality by any employee of the Contractor, or any of his subcontractor employees whilst in the Contractor's employment.

11. SECURITY

11.1 Security measures are defined within ANNEX D & E, DEFCON 659 and 660 and the Security Aspects Letter (issued at SECRET – Annex L), and any reference to requirements determined as OFFICIAL-SENSITIVE or above will be notified to the Contractor within the Tasking Authorisation Form.

11.2 The Authority reserves the right to insist on increased levels of security clearance for specific duties of specific operations and to refuse or withdraw security clearance under certain circumstances.

11.3 The Contractor shall ensure that his employees are aware that they shall have a liability to a search of their person, belongings or transport by the Authority. The Contractor shall accept (without prejudice to any remedies the Authority may have) full responsibility for any loss or delay in performance of the Contract caused directly or indirectly by the expulsion of or refusal to allow access to a Contractor's employee, agent or sub-contractor who does not consent to being searched.

12. PERFORMANCE OF WORK UNDER THE CONTRACT

12.1 All work under the Contract shall meet the provisions of the Contract Terms and Conditions.

12.2 The Contractor shall:

- a. Deliver the Services detailed in the contract in accordance with the Statement of Work (SoW) at Annex A to these Terms and Conditions. Requirements to enhance or repair extant services defined within the SoW shall be procured as a Tasking in accordance with Condition 14 of these Terms and Conditions.
- b. Comply with any applicable quality assurance requirements specified in Condition 26 of the Contract in providing the Services and Contractor Deliverables under the Contract.
- c. Comply with all relevant Legislation applicable as at the Effective Date of Contract.
- d. Discharge its obligations under the Contract with all due skill, care, diligence and operating practice by appropriately experienced, qualified and trained personnel.

12.3 The provision of this Condition 12 shall survive any performance, acceptance or payment pursuant to the Contract and shall extend to any remedial services provided by the Contractor.

12.4 The Contractor shall:

- a. 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.
- b. notify the Authority in writing as soon as it becomes aware of any health and safety hazards or issues which arise in relations to the Services.

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

- c. before the date on which the Services are to start, obtain, and at all times maintain, all necessary licences and consents as required.

13. ACCEPTANCE

13.1 Acceptance of work performed under the Contract shall be in accordance with the following processes:

- a. Acceptance of work under Item 1 of the Schedule of Requirements (Annex B) shall be following acceptance of the quarterly project progress report by the Authority's Project Manager.
- b. Acceptance of the plan covered by Item 2 of the Schedule of Requirements (Annex B) shall be in accordance with DEFCON 525.
- c. Acceptance of work carried out under Item 3 of the Schedule of Requirements (Annex B) shall be as set out in individual Tasking Forms.

14. PROCEDURE FOR WORK COVERED BY A TASKING FORM

14.1 Work against item number 3 of the Schedule of Requirements (Annex B) shall be defined and authorised on a Tasking Form (a template of which is at Annex H to the Contract) in accordance with the following procedure:

- a. Funding for all Taskings will be committed to Contract under a Limit of Liability. This will allow Taskings work to be carried out after the issue of a Task Approval Form (TAF) in the format of the template at Annex H to these Terms and Conditions of Contract. This form is to be properly authorized by both MoD Finance and Commercial personnel and the PM listed at Box 2 of the DEFORM 111.
- b. All work shall be carried out in accordance with the requirements stated within the TAF which will be annotated with a five digit sequential number of which the first two digits will represent the last two digits of the current fiscal year, and the remaining 3 digits sequentially numbered 001 to 999 in any given fiscal year which commences 1 April. Allocation of TAF numbering is the responsibility of the PM, who will maintain a register of all TAFs, and work in progress.
- c. Either Party may initiate a Tasking Form by completing Part A of the Form and forwarding it to the other Party for review.
- d. When the Contractor initiates a Tasking Form they shall complete Part A and Part B to show the work to be undertaken and the associated Firm Price and cost breakdown to meet the requirement, and submit the form to the Authority's Project Manager and Commercial Officer for consideration
- e. When the Authority initiates a Tasking Form, within 30 (thirty) Calendar Days from receipt of the Tasking Form from the Authority, the Contractor shall either reject the Tasking Form or submit a firm price (non-variable) quotation by completing Part B of the form, identifying grades and man-hours for each person to be employed, the cost of materials, and the Travel and Subsistence costs which will be paid in accordance with clause 14.1.f below. The Contractor will then return the form to the Authority's Project Manager and Commercial Officer for further consideration.

