



Submarine  
Delivery Agency

## **Motion Control Spares and Repairs**

**SDA/PEDT/701107374**

**Terms and Conditions of Contract**



## **GENERAL CONDITIONS**

### **1. General**

- a. The defined terms in the Contract shall be as set out in Schedule 1.

#### **Defence Conditions (DEFCONS) and Defence Forms (DEFORMS)**

- a. DEFCON 5J (Edn 18/11/16) – Unique Identifiers
- b. DEFCON 14 Edn 09/20 Inventions And Designs Crown Rights And Ownership Of Patents And Registered Designs;
- c. DEFCON 15 Edn 02/98 Design Rights And Rights To Use Design Information;
- d. DEFCON 16 Edn 10/04 Repair And Maintenance Information;
- e. DEFCON 19 – NOT USED
- f. DEFCON 21 Edn 10/04 Retention Of Records;
- g. DEFCON 23 (Edn 08/09) Special Jigs, Tooling and Test Equipment;
- h. DEFCON 68 (Edn 02/19) Supply of Hazard Data for Articles, Materials and Substances
- i. DEFCON 76 Edn 12/06 Contractor's Personnel At Government Establishments;
- j. DEFCON 82 (Edn. 11/16) - Special Procedure For Initial Spares
- k. DEFCON 90 Edn 11/06 Copyright;
- l. DEFCON 91 Edn 11/06 Intellectual Property Rights in Software;
- m. DEFCON 113 (Edn 02/17) Diversion Orders
- n. DEFCON 117 Edn 10/13 Supply Of Documentation for NATO Codification Purposes;
- o. DEFCON 126 Edn 11/06 International Collaboration – for the purposes of sub-clauses 2 and 3, the period of applicability shall be for as long as equipment remains in service with the UK armed forces;
- p. DEFCON 129 (Edn 07/19) Packaging (For Articles Other than Munitions)
- q. DEFON 129J (Edn 18/11/16) The use of the Electronic Business Delivery Form
- r. DEFCON 502 (Edn 05/17) Specifications Changes
- s. DEFCON 503 (Edn 12/14) Formal Amendments to Contract

- t. DEFCON 507 (Edn 10/18) – Delivery
- u. DEFCON 513 (Edn 11/16) Value Added Tax
- v. DEFCON 514 (Edn 08/15) Material Breach
- w. DEFCON 514A (Edn. 03/16) - Failure of Performance under Research and Development Contracts
- x. DEFCON 515 (Edn 02/17) Bankruptcy and Insolvency
- y. DEFCON 518 (Edn02/17) Transfer
- z. DEFCON 520 (Edn 05/18) Corrupt gifts and Payment
- aa.DEFCON 522 (Edn 11/17) Payment and Recovery of Sums Due
- bb.DEFCON 524 (Edn 02/20) Rejection
- cc.DEFCON 524A (Edn. 02/20) – Counterfeit Materiel
- dd.DEFCON 525 (Edn 10/98) – Acceptance
- ee.DEFCON 526 (08/02) Notices
- ff. DEFCON 527 (09/97) Waiver
- gg.DEFCON 529 (Edn 09/97) Law (English)
- hh. DEFCON 530 (Edn 12/14) Dispute Resolution (English Law)
- ii. DEFCON 531 (Edn 11/14) -Disclosure of Information
- jj. DEFCON 532A (Edn 04/20) Protection Of Personal Data;
- kk.DEFCON 534 (Edn 06/17) Subcontracting and Prompt Payment
- ll. DEFCON 537 (Edn 06/02) Rights of Third Parties
- mm. DEFCON 538 (Edn 06/02) – Severability
- nn.DEFCON 539 (Edn 08/13) – Transparency
- oo. DEFCON 566 (Edn 10/20) - Change of Control of Contractor
- pp. DEFCON 595 (Edn. 02/19) - General Purpose Automatic Test Equipment Data Requirements
- qq. DEFCON 601 (Edn 04/14) Redundant Materiel;
- rr. DEFCON 602A (Edn. 12/17) - Quality Assurance (With Deliverable Quality Plan)
- ss.DEFCON 605 (Edn06/14) - Financial Reports

tt. DEFCON 606 (Edn 06/14) - Change and Configuration Control Procedure

uu. DEFCON 608 (Edn 10/14) Access and Facilities to be Provided by the Contractor;

vv. DEFCON 609 (Edn 08/18) Contractor's Records;

ww. DEFCON 611 (Edn 02/16) Issued Property;

xx. DEFCON 612 (Edn 10/98) - Loss of or Damage to the Articles

yy. DEFCON 620 (Edn 05/17) – Contract Change Control Procedure

zz. DEFCON 621A (Edn 06/97) Transport (If the Authority is Responsible for Transport)

aaa. DEFCON 621B (10/04) Transport (If the Contractor is Responsible for Transport)

bbb. DEFCON 624 (Edn 11/13) Use of Asbestos;

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

ddd. DEFCON 627 (Edn. 12/10) - Quality Assurance - Requirement for a Certificate of Conformity

eee. DEFCON 632 (Edn 08/12) - Third Party Intellectual Property - Rights and Restrictions

fff. DEFCON 637 (Edn 05/17) Defect Investigation And Liability;

ggg. DEFCON 644 (Edn 07/18) - Marking of Articles

hhh. DEFCON 645 Edn 07/99 Export Potential

iii. DEFCON 646 – NOT USED

jjj. DEFCON 647 (Edn 04/19) Financial Management Information

kkk. DEFCON 649 Edn 12/16 Vesting;

