



Specialist Explosive Ordnance and Disposal (EOD) Exploitation Countermeasures (SEEC) Team

Contract No: 706985450

The Procurement of High Accuracy Aiming Kit

Between the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland Team Name and address: SEEC, Rowan OC #8207, MoD Abbeywood, Bristol, BS34 8JH Email Address: Toni.Stadon100@mod.gov.uk Telephone Number: 03001671 038	And Contractor Name and address: Julian Paice Trimax Technologies Ltd Unit 6 Pipers Court, Berkshire Drive, Thatcham, Berkshire, RG19 4ER Email Address: julian@trimaxtech.com Telephone Number: 01635 292 999
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Table of Contents

Terms and Conditions.....	1
1. Definitions.....	1
2. General.....	2
3. Application of Conditions	3
4. Disclosure.....	3
5. Transparency.....	3
6. Notices	4
7. Intellectual Property	5
Notification of Intellectual Property Rights (IPR) Restrictions.....	5
8. Supply of Contractor Deliverables and Quality Assurance	6
9. Supply of Hazardous Substances, Mixtures and Articles in Contractor Deliverables	6
10. Delivery/ Collection	8
11. Marking of Contractor Deliverables	8
12. Packaging and Labelling of Contractor Deliverables (Excluding Contractor Deliverables Containing Ammunition or Explosives)	9
13. Plastic Packaging Tax.....	9
14. Progress Monitoring, Meetings and Reports	10
15. Payment	10
16. Dispute Resolution.....	11
17. Termination for Corrupt Gifts.....	12
18. Material Breach.....	12
19. Insolvency.....	13
20. Limitation of Contractor's Liability.....	13
21. Project Specific DEFCONs and SC variants	14
DEFCON 082 (SC1) (Edn. 06/21) - Special Procedure For Initial Spares.....	14
DEFCON 90 (Edn 06/21) – Copyright	14
DEFCON 113 (Edn. 02/17) - Diversion Orders	14
DEFCON 117 (SC1) (Edn. 12/16) - Supply Of Information For NATO Codification And 14	
Defence Inventory Introduction.....	14
DEFCON 127 (Edn. 08/21) - Price Fixing Condition for Contracts of Lesser Value	14
DEFCON 129J (SC1) (Edn. 06/17) - The Use Of The Electronic Business Delivery Form	14
DEFCON 503 (SC1) (Edn. 06/22) - Formal Amendments To Contract	14
DEFCON 524A (SC1) (Edn. 12/22) – Counterfeit Materiel	14
DEFCON 531 (SC1) (Edn. 09/21) - Disclosure of Information	14

SC1B (Edn 10/22)
Contract 706985450
As at Contract Award

DEFCON 532A (SC1) (Edn. 05/21) – Protection of Personal Data (Where Personal Data is not being processed on behalf of the Authority)	14
DEFCON 534 (Edn. 06/21) - Subcontracting and Prompt Payment.....	14
DEFCON 538 (Edn. 06/02) – Severability	14
DEFCON 540 (SC1) (Edn. 05/23) – Conflicts of Interest	14
DEFCON 566 (Edn. 12/18) - Change of Control of Contractor	14
DEFCON 606 (SC1) (Edn. 07/21) - Change and Configuration Control Procedure.....	14
DEFCON 608 (Edn. 07/21) - Access and Facilities to be Provided by the Contractor.....	14
DEFCON 609 (SC1) (Edn. 08/18) - Contractor's Records	14
DEFCON 620 (SC1) (Edn. 06/22) - Contract Change Control Procedure	14
DEFCON 621B (Edn. 10/04) – Transport (If Contractor is Responsible for Transport)	14
DEFCON 624 (SC1) (Edn. 12/16) - Use of Asbestos.....	14
DEFCON 627 (Edn. 11/21) - Quality Assurance - Requirement for a Certificate of Conformity	14
DEFCON 630 (SC1) (Edn. 12/16) – Framework Agreements.....	14
DEFCON 637 (Edn. 05/17) - Defect Investigation and Liability	14
DEFCON 654 (Edn. 10/98) - Government Reciprocal Audit Arrangements	14
DEFCON 656A (Edn. 08/16) – Termination for Convenience – Under £5m.....	14
DEFCON 660 (Edn. 12/15) - Official-Sensitive Security Requirements.....	15
DEFCON 703 (Edn. 06/21) – Intellectual Property Rights – Vesting in the Authority	15
22. Special Conditions	16
22.1 Intellectual Property.....	16
22.2 Supply Chain Data	16
22.3 Variation of Price.....	17
22.4 Travel and Subsistence.....	18
22.5 Transfer of Undertakings (Protection of Employment) (TUPE)	19
22.6 Business Continuity	19
22.7 Spares Pricing.....	19
23. Processes.....	20
Offer and Acceptance	22
Contract No. 706985450 for the Procurement of High Accuracy Aiming Heads.....	22
Schedule 1 – Additional Definitions of Contract	23
Schedule 2 – Schedule of Requirements	24
Schedule 3 – Contract Data Sheet.....	25
DEFFORM 111 – Appendix – Addresses and Other Information	28
Schedule 4 – Contractor's Sensitive Information Form (i.a.w Clause 5)	30
Schedule 5 – DEFFORM 711 Notification of IPR Restrictions (i.a.w Clause 7)	31
DEFFORM 711 – PART A – Notification of IPR Restrictions	31