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

- f. Firm prices (non variable) shall be agreed for each Task using the labour rates detailed within the Schedule of Requirements (Annex B) pricing, with claims for Travel and Subsistence being claimed against the following criteria:
 - i. Accommodation costs may be claimed on production of evidence of actual expenditure for accommodation in a three star hotel up to a maximum of £90 per night. Payment in excess of £90 will require the prior written approval of the PM or his authorised representative.
 - ii. The Contractor may claim Subsistence up to a maximum of £15 for lunch and £25 for dinner (where an overnight stay is proposed) per day on production of evidence of actual expenditure. Breakfast can also be claimed up to the value of £10 but only where it is not included in the Accommodation Costs.
 - iii. Car journeys using the Contractor's own vehicle will be paid at the extant MoD Private Transport Rate of Motor Mileage Allowance, based on a signed certificate produced by the Contractor to the PM certifying the number of miles travelled and that the claim relates solely to travel in connection with the performance of the Contract. Claims relating to vehicle insurance are inadmissible.
 - iv. No travel and subsistence costs shall be payable whilst Contractor's personnel are working at the Contractor's place of business.
 - v. All rates quoted for Travel and Subsistence will continue without change for the term of the contract.
- g. Rates within this Contract are exclusive of Profit and Overheads but the requisite percentages are detailed in the Schedule of Requirements document.
- h. When the details of the Tasking Form are agreed by the Authority's Project Manager and the associated Firm Price is agreed as being fair and reasonable by the Authority's Commercial Officer, a duly completed Tasking Form (Part C), signed by the relevant representatives of the Authority as required on the form, shall be returned to the Contractor. Once the Contractor is in receipt of a duly authorised Tasking Form they shall proceed with the work called for thereunder.
- i. Should the requirement for technical support conflict with the other requirements under the Contract, a decision on priority will be given in writing by PM or their authorised representative.
- j. On completion of the Task, the Contractor shall complete Part D of the TAF, which shall be forwarded to PM.
- k. Part E of the TAF shall be completed by the PM and forwarded to the Contractor.
- l. Once a task has been completed, on acceptance by the Authority the Contractor can claim payment via the CP&F and Exostar system.

14.2 Due to the nature of this Contract the Authority reserves the right to invoke any Intellectual Property DEFCON, whether called up in these Terms and Conditions or not, for specific taskings as required, via the use of a Contract Data Requirement Form – DEFFORM 315, submitted at the

OFFICIAL SENSITIVE – COVERING SECRET

same time as the Tasking Approval Form.

14.3 No work associated with a Tasking Form, other than that related to the preparation of the Tasking Form, shall be undertaken by the Contractor prior to his receipt of a duly signed Tasking Form from the Authority as prescribed in clause 14.1.h. Any work undertaken by the Contractor on any Tasking Form prior to receiving a duly signed Tasking Form, shall be done so at the Contractor's own risk.

14.4 For audit purposes, details of completed Tasking Forms i.e. signed by all signatories in the relevant parts of the Tasking Form, shall be added to Appendix II to the Schedule of Requirements (Annex B), by way of an amendment issued by the Authority's Commercial Officer in accordance with the provision in DEFCON 503.

15. INTELLECTUAL PROPERTY RIGHTS (IPR)

15.1 Further to the Provisions included in DEFCON 703, the Contractor shall take all necessary measures to irrevocably and unconditionally waive in favour of the Authority any and all moral rights and all other non-assignable rights conferred on the Contractor's employees and sub-contractors in-respect of any copyright work created in carrying out the Contract. On request, the Contractor shall demonstrate to the Authority's satisfaction that, where it has sub-contracted work under the Contract, it has secured that any and all moral rights in any copyright work created by the Contractor's employees and its sub-contractors has been irrevocably and unconditionally waived in favour of the Authority.

15.2 For the purposes of DEFCON 703 "Background IPR" means any intellectual property rights, including patents or registered designs granted in respect of any patent or registered design applications, made before the date of issue of the Authority's first written Request for Quotation (RFQ) for the Contract and any such applications made after that date in respect of inventions or designs first reduced to writing by the inventor(s) or designer(s) before that date or any intellectual property rights which have otherwise been developed independently of the Contract (whether prior to the date of the RFQ or otherwise). To the extent any Results delivered in accordance with DEFCON 703 makes any use of, or relies in any way on Background IPR supplied by Contractor (or Background IPR supplied by the Contractor is necessary or desirable to be able to use all or any part of the Results), the Contractor hereby provides the Authority a non-exclusive, irrevocable, worldwide, transferable, sub-licensable, royalty-free license to use such Background IPR for the purposes of exercising its rights in relation to the Results.

