



DE&S

Contract Number: FsASTC/00111

C-17 Interim Training Solution

Issued by

Flight Simulation and Synthetic Trainers Project Team (FsAST PT)

**FsAST PT
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1. SCHEDULE OF REQUIREMENTS

	MINISTRY OF DEFENCE	
Name and Address of Contractor Boeing Defence UK Limited Dakota House Building 630 Bristol Business Park Coldharbour lane Bristol, BS16 1EJ	Schedule of Requirements for C-17 Interim Training Solution	Contract No: FsASTC/00111 Dated 24 September 2014

Requirements

Item No.	Description	Delivery Date	Training Day(s) Per Course	Estimated Usage per Course Year 1	Price per course £ (ex-VAT) Year 1	Estimated Usage per course Years 2, 3, 4, 5	Price per course £ (ex-VAT) Year 2	Price per course £ (ex-VAT) Year 3	Price per course £ (ex-VAT) Year 4	Price per course £ (ex-VAT) Year 5
1.	To provide Pilot Applied Phase Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	4	[REDACTED]	4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2.	To provide Pilot Annual Phase Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	116	[REDACTED]	116	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3.	To provide Co Pilot to Captain Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	4	[REDACTED]	4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

4.	To provide Instrument Rating Examiner Training Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	3	[REDACTED]	3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5.	To provide Flight Instructor Training Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	3	[REDACTED]	3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
6.	To provide Role Instructor Training Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	3	[REDACTED]	3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7.	To provide Pilot Refresher Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	2	[REDACTED]	2	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
8.	To provide Senior Officer Familiarisation Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	1	[REDACTED]	1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
9.	To provide Loadmaster Annual Phase Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	92	[REDACTED]	92	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

10.	To provide Ground Engine Run Initial Qualification Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	14	[REDACTED]	14	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
11.	To provide Ground Engine Run Annual Refresher Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	35	[REDACTED]	35	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
12.	To provide Ground Engine Run Assessor Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	3	[REDACTED]	3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
13.	To provide Overfly in accordance with Statement of Work at Annex A	As required	[REDACTED]	0	[REDACTED]	0	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
14.	To provide Pilot Initial Qualification Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	3	[REDACTED]	4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
15.	To provide Avionics Initial Qualification Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	3	[REDACTED]	4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

16.	To provide Mechanical Initial Qualification Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	3	[REDACTED]	4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
24	To provide Pilot Area Navigation Retro Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	12	[REDACTED]	17	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
25	To provide Senior Officer Refresher Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	0	[REDACTED]	0	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
26	To provide Loadmaster Refresher Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	0	[REDACTED]	0	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
27	To provide Controller Pilot Data Link Communications (CPDLC) Retro Course in accordance with Statement of Work at Annex A	As required	[REDACTED]	0	[REDACTED]	29	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Item No.	Description	Delivery Date	Price £							
17.	To provide a [REDACTED]airfield database in accordance with Statement of Work at Annex A	Contract Award	[REDACTED]							

18.	To provide an [REDACTED] database which will include [REDACTED], [REDACTED] and [REDACTED] airfields accordance with Statement of Work at Annex A	14/03/15	[REDACTED]
19.	To provide a [REDACTED] airfield ([REDACTED]) database in accordance with Statement of Work at Annex A	20/07/15	[REDACTED]
20.	To provide a [REDACTED] airfield ([REDACTED]) database in accordance with Statement of Work at Annex A	01/06/15	[REDACTED]
21.	To provide a Risk Management Accreditation Document Set (RMADS) for the training facility	Contract award + 4 weeks	Included within SOR Items 1 to 16 and 24 to 26
22.	To provide the following documentation in accordance with the Statement of Work at Annex A: a. Project Management	All plans Contract award + 4 weeks	Included within SOR Items 1 to 16 and 24 to 26

	<ul style="list-style-type: none">Planb. Risk and Opportunity Planc. Integrated Test, Evaluation and Acceptance Pland. Quality Management Plane. Configuration Management Planf. Environmental Management Plang. Government Furnished Asset Planh. Safety Management Plan/Hazard Logi. Document Management Planj. New Database Plan		
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23.	To assist the Authority in the development of a Part 1 Safety Case and to produce and deliver a Part 2 (Design) and Part 3 (Operation and Support) Safety Case reports as defined in the Statement of Work at Annex A.	Contract Award + 4 weeks	Included within SOR Items 1 to 16 and 24 to 26
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2. GENERAL CONDITIONS

2.1. DEFCONS

DEFCON 5J (Edn 07/08) – Unique Identifiers

DEFCON76 (Edn 12/06) – Contractor's Personnel At Government Establishments

For the purposes of this Contract, the Contractor's liability under Clause 3 of DEFCON 76 (Edn 12/06) shall be limited to £5M (five million pounds) per incident.

DEFCON 90 (Edn 11/06) – Copyright

For the purposes of this Contract, DEFCON 90 (Edn 11/06) applies to SOR line items 21, 22 and 23 only.

DEFCON 129J (Edn 07/08) – The Use Of The Electronic Business Delivery Form

DEFCON176A (Edn 06/08) – MOD Requirements For Competition In Subcontracting (Non-Competitive Main Contract)

DEFCON 501 (Edn 05/13) – Definitions And Interpretations

DEFCON 502 (Edn 06/08) – Specifications

DEFCON 503 (Edn 07/05) – Amendments To Contract

DEFCON 507 (Edn 10/98) – Delivery

DEFCON 509 (Edn 09/97) – Recovery Of Sums Due

DEFCON 513 (Edn 06/10) – Value Added Tax

DEFCON 515 (Edn 10/04) – Bankruptcy And Insolvency

DEFCON 516 (Edn 04/12) – Equality

DEFCON 518 (Edn 11/12) – Transfer

DEFCON 520 (Edn 07/11) – Corrupt Gifts And Payment Of Commission

DEFCON 521 (Edn 04/12) – Subcontracting To Supported Businesses

DEFCON 522J (Edn 05/03) – Payment Under P2P

DEFCON 523 (Edn 03/99) – Payment Of Bills Using The Bankers Automated Clearing Services (BACS) System

DEFCON 524 (Edn 10/98) – Rejection

For the purposes of this Contract the period of rejection against DEFCON 524 shall be 90 days.

DEFCON 525 (Edn 10/98) – Acceptance

For the purposes of this Contract the period of acceptance against DEFCON 525 shall be 90 days.

DEFCON 526 (Edn 08/02) – Notices

DEFCON 527 (Edn 09/97) – Waiver

DEFCON 528 (Edn 05/12) – Overseas Expenditure, Import and Export Licences

DEFCON 529 (Edn 09/97) – Law (English)

DEFCON 530 (Edn 07/04) – Dispute Resolution (English Law)

DEFCON 531 (Edn 05/05) – Disclosure Of Information

DEFCON 532B (Edn 06/10) - Protection Of Personal Data (Where Personal Data is being processed on behalf of the Authority)

DEFCON 534 (Edn 06/97) – Prompt Payment (Subcontracts)

DEFCON 537 (Edn 06/02) – Rights Of Third Parties

DEFCON 538 (Edn 06/02) – Severability

DEFCON 566 (Edn 02/11) – Change Of Control Of Contractor

DEFCON 602A (Edn 12/06) – Quality Assurance (With Quality Plan)

DEFCON 604 (Edn 11/04) – Progress Reports

DEFCON 606 (Edn 10/97) – Change And Configuration Control Procedure

DEFCON 608 (Edn 10/98) – Access And Facilities To Be Provided By The Contractor

DEFCON 609 (Edn 10/98) – Contractor’s Records

DEFCON 611 (Edn 07/10) – Issued Property

DEFCON 614 (Edn 09/03) – Default

DEFCON 627 (Edn 12/10) – Requirement For A Certificate Of Conformity

DEFCON 632 (Edn 08/12) – Third Party Intellectual Property - Rights And Restriction

DEFCON 642 (Edn 06/97) – Progress Meetings

DEFCON 643 (Edn 07/04) – Price Fixing

DEFCON 648A (Edn 07/04) – Availability Of Information

DEFCON 650A (Edn 07/04) – References To The Review Board Of Questions Arising Under The Contract.

DEFCON 651A (Edn 07/04) – Reference To The Review Board Of Questions Arising In Relation To Relevant Subcontracts Including Those With A Subsidiary Company or Firm.

DEFCON 652 (Edn 07/04) – Remedy Limitation

DEFCON 654 (Edn 10/98) – Government Reciprocal Audit

DEFCON 656 (Edn 03/06) – Break

DEFCON 684 (Edn 01/04) – Limitation Upon Claims In Respect Of Aviation Products

DEFCON 694 (Edn 02/12) – Accounting For Property Of The Authority

DEFCON 695 (Edn 07/04) – Interim Summary Cost Certificate – Post Costing

DEFCON 696 (Edn 07/04) – Provisions In Relation To A Final Cost Summary Statement – Post Costing.

2.2. Order of Precedence

2.2.1. In the event of inconsistency between the Terms and Conditions of the Contract and associated appendices/Annexes, the Schedule of Requirements (SOR), the Statement Of Work (SOW) and any other documents, the conflict shall be resolved according to the following descending order of priority:

2.2.1.1. The Terms and Conditions of the Contract and associated Appendices/Annexes

2.2.1.2. The SOR

2.2.1.3. The SOW and associated Appendices/Annexes

2.2.2. Where any such inconsistency is identified, it shall be referred to the Authority's Commercial Branch and copied to the Authority's Project Manager as detailed at the Appendix to Contract (DEFFORM 111) immediately.

2.2.3. The Authority shall be entitled to provide direction with regard to which part of the relevant document shall take precedence over which part. The Authority's directions with regard to the matter shall be final and conclusive and the Contractor agrees that the Contract shall be construed accordingly.

2.2.4. The Contractor shall be solely responsible for any discrepancies, errors or omissions in the Contractor's Proposal, and any failure of the Contractor's Proposal to comply with the requirements of the specification, notwithstanding that the Contractor's Proposal has been seen and accepted by the Authority.

2.3. Scope of Contract

2.3.1 The Contractor shall undertake all work under the Contract in accordance with the Terms and Conditions of Contract, SOR, SOW and associated Annexes and Appendices to the Contract.

2.4. Duration

2.4.1. The Contract shall be valid for 5 years from 1st October 2014.

2.5. Amendments to Contract

2.5.1. In addition to the provisions of DEFCON 503 (Amendments to Contract), nothing said, done or written, by any person, nor anything omitted to be said, done or written by any person, including, but without limitation, any servant or agent of the Authority, shall in any way affect the rights of the Authority, modify, affect, reduce or extinguish the obligations and liabilities of the Contractor under the Contract, or be deemed to be a waiver of the rights of the Authority, unless stated in writing and signed by the MoD Commercial Branch at the Appendix to contract (DEFFORM 111).