SC1B (Edn 10/22)
Contract 706985450
As at Contract Award

Annex A – Statement of Work.....	33
Annex B – Spares List	40
Annex C – Rates.....	41
Annex D – Tasking Authorisation Form.....	42
Annex E – Tasking Record	46
Annex F – TUPE.....	47
Annex G – Commercial Exploitation Levy (CEL)	50
Annex H – Security Aspects Letter (SAL)	65

Terms and Conditions

1. Definitions

Articles means, in relation to Clause 9 and Schedule 3 only, an object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition;

The Authority means the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, (referred to in this document as "the Authority"), acting as part of the Crown;

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

Contract means the agreement concluded between the Authority and the Contractor, including all terms and conditions, , specifications, plans, drawings, schedules and other documentation, expressly made part of the agreement in accordance with Clause 2.c;

Contractor means the person, firm or company specified as such in the Contract. Where the Contractor is an individual or a partnership, the expression shall include the personal representatives of the individual or of the partners, as the case may be;

Contractor Deliverables means the goods and / or services including packaging (and supplied in accordance with any QA requirements if specified) which the Contractor is required to provide under the Contract in accordance with the schedule of requirements.

Effective Date of Contract means the date stated on the Contract or, if there is no such date stated, the date upon which both Parties have signed the Contract;

Firm Price means a price excluding Value Added Tax (VAT) which is not subject to variation;

Government Furnished Assets (GFA) is a generic term for any MOD asset such as equipment, information or resources issued or made available to the Contractor in connection with the Contract by or on behalf of the Authority;

Hazardous Contractor Deliverable means a Contractor Deliverable or a component of a Contractor Deliverable that is itself a hazardous material or substance or that may in the course of its use, maintenance, disposal, or in the event of an accident, release one or more hazardous materials or substances and each material or substance that may be so released;

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

SC1B (Edn 10/22)
Contract 706985450
As at Contract Award

Legislation means in relation to the United Kingdom any Act of Parliament, any subordinate legislation within the meaning of section 21 of the Interpretation Act 1978, any exercise of Royal Prerogative or any enforceable community right within the meaning of Section 2 of the European Communities Act 1972.

Mixture means a mixture or solution composed of two or more substances;

Notices means all notices, orders, or other forms of communication required to be given in writing under or in connection with the Contract;

Parties means the Contractor and the Authority, and Party shall be construed accordingly;

PPT means a tax called “plastic packaging tax” charged in accordance with Part 2 of the Finance Act 2021;

PPT Legislation means the legislative provisions set out in Part 2 and Schedules 9-15 of the Finance Act 2021 together with any secondary legislation made under powers contained in Part 2 of the Finance Act 2021. This includes, but is not limited to, The Plastic Packaging Tax (Descriptions of Products) Regulations 2021 and The Plastic Packaging Tax (General) Regulations 2022;