15.3 Any and all Background IPR which the Authority has agreed can be included in Contractor Deliverables shall be listed at Annex K. The Contractor warrants and confirms that all Intellectual Property Rights (as defined in DEFCON 703) restrictions and associated export restrictions relating to the use or disclosure of the Contractor Deliverables of which the Contractor is or should be reasonably be aware as at the date of the Contract are disclosed in Annex K to the Contract.

15.4 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 of which the Contractor is or should be reasonably be aware as at the date of the Contract are disclosed in Annex K to the Contract.

15.5 The Contractor shall promptly notify the Authority in writing if it becomes aware during the performance of the Contract of any required additions, inaccuracies or omissions in Annex K.

15.6 Any amendment to Annex K shall be made in accordance with DEFCON 503.

16. PAYMENT

16.1 Payment for work carried out under Item 1 of the Schedule of Requirements (Annex B) shall be claimed by the Contractor as follows:

Contract Month	Year 1	Year 2	Year 3	Year 4 (Option)
	██████████	██████████	██████████	██████████
██████████	██████████	██████████	██████████	██████████
██████████	██████████	██████████	██████████	██████████
██████████	██████████	██████████	██████████	██████████
██████████	██████████	██████████	██████████	██████████

16.2 Payment due to the Contractor for Item 2 of the Schedule of Requirements may be claimed by the Contractor following delivery of the Maintenance Plan/Schedule detailed in the SoW (Annex A). Payment for Item 2 shall be made within 30 days from receipt of a valid invoice.

16.3 Payment for work carried out against a Tasking Form under Item 3 of the Schedule of Requirements (Annex B) may be claimed by the Contractor either following satisfactory completion of all of the work called for under the respective Tasking Form, or by interim payments in accordance with the provisions of Condition 18 of the Contract (whichever applies as annotated on the respective Tasking Form and identified in the table in Appendix II to the Schedule of Requirements).

16.4 The Authority’s Contracting, Purchasing and Finance (CP&F) electronic billing payment system will be used for processing payments, as the Service Provider’s invoices are not acceptable for contracted services.

16.5 Claims for payments for Articles shall be in accordance with an individual TAF delivery and acceptance criteria for which the Supplier will be entitled to payment within 30 days from acceptance by the Authority.

17. CLAIMS FOR PAYMENTS

17.1 The Authority’s Contracting, Purchasing and Finance (CP&F) electronic billing payment systems will be used for processing payments, as the Service Provider’s invoices are now acceptable for contracted services. This will be in accordance with the CP&F DEFCONS 5J, 129J and 522.

17.2 The Service Provider will be entitled to payment within 30 days for all core services provided under the Contract in accordance with the Schedule of Requirements and Condition 16 of these Terms and Conditions, Quarterly in arrears.

17.3 All claims for payments for Articles shall be in accordance with an individual TAF delivery and acceptance criteria for which the Supplier will be entitled to payment within 30 days from acceptance by the Authority.

17.4 All claims for payments for Articles shall be in accordance with an individual TAF delivery and acceptance criteria for which the Supplier will be entitled to payment within 30 days from acceptance by the Authority.

18. ADVANCES AGAINST THE CONTRACT PRICES FOR WORK COVERED BY TASKING FORMS

18.1 The Authority shall, subject to the following provisions of this Condition, make to the Contractor advances against the prices (“interim payments”) payable for work under individual Tasking Forms identified in the table at Appendix II to the Schedule of Requirements (Annex B).

18.2 The Contractor shall be entitled to interim payments, to be claimed in accordance with this Condition 18 for each stage as identified in a Tasking Form, when:

- a. The Contractor has completed all work comprised in the stage for which the interim payment is sought.
- b. All previous stages in the respective interim payments have been completed, unless the Parties expressly agree otherwise.
- c. The Contractor shall have complied with all its contractual obligations associated with the Tasking Form concerned and to which the payments relate, which enables the Authority to monitor the Contractor’s contractual performance, including but not limited to those obligations related to the provision of information to the Authority.

18.3 Notwithstanding clause 18.2, the Authority shall not be obliged to make an interim payment to the Contractor for a completed stage if it has reasonable cause to believe that the Contractor will be unlikely to render complete performance of its obligations under the the Tasking Form concerned.

18.4 Where the Authority intends to rely on clause 18.3 as the basis for rejecting any claim for an interim payment which the Contractor may make, the Authority shall give to the Contractor Notice in writing of its intention together with the Authority’s reasons for the rejection.