III. DEFCON 656B (Edn 08/16) - Termination for Convenience – £5m and Over

mmm. DEFCON 658 Edn 10/17 Cyber – Further to DEFCON 658 the cyber risk profile is “Low” as defined in DEF-Stan 05-138. The associated Risk Assessment Reference (RAR) is: RA-VWMC85QD

nnn. DEFCON 660 Edn 12/15 Official-Sensitive Security Requirements;

ooo. DEFCON 670 Edn 02/17 Tax Compliance

ppp. DEFCON 675 (Edn 09/19) – Advertising Subcontracts (Defence and Security Public Regulations 2011 only)

qqq. DEFCON 678 (Edn 09/19) – SME Spend Data Collection

rrr. DEFCON 687A (Edn. 07/19) - Provision of a Shared Data Environment Service

sss. DEFCON 687B (Edn 06/01) - Shared Data Environment System Transfer Arrangements

ttt. DEFCON 694 Edn 07/18 Accounting For Property Of The Authority;

uuu. DEFCON 697 (Edn. 10/13) - Contractors on Deployed Operations

vvv. DEFCON 800 (Edn. 12/14) - Qualifying Defence Contract

www. DEFCON 801 (Edn. 12/14) - Amendments to Qualifying Defence Contracts – Consolidated Versions

xxx. DEFCON 802 (Edn. 12/14) - QDC: Open Book on sub-contracts that are not Qualifying Sub-contracts

yyy. DEFCON 803 (Edn. 12/14) - QDC: Disapplication of Protection against Excessive Profits and Losses (PEPL)

zzz. DEFCON 804 (Edn. 03/15) - QDC: Confidentiality of Single Source Contract Regulations Information

## **DEFENCE FORMS**

DEFFORM 10 (Edn 07/18) – Acceptance Of Offer Of Contract

DEFFORM 10B (Edn.03/14) – Acceptance of Offer of Amendment to Contract

DEFFORM 68 (Edn. 06/15) – Hazardous Articles, Materials or Substances Statement by the Contractor.

DEFFORM 111 (Edn. 02/16) – Appendix – Addresses and Other Information

DEFFORM 177 (Edn 03/80) – Design Rights and Patents (Sub-Contractors) Agreement

DEFFORM 315 (12/19) – Contract Data Requirements

DEFFORM 532 (Edn 10/19) - Personal Data Particulars

DEFFORM 528 (Edn 12/17) – Import and Export Controls

- b. The Contractor shall comply with all applicable Legislation, whether specifically referenced in this Contract or not.
- c. The Contractor warrants and represents, that:
  - (1) it has the full capacity and authority to enter into, and to exercise its rights and perform its obligations under, the Contract;
  - (2) from the Effective Date of Contract and for so long as the Contract remains in force it shall give the Authority Notice of any litigation, arbitration (unless expressly prohibited from doing so in accordance with the terms of the arbitration), administrative or adjudication or mediation proceedings before any court, tribunal, arbitrator, administrator or adjudicator or mediator or relevant authority against itself or a Subcontractor which would adversely affect the Contractor's ability to perform its obligations under the Contract;
  - (3) as at the Effective Date of Contract no proceedings or other steps have been taken and not discharged (nor, to the best of the knowledge of the Contractor, threatened) for its winding-up or dissolution or for the appointment of a receiver, administrative receiver,

- administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues;
- (4) for so long as the Contract remains in force it shall give the Authority Notice of any proceedings or other steps that have been taken but not discharged (nor to the best of the knowledge of the Contractor, threatened) for its winding-up or dissolution or for the appointment of a receiver, administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues.

Unless the context otherwise requires:

- (1) The singular includes the plural and vice versa, and the masculine includes the feminine and vice versa.
- (2) The words "include", "includes", "including" and "included" are to be construed as if they were immediately followed by the words "without limitation", except where explicitly stated otherwise.
- (3) The expression "person" means any individual, firm, body corporate, unincorporated association or partnership, government, state or agency of a state or joint venture.
- (4) References to any statute, enactment, order, regulation, or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation, or instrument as amended, supplemented, replaced or consolidated by any subsequent statute, enactment, order, regulation, or instrument.
- (5) The heading to any Contract provision shall not affect the interpretation of that provision.
- (6) Any decision, act or thing which the Authority is required or authorised to take or do under the Contract may be taken or done only by the person (or their nominated deputy) authorised in Schedule 3 (Contract Data Sheet) to take or do that decision, act, or thing on behalf of the Authority.
- (7) Unless excluded within the Conditions of the Contract or required by law, references to submission of documents in writing shall include electronic submission.

## **2. Duration of Contract**

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

## **3. Entire Agreement**

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

## **4. Precedence**

- a. If there is any inconsistency between the different provisions of the Contract the inconsistency shall be resolved according to the following descending order of precedence:

- (1) Conditions 1 – 28 of the Conditions of the Contract shall be given equal precedence with Schedule 1 (Definitions of Contract) and Schedule 3 (Contract Data Sheet);
- (2) Schedule 2 (Schedule of Requirements);

- (3) the remaining Schedules; and
- (4) any other documents expressly referred to in the Contract.

b. If either Party becomes aware of any inconsistency within or between the documents referred to in clause 4.a such Party shall notify the other Party forthwith and the Parties will seek to resolve that inconsistency on the basis of the order of precedence set out in clause 4.a. Where the Parties fail to reach agreement, and if either Party considers the inconsistency to be material to its rights and obligations under the Contract, then the matter will be referred to the dispute resolution procedure in accordance with DEFCON 530 (Dispute Resolution).

## **5. Authority Representatives**

- a. Any reference to the Authority in respect of:
  - (1) the giving of consent;
  - (2) the delivering of any Notices; or
  - (3) the doing of any other thing that may reasonably be undertaken by an individual acting on behalf of the Authority, shall be deemed to be references to the Authority's Representatives in accordance with this condition 5.
- b. The Authority's Representatives detailed in Schedule 3 (Contract Data Sheet) (or their nominated deputy) shall have full authority to act on behalf of the Authority for all purposes of the Contract. Unless notified in writing before such act or instruction, the Contractor shall be entitled to treat any act of the Authority's Representatives which is authorised by the Contract as being expressly authorised by the Authority and the Contractor shall not be required to determine whether authority has in fact been given.
- c. In the event of any change to the identity of the Authority's Representatives, the Authority shall provide written confirmation to the Contractor, and shall update Schedule 3 (Contract Data Sheet) in accordance with DEFCON 503 (Formal Amendments to Contract).