2.6. Sustainable Procurement

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

- 2.6.2. The Contractor shall take all reasonable steps to procure the observance of the economic, social and environmental legislation related to the subject matter or the execution of the contract by any servants, employees or agents of the Contractor and any subcontractors engaged in the performance of the Contract.
- 2.6.3. If the Contractor becomes aware of any prosecution or proceedings, for criminal breaches of the economic, social and environmental legislation related to the subject matter or the execution of the Contract, against the Contractor, any servants, employees or agents of the Contractor and any subcontractors engaged in performance of the Contract, the Contractor shall immediately notify the Authority's Project Manager at the Appendix to Contract (DEFFORM 111).
- 2.6.4. Any convictions during the period of the Contract for criminal breaches of the economic, social and environmental legislation related to the subject matter or the execution of the Contract by the Contractor or any of the Contractor's directors/partners or senior management who have powers of representation, decision or control, shall be regarded as a material breach of this Contract.

2.7. Health and Safety Management

- 2.7.1. The Contractor shall throughout the performance of the Contract have full and proper regard to the health and safety of all persons entitled to enter the Establishment and shall keep the Establishment in such a manner so as to keep to a minimum any danger and/or hazard to such persons including any health and safety and or environmental risks to such persons in line with all relevant legislation.
- 2.7.2. The Contractor shall ensure that:
- 2.7.2.1. the equipment/system is safe to operate and maintain.
 - 2.7.2.2. the requirements stipulated in the Contract and the SOW for the safety of the equipment/system are met.
- 2.7.3. The Contractor shall in performing the work under the Contract comply with its statutory duties and obligations relating to safety;
- 2.7.3.1. be responsible for ensuring that none of the specifications in the Contract and the SOW causes the Contractor to be in breach of any statutory duty or obligation relating to safety.
 - 2.7.3.2. manage Safety in accordance with DEF STAN 00-56 – Safety Management of Requirements for defence systems, Part 1 Issue 5.
- 2.7.4. If after the Contract is made, 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:
- 2.7.4.1. the Contractor shall immediately draw that fact to the attention of the Authority;
 - 2.7.4.2. the Authority may, without prejudice to any of its rights which may have arisen under sub-clause 2.7.2 above, require the Contractor to vary each such specification at its own expense 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.

2.7.5. Nothing in the Contract, SOW 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 its duties under Section 6 of the Act.

2.7.6. The Authority shall be entitled to reject the delivery of training if any of the safety requirements are not met at nil cost.

2.8. Security

2.8.1. Provision of training under this Contract shall be conducted at a level of classification up to and including OFFICIAL. Elements requiring enhanced protection at OFFICIAL-SENSITIVE or which meet special reporting criteria as Reportable-OFFICIAL will be detailed in the supporting Security Aspects Letter (SAL) at Annex H to the Contract. Measures to mitigate risk to assets and information which are identified after contract signature at the level of OFFICIAL-SENSITIVE will be agreed separately by the Authority and the Contractor, and inserted into an amended SAL.

2.8.2. The training facility shall incorporate physical measures and procedures that enable the protection of physical assets graded at up to and including OFFICIAL-SENSITIVE in accordance with the Security Policy Framework (baselined at version 12 Apr 2014). The Contractor shall provide evidence of such compliance using HMG-approved methodology, within 5 business days from receipt of an Authority request.

2.8.3. The Contractor shall protect all Information relating to the aspects designated as Reportable OFFICIAL and OFFICIAL-SENSITIVE as identified in the security aspects letter (SAL) at Annex H to the Contract, in accordance with the official security conditions annexed to the SAL.

2.8.4. The Contractor shall ensure that the requirements and obligations set out under Clause 2.8.3 above are flowed down to their sub-contractors.

2.8.5. All personnel employed by the Contractor to conduct work in support of the contract shall hold the necessary security clearance. The Contractor shall be responsible for ensuring security clearances remain valid throughout the contract period. Where so requested by the Authority, full particulars of all personnel to be so employed shall be forwarded in advance to the Authority for confirmation of acceptability.

2.9. Government Transparency

2.9.1 For the purpose of this Condition the expressions:

2.9.1.1. "Transparency Information" shall mean the content of this Contract in its entirety,

2.9.1.2. including from time to time agreed changes to the Contract, and details of any

2.9.1.3. payments made by the Authority to the Contractor under the Contract;

2.9.1.4. "Contractor Commercially Sensitive Information" shall mean the information listed in

2.9.1.5. the Contractor Commercially Sensitive Information Annex C to the Contract Terms

2.9.1.6. and Conditions being information notified by the Contractor to the Authority which is acknowledged by the Authority as being commercially sensitive information.

2.9.2 Notwithstanding any other term of this Contract, including DEFCON 531 where applicable, the Contractor understands that the Authority may publish the Transparency Information to the general public. The Contractor shall assist and cooperate with the Authority to enable the Authority to publish the Transparency Information.

2.9.3 Before publishing the Transparency Information to the general public in accordance with clause 2.9.2 above, the Authority shall 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 ("the Act") or the Environmental Information Regulations 2004 ("the Regulations"), including the Contractor Commercially Sensitive Information.

2.9.4 The Authority may consult with the Contractor before redacting any information from the Transparency Information in accordance with clause 2.9.3 above. The Contractor acknowledges and accepts that its representations on redactions during consultation may not be determinative and that the decision whether to redact information is a matter in which the Authority shall exercise its own discretion, subject always to the provisions of the Act or the Regulations.

2.9.5 For the avoidance of doubt, nothing in this Condition shall affect the Contractor's rights at law.

2.10. Publicity

2.10.1. The Contractor shall not release any information associated with the project without first obtaining the prior written consent of the Authority, except as may be required by law or other government requirements. Prior to release, copies of the information to be released shall be forwarded to the Authority's Commercial Branch at the Appendix to Contract (DEFFORM 111). If the publication is to be in a language other than English, an accurate and complete type-written translation in English shall be provided with the request. It is agreed that neither party has the authority to communicate on behalf of the other.

2.11. Information Transfer

2.11.1. The Contractor shall make available upon request by the Authority, in both hard and soft copy and in a format that can be accessed by Microsoft Office applications, any information relating to UK personnel and/or courses that is held on any system that is used for the management of or in relation to the delivery of the Contract. This shall include but not be limited to information held on the Training Management Information Systems (TMIS).

2.11.2. The Contractor shall make all such data and/or documentation available within one month of a request from the Authority.

2.12. Sub-contracting

2.12.1. The Contractor shall ensure that each sub-contract entered into will enable them to fulfil its obligations under the Contract. To the appropriate extent the Contractor shall require the sub-contractor to assume towards the Contractor the obligations and responsibilities which the Contractor owes to the Authority under the Contract and give the sub-contractor rights remedies and redress against the Contractor equivalent to those given to the Contractor against the Authority under the Contract.

- 2.12.2. Without prejudice to the obligations of the Contractor under any of the provisions of the Contract, the Contractor shall, whenever requested to do so by the Authority, take any necessary action to ensure that a person who has entered into a sub-contract complies with and performs all obligations imposed upon him.
- 2.12.3. Where for any reason a sub-contract is determined or assigned because of the default or failure of the sub-contractor, the Contractor shall, at its own expense secure completion of the sub-contract works/services.
- 2.12.4. The Contractor shall be responsible for any sub-contractor or supplier employed by him in connection with the contract.
- 2.12.5. The Contractor shall make good any loss suffered or expense incurred by the Authority by reason of any default or failure, whether total or partial, on the part of any sub-contractor or supplier

2.13. TUPE

- 2.13.1. The TUPE conditions relating to the provision of Employee Information at Contract expiry are specified at Schedule 1 to the Contract Terms and Conditions.

3. SPECIFICATION, PLANS ETC

3.1. Risk

- 3.1.1. The Risk and Opportunities Register shall be maintained by the Contractor during the currency of the Contract. This register shall be in the form of a matrix and detail all risks and opportunities that are associated with the work under the Contract. All such risks (including sub-Contract risks) shall be attributed in the matrix to where they can be best managed. Each risk identified in the register shall be categorised (whether the risk is high, medium or low), have an action plan by way of mitigation and under which the risk is to be managed and monitored.
- 3.1.2. The Risk and Opportunities Register shall be a living document, and risks and opportunities identified in this document shall be continuously reviewed as an item of the Quarterly Progress Meetings . Where some risks no longer exist, they can be removed from the register by mutual consent. New risks can be added to the register as soon as they are identified, attributed and mitigation action agreed.
- 3.1.3. The Contractor acknowledges that any risk assessment which has been, or may be, undertaken in connection with this Contract has been, or will be, a project management function only. Such risk assessment does not affect the legal relationship between the parties. The issuing of any risk assessment questionnaire and the process of risk assessment generally, including without limitation, the identification of (or failure to identify):
- 3.1.3.1. particular risks and their impact; or
 - 3.1.3.2. risk reduction measures, contingency plans and remedial actions
- 3.1.4. shall not in any way limit or exclude the Contractor's obligations under this Contract and shall be entirely without prejudice to the Authority's rights, privileges and powers under this Contract. The risks identified as a result of any risk assessment questionnaire and risk assessment process generally remain the risks of the

Contractor and are not assumed by the Authority except to the extent that the Authority expressly and unequivocally accepts those risks under the Contract . Any risk assessment questionnaire released was or will be issued by the Authority solely on this basis.

3.2. Quality Assurance (QA)

- 3.2.1. The Contractor shall maintain its Quality Management System in accordance with the applicable standards. The Authority is fully committed to ISO 9001:2008 and the Contractor shall be registered to this Standard to meet the Quality Management requirements of Authority Contracts.
- 3.2.2. For the purposes of the Contract, the QA Standards as defined paragraph 22 of the SOW shall apply. The Authority reserves the right to include additional, relevant standards as may be required.

3.3. Accreditation

- 3.3.1. The Training Service shall achieve accreditation in accordance with section 11 of the SOW.
- 3.3.2. The Contractor shall ensure that the training devices remain coherent with the current United States Air Force (USAF) aircraft Block standard, and configuration shall be maintained with any other future planned Block upgrades/modifications introduced during the Contract period.
- 3.3.3. In the event that the Authority upgrades its aircraft fleet to a higher Block standard than that of the USAF, upon mutual agreement with the Authority, the Contractor may upgrade the training devices to the higher standard. In this event, Clause 3.3.3 shall take precedent over Clause 3.3.2 and ID No. 4 of Appendix A to Annex A, until such time that the USAF upgrade to align with the higher Block standard at which time Clause 3.3.2 and ID No.4 of Appendix A shall apply.
- 3.3.4. The Contractor shall notify the Authority of any upgrade or modification required in order to maintain coherency with the USAF aircraft Block standard or any higher Block standard agreed under Clause 3.3.3.
- 3.3.5. Incorporation of any changes relating to the modification or configuration of the aircraft or its software shall be the sole responsibility of the Contractor. No cost for these changes shall be borne by the Authority.
- 3.3.6. During the period in which the accreditation for any element of the Training Service is not obtained or is withdrawn for any reason, neither party shall have any liability to the other in respect of that element of the Training Service. The Authority shall be under no obligation to take or pay for training, scheduled or otherwise, until the failure has been remedied to the satisfaction of the Authority and re-accreditation has been achieved.