18.5 Save as hereby provided, the entitlement of the Contractor to retain all interim payments is conditional on complete performance of the work under the Contract or the Tasking Form(s) concerned. Where the Authority terminates the Tasking Form otherwise than in accordance with DEFCON 656A, the Authority shall, without having any effect on any other right/remedy of either Party, be entitled to recover in full all advances against the Contract price of the Tasking Form made before termination, except where Articles/Services/Contractor Deliverables have been delivered/rendered in accordance with the Tasking Form and acceptance has occurred.

18.6 In the event of repayment to the Authority under the provisions of clause 18.5 of this Condition 18 then all that which vested in the Authority under the provisions of DEFCON 649, in relation to work carried out under the Tasking Form that had payment provisions as being interim payments and covered by this Condition 18, shall re-vest in and become the absolute property of the Contractor.

18.7 Payment of an interim payment by the Authority under this Condition 18 shall not, unless expressly stated to do so, constitute:

- a. Acceptance by the Authority of any Contractor Deliverable.
- b. A representation by the Authority that the Contractor has complied with any contractual obligation.
- c. A waiver of the Authority’s rights to subsequently claim that the Conditions for payment of

that interim payment were not satisfied.

19. TERMINATION OF WORK UNDER INDIVIDUAL TASKS FORMS

19.1 In addition to the Authority's rights of termination under any other Conditions of the Contract, any Tasking Form entered into under the Contract i.e. where the Authority has signed a Tasking form giving authority to proceed, may be terminated by the Authority at any time subject to one calendar month Notice (or as otherwise agreed between the Parties) in writing to the Contractor. In addition to completing Part D of the Tasking Form, where appropriate, the Authority may require the Contractor to furnish a report covering work done to the date of termination, with such recommendations as may be possible at that stage. The Authority's total liability under this Condition 19 shall be limited to the total price of the work under the Tasking Form concerned including any sums paid, due or becoming due to the Contractor at the time of termination.

19.2 The termination of a Tasking Form or Tasking Forms, 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.

20. EQUIPMENT REPAIRS

20.1 Equipment repairs as listed within the Statement of Work of the Contract fall into three categories:

- a. Those that are attributable to the Contractor, i.e. under warranty or equipment failure due to damage caused by the company or company representative, will be repaired at no cost to the Authority.
- b. Repairs attributable to the Authority, due to neglect misuse, abuse or damage by the Authority personnel or their representatives, will be identified to the PM within 5 working days, by Facsimile or Email and quarantined by the Contractor until a decision by the Authority as to what course of action is to be taken. Where the PM agrees to meet the cost of repair, then the items will be progressed through the standard repair system as a TAF.
- c. General repairs and items beyond economic repair that are not attributable to paragraphs (a) and (b) will be notified to the PM. Where the PM agrees to meet the cost of the repair, then the items will be progressed through the standard repair system as a TAF.

20.2 Authority or the Authority's local on-site representative, or the Contractor or his representative shall ensure that failed items are despatched for repair within a reasonable period of time. In the event that the delayed return of failed item/items is placing the availability of spares, and therefore of the system, at risk, then the PM shall be notified to resolve the issue.

20.3 Items returned for repair shall be appropriately packaged in accordance with DEFCON 129 to prevent damage whilst in transit and the accompanying documentation shall include the required documentation clearly identifying the fault symptoms and a supplier's reference. Items returned from the Contractor or his representative to the Authority shall include the appropriate documentation for onward transportation.

21. STANDARDS OF REPAIR

21.1 Each Article shall be repaired in accordance with the Defence Logistics Framework

22. SPECIFICATION/TECHNICAL REQUIREMENT

22.1 After repair, the finished Article shall:

- a. Meet the requirements of and be packed in accordance with the specification and/or Technical Instruction stated in the Contract and DEFCON 129. If these are not in the Contractor's possession they should be obtained from the PM;
- b. Include all current modifications (or be to the modification stated in the Contract), and be fitted with a Modification Label.

22.2 Enquiries concerning production, quality and technical matters should be referred to the PM.

23. NATO CODIFICATION

23.1 In accordance with DEFCON 117 the Contractor will be responsible for NATO Codification of any new equipment that will be issued by the Authority as GFE. Therefore, apart from any data which may be called for under the provisions of DEFCON 117 and in addition to providing information regarding items of their own manufacture and any part or reference numbers he has allocated to sub-contracted items, the Contractor shall supply the following information in respect of all items procured from subcontractors and suppliers:

- a. The name and address of the actual manufacturer
- b. The actual manufacturer's drawing or part numbers
- c. Applicable technical data

23.2 All necessary data required shall be submitted at the earliest practicable date.

24. FOREIGN MILITARY SALES (FMS) EQUIPMENT

24.1 The Contractor is responsible for ensuring that the necessary approvals or licences are in place prior to receiving or issuing any US International Traffic in Arms Regulations (ITAR) controlled articles. This may include providing articles to sub-contractors and the re-import of items to the US even on a temporary basis for repair. The Authority will support requests to import or export equipment under this contract but cannot guarantee approval from the United States Government.