## **6. Publicity and Communications with the Media**

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

## **7. Environmental Requirements**

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

## **8. Progress Monitoring, Meetings and Reports**

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

#### **9. Supply of Contractor Deliverables and Quality Assurance**

- a. The Contractor shall provide the Contractor Deliverables to the Authority, in accordance with the Schedule of Requirements (Schedule 2) and the Statement of Support Requirement - SoSR (Schedule 9)
- b. The Contractor shall:
  - (1) comply with any applicable quality assurance requirements specified in Schedule 3 (Contract Data Sheet) in providing the Contractor Deliverables; and
  - (2) discharge its obligations under the Contract with all due skill, care, diligence and operating practice by appropriately experienced, qualified and trained personnel.
- c. The provisions of clause 9.b. shall survive any performance, acceptance or payment pursuant to the Contract and shall extend to any remedial services provided by the Contractor.
- d. The Contractor shall:
  - (1) observe, and ensure that the Contractor's Team observe, all health and safety rules and regulations and any other security requirements that apply at any of the Authority's premises;
  - (2) notify the Authority as soon as it becomes aware of any health and safety hazards or issues which arise in relation to the Contractor Deliverables; and
  - (3) before the date on which the Contractor Deliverables are to start, obtain, and at all times maintain, all necessary licences and consents in relation to the Contractor Deliverables.

#### **10. Delivery / Collection**

- a. Pursuant to DEFCONs 507, 621A and 621B, the following conditions will apply:



b. Schedule 3 (Contract Data Sheet) shall specify whether the Contractor Deliverables are to be delivered to the Consignee by the Contractor or Collected from the Consignor by the Authority.

c. Where the Contractor Deliverables are to be Delivered by the Contractor (or a third party acting on behalf of the Contractor), the Contractor shall, unless otherwise stated in writing:

- (1) contact the Authority's Representative as detailed in Schedule 3 (Contract Data Sheet) in advance of the Delivery Date in order to agree administrative arrangements for Delivery and provide any Information pertinent to Delivery requested;
- (2) comply with any special instructions for arranging Delivery in Schedule 3 (Contract Data Sheet);
- (3) ensure that each consignment of the Contractor Deliverables is accompanied by, (as specified in Schedule 3 (Contract Data Sheet)), a DEFFORM 129J in accordance with the instructions;
- (4) be responsible for all costs of Delivery; and
- (5) Deliver the Contractor Deliverables to the Consignee at the address stated in Schedule 2 (Schedule of Requirements) by the Delivery Date between the hours agreed by the Parties.

d. Where the Contractor Deliverables are to be Collected by the Authority (or a third party acting on behalf of the Authority), the Contractor shall, unless otherwise stated in writing:

- (1) contact the Authority's Representative (Transport) as detailed in box 10 of DEFFORM 111 at Annex A to Schedule 3 (Contract Data Sheet) in advance of the Delivery Date in order to agree specific arrangements for Collection and provide any Information pertinent to the Collection requested;
- (2) comply with any special instructions for arranging Collection in Schedule 3 (Contract Data Sheet);
- (3) ensure that each consignment of the Contractor Deliverables is accompanied by, (as specified in Schedule 3 (Contract Data Sheet)), a DEFFORM 129J in accordance with the instructions;
- (4) ensure that the Contractor Deliverables are available for Collection by the Authority from the Consignor (as specified in Schedule 3 (Contract Data Sheet)) by the Delivery Date between the hours agreed by the Parties; and
- (5) in the case of Overseas consignments, ensure that the Contractor Deliverables are accompanied by the necessary transit documentation. All Customs clearance shall be the responsibility of the Authority's Representative (Transport).

e. Title and risk in the Contractor Deliverables shall only pass from the Contractor to the Authority:

- (1) on the Delivery of the Contractor Deliverables by the Contractor to the Consignee in accordance with clause 10.b; or

(2) on the Collection of the Contractor Deliverables from the Consignor by the Authority once they have been made available for Collection by the Contractor in accordance with clause 10.c.

## **11. Self-to-Self Delivery**

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

## **PRICING AND PAYMENT**

### **12. Contract Price**

a. The Contractor shall provide the Contractor Deliverables to the Authority at the Contract Price. The Contract Price shall be a Firm Price unless otherwise stated in Schedule 3 (Contract Data Sheet).

b. The service management fee is priced at Schedule 2 and will be subject to the Contractor's performance in accordance with Schedule 14. The service management fee will be adjusted in accordance with the abatement scheme at Schedule 14 where the Contractor fails to achieve a threshold of green against all Key Performance Indicators and Performance Indicators.

c. Subject to condition 13.a the Contract Price shall be inclusive of any UK custom and excise or other duty payable. The Contractor shall not make any claim for drawback of UK import duty on any part of the Contract Deliverables supplied which may be for shipment outside of the UK.

d. The Authority may request FIRM prices for the supply or equipment upkeep of any Article(s) listed in Schedule 20 (NSNs in K400/K800 Range) via issue of Schedule 17 (Request for Quotation Form) and in accordance with Clause 25.

### **13. Payment and Recovery of Sums Due**

a. Payment for Contractor Deliverables will be made by electronic transfer and prior to submitting any claims for payment under clause 14b the Contractor will be required to register their details (Supplier on-boarding) on the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.

b. Where the Contractor submits an invoice to the Authority in accordance with clause 14a, the Authority will consider and verify that invoice within 15 days unless otherwise agreed.

c. The Authority shall pay the Contractor any sums due under such an invoice no later than a period of 30 days from the date on which the Authority has determined that the invoice is valid and undisputed.

d. Where the Authority fails to comply with clause 14b and there is undue delay in considering and verifying the invoice, the invoice shall be regarded as valid and undisputed for the purpose of clause 14c after a reasonable time has passed.

e. The approval for payment of a valid and undisputed invoice by the Authority shall not be construed as acceptance by the Authority of the performance of the Contractor's obligations nor as a waiver of its rights and remedies under this Contract

f. Without prejudice to any other right or remedy, the Authority reserves the right to set off any amount owing at any time from the Contractor to the Authority against any amount payable by the Authority to the Contractor under the Contract or under any other contract with the Authority, or with any other Government Department.