3.4. USAF Accreditation

- 3.4.1. The Authority will not undertake the Pilot Initial Qualification Course until the Contractor provides written evidence from USAF that the BDUK ITC training system has been accredited by USAF. The Authority will assist the Contractor in accrediting

the Pilot Initial Qualification Course however the responsibility for accreditation shall remain with the Contractor. The Contractor shall be liable to pay all fair and reasonable costs incurred by the Authority in assisting in this course accreditation.

3.4.2. Where there is any change to either the BDUK or the USAF PIQ syllabus/standard, the Authority shall require the BDUK delivered course to be re-accredited by the USAF and the provisions of clause 3.4.1 shall apply until such re-accreditation is achieved.

3.5. Course and Database Validation and Acceptance

3.5.1. Courses and Databases delivered under the Contract shall be subject to formal validation and acceptance by the Authority in accordance with the Course and Database Validation and Acceptance Process at Appendix J to the SOW.

3.5.2. During the term of the Contract, the Authority may require change(s) to the existing training syllabus. Should this become necessary, the Authority shall request such changes by way of a Contract Amendment and in accordance with the Course and Database Validation and Acceptance process at Appendix J to the SOW.

3.6. Independent Safety Auditors/Advisors

3.6.1. The Contractor shall provide access to records, including sub-contractor records, for contract purposes, to enable the MOD-appointed Independent Safety Auditor or Independent Safety Advisors to carry out safety audits and other assessment activities to meet MOD Safety requirements.

4. PRICE

4.1. Contract Price

4.1.1. The Contract Price shall be the firm price for the courses described in the SOR of this Contract inclusive of all royalties, commercial agreements, licence fees, customs duty and taxes with the exception of Value Added Tax (see DEFCON 513).

4.1.2. The Contractor shall complete the requirements of this Contract within the firm price for each item on the SOR.

4.1.3. The Contract Price for each course detailed in the SOR is based on an agreed number of Training Days. The Authority shall pay for a minimum number of Training Days for each Contract Year regardless of actual usage (as specified in Clause 7.1.1). This equates to a minimum Annual Training Price that shall apply to each Contract Year as follows:

4.1.3.1. For year 1 the Annual Training Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]

4.1.3.2. For year 2 the Annual Training Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]

4.1.3.3. For year 3 the Annual Training Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]

4.1.3.4. For year 4 the Annual Training Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]

- 4.1.3.5. For year 5 the Annual Training Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]
- 4.1.4 For the purposes of Clause 8.2 and 8.3 the 31st March Reconciliation Price for each Contract Year shall be as follows:
- 4.1.4.1 For year 1 the 31st March Reconciliation Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]
- 4.1.4.2 For year 2 the 31st March Reconciliation Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]
- 4.1.4.3 For year 3 the 31st March Reconciliation Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]
- 4.1.4.4 For year 4 the 31st March Reconciliation Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]
- 4.1.4.5 For year 5 the 31st March Reconciliation Price for line items 1 to 16 and 24 to 27 shall be £[REDACTED]

4.2. Equality of Information

- 4.2.1. The Authority and the Contractor shall operate an open book accounting policy in relation to all items detailed on the Schedule of Requirements. This shall mean the fullest disclosure of all relevant information by both parties to achieve equality of information in pricing.
- 4.2.2. The Contract is subject to an Equality of Information Pricing Statement in respect of the price for all line items listed in the SOR. Accordingly, the Pricing Statement and associated attachments at Annex D to the Contract shall reflect the final prices.

5. INTELLECTUAL PROPERTY RIGHTS

5.1. Use of Authority Information

- 5.1.1. For the avoidance of doubt all information including but not limited to documentation and Authority SME's provided by the Authority to the Contractor under the Contract are to be used solely for the purpose of developing or delivering training and providing training for Authority personnel and shall not be used to develop training for any third party or for any other purpose not detailed in the Contract. The Contractor shall not copy, alter or remove, in whole or in part, any information provided by the Authority under the Contract without the express written permission of the Authority.

6. LOANS

6.1. Government Furnished Assets (GFA)

- 6.1.1. The Authority shall make available those items of GFA as listed at Annex E to the Contract, on the terms set out against each item.
- 6.1.2. The Authority shall have no liability to the Contractor if the GFA detailed above is offered to the Contractor and the Contractor fails to take up any such offer. In such

circumstances, the liability of the Authority shall cease with effect from the first time the GFA is offered.

7. DELIVERY

7.1. Training Days

7.1.1. Each course shall consist of the number of Training Days as specified in the SOR. The Contractor shall provide the following minimum number of Training Days to the Authority in each Contract Year:

7.1.1.1. For Year 1 [REDACTED] Training Days.

7.1.1.2. For Years 2 to 5 [REDACTED] Training Days in each Contract Year.

7.1.2. The minimum number of Training Days agreed for each Contract Year shall be used across all SOR items 1 to 16 and 24 to 27 in that relevant Contract Year.

7.1.3. The number of courses specified against each course in the SoR are only estimates. The Authority has the right to either increase or decrease the number of courses actual used in a Contract Year provided that they have been booked in accordance with the Course Booking Procedure.

7.1.4. Where the Authority has not consumed the minimum number of Training Days for a Contract Year, it may carry Training Days over to the next Contract Year. The number of Training Days that can be carried over will be agreed on a mutual basis between the Authority and the Contractor at the end of each Contract Year. Any Training Days carried over in to the next Contract Year shall not be included in the minimum number of Training Days specified in Clause 7.1. The Contractor shall use all reasonable endeavours to accommodate requests from the Authority to carry over the mutually agreed number of Training Days in to the next Contract Year.

7.2. Availability Of The Facility

7.2.1. All courses booked by the Authority, with the exception of those courses booked in accordance with Clause 7.2.2, shall be conducted Monday to Friday between 0700 to 1800 excluding public holidays and the Contractor's annual winter closure period from 25th December to 1st January inclusive. Courses shall be booked by the Authority in accordance with the following timescales:

7.2.1.1. At Contract Award the Authority shall book its required courses to be provided within the initial 180 days of the Contract.

7.2.1.2. Thereafter courses shall be booked at least 90 calendar days in advance of the course start date.

7.2.2 For courses not booked at least 90 calendar days in advance, the Contractor shall use all reasonable endeavors to provide such courses (eg. in the case of an urgent or short notice or amended requirement(s)) from Monday to Friday between 0700 to 1800 excluding public holidays and the Contractor's annual winter closure period from 25th December to 1st January inclusive.

7.2.3 Training outside of these hours may be agreed on a mutual basis between the Authority and the Contractor at no additional cost to the Authority.

7.2.4. Debriefing facilities shall be made available prior to and after each simulator sortie.

7.3. Course Administration

7.3.1. Courses shall be booked in accordance with the Course Call Off procedure at Annex F. Where the courses requested exceed the Authority's agreed minimum number of Training Days for that year these courses shall be booked in accordance with the Course Call Off procedure at Annex F and the Course Demand Form at Annex G to the Contract. The Contractor shall not book any training courses which exceed the agreed minimum number of Training Days unless authorised by the Authority's Commercial Branch by receipt of an approved Course Demand Form.

7.3.2. Where urgent training requirements are identified and availability exists, courses may be booked up to 2 working days before the course start date.

7.3.3. Student names will be provided to the Contractor a minimum of two weeks prior to course start but may be changed 2 working days before the course start at nil cost to the Authority.

7.3.4. Issuing of course notes and joining instructions shall be the responsibility of the Contractor and shall be managed in accordance with the Course Call Off Process at Annex F. For each simulator Training Session, the Contractor shall ensure that its Instructors provide flight planning and briefing, immediately before and debriefing immediately after each Training Session. The briefing and debriefing sessions shall be appropriate to the specific requirements of the particular Training Session in length and content. Immediately following completion of each Training Session, the Contractor shall provide (or assist the Authority Instructor in providing where the Authority has led the instruction) oral debriefs for all students detailing how the student performed during the Training Session. The post Training Session debrief shall provide constructive feedback to allow the student to become aware of areas of weakness so that they may be rectified in subsequent training sessions.

7.3.5. Within 1 working day of a Training Session where specific simulator sorties are conducted solely by Contractor instructors, the Contractor shall also produce DSAT-compliant Sortie Report Forms for each student in accordance with Authority issued A-Specs and I-Specs. The method, format and content of the reporting shall closely reflect the method, format and content of Authority reporting on Simulator sorties and be agreed with the Authority.

7.3.6. An end of course written debrief will be completed by the Authority, except when the responsibility for instructional delivery of the course lies solely with the Contractor, in which case the Contractor shall produce the report. The Contractor's written debriefs shall be DSAT-compliant and produced in accordance with Authority issued A-Specs and I-Specs, detailing an overall assessment of the students' performance on the course and notifying any areas for improvement. Records of all written debriefs are to be retained in student records (in either hard or soft copy) and copies of all debriefs shall be made available to the Authority upon request.

7.3.7. The Contractor shall record successful completion of courses on their Training Management Information System (TMIS). The Contractor shall also record unsuccessful completion of the course on the TMIS, notifying the Squadron Flight Commander Training of each student who fails to meet the minimum pass criteria of a course. The TMIS shall also record the Authority's statistical usage of all synthetic

devices specifically for the conduct of Authority training and be prepared to provide this information to the Authority upon request.

7.3.8. The Contractor shall also provide a hard copy certificate of completion to each student who achieves the minimum pass criteria for any Engine Ground Run, Avionics and Mechanical courses.

7.4. Course Cancellation

7.4.1. In the event that either party wishes to cancel a booked course it shall do so in writing and the following provisions shall apply:

7.4.1.1. When a booked course is cancelled at the request of the Authority, the Contractor shall use reasonable endeavours to reassign the session time. If the Contractor is unable to reassign the session time and notification of cancellation was received from the Authority less than 2 working days prior to the time of the course starting, then the Contractor may invoice the Authority for the full cost of the cancelled course.

7.4.1.2. When a booked course is cancelled at the request of Contractor, notification of the cancellation to the Authority shall be given at least 2 working days prior to the time of the course starting with the reason for the cancellation. Any course cancelled at the request of Contractor shall be re-scheduled at a time that is mutual agreeable with the Authority, at no additional charge to the Authority. The Contractor shall indemnify the Authority against any receipted abortive travel and/or subsistence costs reasonably incurred as a result of the cancellation of the booked course.

7.5. Failure To Deliver A Course

7.5.1. Where the Contractor fails to delivery a booked course in accordance with the SOR the following provisions shall apply:

7.5.1.1. The Contractor shall notify the Authority of the circumstances for the failure, agree a correction plan with the Authority and implement the agreed plan at no additional cost to the Authority.

7.5.1.2. If the Contractor fails to agree or implement the correction plan, the Authority shall not be liable for payment for that course

7.5.2. Where the Contractor fails to accept a booking request from the Authority which has been made in accordance with the course booking procedure at Clause 7.3 and as a direct consequence the Authority is unable to achieve the agreed minimum number of Training Days in any Contract Year. The Authority shall not be liable for the payment of the number of Training Days where the booking request was rejected and the Annual Training Price for that Contract Year will be reduced accordingly, unless an alternative date had been agreed with the Authority and the course provided within that Contract Year.