25. DISRUPTION

25.1 The Contractor shall take reasonable care to ensure that in the performance of its obligations under the Contract it does not disrupt the operations of the Authority, its employees or any other Contractor employed by the Authority.

25.2 The Contractor shall inform the Authority's Commercial Officer in writing, of any actual or potential industrial action which affects or might affect its ability at any time to perform its obligations under the Contract as soon as they become aware of the actual or potential industrial action and certainly no later than 7 (seven) Business Days before the action is due to take place, whether such action be by its own employees or others.

OFFICIAL SENSITIVE – COVERING SECRET

25.3 The Contractor shall have robust contingency plans in place to ensure that, in the event of industrial action by the Contractor's personnel, provision of the Services or Contractor Deliverables is maintained and such contingency plans shall be available for the Authority to inspect and/or comment on at any reasonable time and shall be updated and revised as necessary by the Contractor throughout the period of the Contract.

26. QUALITY ASSURANCE

26.1 No specific Quality Management System requirements are defined. This does not relieve the Supplier of providing conforming products under this Contract.

26.2 No Deliverable Quality Plan is required, reference DEFCON 602B (Edn) 12/06

26.3 Concessions shall be managed in accordance with Def Stan. 05-061 Part 1, Issue 6 – Quality Assurance Procedural Requirements – Concessions

26.4 Any Contractor Working Parties shall be provided in accordance with Def Stan. 05-061 Part 4, Issue 3 – Quality Assurance Procedural Requirements – Contractor Working Parties

26.5 The Contractor shall maintain their quality certification throughout the period of the Contract. The Contractor shall notify the Authority's Project Manager in writing, immediately if their certification changes, or, if the scope of their certification changes.

27. SAFETY AND ENVIRONMENTAL PROTECTION

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

27.2 The Contractor shall ensure that the system is maintained against the latest accepted Safety and Environmental Legislation and MOD Safety Regulations.

27.3 The Contractor shall:

- a. In performing the work under the Contract, comply with his statutory duties and obligations relating to safety and environmental protection.
- b. Manage environmental protection in accordance with the processes presented in the latest agreed Safety and Environmental Management Plan.
- c. Manage Safety in accordance with Def Stan 00-56 issue 7 dated 28 February 2017, and Safety Management Requirements for Defence Systems.

27.4 If it appears that any specification agreed between the Contractor and the Authority may render the Contractor in breach of any statutory duty or obligation relating to safety or environmental protection the Contractor shall immediately draw that fact to the attention of the Authority's Project Manager.

27.5 The Authority may, without prejudice to any of its rights which may have arisen under the Contract, require the Contractor to vary each such specification (in reference to 27.4 of this Condition), in a manner acceptable to the Authority and which will not render the Contractor in breach of any statutory duty or obligation relating to safety.

OFFICIAL SENSITIVE – COVERING SECRET

27.6 Nothing in the Contract or in any other document created or signed on behalf of the Authority shall constitute a written undertaking for the purposes of Section 6 (8) of the Health and Safety at Work Act 1974 relieving the Contractor of any of his duties under Section 6 of the Act.

27.7 The Authority shall be entitled to reject any modification to the system and or equipment if the acceptance criteria in relation to the safety requirements for a post design service release are not met.

27.8 The Contractor shall pass down Safety & Environmental requirements to his Sub-contractors, and they with theirs, to ensure that sub-contracted material is satisfactory.

27.9 Where Defence has exemptions, derogations or dis-applications from Health Safety and Environmental Protection Legislation, these should only be used with prior written consent from the Authority's Safety and Environmental representative.

28. SELF TO SELF DELIVERIES

28.1 Where any equipment is purchased to support the provision of work under a Tasking Form and delivered by the Contractor to his own premises or to those of a Sub-contractor ('self-to-self delivery'), the risk of damage in such equipment shall (notwithstanding the provisions of DEFCON 612) remain vested in the Contractor until such time as the Article(s) is handed over to the Authority.

28.2 Where any equipment called for under a Tasking Form is delivered to the Contractor at his own premises ('self-to-self delivery'), for use in the Contractor owned test and reference system used by the Contractor in support of the Contract, the ownership in such equipment shall be vested in and owned by the Authority and deemed GFA.