g. Payment in respect of requirements 1 and 4 of Schedule 2 (Schedule of Requirements) shall be made on a Quarterly basis in arrears in accordance with Schedule 24, Annex A (Quarterly Payment Plan). This shall be subject to the satisfactory completion and/or delivery of the requirements under Activities 1 and 4 of Schedule 9 (Statement of Support Requirement).

h. Payment in respect of requirement 2 of Schedule 2 (Schedule of Requirements) shall be made upon Acceptance of the delivered Article/s in accordance with DEFCON 525 (Acceptance). Payment shall be made via receipt against the respective PO in CP&F.

i. Payment in respect of requirement 3a of Schedule 2 (Schedule of Requirements) shall be made upon Acceptance of the delivered strip and survey report in accordance with Clause 29. Payment shall be made via receipt against the respective PO in CP&F.

j. Payment in respect of requirement 3b of Schedule 2 (Schedule of Requirements) shall be made upon Acceptance of the delivered repaired Article(s) in accordance with DEFCON 525 (Acceptance). Payment shall be made via receipt against the respective PO in CP&F.

k. Payment in respect of approved PDS tasks raised under Activity 5 of Schedule 2 (Schedule of Requirements) shall be made upon Acceptance from the Authority in accordance with DEFCON 525 (Acceptance). Payment shall be made via receipt against the respective PO in CP&F.

### **Additional Conditions**

#### **14. Performance Management**

- a. Performance management is a critical activity that will be used to measure the Contractor's performance under the Contract. The provision of timely and accurate performance management information will be critical in supporting the outputs under this Contract.
- b. The Contractor's performance shall be monitored against Key Performance Indicators (KPI's) 1 to 5 which each contain Performance Indicator (PIs) listed within Schedule 14 (Performance Standards). The level of Contractor's performance against each PI will result in a performance score which will determine the abatement to the Quarterly Payment Plan (Schedule 24, Annex A).
- c. The Contractor shall provide the Authority with a KPI report on a quarterly basis 5 (five) business days prior to the Quarterly Progress Meetings. The report shall be provided "as provisional" with acceptance taking place during the Quarterly Progress Meeting. The report shall provide the following KPI information:
  - (1) Level of performance achieved against each PI in accordance with the details listed in Performance Standards (Schedule 14);
  - (2) Evidence to the Authority's reasonable satisfaction to justify the performance level achieved;
  - (3) The Contractor's assessment of the amount of abatement to be applied to the Quarterly Payment Plan (Schedule 24, Annex A);

- (4) A rectification plan where the Contractor has failed to meet green in any performance indicator for the previous reporting period;
- d. The Authority shall review the Contractor's performance and evidence to make the final decision on the performance score and abatement for the quarter. The abatement percentage for the quarter as calculated in accordance with Schedule 14, will adjust the value of the profit element of the service management fee detailed in the quarterly payment plan.
- e. In the event the Contractor anticipates any delays to agreed delivery dates the contract should inform the authority immediately to jointly agree an updated timescale.
- f. In the event of a dispute from the Contractor, it is to be managed in accordance with Clause DEFCON 530 (Dispute Resolution). Any dispute case presented by the Contractor shall, at a minimum, provide detailed justifications upon why the score should be altered with supporting evidence.
- g. Performance data for each PI shall be calculated using performance for Articles or Tasks forecasted to be delivered or completed within the quarter to which it is forecasted. Where delivery or completion time is delayed the performance data will also be measured within the new forecasted quarter.

## **15. The Tasking Process**

- a. Tasks under Activity 5 of the SoSR will be initiated by means of a Task Approval Form (TAF) in accordance with Schedule 16 and will carry a unique reference number to identify the specific task. The TAF consists of two parts:
  - (1) Part A: Request for Quotation – this part is to be completed by the Authority; and
  - (2) Part B: Priced Proposal – this part is to be completed by the Contractor

### Request for Quotation (Part A)

- b. The Authority will seek a proposal from the Contractor via the issue of part A of the TAF which will set out the Authority's requirement, deliverables and acceptance criteria as well as other considerations such as additional quality requirements or standards.
- c. Part A of the TAF will detail the acceptance criteria under which the Authority will measure the acceptability of the deliverable(s). If no Acceptance procedure is specified in the TAF, then Acceptance shall be in accordance with DEFCON 525 (Acceptance).

### Priced Proposal (Part B)

- d. A collaborative bid launch meeting is to be held between the Authority (MoD), Prime Contractor and any sub-contractors (if applicable) within 10 working days from issue of part A of the TAF to agree the part B return date. The Contractor will generate an indicative schedule to return Part B to agree during the collaborative bid launch meeting.
- e. Part B must include a full and detailed price breakdown of the proposed Firm Price to undertake the task utilising the agreed Rates as per Rates Table (Schedule 18).
- f. Part B of the TAF will propose a realistic start and end date for the task and will carry a minimum validity period of thirty (30) Business Days.

- g. The Contractor is required to return part B within the agreed timeline following the collaborative bid launch meeting. Response time is measured under performance management in accordance with Clause 14 (Pricing and Payment) and Schedule 14 of the Contract.
- h. Approval to proceed with the TAF shall be upon issue of the Authority's signed acceptance of the Contractor's offer at Part B. The Authority shall subsequently raise the corresponding Purchase Order/s using the CP&F system. Payment shall be made to the Contractor in accordance with Condition 14 (Pricing and Payment).
- i. The Contractor may provide additional evidence to support the Authority's approval for part B.

#### Recording TAF Details

- j. All TAFs shall be numbered sequentially commencing at "001". For example, the twelfth task would be numbered "012";
- k. All TAFs combined to Contract shall be recorded within Schedule 19. Any agreed tasks shall be added to Contract in accordance with DEFCON 503 (Formal Amendments to Contract) as soon as reasonably practicable.

#### **16. TUPE**

- a. The Contractor shall comply with the terms and conditions of Schedule 15 - Employee Transfer Arrangements on Exit.