7.6. Overfly Course

7.6.1. Where the Overfly Course is used to recover a failing Authority student, the Authority shall only consume training day(s) for the failing student and not any other Authority participant accompanying the failing student during the course.

8. PAYMENT

- 8.1. For SOR line items 1 to 16 and 24 to 27 payment will be made monthly in arrears and will cover all courses which have been satisfactorily completed within that month.
- 8.2. Reconciliations shall be conducted throughout the Contract duration to ensure that the minimum Annual Training Price is paid to the Contractor or any over payments made by the Authority are recovered. The reconciliations shall take place on the 31st March and 30th September of each Contract Year as detailed below:
 - 8.2.1. The 31st March reconciliation shall ascertain whether the 31st March Reconciliation Price for that Contract Year as specified in Clause 4.1.4 has been reached. Subject to the provisions of Clause 7.5, if the 31st March Reconciliation Price has not been reached due to Authority usage being lower than anticipated, the Authority shall pay to the Contractor a sum equal to the difference between the total payments made to the Contractor against SOR Items 1 to 16 and 24 to 27 for that Contract Year and the 31st March Reconciliation Price for the relevant Contract Year. If the provisions of Clause 7.5.1.2 or 7.5.2 apply to the relevant Contract Year, the price for the courses subject to these provisions will be deducted from the 31st March Reconciliation Price for that Contract Year.
 - 8.2.2. The 30th September Reconciliation shall be conducted at the end of each Contract Year to ascertain whether the total Annual Training Price has been reached. Subject to the provisions of Clause 7.5, if the total Annual Training Price has not been reached due to Authority usage being lower than anticipated, the Authority shall pay to the Contractor a sum equal to the difference between the total payments made to the Contractor against SOR Items 1 to 16 and 24 to 27 for that Contract Year and the total Annual Training Price for the relevant Contract Year. If the provisions of Clause 7.5.1.2 or 7.5.2 apply to the relevant Contract Year, the price for the courses subject to these provisions will be deducted from the Annual Training Price for that Contract Year.
- 8.3. If at the 30th September reconciliation the Authority has paid the Contractor a sum higher than the Annual Training Price for that Contract Year and the reason is due to the reconciliation process undertaken on the 31st March of that Contract Year rather than as a result of the Authority consuming more than the minimum number of training days specified in Clause 7.1 for that Contract Year, the Contractor shall be liable to repay to the Authority the difference between the sum paid to the Contractor for that Contract Year and the Annual Training Price for that Contract Year. The repayment to the Authority shall be made in full by a reduction in the September monthly invoice for courses completed in that Contract Year. If the reduction is greater than the courses completed in that month than the remaining repayment amount shall be made by a reduction in the next monthly invoice for courses completed in the subsequent Contract Year, until the total repayment has been made.
- 8.4. Payment of Training Days that have been carried over in to the next Contract Year in accordance with Clause 7.1.4, shall be made in their original Contract Year, in accordance with Clause 8.2 and shall not be included in the calculation for payment for the Contract Year they were actual consumed.
- 8.5. For the purposes of Clause 3.4 and 7.4.1.2 repayment to the Authority shall be made in the subsequent month from when the Authority notifies the Contractor that payment is due by a reduction in the Monthly invoice (s) for courses completed.
- 8.6. The Authority and the Contractor shall comply with the Electronic Transactions Agreement comprised in the completed DEFFORM 30 at Annex I to the Contract. The sending by the Contractor of an 'Acknowledgement of Receipt' Message is to be regarded as acceptance of the Purchase Order Message to which it refers, unless the Purchase

Order Message itself constitutes acceptance in accordance with the terms and conditions of the Contract. Messages under DEFFORM 30 (latest edition) received by the Contractor shall be regarded as having been authorised by the Authority.'

- 8.7. Payments shall be claimed on an electronic invoice message as specified in DEFFORM 30 (Edn 01/07). The P2P Delivery Form (DEFFORM 129J) shall be submitted to the Authority's Project Officer as detailed at Box 2 of Appendix to Contract (DEFFORM 111) for authorisation for payment to be made.

9. CONTRACT ADMINISTRATION

9.1. Contractor's Personnel

- 9.1.1. Personnel employed under the Contract shall have the appropriate qualifications and competence for the tasks on which they are engaged and be acceptable to the Authority.
- 9.1.2. Where so requested by the Authority, full particulars of all personnel to be so employed shall be forwarded in advance to the Authority for confirmation of acceptability. All personnel shall be Suitably Qualified and Experience Personnel (SQEP). Instructional staff shall hold the appropriate certification and currency which is to be renewed annually and reviewed by STANEVAL. Supporting evidence such as training records etc shall be made available for review upon request.
- 9.1.3. The Contractor shall take all reasonable steps to avoid changes of personnel assigned to the work under the Contract. Except whenever changes are unavoidable or of a temporary nature caused by sickness etc, the Contractor shall give at least one month's notice to the Authority and sub-clauses 9.1.1 and 9.1.2 above shall apply to the replacement personnel.

9.2. Meetings

- 9.2.1. The Contractor shall facilitate meetings throughout the duration of the contract as defined in section 7 of the SOW.
- 9.2.2. Meetings shall be chaired by the Authority's Project Manager, or nominated representative. The Contractor shall take minutes which shall be produced in draft format within two weeks of the meeting and shall be issued within one week of agreement of the final version with the Authority Project Manager.
- 9.2.3. Additional attendance at adhoc meetings may be required. The Contractor shall agree to participate in any such meetings and, where required, provide documentation to support the meeting content.

9.3. Reporting Requirements

- 9.3.1. On the first working day of each month, the Contractor shall provide the Authority's Project Manager with a written report. The report shall include, as a minimum, the information as defined in sections 8 and 9 of the SOW.
- 9.3.2. Not less than two weeks prior to each Quarterly Meeting, the Contractor shall provide the Authority with an Agenda for the meeting and a progress report to support the meeting content. The progress report shall include, as a minimum, the information as defined in sections 8 and 9 of the SOW.

Appendix - Addresses and Other Information

1. Commercial Officer

FsAST Commercial
Walnut3a, #1317
MOD Abbey Wood
Bristol
BS34 8JH

Email: desfsast-comrcl6@mod.uk

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

FsAST-3
Address as at Box 1

Email: desfsast-3@mod.uk

3. Packaging Approving Authority

N/A

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

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

N/A

Tel No:

(b) U.I.N.

5. Drawings/Specifications are available from

N/A

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

N/A

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

7. Quality Assurance Representative:

See Box 2
AQAPS and DEF STANs are available from Stan 1, Kentigern House,
65 Brown St, Glasgow, G2 8EX. A self addressed label should be sent with
each application. Website is: www.dstan.mod.uk

8. Public Accounting Authority

1. Returns under DEFCON 694 should be sent to DBS Finance ADMT
– Assets In Industry 1, Level 4 Piccadilly Gate, Store Street,
Manchester, M1 2WD ☎ 44 (0) 161 233 5397

2. For all other enquiries contact DES Fin FA-AMET Policy, Level 4
Piccadilly Gate, Store Street, Manchester, M1 2WD
☎ 44 (0) 161 233 5394

9. Consignment Instructions

The items are to be consigned as follows:

N/A

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

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

Air Freight Centre

IMPORTS ☎ 030 679 81113 / 81114 Fax 0117 913 8943

EXPORTS ☎ 030 679 81113 / 81114 Fax 0117 913 8943

Surface Freight Centre

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

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

B. JSCS

JSCS Helpdesk No. 01869 256052 (select option 2, then option 3)
JSCS Fax No. 01869 256837

www.freightcollection.com

11 The Invoice Paying Authority (see Note 1)

Ministry of Defence ☎ 0151-242-2000

DBS Finance

Walker House, Exchange Flags

Fax: 0151-242-2809

Liverpool, L2 3YL

Website is: www.mod.uk/DBSFinance

12. Forms and Documentation are available through *:

Ministry of Defence, Forms and Pubs Commodity Management
PO Box 2, Building C16, C Site

Lower Arncoff

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

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

OpsFormsandPubs@mod.uk

NOTES

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

2.* Many DEFCONs and DEFFORMs can also be obtained from the
MOD Internet Website: www.aof.mod.uk/aofcontent/tactical/toolkit

For Official Use Only Recoverable YES NO

Issue of Government Property YES NO

VAT Contractor - Country of Origin (delete those not applicable)

UK X	Overseas (non-EC Country)	Overseas (EC Country)
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If EC specify country:

Outside the scope	<input type="checkbox"/>	Item Nos	<input style="width: 95%;" type="text"/>
Exempt	<input type="checkbox"/>	Item Nos	<input style="width: 95%;" type="text"/>
Taxable Zero Rate	<input type="checkbox"/>	Item Nos	<input style="width: 95%;" type="text"/>
Taxable - Standard Rate	<input checked="" type="checkbox"/>	Item Nos	ALL

Finance Branch

LH No/Project No

Requisition No

Project Management/
Production branch
reference

Place of manufacture

Place of packaging

Contractor's Tel No

(where contract is with an overseas contractor RP (FIN) VAT Guidance Note No 3 should be consulted)

Schedule 1

TRANSFER REGULATIONS

PART 1 - EMPLOYEE TRANSFER ARRANGEMENTS ON EXIT

1. DEFINITIONS

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

1.2 Without prejudice to Schedule 1 (Definitions) of the Contract, in this Schedule 1 unless the context otherwise requires:

"DPA" means Data Protection Act 1998

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

"Employing Sub-Contractor" means any sub-contractor of the Contractor providing all or any part of the Services who employs or engages any person in providing the Services;

"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;

"Services" shall have the meaning specified in [project team to complete];

"Subsequent Relevant Transfer" means a transfer of the employment of Subsequent Transferring Employees from the Contractor or any Employing Sub-Contractor 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 Sub-Contractor to a New Provider;

"Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time.

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 Sub-Contractor 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 1 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 to this Schedule 1 (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 sub-contractor 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 14 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 to this Schedule 1 (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 reasonable endeavours to obtain the consent of its employees (and shall procure that its Sub-Contractors use their reasonable 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. To the extent 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 14 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 Sub-Contractor 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 1.

2.1.6 The Authority may at any time prior to the period set out in paragraph 2.1.5 of this Schedule 1 request from the Contractor any of the information in sections 1(a) to (d) of Appendix 1 to this Schedule 1 and the Contractor shall and shall procure any Sub-Contractor 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 Sub-Contractor 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 Sub-Contractor 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 Sub-Contractor'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 Sub-Contractor 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)(iii)), 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:
 - (i) 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);
 - (ii) any liabilities acquired by virtue of the Transfer Regulations in relation to the Unexpected Subsequent Transferring Employee;
 - (iii) 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; and
 - (C) to the acts/omissions of the Authority or a New Provider not wholly connected to the dismissal of that person;

- (iv) 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);
- (v) 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
- (vi) 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 Sub-Contractor 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 Sub-Contractor 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 Sub-Contractor.

- 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 1 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.