29. TECHNICAL ASSISTANCE TO THE AUTHORITY

29.1 In pursuance of its responsibilities, the Authority may engage personnel from support Contractors to assist with managerial and technical support of related project activities. In such circumstances these Parties shall be deemed to be approved representatives of the Authority to whom the Contractor shall make available such information and facilities as are necessary to enable them to fulfil their obligations to the Authority.

30. PERIOD OF THE CONTRACT AND DELIVERY DATES OF CONTRACTOR DELIVERABLES

30.1 The period of the Contract shall be from the Effective Date of Contract and shall remain in place until 31st May 2024 ("Expiry Date") unless:

- a. Extended by the Authority exercising an option in accordance with Condition 4 of the Contract.
- b. A Force Majeure event as described in Condition 31 of the Contract arises and the Parties agree an extension to the period of the Contract.
- c. Otherwise terminated by the Authority's Commercial Officer in accordance with the Authority's rights of termination specified within this Contract. Such notification of termination will be in writing.

OFFICIAL SENSITIVE – COVERING SECRET

30.2 Support called for under Item 1 of the Schedule of Requirements (Annex B) shall commence from 1st June 2021 and continue until the Expiry Date shown in clause 30.1.

30.3 Work called for under Item 3 on the Schedule of Requirements (Annex B) shall only be undertaken by the Contractor if authorisation to proceed with the work has been given in writing by the Authority's representative during the period referred to in clause a of this Condition, or other period agreed between the Parties in writing.

30.4 Work under Item 3 of the Schedule of Requirements (Annex B) shall be completed within the timescales agreed between the Parties on the respective Tasking Form, and as identified in the table in Appendix II to the Schedule of Requirements.

30.5 Any work under Item 3 of the Schedule of Requirements (Annex B) that has commenced by the Contractor following written authorisation as described in clause d of this Condition 30, shall continue even in the event that the end date of the Contract stated in clause a of this Condition 30, or as otherwise agreed between the Parties in writing, has passed, unless the Contractor is advised otherwise in writing by the Authority's Commercial Officer, or exceptionally where by mutual agreement between the Parties where the work under Item 3 of the Schedule of Requirements is dependent on work called for by other Items shown in the Schedule of Requirements.

31. FORCE MAJEURE

31.1 The Contractor shall not be in breach of the Contract, nor liable for late or non-performance of any of its obligations under the Contract, if such delay or failure result from a "Force Majeure Event". For the purposes of the 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.

31.2 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 the Contract, and the actions proposed to mitigate its effect.

31.3 Subject to clause 31.4 of this Condition 31, 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 the Contract.

31.4 The maximum extension of time granted under this Condition shall be limited to 90 (ninety) Business Days after which time the Authority may, on giving written Notice to the Contractor, terminate the Contract with immediate effect.

32. MEETINGS

32.1 The Contractor shall attend any ad hoc meetings reasonably requested by the Authority.

32.2 The meetings will be held at a MOD establishment in the Corsham area, or the Contractor's premises, or at any other appropriate location agreed between the Parties.

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

32.3 The Authority's Project Manager and relevant team members shall attend each meeting, and will advise the Contractor in advance, of the expertise of his supporting team.

32.4 The Contractor's Project Manager shall attend each meeting supported by personnel suitably qualified to respond to the areas of expertise notified by the Authority.

32.5 The Authority's Project Manager or a nominated deputy, will chair all meetings (hereinafter the Chairperson).

32.6 The Contractor shall provide the secretariat for the meetings to take the minutes and record actions. The Authority shall issue a calling Notice and provide an agenda 10 (ten) Business Days before each meeting to all attendees of the meeting. A copy of the draft minutes shall be submitted by the Contractor to the Chairperson for approval no later than 7 (seven) Business Days after each meeting. The Chairperson shall agree or amend the minutes in writing within 5 (five) Business Days of receipt of the draft. Once agreed and no later than 5 (five) Business Days after such agreement is received by the Contractor, they shall be circulated by the Contractor to all invitees to the meeting, including those who were invited but did not attend.

32.7 The Contractor's costs associated with their attendance at all meetings shall be detailed within the TAF in accordance with Item 3 in the Schedule of Requirements (Annex B) and Condition 14 of these Contract Terms and Conditions.

33. REPORTS

33.1 Bi-Annual Maintenance reports shall be prepared and submitted by the Contractor to the Authority's Project Manager, or his nominated deputy, 5 (five) Business Days from the end of each 6 month period, in a format agreed with the Authority's Project Manager. The report shall detail the service delivery performance and shall as a minimum include:

- List of Maintenance Activities undertaken
- Details of faulty units returned in the preceding period, liability, repairs carried out and progress on repairs pending.
- Usage for the Period
- Any other information reasonably requested by the Authority.