Plastic Packaging Component(s) shall have the same meaning as set out in Part 2 of the Finance Act 2021 together with any associated secondary legislation;

Sensitive Information means the information listed as such in Schedule 4 , being information notified by the Contractor to the Authority, which is acknowledged by the Authority as being sensitive, at the point at which the Contract is entered into or amended (as relevant) and remains sensitive information at the time of publication;

Substance means a chemical element and its compounds in the natural state or obtained by any manufacturing process, including any additive necessary to preserve its stability and any impurity deriving from the process used, but excluding any solvent which may be separated without affecting the stability of the substance or changing its composition;

Transparency Information means the content of this Contract in its entirety, including from time to time agreed changes to this Contract, except for (i) any information which is exempt from disclosure in accordance with the provisions of the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations Act 2004 (EIR), which shall be determined by the Authority, and (ii) any Sensitive Information.

2. General

1. The Contractor shall comply with all applicable Legislation, whether specifically referenced in this Contract or not.

2. Any variation to the Contract shall have no effect unless expressly agreed in writing and signed by both Parties.
3. If there is any inconsistency between these terms and conditions and the associated documents expressly referred to therein, the conflict shall be resolved according to the following descending order of priority:
 - a. the terms and conditions;
 - b. the schedules; and
 - c. the documents expressly referred to in the agreement.
4. Neither Party shall be entitled to assign the Contract (or any part thereof) without the prior written consent of the other Party.
5. Failure or delay by either Party in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of its rights under the Contract.
6. The Parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a Party to it.
7. The Contract and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English Law, and subject to Clause 15 and without prejudice to the dispute resolution procedure set out therein, the Parties submit to the exclusive jurisdiction of the English courts. Other jurisdictions may apply solely for the purpose of giving effect to this Clause 2.g and for enforcement of any judgement, order or award given under English jurisdiction.

3. Application of Conditions

- 1) These terms and conditions, schedules and the specification govern the Contract to the entire exclusion of all other terms and conditions. No other terms or conditions are implied.
- 2) The Contract constitutes the entire agreement and understanding and supersedes any previous agreement between the Parties relating to the subject matter of the Contract.

4. Disclosure

- (1) Information received or in connection with the Contract shall be managed in accordance with DEFCON 531 (SC1) and Clause 5.

5. Transparency

- a. Notwithstanding an other condition of this Contract, including 531 (SC1) ,the Contractor understands that the Authority may publish the Transparency Information to the general public.

- b. Subject to Clause 5.c, the Authority shall publish and maintain an up-to-date version of the Transparency Information in a format readily accessible and reusable by the general public under an open licence where applicable.
- c. If, in the Authority's reasonable opinion, publication of any element of the Transparency Information would be contrary to the public interest, the Authority shall be entitled to exclude such information from publication. The Authority acknowledges that it would expect the public interest by default to be best served by publication of the Transparency Information in its entirety. Accordingly, the Authority acknowledges that it shall only exclude Transparency Information from publication in exceptional circumstances and agrees that where it decides to exclude information from publication on that basis, it will provide a clear statement to the general public explaining the categories of information that have been excluded from publication and reasons for withholding that information.
- d. The Contractor shall assist and co-operate with the Authority as reasonably required to enable the Authority to publish the Transparency Information, in accordance with the principles set out above. Where the Authority publishes Transparency Information, it shall:
 - a. before publishing redact any information that would be exempt from disclosure if it was the subject of a request for information under the FOIA and/or the EIR , for the avoidance of doubt, including the Sensitive Information.
 - b. taking into account the Sensitive Information set out in Schedule 4, consult with the Contractor where the Authority intends to publish information which has been identified as Sensitive Information. For the avoidance of doubt the Authority, acting reasonably, shall have absolute discretion to decide what information shall be published or be exempt from disclosure in accordance with the FOIA and/or the EIR; and
 - c. present information in a format that assists the general public in understanding the relevance and completeness of the information being published to ensure the public obtain a fair view on how this Contract is being performed.