Transfer Regulations Appendix 1

CONTRACTOR PERSONNEL-RELATED INFORMATION TO BE RELEASED UPON RE-TENDERING WHERE THE TRANSFER REGULATIONS APPLIES

1. Pursuant to paragraph 2.1.1(b) 2 of this Schedule 1, the following information will be provided:

- a) The total number of individual employees (including any employees of Sub-Contractors) 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 Sub-Contractors 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
- 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 within 14 days of the Subsequent Transfer Date.

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

Transfer Regulations Appendix 2

PERSONNEL INFORMATION TO BE RELEASED PURSUANT TO THIS CONTRACT

Part A

1. Pursuant to paragraph 2.1.2 of this Schedule 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) which 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 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 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 TA members, 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 14 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

Annex A to FsASTC/00111

STATEMENT OF WORK AND ASSOCIATED APPENDICES

[Statement Of Work and associated Appendices held as separate attachments to this document]

Annex B to FsASTC/00111

DEFFORM 532
Edn 06/10

Personal Data Particulars

This Form forms part of the Contract and must be completed and attached to each Contract containing DEFCON 532B.

Data Controller	The Data Controller is the Secretary of State for Defence (the Authority). The Personal Data will be provided by: FsAST-3e, FsAST PT, Walnut 3a, #1317, DE&S Abbey Wood (South), Bristol, BS34 8JH
Data Processor	The Data Processor is the Contractor. The Personal Data will be processed at: BDUK C-17 International Training Centre, Farnborough, Hants
Data Subjects	The Personal Data to be processed under the Contract concern the following Data Subjects or categories of Data Subjects: Student Details and Training Records
Categories of Data	The Personal Data to be processed under the Contract concern the following categories of data: Name, Rank, Nationality, Passport numbers and training records for all RAF personnel undertaking training at the BDUK C-17 ITC facility
Special Categories of data (if appropriate)	The Personal Data to be processed under the Contract concern the following special categories of data: N/A
Processing operations	The Personal Data to be processed under the Contract will be subject to the following basic Processing activities: Data required to gain clearance for entry onto the Farnborough Airport site, in order to allow access in to the C-17 ITC facility. Creation of student training records
Special Technical and organisational Measures	The following special technical and organisational measures to safeguard the Personal Data are required for the performance of this Contract: All systems containing this information are to be encrypted in accordance with current data encryption requirements
Instructions for Disposal of Personal Data	The Disposal Instructions for the Personal Data to be processed under the Contract are as follows (where Disposal Instructions are available at the commencement of Contract): All data held is to be destroyed at the end of the Contract period in accordance with current data disposal regulations. A copy of all RAF C-17 Student training records are to be provided to the Authority in an acceptable MS Office application format to be agreed at the end of the contract
Date from which Personal Data is to be Processed	Where the date from which the Personal Data will be processed is different from the Contract commencement date this should be specified here: Contract Commencement

Annex C to FsASTC/00111

Tenderer's Commercially Sensitive Information Form

ITT Ref No: FsASTC/00111
<p>Description of Tenderer's Commercially Sensitive Information:</p> <p>1:Firm Prices provided in this Commercial Proposal</p> <p>2:This Commercial Proposal provides Boeing Defence UK's specific comments on the Terms and Conditions of the Contract, pricing information, and other commercial information for the ITT. The Boeing Company (TBC) and Boeing Defence UK's Limited (BDUK) specific proprietary information, including trade secrets and other sensitive commercial information are contained within this volume</p> <p>3: Prices for Statement of Requirement</p> <p>4: Statistical data relating to the use and operation of the synthetic training devices</p>
Cross Reference(s) to location of sensitive information in Tender: All
<p>Explanation of Sensitivity:</p> <p>1: Pricing is considered to be proprietary to BDUK.</p> <p>2: BDUK's solution is considered proprietary to BDUK</p> <p>3: Pricing will be unique for the Authority and is not to be disclosed to any other party</p> <p>4: Statistical data can be analysed by third parties</p>
<p>Details of potential harm resulting from disclosure:</p> <p>1: Potential for competitors to establish relevant pricing and undermine BDUK's competitive position.</p> <p>2:The information provided in the Commercial Proposal comprises The Boeing Company (TBC) and Boeing Defence UK Limited (BDUK) proprietary information, including trade secrets and other sensitive commercial information. This information is supplied to the Authority in confidence and on the understanding that it shall be used only for the purpose of the analysing of BDUK's submission, and that nothing contained herein shall be disclosed outside the Authority without the prior consent of BDUK</p> <p>3: Pricing is unique to the Authority and will undermine BDUK's competitive position</p> <p>4: Statistical data can be analysed by third parties and could be undermined to determine a competitive position</p>
Period of Confidence (if applicable): In Perpetuity
<p>Contact Details for Transparency / Freedom of Information matters:</p> <p>Name: [REDACTED]</p> <p>Position: Commercial Manager</p> <p>Address: Boeing Defence UK Limited, Dakota House, Building 630 Bristol Business Park, Bristol, BS16 1EJ</p> <p>Telephone Number: [REDACTED]</p> <p>email Address: [REDACTED]</p>

Annex D to FsASTC/00111

Equality Of Information - Pricing Statement

Contract No FsASTC/00111

1. The Company and the Authority each confirms that the negotiations leading to the agreement as at 24 September 2014 of price(s) as recorded at Annex 1 to this Statement were conducted in accordance with the principles of paragraph 9 (Equality of Information) of The 1968 Profit Formula Agreement which has now been carried forward in the 2011 Annual Review of the Profit Formula for Non-Competitive Government Contracts.

2. The Company and the Authority each confirms that it is not aware of any material omission or inaccuracy in the facts and pricing assumptions provided by it, on which the price(s) are based, and which are set out or referenced in Annex 2 to this Statement.

3. The Company confirms that in estimating the costs on which the price(s) recorded at Annex 1 to this Statement are based it has observed the cost accounting practices set out in the latest Questionnaire as to the Method of Allocation of Costs except as explained in Annex 2 to this Statement.

4. The Authority and the Company shall each maintain in confidence the information provided to it by the other for the purpose of the negotiations mentioned in paragraph 1 above. Information will not be disclosed to others without the written authority of the owner. The Authority and the Company confirm that each is free to provide such information to the Review Board for Government Contracts should the need arise in pursuance of DEFCON 650/650A (Reference To The Review Board Of Questions Arising Under The Contract) in respect of the contract incorporating the above price(s).

5. The agreement of price(s) set out in this Statement does not constitute any representation by either party to the other or oblige either party to contract with the other. To the best of the knowledge of each of us the foregoing is correct and there have been no material changes to the information set out or referenced in Annex 2 to this Statement between the time of price agreement and the date of signature below.

Signed:

Signed:

Name:

Name:

Position:

Position:

Company:
for (insert trading name of Company)

Authority:
for the Secretary of State for
Defence

Date:

Date:

Annex 1 to Equality Of Information Pricing Statement Dated 24 September 2014 In Respect Of Contract No. FsASTC/00111

Prices

For year 1 the Annual Training Price for Schedule Of Requirements line items 1 to 16 and 24 to 26 shall be £[REDACTED]

For year 2 the Annual Training Price for Schedule Of Requirements line items 1 to 16 and 24 to 26 shall be £[REDACTED]

For year 3 the Annual Training Price for Schedule Of Requirements line items 1 to 16 and 24 to 26 shall be £[REDACTED]

For year 4 the Annual Training Price for Schedule Of Requirements line items 1 to 16 and 24 to 26 shall be £[REDACTED]

For year 5 the Annual Training Price for Schedule Of Requirements line items 1 to 16 and 24 to 26 shall be £[REDACTED]

Annex 2 To Equality Of Information Pricing Statement Dated 24 September 2014 In Respect Of Contract No. FsASTC/00111

Facts And Pricing Assumptions

The prices stated in this Annex differ from the agreed Contract Prices stated in Annex 1 by approximately £18 due to rounding calculations in the financial model

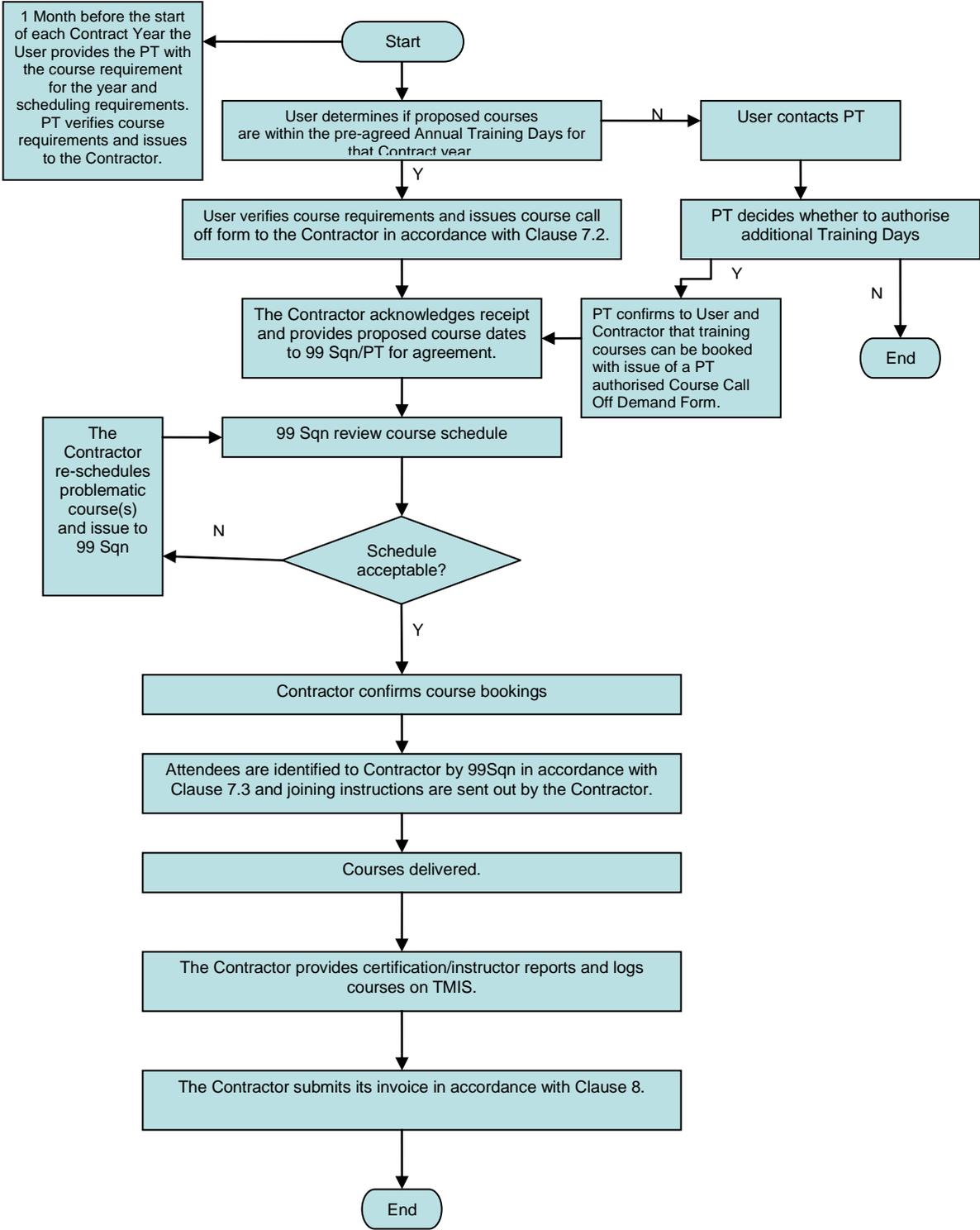
[REDACTED]