33.2 The progress reports may form the basis of the discussions at any adhoc Project review meetings detailed in Condition 32 of the Contract.

33.3 All agreed amendments to reports or documents shall be incorporated within the respective report or document required for the next planned meeting, within the timescales in paragraph 33.1 and 32.6 of this Condition.

33.5 The provision of these reports or documents by the Contractor and receipt by the Authority shall be in accordance with DEFCON 525. These reports shall not prejudice any rights or obligations of the Authority or the Contractor under the Contract.

34. DISPUTE RESOLUTION

34.1 The Parties agree to try and resolve any dispute arising under the Contract by discussion during the next available meeting called for under Condition 32 of the Contract. In the event that a meeting is not due within a reasonable time of a dispute arising, an ad hoc meeting shall be

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

convened for the purposes of attempting to resolve the dispute. Any such meeting shall be held at a venue agreed between the Parties and the Contractor shall be liable for all cost incurred by them.

34.2 In the event that the dispute remains unresolved, it shall be referred to the Authority's senior Commercial Officer in the team responsible for the Contract and the Authority's senior Project Manager, for consideration. A meeting between the Authority's senior Commercial Officer responsible for the Contract and the Authority's senior Project Manager and their counterparts in the Contractor's organisation may be held for further clarification on the dispute.

34.3 If after a meeting set out in clause 34.2 of this Condition 34, the dispute remains unresolved, the dispute shall be referred to a mutually acceptable independent third party for resolution in accordance with DEFCON 530.

35. PERFORMANCE AND REMEDY IN THE EVENT OF CONTRACTOR'S FAILURE

35.1 The Contractor shall, taking into account all requirements of the Contract, issue to his staff appropriate written operating and procedural instructions at the start of the Contract, a copy of which shall be provided to the PM. The Contractor shall provide copies to the PM of any instructions, which withdraw, modify or supplement any instructions previously in force, within 14 days of the issue of such instructions.

35.2 If any service provided by the Contractor is not compliant with the standards set in the SoW, the PM shall (without prejudice to any other remedy available) have full power to require the service to be performed in accordance with the Contract requirements. If the Contractor's performance comprises the delivery of the specified outputs, the PM (or his Authorised Representative) shall have discretion to apply the following remedies:

- a. To carry out inspections of the services provided by the Contractor or Sub-Contractor at his discretion and give notice to the Contractor of the type of failure that has occurred within 20 (twenty) days of becoming aware of the failure. Within a reasonable timeframe which affects neither the performance of the contract nor the delivery of a programmed Complex Task, the Contractor shall submit to the Authority for the PM's approval (such approval not to be unreasonably withheld or delayed) a proposal (including a timetable) for rectification of such failure
- b. In the event of such a failure, and where after receipt of the Authority's approval of the Contractor's proposal for rectification, the Contractor has not remedied such failure within the period stated in his arrangements for the provision of the respective service. In this case the Authority may claim reimbursement from the Contractor in accordance with the provisions in DEFCON 514 and/or DEFCON 514A.
- c. The Contractor shall maintain such records in respect of the Contract as the Authority may reasonably require and shall on request produce them for inspection by the Authority. These shall remain the property of the Authority and shall not be released, published or disposed of without the prior written approval of the PM. The Contractor shall also make such periodic statistical and account returns as the Authority may reasonably demand.
- d. The Contractor shall, as required by the PM, make written submissions or oral presentations of the work performed under the Contract in aid of any review of policy for the conduct of business by the Authority.
- e. In accordance with DEFCON 608 and DEFCON 609 the Contractor shall afford full and free access to records relating to the support of VLF and VLF Evolve Assessment and &

OFFICIAL SENSITIVE – COVERING SECRET

OFFICIAL SENSITIVE – COVERING SECRET

Demonstration Phase, to permit the observance of the performance of the equipment as may be required. Access to the Contractor's premises and facilities to representatives of the Authority shall be on a 5-day notice period and where services are delivered on MOD sites, access will be on a no-notice basis.

36. NOTIFICATION PERIOD

36.1 In accordance with DEFCON 656A, paragraph 1, the period of notice to determine the Contract by the Authority will be 12 weeks. Under paragraph 6(b) the notice for the Contractor to determine a sub-contract or order under DEFCON 656A will be 8 weeks.