6. Notices

- a. A Notice served under the Contract shall be:
 - a. in writing in the English Language;
 - b. authenticated by signature or such other method as may be agreed between the Parties;
 - c. sent for the attention of the other Party's representative, and to the address set out in the Contract;
 - d. marked with the number of the Contract; and

- e. delivered by hand, prepaid post (or airmail), facsimile transmission or, if agreed in the Contract, by electronic mail.
- b. Notices shall be deemed to have been received:
 - 1) if delivered by hand, on the day of delivery if it is a Business Day in the place of receipt, and otherwise on the first Business Day in the place of receipt following the day of delivery;
 - 2) if sent by prepaid post, on the fourth Business Day (or the tenth Business Day in the case of airmail) after the day of posting; 3) if sent by facsimile or electronic means:
 - a. if transmitted between 09:00 and 17:00 hours on a Business Day (recipient's time) on completion of receipt by the sender of verification of the transmission from the receiving instrument; or
 - b. if transmitted at any other time, at 09:00 on the first Business Day (recipient's time) following the completion of receipt by the sender of verification of transmission from the receiving instrument.

7. Intellectual Property

- 1) The Contractor shall as its sole liability keep the Authority fully indemnified against an infringement or alleged infringement of any intellectual property rights or a claim for Crown use of a UK patent or registered design caused by the use, manufacture or supply of the Contractor Deliverables.
- 2) The Authority shall promptly notify the Contractor of any infringement claim made against it relating to any Contractor Deliverable and, subject to any statutory obligation requiring the Authority to respond, shall permit the Contractor to have the right, at its sole discretion to assume, defend, settle or otherwise dispose of such claim. The Authority shall give the Contractor such assistance as it may reasonably require to dispose of the claim and will not make any statement which might be prejudicial to the settlement or defence of the claim.
- 3) Notwithstanding any other provisions of the Contract and for the avoidance of doubt, award of the Contract by the Authority and placement of any contract task under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949. The Contractor acknowledges that any such authorisation by the Authority under its statutory powers must be expressly provided in writing, with reference to the acts authorised and the specific intellectual property involved.

Notification of Intellectual Property Rights (IPR) Restrictions

4) Where any of the Conditions listed below (1 to 3) have been added to these

Conditions of the Contract as Project Specific DEFCONs at Clause 21, the Contractor warrants and confirms that all Intellectual Property Rights restrictions and associated export restrictions relating to the use or disclosure of the Contractor Deliverables that are notifiable under those Conditions, or of which the Contractor is or should reasonably be aware as at Effective Date of Contract, are disclosed in Schedule 5 (Notification of Intellectual Property Rights (IPR) Restrictions):

- a. DEFCON 15 - including notification of any self-standing background Intellectual Property;
- b. DEFCON 90 - including copyright material supplied under clause 5;
- c. DEFCON 91 - limitations of Deliverable Software under clause 3b;

5) The Contractor shall promptly notify the Authority in writing if they become aware during the performance of the Contract of any required additions, inaccuracies or omissions in Schedule 5.

6) Any amendment to Schedule 5 shall be made in accordance with DEFCON 503 (SC1).

8. Supply of Contractor Deliverables and Quality Assurance

- 1) This Contract comes into effect on the Effective Date of Contract.
- 2) The Contractor shall supply the Contractor Deliverables to the Authority at the Firm Price stated in the Contract.
- 3) The Contractor shall ensure that the Contractor Deliverables:
 - a) correspond with the specification;
 - b) are of satisfactory quality (within the meaning of the Sale of Goods Act 1979, as amended) except that fitness for purpose shall be limited to the goods being fit for the particular purpose held out expressly by or made known expressly to the Contractor and in this respect the Authority relies on the Contractor's skill and judgement; and
 - c) comply with any applicable Quality Assurance Requirements specified in the Contract.
- 4) The Contractor shall apply for and obtain any licences required to import any material required for the performance of the Contract in the UK. The Authority shall provide to the Contractor reasonable assistance with regard to any relevant defence or security matter arising in the application for any such licence.

9. Supply of Hazardous Substances, Mixtures and Articles in Contractor Deliverables

- 1. Nothing in this Clause 9 shall reduce or limit any statutory duty or legal obligation of the Authority or the Contractor.