GOVERNMENT FURNISHED ASSETS

Type	GFA Requirement	Purpose	Qty	Delivery Date
Publications /Software	Log in access to No 1 AIDU Flight Information Publications (FLIPS) and access to World Wide Nav Database	Student training and Staff familiarisation. Data to facilitate the alignment of the simulator with real world navigational data	One log in for a single specified user.	To be provided from Contract Award.
	Defense Training Operating Standards (DTOS)	Student training and Staff familiarisation	One CD per month. The disc needs to be the same as issued to Sqn personnel	One per month.
Information	ASTRATS	Student training and Staff familiarisation. To allow ITC instructors to develop the required training profiles	As Required, Subject to request and prior agreement of the Authority at such times as required.	Provided within 20 working days from receipt of request.
	Extracts from XXIV Sqn Maintenance Training School Initial Qualification student courseware	To support BDUK development of Recap lessons for the Avionics and Mechanics Qualification course	One copy of each to be provided electronically.	To be provided prior to the Critical Design Review for the Avionics and Mechanics Qualification course.
SME Support	FsAST, STANEVAL & 2 Gp STAR SMEs	To support system Accreditation, Course validation and acceptance	As Required, Subject to request and prior agreement of the Authority at such times as required.	Provided within 20 working days from receipt of request.
	Pilot Instructor	To support Course validation and acceptance	As Required, Subject to request and prior agreement of the Authority at such times as required.	Provided within 20 working days from receipt of request.
	Loadmaster Instructor	To support Course validation and acceptance	As Required, Subject to request and prior agreement of the Authority at such times as required.	Provided within 20 working days from receipt of request.
	Maintenance SMEs	To support Course validation and acceptance	As Required, Subject to request and prior agreement of the Authority at such times as required.	Provided within 20 working days from receipt of request.

Type	GFA Requirement	Purpose	Qty	Delivery Date
Emergency Equipment Items	24 Sqn MTS Instructors	To support Course validation and acceptance	As Required, Subject to request and prior agreement of the Authority at such times as required.	Provided within 20 working days from receipt of request.
	Emergency escape breathing device (EEBD) – Part number 80230014	To teach the ALSE section of the Pilot Initial Qualification course	One item for the duration of the Contract.	To be provided prior to delivery of first Pilot Initial Qualification course.
	Emergency passenger oxygen (EPOS) – Part number MR10095AF	To teach the ALSE section of the Pilot Initial Qualification course	One item for the duration of the Contract.	To be provided prior to delivery of first Pilot Initial Qualification course.
	Crew quick don oxygen mask and smoke goggles – Part number 358 1506V	To teach the ALSE section of the Pilot Initial Qualification course	One item for the duration of the Contract.	To be provided prior to delivery of first Pilot Initial Qualification course.
	Crew life jacket– NSN 22C1305017	To teach the ALSE section of the Pilot Initial Qualification course	One item for the duration of the Contract.	To be provided prior to delivery of first Pilot Initial Qualification course.
	Passenger life jacket – NSN 22C1359245	To teach the ALSE section of the Pilot Initial Qualification course	One item for the duration of the Contract.	To be provided prior to delivery of first Pilot Initial Qualification course.

COURSE CALL OFF PROCEDURES





Ministry
of Defence

DES FsAST PT
Defence Equipment & Support
Walnut 3A, NH1, #1317
MOD Abbey Wood
Bristol BS34 8JH
United Kingdom

Telephone [MOD]: +44 (0)30 679 31183
Facsimile [MOD]: +44 (0)30 679 31919
E-mail: DESFsAST-3@mod.uk

Ref: FsASTC/00111/SAL

**For the personal attention of:
The Responsible Officer,
Boeing Defence UK**

24 September
2014

Dear Sirs

FsASTC/00111 - C17 INTERIM TRAINING SOLUTION SECURITY ASPECTS LETTER

1. On behalf of the Secretary of State for Defence I hereby give you notice that all aspects of the work under the above contract are classified as **OFFICIAL**.
2. Some **OFFICIAL** information associated with this contract is considered by the Authority to warrant additional assurance and is considered to be **REPORTABLE OFFICIAL**. For example, this might be due to aggregation of data or the holding of personnel details.

REPORTABLE OFFICIAL SECURITY ASPECTS

- a. The following **OFFICIAL** information/material, in both electronic and printed format, is considered to be **REPORTABLE** in the event of loss or compromise:
 - (1) In its entirety, any training database which contains the personal identifying information of RAF personnel who have attended, are under training, or who are scheduled to attend ITC courses.
 - (2) All / any records from the training database, each record of which comprises in combination, at least a Name and Service Number, or a name and other data attribute that could be used to uniquely identify the attending person. (These data sets are to be identified in the Privacy Impact Assessment required by this contract).
- b. All information held, used and discussed at the marking of **REPORTABLE OFFICIAL** must be handled in accordance with Annex A to this SAL.

3. In addition the aspects defined below are considered to be **OFFICIAL-SENSITIVE** and must be protected accordingly:

OFFICIAL-SENSITIVE SECURITY ASPECTS

- a. The following information/material is considered to be **OFFICIAL-SENSITIVE**:
 - (1) Any hardcopy document or dataset, or other physical asset that is visibly marked as **OFFICIAL-SENSITIVE** or that has been officially notified to the Contractor by the Authority as such.
 - (2) Any combination of spoken instruction and student training response that

in combination might reveal a tactic or procedure that would normally be protected as OFFICIAL-SENSITIVE.

(3) Any other discussion between RAF employees and ITC instructional staff where it involves tactics or procedures ordinarily protected as OFFICIAL-SENSITIVE.

b. All information held, used and discussed at the classification of **OFFICIAL-SENSITIVE** must be handled in accordance with Annex A to this SAL.

c. Any legacy material marked as RESTRICTED, meeting the same conditions as detailed 3a(1)-3a(3) is to be handled as though OFFICIAL SENSITIVE.

4. If any information relating the of the above defined OFFICIAL-SENSITIVE or REPORTABLE OFFICIAL aspects is lost, or is believed to have been compromised, by the contractor the details of the loss shall be reported in accordance with paragraphs 24 & 25 of the Security Condition referred to below.

5. Any need to share OFFICIAL information (but NOT that which is REPORTABLE or OFFICIAL-SENSITIVE) with US employees to ensure the execution of the contract, may be done on a need to know basis, and on the premise that the information is first marked 'UK OFFICIAL' to ensure protection under US public disclosure legislation.

6. Information about this contract must not without the approval of the Authority be published or communicated to anyone except where necessary for the execution of the contract.

7. Your attention is drawn to the requirements of the "Security Conditions" and the provisions of the Official Secrets Acts 1911-1989 in general, and to the provisions of Section 2 of the Official Secrets Act 1911 (as amended by the Act of 1989). In particular you should take all reasonable steps to make sure that all individuals employed on any work in connection with the contract have notice of the above specified aspects and that the aforementioned statutory provisions apply to them and will continue so to apply after the completion or earlier determination of the contract.

8. Any access to information on MoD premises that may be needed will be in accordance with MoD security regulations under the direction of the MoD Project Officer.

9. The enclosed Security Condition, at Annex A outlines the principal measures required to safeguard Reportable OFFICIAL and OFFICIAL-SENSITIVE information, and is provided to enable you to provide the required degree of protection.

10. Please confirm that the requirements of this Security Aspects Letter and the UK Security Conditions are understood and will be complied with.

Yours faithfully,

[Original signed]

[REDACTED]
DES FsAST-3

Copies to: DE&S-SAC
DBR-DefSy-STInd

Annex: A. Copy of Annex N to Part 4, Section 4, Chapter 2 to JSP 440 (Reportable OFFICIAL and OFFICIAL- SENSITIVE Security Condition for UK Contracts)

Annex A to Security Aspects Letter

Annex N: Reportable OFFICIAL and OFFICIAL- SENSITIVE Security Condition for UK Contracts

Definitions

1. The term "Authority" means a Ministry of Defence (MOD) official acting on behalf of the Secretary of State for Defence.

Security Grading

2. The Authority shall issue a Security Aspects Letter which shall define the OFFICIAL-SENSITIVE and Reportable OFFICIAL information that is furnished to the Contractor, or which is to be developed by it, under this Contract. The Contractor shall mark all OFFICIAL-SENSITIVE documents which it originates or copies during the Contract clearly with the OFFICIAL-SENSITIVE classification. However, the Contractor is not required to mark information/material related to the contract which is only OFFICIAL.

Official Secrets Acts

3. The Contractor's attention is drawn to the provisions of the Official Secrets Acts 1911 to 1989 in general, and to the provisions of Section 2 of the Official Secrets Act 1911 (as amended by the Act of 1989) in particular. The Contractor shall take all reasonable steps to make sure that all individuals employed on any work in connection with the Contract (including sub-contractors) have notice that these statutory provisions, or any others provided by the Authority, apply to them and shall continue so to apply after the completion or earlier termination of the Contract.

Protection of Reportable OFFICIAL and OFFICIAL-SENSITIVE Information

4. The Contractor shall protect Reportable OFFICIAL and OFFICIAL-SENSITIVE information provided to it 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 Contractor shall take all reasonable steps to prevent the loss or compromise of the information or from deliberate or opportunist attack.

5. Reportable OFFICIAL and OFFICIAL-SENSITIVE information shall be protected in a manner to avoid unauthorised access. The Contractor shall take all reasonable steps to prevent the loss or compromise of the information or from deliberate or opportunist attack.

6. All OFFICIAL-SENSITIVE material including documents, media and other material shall be physically secured to prevent unauthorised access. When not in use OFFICIAL-SENSITIVE documents/material shall be stored under lock and key. As a minimum, when not in use, OFFICIAL-SENSITIVE material shall be stored in a lockable room, cabinets, drawers or safe and the keys/combinations are themselves to be subject to a level of physical security and control.

7. Disclosure of OFFICIAL-SENSITIVE information shall be strictly in accordance with the "need to know" principle. Except with the written consent of the Authority, the Contractor shall not disclose any of the classified aspects of the Contract detailed in the Security Aspects Letter other than to a person directly employed by the Contractor or sub-Contractor, or Service Provider.

8. 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 30.

Access

9. Access to Reportable OFFICIAL and OFFICIAL-SENSITIVE information shall be confined to those individuals who have a "need-to-know" and whose access is essential for the purpose of his or her duties.

10. The Contractor shall ensure that all individuals having access to OFFICIAL-SENSITIVE information have undergone basic recruitment checks. Contractors shall apply the requirements of HMG Baseline Personnel Security Standard (BPSS) for all individuals having access to OFFICIAL-SENSITIVE information. Further details and the full requirements of the BPSS can be found at the Gov.UK website at: <https://www.gov.uk/government/publications/security-policy-framework>.