#### **17. Supply Chain Management**

- a. The Authority attaches great importance to Supply Chain Management (SCM) due to its direct relationship with operational effectiveness. Effective SCM supports through life value for money considerations with efficiencies in lead times, cost and performance. The Contractor shall demonstrate a clear strategy to ensure that supply chain risks are understood and properly managed. The Contractor shall take a proactive approach to reducing lead times and improving performance.
- b. The Contractor shall provide the Authority with a Supply Chain Management Plan at the point of Contract Placement.
- c. The SCMP shall contain the following:
  - (1) Assessment of the current supply chain marketplace and future needs. The Contractor should assess key risks and possible mitigation to limit the impact on delivery of the requirement;
  - (2) Detail the Contractor's processes for identifying and managing any items that may be subject to national and/or international trading regulations and import/export controls;
  - (3) Detail the Contractor's approach to make or buy decisions. The Contractor shall detail the factors considered in relation to making these decisions;
  - (4) Provide a simple flowchart on how the Contractor qualifies new suppliers into its supply chain;
  - (5) Provide a supply chain map up to and including Tier 2 suppliers. This shall be updated each quarter. The supply chain map shall provide the company name,

address, and the Articles/services they provide with any associated part/reference/NSN. The Contractor shall provide a brief supporting assessment on initial strengths and fragility of the suppliers i.e. capability, schedule, capacity, financial;

- d. The SCMP shall be maintained and updated throughout the duration of the Contract in accordance with Activity 1 within the SoSR (Schedule 9).

#### **18. Logistics Commodities Services Transformation Authority Managed Material Supplier Manual**

- a. The Contractor shall (or procure that any of its subcontractors shall) comply with the requirements set out in the Logistics Commodities Services Transformation (LCST) Authority Managed Material Supplier Manual (Version 2 – LDOC/CMO/V2.0 dated 28 Jun 19) issued by the Authority and published on the Authority's KiD system (as amended from time to time) (the “LCST Supplier Manual”) in respect of all Articles which are:

- (1) supplied by the Contractor or any of its subcontractors under this Contract; and
- (2) which are to be delivered to depots which are managed and/or operated by Leidos Europe Ltd or its subcontractors pursuant to the LCST contract (Contract No. [LCST/0001]) (“LCS(T) Managed Depots”).

#### **19. Limitation of Contractor's Liability**

##### **Unlimited liabilities**

- 1. Neither Party limits its liability for:
  - a. death or personal injury caused by its negligence, or that of its employees, agents or sub-contractors (as applicable);
  - b. fraud or fraudulent misrepresentation by it or its employees;
  - c. breach of any obligation as to title implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or
  - d. any liability to the extent it cannot be limited or excluded by law.
- 2. The financial caps on the Contractor's liability set out in Clause 19.d below shall not apply to the following:
  - a. for any indemnity given by the Contractor to the Authority under this Contract
  - b. the Contractor's indemnity in relation to DEFCON 91 (Intellectual Property in Software) and DEFCON 632 (Third Party IP - Rights and Restrictions);
  - c. the Contractor's indemnity in relation to TUPE at Clause 16 & Schedule 15
  - d. breach by the Contractor of DEFCON 532A and Data Protection Legislation; and
  - e. for the avoidance of doubt any payments due from the Contractor to the Authority in accordance with DEFCON 811 or the Defence Reform Act 2014 and/or the Single Source Contract Regulations 2014, as amended from time to time, shall not be excluded or limited under the provisions of Clause 19.d below.

3. The financial caps on the Authority's liability set out in Clause 19.5 below shall not apply to the following:
  1. for any indemnity given by the Authority to the Contractor under this Contract, including but not limited to [list DEFCONs including 514A and 656A]; and
  2. the indemnity given by the Authority in relation to TUPE under Clause 16 & Schedule 15 shall be unlimited; and
  3. for the avoidance of doubt any payments due from the Authority to the Contractor in accordance with DEFCON 811 or the Defence Reform Act 2014 and/or the Single Source Contract Regulations 2014, as amended from time to time, shall not be excluded or limited under the provisions of Clause 19.5 below.

#### **Financial limits**

4. Subject to Clauses 19.1 and 19.2 and to the maximum extent permitted by Law:
  - a. the Contractor's total liability in respect of losses that are caused by Defaults of the Contractor shall in no event exceed:
    - (i) in respect of DEFCON 76 [REDACTED] in aggregate;
    - (ii) in respect of DEFCON 514 [REDACTED] in aggregate;
    - (iii) in respect of DEFCON 611 [REDACTED] in aggregate; and
    - (iv) in respect of DEFCON 612 [REDACTED] in aggregate;
  - b. The aggregate figure agreed to cover DEFCON 612 covers Loss or Damage to Articles, Professional Liability & Product Liability and is broken down as [REDACTED] respectively.
  - c. without limiting Clause 19.4.a and subject always to Clauses 19.1, 19.2, 19.2.e and 19.4.c, the Contractor's total liability throughout the Term in respect of all other liabilities whether in contract, in tort (including negligence), arising under warranty, under statute or otherwise under or in connection with this Contract shall be [£ pounds] [REDACTED] in aggregate.

**\* REDACTED elements due to Commercially Sensitive Information**
  - d. on the exercise of any and, where more than one, each option period or agreed extension to the Term, the limitation of the Contractor's total liability (in aggregate) set out in Clauses 19.4.a and 19.4.b above shall be fully replenished such that on and from each such exercise or extension of the Term, the Authority shall be able to claim up to the full value of the limitation set out in Clauses 19.4.a and 19.4.b of this Contract.
5. Subject to Clauses 19.1, 19.3, 19.3.c and 19.6, and to the maximum extent permitted by Law the Authority's total liability (in aggregate) whether in contract, in tort (including negligence), under warranty, under statute or otherwise under or in connection with this Contract shall in respect of all liabilities (taken together) be limited to the Charges paid by the Authority in the relevant Contract Year in respect of any and all claims in that Contract Year.

6. Clause 19.5 shall not exclude or limit the Contractor's right under this Contract to claim for the Charges.

### **Consequential loss**

7. Subject to Clauses 19.1, 19.2 and 19.8, neither Party shall be liable to the other Party or to any third party, whether in contract (including under any warranty), in tort (including negligence), under statute or otherwise for or in respect of:

- a. indirect loss or damage;
- b. special loss or damage;
- c. consequential loss or damage;
- d. loss of profits (whether direct or indirect);
- e. loss of turnover (whether direct or indirect);
- f. loss of business opportunities (whether direct or indirect); or
- g. damage to goodwill (whether direct or indirect),

even if that Party was aware of the possibility of such loss or damage to the other Party.

8. The provisions of Clause 19.7 shall not restrict the Authority's ability to recover any of the following losses incurred by the Authority to the extent that they arise as a result of a Default by the Contractor:

- a. any additional operational and administrative costs and expenses arising from the Contractor's Default, including any costs paid or payable by the Authority:
  - i. to any third party;
  - ii. for putting in place workarounds for the Contractor Deliverables and other deliverables that are reliant on the Contractor Deliverables; and
  - iii. relating to time spent by or on behalf of the Authority in dealing with the consequences of the Default;
- b. any or all wasted expenditure and losses incurred by the Authority arising from the Contractor's Default, including wasted management time;
- c. the additional cost of procuring and maintaining in place transitional assistance and replacement deliverables for the remainder of the Term and any option period or agreed extension to the Term (including legal and other consultants' fees, re-procurement project costs, other expenses associated with such exercise and any increase in the fees for the replacement services over and above the Contract Price that would have been payable for the relevant Contractor Deliverables);
- d. any losses arising in connection with the loss, destruction, corruption, inaccuracy or degradation of Authority data, or other data or software, including, to the extent the Authority data, other data or software can be recovered or reconstituted, the fees, costs and expenses of reconstituting such Authority data, data or software;
- e. damage to the Authority's physical property and tangible assets, including damage under DEFCON 76 and 611;
- f. costs, expenses and charges arising from, or any damages, account of profits or other award made for, infringement of any third-party Intellectual Property Rights or breach of any obligations of confidence;



- g. any additional costs incurred by the Authority in relation to the Authority's contracts with a third party (including any compensation or interest paid to a third party by the Authority) as a result of the Default (including the extension or replacement of such contracts);
- h. any fine or penalty incurred by the Authority pursuant to Law and any costs incurred by the Authority in defending any proceedings which result in such fine or penalty; or
- i. any savings, discounts or price reductions during the Term and any option period or agreed extension to the Term committed to by the Contractor pursuant to this Contract.

#### **Invalidity**

- 9. If any limitation or provision contained or expressly referred to in this Clause (19) is held to be invalid under any Law, it will be deemed to be omitted to that extent, and if any Party becomes liable for loss or damage to which that limitation or provision applied, that liability will be subject to the remaining limitations and provisions set out in this Clause (19).

#### **Third party claims or losses**

- 10. Without prejudice to any other rights or remedies the Authority may have under this Contract (including but not limited to any indemnity claim under DEFCONs 91 and 632 or at Law), the Authority shall be entitled to make a claim under this Contract against the Contractor in respect of any losses incurred by the Authority which arise out of a claim made against the Authority by a third party under any contract with that third party provided that such third party claim:
  - a. arises naturally and ordinarily as a result of the Contractor's failure to provide the Contractor Deliverables or failure to perform any of its obligations under this Contract; and
  - b. is a type of claim or loss that would have been recoverable under this Contract if the third party were a party to this Contract (whether as the Authority or the Contractor), such claim to be construed as direct losses for the purpose of this Contract.

#### **No double recovery**

- 11. Neither Party shall be entitled to employ such rights and remedies available to it so as to seek to recover more than once in respect of the same loss, but the Authority shall be entitled to use (singly or together) such rights and remedies available to the Authority so as to recover the full extent of any recoverable losses suffered or incurred, including any remedies the Authority may have against any guarantor.

#### **Duty to Mitigate**

- 12. Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Contract, including any Losses for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Contract.

## **20. Warranty**

### **General**

- a. The Articles supplied under this contract shall be warranted against failure under the terms stated below for 12 months from being taken into service or 24 months from delivery.
- b. The Contractor undertakes that the Articles supplied against the Contract including all components supplied will be free from defect in materials and workmanship under normal use and service. The Contractor's obligations under this Warranty being limited to repairing or replacing any component or assembly, which proves to be defective. The Warranty provides full parts and labour cover against failure of any part of the Article supplied.
- c. The Warranty shall apply in full to each Article supplied and/or repaired under the Contract.

### **Exclusions**

- d. This Warranty shall not apply in respect of damage caused by:
  - (1) Any use or maintenance of the Article not in accordance with the instructions detailed in the documentation provided by the Contractor;
  - (2) Any use or maintenance of the Article performed by a third party.
  - (3) War and peacekeeping operations resulting in battle damage;
  - (4) Operating the Article beyond operational weight limits or in a manner out with the advised operating parameters of the equipment;
  - (5) Alteration, repair or faulty installation by a party not under the Contractor's control;
  - (6) The integration into an Article of parts and/or components not supplied by the Contractor;
  - (7) Negligent handling or storage by any party outside the Contractor's control;
  - (8) Any reason that can be determined to be outside the Contractor's control after delivery.

### **Applicable Countries**

- e. The Warranty applies worldwide.

### **Transport and Assessment Costs**

- f. The Contractor is liable for all transport costs where an Article is found to be defective within the UK mainland.
- g. Where an Article becomes defective outside of the UK mainland, the Authority shall be liable for all transport costs to a Contractor designated location in the UK mainland for the purposes of defect assessment. The Contractor shall be liable for transportation costs from the point that the Authority has delivered the Article to the Contractor's designated UK location.

- h. In the event that the Article was proven to not be defective, the Authority shall be liable for all reasonable transport costs subject to the provision of satisfactory evidence.
- i. The Contractor is liable for all non-transport costs associated with the assessment of Articles claimed as defective under the Warranty. This Condition does not apply where an Article is proven to be fully functional.