2. As soon as possible and in any event within the period specified in the Contract (or if no such period is specified no later than one month prior to the delivery date), the Contractor shall provide to the Authority's representatives in the manner and format prescribed in the Contract:
 - a. confirmation as to whether or not to the best of its knowledge any of the Contractor Deliverables contain hazardous Substances, Mixtures or Articles; and
 - b. for each Substance, Mixture or Article supplied in meeting the criteria of classification as hazardous in accordance with the GB Classification, Labelling and Packaging (GB CLP) a UK REACH compliant Safety Data Sheet (SDS);
 - c. where Mixtures supplied do not meet the criteria for classification as hazardous according to GB CLP but contain a hazardous Substance an SDS is to be made available on request; and
 - d. for each Article whether supplied on its own or part of an assembly that contains a Substance on the UK REACH Authorisation List, Restriction List and / or the Candidate List of Substances of Very High Concern (SVHC) in a proportion greater than 0.1% w/w of the Article, sufficient information, available to the supplier, to allow safe use of the Article including, as a minimum, the name of that Substance.
3. c. For substances, Mixtures or Articles that meet the criteria list in clause 9.b above:
 - a. if the Contractor becomes aware of new information which may affect the risk management measures or new information on the hazard, the Contractor shall update the SDS/safety Information and forward it to the Authority and to the address listed in Schedule 3; and
 - b. if the Authority becomes aware of new information that might call into question the appropriateness of the risk management measures identified in the safety information supplied, shall report this information in writing to the Contractor.
4. If the Substances, Mixtures or Articles in Contractor Deliverables are Ordnance, Munitions or Explosives (OME), in addition to the requirements of the GB CLP and UK REACH the Contractor shall comply with hazard reporting requirements of DEF STAN 07-085 Design Requirements for Weapons and Associated Systems.
5. If the Substances, Mixtures or Articles in Contractor Deliverables, are or contain or embody a radioactive substance as defined in the Ionising Radiation Regulations SI 2017/1075, the Contractor shall additionally provide details on DEFFORM 68 of:
 - a. activity; and
 - b. the substance and form (including any isotope).
6. If the Substances, Mixtures and Articles in Contractor Deliverables have magnetic properties which emit a magnetic field, the Contractor shall additionally provide details

on DEFFORM 68 of the magnetic flux density at a defined distance, for the condition in which it is packed.

7. Failure by the Contractor to comply with the requirements of this Condition shall be grounds for rejecting the affected Substances, Mixtures and Articles in Contractor Deliverables. Any withholding of information concerning hazardous Substance, Mixtures or Articles in Contractor Deliverables shall be regarded as a material breach of Contract under Condition 18 (Material Breach) for which the Authority reserves the right to require the Contractor to rectify the breach immediately at no additional cost to the Authority or to terminate the Contract in accordance with Condition 18.
8. Where delivery is made to the Defence Fulfilment Centre (DFC) and / or other Team Leidos location / building, the Contractor must comply with the Logistic Commodities and Services Transformation (LCST) Supplier Manual.

10. Delivery/ Collection

- 1) The Contract shall specify whether the Contractor Deliverables are to be delivered to the consignee by the Contractor or collected from the consignor by the Authority.
- 2) Title and risk in the Contractor Deliverables shall pass from the Contractor to the Authority on delivery or on collection in accordance with Clause 10.a.
- 3) The Authority shall be deemed to have accepted the Contractor Deliverables thirty (30) days after title and risk has passed to the Authority unless it has rejected the Contractor Deliverables within the same period.

11. Marking of Contractor Deliverables

- (1) Each Contractor Deliverable shall be marked in accordance with the requirements specified in Contract, or if no such requirement is specified, the Contractor shall mark each Contractor Deliverable clearly and indelibly in accordance with the requirements of the relevant DEF-STAN 05-132 as specified in the contract or specification. In the absence of such requirements, the Contractor Deliverables shall be marked with the MOD stock reference, NATO Stock Number (NSN) or alternative reference number specified in the schedule of requirements.
- (2) Any marking method used shall not have a detrimental effect on the strength, serviceability or corrosion resistance of the Contractor Deliverables.
- (3) The marking shall include any serial numbers allocated to the Contractor Deliverable.
- (4) Where because of its size or nature it is not possible to mark a Contractor Deliverable with the required particulars, the required information should be included on the package or carton in which the Contractor Deliverable is packed, in

accordance with condition 12 (Packaging and Labelling (excluding Contractor Deliverables containing Ammunition or Explosives)).

12. Packaging and Labelling of Contractor Deliverables (Excluding Contractor Deliverables Containing Ammunition or Explosives)

- a. The Contractor shall pack or have packed the Contractor Deliverables in accordance with any requirements specified in the Contract and Def Stan 81-041 (Part 1 and Part 6).
- b. The Contractor shall establish if the Contractor Deliverables are, or contain, Dangerous Goods as defined in the Regulations set out in this Clause 12. Any that do shall be packaged for UK or worldwide shipment by all modes of transport in accordance with the following unless otherwise specified in the Contract.:
 1. the Technical Instructions for the Safe Transport of Dangerous Goods by Air (ICAO), IATA Dangerous Goods Regulations;
 2. the International Maritime Dangerous Goods (IMDG) Code;
 3. the Regulations Concerning the International Carriage of Dangerous Goods by Rail (RID); and
 4. the European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR).
- c. Certification markings, incorporating the UN logo, the package code and other prescribed information indicating that the package corresponds to the successfully designed type shall be marked on the packaging in accordance with the relevant regulation.

13. Plastic Packaging Tax

- 1) The Contractor shall ensure that any PPT due in relation to this Contract is paid in accordance with the PPT Legislation.
- 2) The Contract Price includes any PPT that may be payable by the Contractor in relation to the Contract.
- 3) On reasonable notice being provided by the Authority, the Contractor shall provide and make available to the Authority details of any PPT they have paid that relates to the Contract.
- 4) The Contractor shall notify the Authority, in writing, in the event that there is any adjustment required to the Contract Price in accordance with section 70 of the Finance Act 2021 and, on reasonable notice being provided by the Authority, the Contractor shall provide any such information that the Authority requires in relation to any such adjustment.

- 5) In accordance with DEFCON 609 (SC1) the Contractor (and their sub-contractors) shall maintain all records relating to PPT and make them available to the Authority when requested on reasonable notice for reasons related to the Contract.
- 6) Where the Contractor manufactures, purchases or imports into the UK any Plastic Packaging Component in relation to the Contract the Contractor shall, on reasonable notice being given, provide the Authority with such information and documentation that it requires to enable the Authority to carry out due diligence checks and satisfy itself that the Contractor has complied with the requirements of the PPT Legislation.

This shall include, but is not limited to the Contractor providing:

- a. confirmation of the tax status of any Plastic Packaging Component;
 - b. documents to confirm that PPT has been properly accounted for;
 - c. product specifications for the packaging components, including, but not limited to, the weight and composition of the products and any other product specifications that may be required; and
 - d. copies of any certifications or audits that have been obtained or conducted in relation to the provision of Plastic Packaging Components.
- 7) The Authority shall have the right, on providing reasonable notice, to physically inspect or conduct an audit on the Contractor, to ensure any information that has been provided in accordance with clause 13.f above is accurate.
 - 8) In the event the Contractor is not required to register for PPT they (and to the extent applicable, their sub-contractors) shall provide the Authority with a statement to this effect and, to the extent reasonably required by the Authority on reasonable notice, supporting evidence for that statement.
 - 9) The Contractor shall provide, on the Authority providing reasonable notice, any information that the Authority may require from the Contractor for the Authority to comply with any obligations it may have under the PPT Legislation.

14. Progress Monitoring, Meetings and Reports

- a. The Contractor shall attend progress meetings and deliver reports at the frequency or times (if any) specified in the Contract and shall ensure that its Contractor's representatives are suitably qualified to attend such meetings. Any additional meetings reasonably required shall be at no cost to the Authority.