37. REJECTION

37.1 For the purpose of Core Services as defined within Annex A (Statement of Work), where an end user is of the opinion that the Service Provider has not discharged their obligations under the Contract then the PM will:

- a. Expressly reject the service/report originally requested by communicating his rejection to the Service Provider in writing either by facsimile or email within 10 working days upon receipt of the service/report with a copy to the PM.
- b. In all instances where the Authority has rejected the Service Provider's service report and made this known to them and the end user, the Authority will not be liable for any payment until such time as the matter has been resolved to the satisfaction of the PM.

37.2 Articles as defined within DEFCON 501 shall vest and become the property of the Authority in accordance with DEFCON 649. For the purpose of 'Rejection' delivery of Articles will be determined to have been undertaken when transferred to the Ministry of Defence logistic organisation, or delivered to the Authority or to the Representative of the Authority at a UK Military Dockyard to Airhead. Any Article may be rejected by the Authority in accordance with DEFCON 524 within 28 days or 56 days for Platforms out with British Territorial Waters.

38. CONSEQUENCES OF TERMINATION

38.1 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.

39. LIMIT OF LIABILITY

39.1 Neither party excludes or limits liability to the other party (whether arising under tort, Contract or otherwise) for death or injury arising from its negligence. The Contractor's liability in respect of any incidence relating to the performance of its obligations under this Contract shall be limited to £1M per incident, to include any direct loss or damage to the Authority including any operation or administrative costs.

39.2 The Contractor shall be liable to the Authority in Contract, tort or otherwise for indirect or consequential loss or damage or destruction of data.

39.3 Each provision of this Clause operates separately. If any part is held by a court to be unreasonable or inapplicable in any circumstances, the other parts will continue to apply.

OFFICIAL SENSITIVE – COVERING SECRET

39.4 Due to the nature of this Contract the Authority reserves the right to re-negotiate the Limit of Liability on a case by case basis at the outset of the TAF process if it feels the task in question is of high risk

40. EXIT STRATEGY

40.1 As a minimum the Contractor will be formally notified 12 weeks prior to the expiry date of the Contract that they will be required in accordance with these terms and conditions of Contract to liaise with the Authority and agree an Exit Strategy which is to include but not be limited to:

- a. Transfer the assets back to the Authority or their representative
- b. Disposal instructions for such material through the MOD Disposal Sales Agency will be subsequently be provided to the Contractor
- c. Identification and agreement from the Authority for the transfer assets into any subsequent Service, i.e. the equipment will be in effect transferred to a new Service Provider.
- d. Final reconciliation for any outstanding payments for full and final settlement within an agreed timeframe following conclusion of the Contract.
- e. Ensuring all GFA is returned or otherwise disposed of as set out in DEFCON 611.
- f. Ensuring all deliveries and work up to the Expiry Date have been completed.

40.2 At the Expiry Date of the Contract as set out in Condition 3 or upon notification by the Authority of termination of the Contract, including but not limited to, under the provisions of DEFCON 68, 514, 514A, 515, 520, 656B, 658, or the Security Measures Conditions at Annex E to the Contract, the Contractor shall work with the Authority on the closure of the Contract in accordance with the Exit Plan developed as per Clause 40.1

41. COVID-19: EXTENSION OF TIME AND RELIEF FROM PERFORMANCE

41.1. The parties recognise that the continuance of the COVID-19 pandemic may have an adverse impact on the ability of the Contractor to perform its obligations under this Contract. The Contractor shall not therefore be in breach of its obligations under this Contract, nor liable for late or non-performance of any of its obligations under this Contract, if such delay or failure is a sole and direct result of the continuance of the COVID-19 pandemic.

41.2. The Contractor shall immediately notify the Authority in writing that the continuance of the COVID-19 pandemic has solely and directly resulted or is likely to solely and directly result in a delay or failure to perform its obligations under the Contract, which obligations are adversely impacted, and the actions proposed to mitigate such adverse impact.

41.3. Subject to clause 41.4 below, the Contractor shall be entitled to request an appropriate period of:

- a. additional time for performing; and/or
- b. relief from other contractual consequences, of late or non-performance of such obligations provided always that the Contractor has used, to the satisfaction of the Authority, all reasonable endeavours, both to mitigate the adverse impact of the continuance of the

OFFICIAL SENSITIVE – COVERING SECRET

COVID-19 pandemic, and to facilitate the continued performance of its obligations under the Contract.

41.4. The maximum period of additional time and/or for which relief will be granted under this clause shall be limited to 60 Business Days, after which the Authority may terminate the Contract on giving 20 Business days' notice in writing to the Contractor. On termination of the Contract, the Contractor shall be entitled to be paid an amount equal to any and all charges payable (but as yet unpaid) for Contractor Deliverables delivered up to the date of termination but shall otherwise have no claim against the Authority in relation to such termination.