Hard Copy Distribution of Information

11. Reportable OFFICIAL and OFFICIAL-SENSITIVE documents shall be distributed, both within and outside company premises in such a way as to make sure that no unauthorised person has access. It may be sent by ordinary post or Commercial Couriers in a single envelope. The words Reportable OFFICIAL or OFFICIAL-SENSITIVE shall not appear on the envelope. The envelope should bear a stamp or details that clearly indicates the full address of the office from which it was sent.

12. Advice on the distribution of OFFICIAL-SENSITIVE documents abroad or any other general advice including the distribution of OFFICIAL-SENSITIVE hardware shall be sought from the Authority.

Electronic Communication, Telephony and Facsimile Services

13. Reportable OFFICIAL information may be emailed unencrypted to recipients over the internet when it is known that the recipient has been made aware of and can comply with the requirements of these Security Conditions. OFFICIAL-SENSITIVE information shall be emailed unencrypted over the internet only where there is a strong business need to do so and only with the prior approval of the Authority. 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 shall require. Such limitations, including any regarding publication, further circulation or other handling instructions shall be clearly identified in the email sent with the material.

14. OFFICIAL-SENSITIVE information may be discussed on fixed and mobile types of telephone within the UK, but not with (or within) earshot of unauthorised persons.

15. OFFICIAL-SENSITIVE information may be faxed to UK recipients.

16. Reportable OFFICIAL information may be discussed with and faxed to recipients located overseas.

Use of Information Systems

17. The detailed functions that must be provided by an IT system to satisfy the minimum requirements described below cannot be described here; it is for the implementers to identify possible means of attack and ensure proportionate security mitigations are applied to prevent a successful attack.

18. 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.

19. The following describes the minimum security requirements for processing and accessing 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 shall 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 shall be 'strong' using an appropriate method to achieve this, for example including numeric and "special" characters (if permitted by the system) as well as alphabetic characters.
- d. Internal Access Control. All systems shall have internal Access Controls to prevent unauthorised users from accessing or modifying the data.
- e. Data Transmission. Unless the Authority authorises otherwise, OFFICIAL-SENSITIVE information shall be transmitted or accessed electronically (e.g. point to point computer links) via a public network like the Internet, using commercial encryption devices accepted by the UK MOD. Advice on encryption requirements for the transmission of OFFICIAL-SENSITIVE information shall be sought from MOD CIO-InfoSy Pol via the Authority.
- 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:
 - (e) Type of event,
 - (f) User ID,
 - (g) Date & Time
 - (h) Device ID

The accounting records shall have a facility to provide the System Manager with a hard copy of all or selected activity. There shall also 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 shall 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 shall 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 shall 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" shall 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:

- (a) "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 shall not be connected direct to the Internet or 'un-trusted' systems unless protected by a firewall (a software based personal firewall is the minimum) which is acceptable to the Authority's Principal Security Advisor.
- k. Disposal Before IT storage media (e.g. disks) are disposed of, an erasure product shall be used to overwrite the data. This is a more thorough process than deletion of files, which does not remove the data.

Laptops

20. Laptops holding any MOD supplied or contractor generated Reportable OFFICIAL and OFFICIAL-SENSITIVE information are to be encrypted using a Foundation Grade product of equivalent, for example FIPS 140-2 approved full disk encryption.

21. Unencrypted laptops not on a secure site¹ are to be recalled and only used or stored in an appropriately secure location until further notice or until approved full encryption is installed. Where the encryption policy cannot be met, a Risk Balance Case that fully explains why the policy cannot be complied with and the mitigation plan, which should explain any limitations on the use of the system, is to be submitted to the Authority for consideration. Unencrypted laptops and drives containing personal data are not to be taken outside of secure sites. For the avoidance of doubt the term "drives" includes all removable, recordable media (e.g. memory sticks, compact flash, recordable optical media (e.g. CDs and DVDs), floppy discs and external hard drives.

22. 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.

23. Portable CIS devices 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 CIS 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

24. The contractor shall immediately report any loss or otherwise compromise of Reportable OFFICIAL and OFFICIAL-SENSITIVE information to the Authority.

25. Any security incident involving any MOD owned, processed, or contractor generated Reportable OFFICIAL or OFFICIAL-SENSITIVE information defined in the contract Security Aspects Letter shall be immediately reported to the MOD Defence Industry Warning, Advice and Reporting Point (WARP), within the Joint Security Co-ordination Centre (JSyCC). This will assist the JSyCC in formulating a formal information security reporting process and the management of any associated risks, impact analysis and upward reporting to the MOD's Chief Information Officer (CIO) and, as appropriate, the company concerned. The MOD WARP will also advise the contractor what further action is required to be undertaken.

JSyCC WARP Contact Details

Email: For those with access to the RLI: CIO-DSAS-JSyCCOperations (MULTIUSER)

Email: For those without access to the RLI: CIO-DSAS-JSyCCOperations@mod.uk

Telephone: Working Hours: 030 677 02 187

Out of Hours/Duty Officer Phone: 07768 558863

Fax: 01480 446328

Mail: Joint Security Co-ordination Centre (JSyCC), X017 Bazalgette Pavilion, RAF Wyton, Huntingdon, Cambs PE28 2EA.

Sub-Contracts

26. The Contractor may Sub-contract any elements of this Contract to Sub-contractors within the United Kingdom notifying the Authority. When sub-contracting to a Sub-contractor located in the UK the Contractor shall ensure that these Security Conditions shall be incorporated within the Sub-contract document. The prior approval of the Authority shall be obtained should the Contractor wish to Sub-contract any Reportable OFFICIAL or OFFICIAL-SENSITIVE elements of the Contract to a Sub-contractor located in another country. The first page of Appendix 5 (MOD Form 1686 (F1686)) of the Security Policy Framework Contractual Process chapter is to be used for seeking such approval. The MOD Form 1686 form can be found at):

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/229422/Contractual_process_-_v6.1_April_2013.pdf.

If the Sub-contract is approved, the Authority shall provide the Contractor with the security conditions that shall be incorporated within the Sub-contract document.

Publicity Material

27. Contractors wishing to release any publicity material or display hardware that arises from this contract shall seek the prior approval of the Authority. Publicity material includes open publication in the contractor's publicity literature or website or through the media; displays at exhibitions in any country; lectures or symposia; scientific or technical papers, or any other occasion where members of the general public may have access to the information even if organised or sponsored by the MOD, Services or any other government department.

Private Venture

28. Any defence related Private Venture derived from the activities of this Contract are to be formally assessed by the Authority for determination of its appropriate classification. Contractors are to submit a definitive product specification to DBR-DefSy(S&T/Ind) for PV Security Grading in accordance with the requirement detailed at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/27647/pv_grading_flowchart_v5.pdf

Promotions and Potential Export Sales

29. Contractors wishing to promote, demonstrate, sell or export any material that may lead to the release of information or equipment classified OFFICIAL-SENSITIVE (including classified tactics, training or doctrine related to an OFFICIAL-SENSITIVE equipment) are to obtain the prior approval of the Authority utilising the MOD Form 680 process, as identified at: <https://www.gov.uk/mod-f680-applications>.

Destruction

30. As soon as no longer required, Reportable OFFICIAL and OFFICIAL-SENSITIVE information/material shall be destroyed in such a way as to make reconstitution unlikely, for example, by burning, shredding or tearing into small pieces. Advice shall be sought from the Authority when information/material cannot be destroyed or, unless already authorised by the Authority, when its retention is considered by the Contractor to be necessary or desirable. Unwanted OFFICIAL-SENSITIVE information/material which cannot be destroyed in such a way shall be returned to the Authority.

Interpretation/Guidance

31. Advice regarding the interpretation of the above requirements should be sought from the Authority.

32. Further requirements, advice and guidance for the protection of MOD information at the level of Reportable OFFICIAL and OFFICIAL-SENSITIVE may be found in Industry Security Notices at: <https://www.gov.uk/government/publications/industry-security-notices-isns>

Audit

33. Where considered necessary by the Authority, the Contractor shall provide evidence of compliance with this Security Condition and/or permit the inspection of the Contractors processes and facilities by representatives of the Authority to ensure compliance with these requirements.

THE ELECTRONIC TRANSACTIONS AGREEMENT

Between

BOEING DEFENCE UK LIMITED

and

SECRETARY OF STATE FOR DEFENCE

Ministry of Defence

Electronic Transactions Agreement

THIS AGREEMENT comprises The General Clauses for electronic transactions.

The terms of this Agreement shall govern the conduct and methods of operation between the parties in relation to the electronic exchange of data for the purposes of or associated with the supply of Articles and/or Services pursuant to those contracts which reference it. Except as otherwise provided in the appended terms, the terms do not apply to the substance of the data transfer. This Agreement shall have the date of and be effective from the date of the last signature hereunder.

AGREED

For and on behalf of:

Boeing Defence UK Limited

Signature

Name

Position

Date

Whose registered office is at:

For and on behalf of:

Secretary of State for Defence

Signature

Name

Position

Date

Whose Address is:

Agreement reference number:

MOD/ BDUK/ FsASTC00111 DEFFORM 30
Edn 01/07

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Electronic Transactions

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1. Definitions

- a. In this Agreement, in addition to the definitions in DEFCON 501:

- i. **"Acknowledgement of Receipt"** means the procedure by which, on receipt of a Message, the logical presentation or form are checked, and a corresponding acknowledgement or rejection is sent by the receiver;
- ii. **"Adopted Protocol"** means the method(s) for the Interchange of Messages between the respective Parties and an intermediary appointed pursuant to Clause 8 for the presentation and structuring of the transmission of Messages as defined in Annex A;
- iii. **"Associated Data"** means that data which accompanies a Message but may not be in the Adopted Protocol; such data may include header information, protective markings, designations, Electronic Signatures, date and time of transmission and of receipt;
- iv. **"Data"** means all Messages and Associated Data transmitted, received or stored in a digital form;
- v. **"Data File"** means a single record or collection of data records that are logically related to each other, and are handled as a unit;
- vi. **"Data Log"** means a complete record of all Data Interchanged representing the Messages and their Associated Data between the parties;
- vii. **"Defence Electronic Commerce Service" or "DECS"** mean the service provided by the party under contract to the Authority to manage the electronic receipt, transmission and translation of messages exchanged between the Authority and its suppliers;
- viii. **"Electronic Signature"** means anything in electronic or digital form incorporated into or otherwise logically associated with an electronic communication for the purpose of establishing the authenticity of the communication or its integrity, or both;
- ix. **"Expunge"** means the removal of the information contained in a Message document such that the content of the Message is removed from the system in a manner which precludes its retrieval (but with no obligation in respect of the record of its receipt);
- x. **"Functional Acknowledgement"** means an acknowledgement Message by the receiving party's computer software application which automatically confirms the receipt of a Message at the moment of receipt;
- xi. **"Interchange"** means the electronic exchange of Data between the Parties using the Adopted Protocol;
- xii. **"Message"** means Data structured in accordance with the Adopted Protocol and transmitted electronically between the parties including where the context admits any part of such Data.