### **Warranty Repairs Process**

- j. The Authority shall notify the Contractor of any claims for defective Articles under the Warranty with a defect notice, detailing the date the defect was found, the part number and known details regarding the defect.
- k. Following receipt of the Authority's defect notice, the Contractor shall confirm receipt and arrange for collection/delivery of the Article in accordance with Clause 10.
- l. Upon receipt of the Article, the Contractor shall perform a defect assessment to understand the cause of the defect and plan how to restore the Article to full functionality and serviceability.
- m. Subject to the results of the defect assessment, the Contractor shall respond as follows:
  - (1) In the event that the defect is due to defects in materials and workmanship under normal use and service, the Contractor shall be liable for all costs to restore the Article to full functionality and serviceability;
  - (2) In the event that the defect is due to any of the items in Clause 10 or the Article is non-defective, the Authority shall be liable for all reasonable costs for transport, assessment and subsequent repair. The Contractor shall not undertake any further work without commitment from the Authority. The Contractor shall be required to provide satisfactory evidence in support of any claim for costs.
- n. The dismantling and/or refining of parts to return the Article to a serviceable condition shall be carried out by the Contractor at no charge to the Authority. This is to include any necessary cleaning, degassing, testing and certification required by the repair.
- o. The Contractor shall include details upon all Warranty claims within the monthly Performance and Financial Report (P&FR) in accordance with Activity one within the SoSR (Schedule 9) to be discussed at the quarterly Project Review. This shall detail:
  - (1) all outstanding claims with predicted completion dates or reasons for dispute; and
  - (2) all resolved claims with original predicted completion date and the actual completion date;
- p. Any Warranty defect identified by the Authority in material or workmanship shall be communicated to the Contractor at the earliest opportunity and within any event 90 calendar days after date of recorded failure. During operational deployment, reasonable endeavours will be made by the Authority to communicate warranty information within 90 calendar days of the recorded failure. A failure to notify the Contractor within 90 calendar days during operational deployment shall not invalidate the Warranty.

### **Warranty Repair Suspension**

- q. In the event that a claim is made under the Warranty, the warranty period shall be suspended from the time that the Contractor is notified.

### **Warranty Repairs by the Authority**

- r. Subject to the provisions of Clause 20 d., the Authority is only to undertake warranty repair, hereinafter referred to as 'in-house warranty repair', in the following circumstances:
  - (1) Operational Necessity - Where the Officer Commanding (OC) of the Authority's User Unit authorises an in-house warranty repair on the grounds of operational necessity;
  - (2) Convenience To User - Where an in-house warranty repair can be undertaken for no more than £100 (one hundred pounds sterling) parts and 1 (one) hour labour;
  - (3) Prior Consent Of the Authority - Where the user is authorised by the Authority to undertake an in-house warranty repair in accordance with MOD procedures.
- s. Where the Authority carries out routine maintenance or servicing, this will not invalidate the Warranty provided that maintenance procedures comply with the technical documentation provided by the Contractor.

### **Replaced Part Warranty**

- t. The Contractor accepts under the terms of this Warranty that the Authority may replace parts in the Article and/or the whole unit of which the Article forms part of, with items that are not supplied by the Contractor that are of approved design without invalidating the Warranty. Replaced parts, material and workmanship for parts not purchased through the Contractor are the sole responsibility of the Authority. The parts are common items that are to the same or equivalent technical specification as the original Contractor-supplied part and have been NATO codified as such. The Warranty for the Article will be invalid should the parts replaced in accordance with this Condition be not to the same specification, form, fit or function and are found to have caused a failure in the Article.

### **21. Authority Consent in Relation to Subcontracts**

- a. The Contractor shall not place any subcontract or order involving the:
  - (1) design and/or development of equipment required under this contract;
  - (2) repair and/or maintenance information in relation to any equipment under this Contract without the prior written consent of the Authority.
- b. Unless otherwise agreed in an extant DEFFORM 177, such consent will be conditional on the proposed subcontractor concluding a direct agreement with the Authority in the form (DEFFORM 177) set out in Schedule 12 to the Contract. Wherever possible the request for approval should be accompanied by two copies of the agreement signed by the subcontractor.

- c. In the absence of a DEFFORM 315 in relation to DEFCONs 15, 16 and/or 21 for any approved subcontracts in accordance with Condition 21.b, the Authority's rights in respect of any specific information shall be determined with reference to the subcontract requirements.
- d. If, in any case the Contractor is unable to comply with this Condition he shall report the matter to PEDT Deputy Head of Commercial and await further instructions before placing the subcontract or order.

## **22. Intellectual Property Rights**

### **AUTHORISATION BY THE CROWN FOR USE OF THIRD-PARTY INTELLECTUAL PROPERTY RIGHTS**

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

## **23. Intellectual Property – Non-Assertion Clause**

- a. To the extent that the Contractor (which term for the purposes of this condition includes any BAES group company) owns or is the exclusive licensee of any Intellectual Property Rights in the Motion Control Equipment provided under this Contract, then the Contractor hereby confirms that the Authority is allowed to share such Intellectual Property Rights with its tenderers or contractors and allow those tenderers or contractors to use the Intellectual Property Rights for the purpose of bidding in a competition for and performing any contract which relates to the equipment and services to the Vanguard submarine. For avoidance of doubt, the Contractor will not assert its IPR against MODs tenderers and contractors where the tenderers and contractors use of the IPR is for the purpose of bidding in a competition for and performing any contract which relates to the equipment and services to the Vanguard submarine.
- b. The Contractor shall not assign, transfer or licence to a third party the Intellectual Property Rights referred to in clause 23.a without ensuring that the rights of the Authority are preserved.
- c. For the purposes of this condition Intellectual Property Rights means all patents, utility models, rights (registered or unregistered) in any designs; applications for any of the foregoing; copyright; confidential information and trade secrets and all rights and forms of protection of a similar nature to these having equivalent effect anywhere in the world). This definition is also referenced in Schedule 1 (Definitions of Contract).

## **24. Catalogue Pricing**

- a. The Authority shall place purchase orders (POs) as and when required for items listed within Schedule 26.
- b. The Authority does not bind itself to order any quantity of Article(s) detailed within Schedule 26.
- c. Any additions, in accordance with Clause 25, to the catalogue of spares, detailed in Schedule 26 Annex A, must include a FIRM price and delivery lead-time. The FIRM price must include a Qty 1 and Qty 3 for each NSN, or the Minimum Order Quantity if greater than Qty 3.

- d. Any additions, in accordance with Clause 25, to the catalogue of strip and surveys, detailed in Schedule 26 Annex B, must include a FIRM strip and survey price and lead-time. Strip and survey prices should only be provided for repairable permanent spares (E0).