15. Payment

- a. Payment for Contractor Deliverables will be made by electronic transfer and prior to submitting any claims for payment under clause 15b 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 15a, the Authority will consider and verify that invoice in a timely fashion.
- c. The Authority shall pay the Contractor any sums due under such an invoice no later than a period of 30 days from the date on which the Authority has determined that the invoice is valid and undisputed.
- d. Where the Authority fails to comply with clause 15b 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 15c 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.

16. Dispute Resolution

- 1) The Parties will attempt in good faith to resolve any dispute or claim arising out of or relating to the Contract through negotiations between the respective representatives of the Parties having authority to settle the matter, which attempts may include the use of any alternative dispute resolution procedure on which the Parties may agree.
- 2) In the event that the dispute or claim is not resolved pursuant to Clause 16.a the dispute shall be referred to arbitration and shall be governed by the Arbitration Act 1996. For the purposes of the arbitration, the arbitrator shall have the power to make provisional awards pursuant to Section 39 of the Arbitration Act 1996.
- 3) For the avoidance of doubt it is agreed between the Parties that the arbitration process and anything said, done or produced in or in relation to the arbitration process (including any awards) shall be confidential as between the Parties, except as may be lawfully required in judicial proceedings relating to the arbitration or otherwise. No report relating to anything said, done or produced in or in relation to the arbitration process may be made beyond the tribunal, the Parties, their legal representatives and any person necessary to the conduct of the proceedings, without the concurrence of all the Parties to the arbitration.

17. Termination for Corrupt Gifts

The Authority may terminate the Contract with immediate effect, without compensation, by giving written notice to the Contractor at any time after any of the following events:

- a. where the Authority becomes aware that the Contractor, its employees, agents or any sub-contractor (or anyone acting on its behalf or any of its or their employees):
 - 1) has offered, promised or given to any Crown servant any gift or financial or other advantage of any kind as an inducement or reward;
 - 2) commits or has committed any prohibited act or any offence under the Bribery Act 2010 with or without the knowledge or authority of the Contractor in relation to this Contract or any other contract with the Crown;
 - 3) has entered into this or any other contract with the Crown in connection with which commission has been paid or has been agreed to be paid by it or on its behalf, or to its knowledge, unless before the contract is made particulars of any such commission and of the terms and conditions of any such agreement for the payment thereof have been disclosed in writing to the Authority.
- b. In exercising its rights or remedies to terminate the Contract under Clause 17.a. the Authority shall:
 - a. act in a reasonable and proportionate manner having regard to such matters as the gravity of, and the identity of the person committing the prohibited act;
 - b. give due consideration, where appropriate, to action other than termination of the Contract, including (without being limited to):
 - 1) requiring the Contractor to procure the termination of a subcontract where the prohibited act is that of a Subcontractor or anyone acting on its or their behalf;
 - 2) requiring the Contractor to procure the dismissal of an employee (whether its own or that of a Subcontractor or anyone acting on its behalf) where the prohibited act is that of such employee.
- c. Where the Contract has been terminated under Clause 17.a. the Authority shall be entitled to purchase substitute Contractor Deliverables from elsewhere and recover from the Contractor any costs and expenses incurred by the Authority in obtaining the Contractor Deliverables in substitution from another supplier.

18. Material Breach

- a. In addition to any other rights and remedies, the Authority shall have the right to terminate the Contract (in whole or in part) with immediate effect by giving written notice to the Contractor where the Contractor is in material breach of their obligations under the Contract. Where the Authority has terminated the Contract under Clause 18a the Authority

shall have the right to claim such damages as may have been sustained as a result of the Contractor's material breach of the Contract.

19. Insolvency

- a. The Authority shall have the right to terminate the contract if the Contractor is declared bankrupt or goes into liquidation or administration. This is without prejudice to any other rights or remedies under this Contract.

20. Limitation of Contractor's Liability

- a. Subject to Clause 20.b the Contractor's liability to the Authority in connection with this Contract shall be limited to £5m (five million pounds).
- b. Nothing in this Contract shall operate to limit or exclude the Contractor's liability: a.
for:
 - 1) any liquidated damages (to the extent expressly provided for under this Contract);
 - 2) any amount(s) which the Authority is entitled to claim, retain or withhold in relation to the Contractor's failure to perform or under-perform its obligations under this Contract, including service credits or other deductions (to the extent expressly provided for under this Contract);
 - 3) any interest payable in relation to the late payment of any sum due and payable by the Contractor to the Authority under this Contract;
 - 4) any amount payable by the Contractor to the Authority in relation to TUPE or pensions to the extent expressly provided for under this Contract;
- b. under Condition 7 of the Contract (Intellectual Property), and DEFCONs 91 or 638 (SC1) where specified in the contract;
- c. for death or personal injury caused by the Contractor's negligence or the negligence of any of its personnel, agents, consultants or sub-contractors;
- d. for fraud, fraudulent misrepresentation, wilful misconduct or negligence;
- e. in relation to the termination of this Contract on the basis of abandonment by the Contractor;
- f. for breach of the terms implied by Section 2 of the Supply of Goods and Services Act 1982; or
- g. for any other liability which cannot be limited or excluded under general (including statute and common) law.
- c. The rights of the Authority under this Contract are in addition to, and not exclusive of, any rights or remedies provided by general (including statute and common) law.

21. Project Specific DEFCONs and SC variants

The following project specific DEFCONs and SC Variants apply to this Contract:

DEFCON 082 (SC1) (Edn. 06/21) - Special Procedure For Initial Spares

DEFCON 90 (Edn 06/21) – Copyright

DEFCON 113 (Edn. 02/17) - Diversion Orders

DEFCON 117 (SC1) (Edn. 12/16) - Supply Of Information For NATO Codification And Defence Inventory Introduction

DEFCON 127 (Edn. 08/21) - Price Fixing Condition for Contracts of Lesser Value

DEFCON 129J (SC1) (Edn. 06/17) - The Use Of The Electronic Business Delivery Form

DEFCON 503 (SC1) (Edn. 06/22) - Formal Amendments To Contract

DEFCON 524A (SC1) (Edn. 12/22) – Counterfeit Materiel

DEFCON 531 (SC1) (Edn. 09/21) - Disclosure of Information

DEFCON 532A (SC1) (Edn. 05/21) – Protection of Personal Data (Where Personal Data is not being processed on behalf of the Authority)

DEFCON 534 (Edn. 06/21) - Subcontracting and Prompt Payment

DEFCON 538 (Edn. 06/02) – Severability

DEFCON 540 (SC1) (Edn. 05/23) – Conflicts of Interest

DEFCON 566 (Edn. 12/18) - Change of Control of Contractor

DEFCON 606 (SC1) (Edn. 07/21) - Change and Configuration Control Procedure

DEFCON 608 (Edn. 07/21) - Access and Facilities to be Provided by the Contractor

DEFCON 609 (SC1) (Edn. 08/18) - Contractor's Records

DEFCON 620 (SC1) (Edn. 06/22) - Contract Change Control Procedure

DEFCON 621B (Edn. 10/04) – Transport (If Contractor is Responsible for Transport)

DEFCON 624 (SC1) (Edn. 12/16) - Use of Asbestos

DEFCON 627 (Edn. 11/21) - Quality Assurance - Requirement for a Certificate of Conformity

DEFCON 630 (SC1) (Edn. 12/16) – Framework Agreements

DEFCON 637 (Edn. 05/17) - Defect Investigation and Liability

DEFCON 654 (Edn. 10/98) - Government Reciprocal Audit Arrangements

DEFCON 656A (Edn. 08/16) – Termination for Convenience – Under £5m

DEFCON 658 - Cyber Risk Profile - Very Low

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

SC1B (Edn 10/22)
Contract 706985450
As at Contract Award

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

DEFCON 703 (Edn. 06/21) – Intellectual Property Rights – Vesting in the Authority

22. Special Conditions

The Special Conditions that apply to this Contract are:

22.1 Intellectual Property

1. Third Party IPR

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

2. Commercial Exploitation Agreement

2.1 The sale of any articles and/or software developed under this Contract by the Contractor to a Third Party shall be subject to the Commercial Exploitation Agreements at Annex G.

22.2 Supply Chain Data

1. