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BP OIL International Ltd. 20 Canada Square Canary Wharf London E14 5NJ

FAO: David Palmer

Reference: DFFS/5072/0071

Date: 30 July 2019

Dear Sirs,

## OFFER OF CONTRACT DFFS/5072/0071 BULK FUELS FRAMEWORK AGREEMENT - 5072 SUPPLY AND DELIVERY OF F-35 AND F-76 (DDP) -TO THE FALKLAND ISLANDS [REDACTED]

**Reference:** Email Response to Invitation to Compete dated **30 July 2019**.

- You are hereby informed of the Department's requirement and you are invited to accept the Offer of Call-off Contract, detailed in the attached Schedule of Requirements. The Schedule, together with Framework Agreement DFFS/5072, describes the requirements and sets out the terms and conditions which will take effect on acceptance by you of the Department's offer.
- 2. If you wish to accept this offer, please complete and sign two copies of the DEFFORM 10, returning the original signed document by post and a copy to me by email within 2 working days of the date of this offer. Your acceptance of the Department's offer must be unqualified. If you do not accept the Department's offer within the period specified, then the Department's offer will lapse.
- 3. All terms and conditions of the overarching Framework Agreement DFFS/5072, the Schedule of Requirements and Annex A to the Schedule of Requirements shall apply.
- 4. No Call-off Contract will come into existence until you have accepted the Department's offer in accordance with paragraph 2 above. Accordingly, prior to your unconditional acceptance of this offer, the Department shall not be responsible in any way whatsoever for any:

work undertaken by you; or incurred by you.

- 5. When you have accepted the Department's offer in accordance with paragraph 2 above, you must proceed with the performance of the Call-off Contract in accordance with the terms and conditions of Framework Agreement DFFS/5072 and Annex A to the Schedule of Requirements attached to this offer.
- 6. Nothing contained in this offer and in the attached Schedule shall be construed as notifying or implying acceptance by the Department of any estimated or suggested price or of any condition of Call-off Contract which may have been referred to orally or in writing in any previous discussion or correspondence.

Yours sincerely

Carly Harrington
DES LDOC DFAP Senior Commercial Officer

# Supplier: BP OIL International Ltd. 20 Canada Square Canary Wharf London E14 5NJ MINISTRY OF DEFENCE SCHEDULE OF REQUIREMENTS FOR THE SUPPLY AND DELIVERY OF F-35 AND F-76 (DDP) – TO THE FALKLAND ISLANDS – [REDACTED] Issued with: Offer of Contract Letter on: 30 July 2019

Table 1 - Items

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ltem	Description	Volume m <sup>3</sup>	Firm Price
No			
1	F-35 (Aviation Turbine Fuel): Def Stan 91-91 Latest Issue	15,000	See Attached Annex A
2	F-76 (Fuel Naval Distillate) Def Stan 91-4 Latest Issue	18,000	See Attached Annex A

Table 2 - Packaging Requirements

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	3 Packaging Spec/Special Markings etc.				
Item No					
	N/A				

#### Table 3 – Delivery Period

Item No	Start	Rate	Finish	CONDITIONS OF CONTRACT	
		The terms and conditions of Framework Agreement DFFS/5072 and Annex A to this			
1	[REDACTED]	As Authorised Orders	[REDACTED]	Schedule shall apply to this Calloff Contract.	

#### ANNEX A TO SCHEDULE OF REQUIREMENTS DFFS/5072/0071

#### **Duration of the Contract**

Supply and Delivery of the Fuel detailed in the Schedule of Requirements (SOR) shall take place during the period [REDACTED]

#### **Pricing Mechanism**

For F-35: For the purpose of payment, in accordance with Clause 22.4 of the Framework Agreement, the Platts element of the overall price will be calculated by taking the average of the mean of the month prior to delivery (M-1) published by the Platts Marketscan under the heading CIF Med Jet – Code AAZBN00

For F-76: For the purpose of payment, in accordance with Clause 22.4 of the Framework Agreement, the Platts element of the overall price shall be; the average of the mean of the quotations published by the Platts Marketscan under the heading CIF Med Gasoil 0.1% - Code AAVJJ00, 5 days centred around the Bill of Lading date (2 days before, B/L date and 2 days after). In the event that the Bill of Lading is a Saturday, the 5 days shall be Wed, Thur, Fri, Mon, Tue. If the Bill of Lading is a Sunday, the 5 days shall be Thur, Fri, Mon, Tue, and Wed. In the event that the Bill of Lading is a Bank Holiday, the 5 days shall be the published 2 days prior to loading and published 3 days after loading.

#### **Pricing Schedule:**

The premium stated below shall apply and remain firm (not subject to variation) for the duration of the Call-off Contract.

Item	Product and Delivery Location	Dates	Premium US\$/m³
1	15,000m³ (+/-2% tolerance) of F-35 (Aviation Turbine Fuel): Def Stan 91-91 latest issue.	[REDACTED]	[REDACTED]
2	18,000m³ (+/-2% tolerance) F- 76 (Fuel Naval Distillate) Def Stan 91-4 Latest Issue.	[REDACTED]	[REDACTED]

#### **Payment**

Payment shall be made in US dollars (\$) for Fuel delivered in accordance with the Framework Agreement and this Call-off Contract. Please note that the Early Payment Discount shall apply to this requirement.

#### Invoicing

Invoices shall be submitted in accordance with Clause 23 of the Framework Agreement.

#### Delivery

Delivery requirements are detailed at Appendix 1 and 2 to Annex B of the Framework Agreement.