## **25. Service Level Agreement**

- a. The Authority may submit a Request for Quotation detailed in Schedule 17 for Article(s) listed in Schedule 20. The Authority will note within the RFQ if the quoted Article(s) will be added to the firm price catalogue and/or strip and survey catalogue.
- b. The Contractor shall provide a Quotation Template for the Authority's approval within six (6) weeks of Contract Award. Quotation(s) are required to meet the Qualifying Defence Contract (QDC) principles as per Single Source Contract Regulations 2014 c.4. and as such the Quotation Template must include as a minimum:
  - (1) Price
  - (2) Rates
  - (3) Material and Sub-Contractor
  - (4) Travel and Subsistence
  - (5) Transport
  - (6) Packaging
  - (7) Warranty
- c. The Contractor shall issue a response to the RFQ in a timescale agreed on a case by case basis. This timescale will be agreed within 10 working days of receipt of the initial RFQ.
- d. The Authority will raise a PO for the Article(s) in accordance with Clause 9 following the return of the RFQ.

## **26. Documentation Management**

- a) The Contractor shall generate and maintain a Documentation Management Plan (DMP) (Schedule 28 – Annex B) for, as a minimum, the Documentation List (Schedule 28 – Annex A).
- b) The DMP must include the expected delivery date of each document in accordance with the Documentation List (Schedule 28 – Annex A) and the proposed frequency of review and update. Documentation updates should be submitted in accordance with the joint progress review detailed in Activity 1 of the SoSR (Schedule 9).

## **27. Exit Strategy**

- a) An Exit Management Plan will be drawn up by the Contractor and agreed jointly between the Parties within six (6) months of the Contract Award Date. Such Exit Management Plan shall be reviewed, maintained and updated by the Contractor in accordance with the Document Management Plan (Schedule 28 – Annex B), and in any event no less frequently than at annual intervals.
- b) The Contractor shall provide an updated version of the Exit Management Plan to the Authority in accordance with the Document Management Plan (Schedule 28 – Annex B) or more frequently as may be requested by the Authority.

- c) The Authority shall review the Exit Management Plan submitted to it within twenty Business Days of receipt and shall notify the Contractor of any required revisions. Revisions shall be discussed with the Authority and incorporated by the Contractor into the Exit Management Plan within ten Business Days of receipt of such required revisions. If the Parties cannot agree on any such revision to the Exit Management Plan, the matter shall be escalated in accordance with DEFCON 530 (Dispute Resolution (English Law)).
- d) At least six months before the Expiry Date or if the Project Manager receives notice of termination, within ten Business Days of receiving such notice, the Contractor shall provide to the Authority an up to date Exit Management Plan to enable the Contractor to comply with his obligations under this Clause.
- e) If the Authority wishes to re-compete the Services being provided under this Contract or any part thereof then the Contractor shall do all necessary acts (including entering into any contracts) to ensure that any Successor Contractor obtains all of the Contractor's rights, title and interest (if any) in and to the Assets or any part thereof with effect on and from either the Expiry Date, the Termination Date or such other date as the Authority may specify.
- f) If the Authority so requires, the Contractor shall continue to provide the Services to the Authority in accordance with this Contract beyond the Expiry or Termination Date on the terms of this Contract until such dates as a Successor Contractor or the Authority, as the case may be, takes over the provision of the Services, or such other date as the Authority may specify.
- g) The Exit Management Plan (EMP) shall contain the methods to manage, as a minimum the following:
  - (1) Technical Data packs including all drawings, test specification, artworks, films and job cards;
  - (2) All government furnished test equipment relating to the K400/800 range including all test equipment held at any sub-contractors including packaging
  - (3) All Documentation relating to the test equipment. This should include user manuals, maintenance schedules and health and safety test certification certificates;
  - (4) Any re-assembly instructions required for all test equipment;
  - (5) The return, packaging and special storage of all GFE as per DEFSTAN 05-99, including non-codified items.
  - (6) A full logistics plan with adequate transport capacity to relocate any and all equipment;
  - (7) Transfer of knowledge (including training)
  - (8) TUPE considerations
  - (9) Transfer of contract information
  - (10) Exit transition period
- h) The Contractor warrants and represents to the Authority that all data supplied is in all material respects true, accurate, complete and not misleading.

- i) On the expiry or termination of this Contract for any reason, both before and after any such expiry or termination, the Contractor shall have the following duties:
  - (1) to carry out any reasonable instructions of the Authority required to give effect to and comply with this Condition;
  - (2) to provide any information to the Authority in relation to Intellectual Property Rights for the purposes of exercising its rights under Clause 22 (Intellectual Property Rights);
  - (3) to comply with the Exit Management Plan agreed by the Authority in accordance with this Condition; and
  - (4) as required provide the Authority with the documents and records as required
- j) The Authority shall confirm its receipt of any Assets returned or transferred by the Contractor to the Authority, in writing to the Contractor within thirty Business Days of such receipt.

## **28. Force Majeure**

- a) The Contractor shall not be in breach of this Contract, nor liable for late or non-performance of any of its obligations under this Contract, if such delay or failure result from a "Force Majeure Event". For the purposes of this Contract a Force Majeure Event is defined as one of the following:
  - a. acts of nature;
  - b. war;
  - c. hostilities;
  - d. fire at any of the Contractor's premises or those of its suppliers except to the extent that the fire was caused by their own negligence.
- b) The Contractor shall immediately notify the Authority in writing on the occurrence of a Force Majeure Event, including details of the Force Majeure Event, its effect on the Contractor's obligations under this Contract, and the actions proposed to mitigate its effect.
- c) Subject to Clause 4 below, the Contractor shall be entitled to an appropriate extension of time for performing such obligations provided always that the Contractor has used, to the satisfaction of the Authority, all reasonable endeavours, both to mitigate the effects of the Force Majeure Event, and to facilitate the continued performance of its obligations under this Contract.
- d) The maximum extension of time granted under this clause shall be limited to 6 months after which time the Authority may, on giving written notice to the Contractor, terminate this Contract, without seeking compensation from the Contractor, with immediate effect