2. Scope

- a.** The Messages to be exchanged under this Agreement are detailed in the Message Implementation Guidelines referred to in Annex A, which also includes guidance on how these should be profiled.
- b.** This Agreement shall apply to all Messages passed between the parties using the Adopted Protocol. The parties agree that all such Messages shall be transmitted in accordance with the provisions of this Agreement.
- c.** The parties may agree additional or alternative terms to reflect additional or different requirements which they may have for the Interchange of Messages, which terms shall form part of this Agreement.

3. Security of Data

- a.** Each of the parties shall:
 - i.** ensure as far as reasonably practicable, that Data is properly stored, is not accessible to unauthorised persons, is not altered, lost or destroyed and is capable of being retrieved only by properly authorised persons;
 - ii.** subject to the provisions of Sub-Clause 8.a. ensure that, in addition to any security, proprietary and other information disclosure provision contained in the Contract, Messages and Associated Data are maintained in confidence, are not disclosed or transmitted to any unauthorised person and are not used for any purpose other than that communicated by the sending party or permitted by the Contract; and
 - iii.** protect further transmission to the same degree as the originally transmitted Message and Associated Data when further transmissions of Messages and Associated Data are permitted by the Contract or expressly authorised by the sending party.
- b.** The sending party shall ensure that Messages are marked in accordance with the requirements of the Contract. If a further transmission is made pursuant to Sub-Clause 3. a. iii. the sender shall ensure that such markings are repeated in the further transmission.
- c.** The parties may apply special protection to Messages by encryption or by other agreed means, and may apply designations to the Messages for protective Interchange, handling and storage procedures. Unless the parties otherwise agree, the party receiving a Message so protected or designated shall use at least the same level of protection and protective procedures for any further transmission of the Message and its Associated Data for all responses to the Message and for all other communications by Interchange or otherwise to any other person relating to the Message.
- d.** If either party becomes aware of a security breach or breach of confidence in relation to any Message or in relation to its procedures or systems (including, without limitation, unauthorised access to their systems for generation, authentication, authorisation, processing, transmission, storage, protection and file management of Messages) then it shall immediately inform the other party of such breach. On being informed or becoming aware of a breach the party concerned shall:

- i. immediately investigate the cause, effect and extent of such breach;
- ii. report the results of the investigation to the other party; and
- iii. use all reasonable endeavours to rectify the cause of such breach.

e. Each party shall ensure that the contents of Messages that are sent or received are not inconsistent with the law, the application of which could restrict the content of a Message or limit its use, and shall take all necessary measures to inform without delay the other party if such an inconsistency arises.

4. Authenticity of Messages

a. Each Message shall identify the sending party and receiving party and its authenticity shall be verified by the means specified in the Adopted Protocol.

b. The parties agree not to contest the authenticity, admissibility or enforceability of Messages under the provisions of any applicable law relating to whether certain agreements be in writing and signed by the party to be bound thereby. Messages, when printed from electronic files and records established and maintained in the normal course of business will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form.

5. Integrity of Messages

a. The sending party shall ensure as far as is reasonably practicable that all Messages are complete, accurate and secure against being altered in the course of transmission and, subject to Sub-Clauses 5.b. 5.d. and 15, shall be liable for the direct consequences of any failure to perform his obligations under this Sub-Clause 5.a.

b. Each party will accord all Messages the same status as would be applicable to a document or to information sent other than by electronic means, unless a Message can be shown to have been corrupted as a result of technical failure on the part of a machine, system or transmission line involved in the process of Interchange.

c. Upon either party becoming aware that a Message has been corrupted or if any Message is identified as incorrect then that party shall inform the other and the sending party shall re-transmit the Message as soon as practicable with a clear indication that it is a corrected Message. Any liability of the sending party which would otherwise accrue from its failure to comply with the provisions of this Sub-Clause 5.c. shall not accrue if Sub-Clause 5.d. applies.

d. Notwithstanding Sub-Clauses 5.a. and 5.c. the sending party shall not be liable for the consequences of a corrupted or incorrect transmission or any failure to re-transmit if the error is or should in all the circumstances be reasonably obvious to the receiving party. In such event the receiving party shall immediately notify the sending party thereof.

e. If the receiving party has reason to believe that a Message is not intended for him he shall notify the sending party and if so requested by the sending

party shall, so far as is reasonably possible, Expunge from his system the information contained in such Message.

. Acknowledgement of Receipt of Messages

a. Except where the Interchange of Messages takes place solely within DECS, immediately upon receipt of a Message at its receipt computer, the receiving party's receipt computer shall automatically transmit a Functional Acknowledgement in return and additionally the sender may request an Acknowledgement of Receipt.

b. An Acknowledgement of Receipt is required unless stipulated in the Contract to the contrary.

c. Where an Acknowledgement of Receipt is required, the receiver of the Message to be acknowledged shall ensure that the acknowledgement or a rejection is sent within the time limit specified in the Contract or in Annex A to this Agreement if applicable or, if no limit is specified, within a reasonable period of time.

d. Where an Acknowledgement of Receipt is required, if the sender does not receive the Acknowledgement of Receipt or rejection within the time limit applicable, or, if no time limit is specified, within a reasonable time, the sender may, upon giving notice to the receiver, treat the message as having no force or effect.

e. Acknowledgement in accordance with this clause shall not be deemed to constitute acceptance of any offer contained in any Message. Acceptance of an offer contained in any Message which is intended to create a legally binding obligation shall be in accordance with the provisions of the Contract.

f. A Message shall be understood to have been received from the sender:

i. if transmitted between 09.00 and 17.00 hours on a business day (recipient's time) on receipt by the sender of a Functional Acknowledgement; or

ii. if transmitted at any other time, at 09.00 on the first business day (recipient's time) on receipt by the sender of a Functional Acknowledgement; or

iii. if the Interchange of Messages takes place solely within DECS, at the moment a Message is completed by pressing the submit button if transmitted between 09.00 and 17.00 hours on a business day (recipient's time) or if transmitted at any other time, at 09.00 on the first business day (recipient's time).

7. Storage of Data

a. Each party shall maintain a Data Log or shall cause an intermediary to maintain a Data Log recording all Messages and Associated Data as sent and received without modification.

b. The Data Logs may be maintained as Data Files on computer or by other suitable means provided that a copy of the Data can be readily retrieved and presented in human readable form. Procedures to enable a secure means of archiving Data Logs shall be detailed in the Contract or agreed between the

parties.

c. Each party shall be responsible for making such arrangements as may be necessary for the Data contained in its Data Log to be prepared as a correct record of the Messages and Associated Data as sent or received by that party. In the event that a party has destroyed its Data Log, the other party shall have no obligation to furnish it with any information recorded in its Data Log.

d. Each party shall ensure that:

i. it has appointed an identifiable person responsible for the operation and management of that party's data processing system concerned with the interchange of Messages; and

ii. the person responsible for the data processing system concerned with the Interchange of Messages, or such other person as may be agreed by the parties or required by law, shall certify that the Data Log and any reproduction made from it is correct and complete.

8. Intermediaries

a. Subject to Clause 15 if either party uses the services of an intermediary to transmit, log, store or process Messages, that party shall be responsible for any acts, failures or omissions by that intermediary in its provision of the said services as though they were his own acts, failures or omissions. The Authority shall be liable as between the Authority and the Contractor for any acts, failures or omissions of DECS in its provision of the services of an intermediary as though they were the acts, failures or omissions of the Authority.

b. Any party using an intermediary shall ensure that it is a contractual responsibility of the intermediary that no change in the substantive data content of the Messages to be transmitted is made and that such Messages are not disclosed to any unauthorised person.

9. Term and Termination

a. This Agreement shall take effect as of the date of last signature and shall remain in full force and effect until terminated by either party upon giving one month's notice to the other. Any termination of this Agreement shall not affect contracts that call it up by reference prior to that termination.

b. Notwithstanding termination for any reason, Clauses 3, 7 and 8 shall survive termination of this Agreement.

c. Termination of this Agreement shall not affect any action required to complete or implement Messages which are sent prior to such termination.

10. Interruption of Service

a. The parties acknowledge that service may be interrupted at times during the course of this Agreement. In such circumstances, the parties shall immediately consult each other on the use of alternative forms of communication to be used, including facsimile, telephone or paper. Any alternative forms of

communication shall not be controlled by this Agreement.

b. Applicable only in the absence of a relevant clause in the Contract:

i. Subject to Sub-Clause 10. a., a party shall not be deemed to be in breach of this Agreement by reason of any delay in performance, or non-performance, of any of its obligations hereunder to the extent that such delay or non-performance is due to any interruption of service or incident of Force Majeure as described in Sub-Clause 10.b.iii. below, of which he has notified the other party without delay

ii The time for performance of that obligation shall then be extended accordingly. Sub-Clause 10. b. i. shall not operate so as to relieve liability for any matter which is a breach of Clause 3 of this Agreement

iii. For the purposes of this Agreement, Force Majeure means, in relation to either party, any circumstances beyond the reasonable control of that party.

11. Invalidity and Severability

In the event of a conflict between any provision of this Agreement and any law, regulation or decree affecting this Agreement, the provisions of this Agreement so affected shall be regarded as null and void or shall, where practicable, be curtailed and limited to the extent necessary to bring it within the requirements of such law, regulation or decree but otherwise it shall not render null and void other provisions of this Agreement.

12. Notices

The provisions of DEFCON 526 shall apply.

13. Precedence

In the event of any conflict between the terms of this Agreement and the Contract, then the terms of the Contract shall prevail in relation to the substance of the Messages in connection with the Contract.

14. Virus Control

Each party and its intermediary (if any) shall operate at all times a virus control check for all Interchange of Messages.

15. Limit of Liability

a. Each party agrees that, in relation to any claim, or series of connected claims, including claims for negligence but excluding claims resulting from wilful misconduct, arising from any delay or omission or error in the electronic transmission or receipt of any message pursuant to this Agreement, the liability of either party to the other shall be limited to £10,000, or, where the Contract provides otherwise, to such other amount as is specified in the Contract.

b. For the avoidance of doubt, liability in relation to any claim arising under the Contract shall be determined in accordance with the Contract.

c. In the event that a delay, omission or error as referred to in Clause 15a occurs, which causes a delay in the performance of an obligation by either party under the Contract, the period for the performance of that obligation by the affected party shall be extended by a period of time equal to the period of any such delay, omission or error.

16. Entire Agreement

This Agreement, including Annex A and any documents expressly referred to in this Agreement, represents the entire agreement between the parties and supersedes all other agreements oral or written, and all other communications between the parties relating to the subject matter hereof provided that nothing in this Clause shall exclude any liability for fraudulent misrepresentation.

**ANNEX A TO
DEFFORM 30**

Message Implementation Guidelines (MIGs)

The Message Implementation Guidelines, are available by telephoning the DECS Service Desk on 0870 241 3569, by post from the DECS Service Desk, Capgemini, 10 Henderson Rd, Inverness, Scotland IV1 1AU, or by fax on 01463 643099. The version of the MIG that is current at the time of signature of this Agreement, shall be the version specified below.

MIG Version 201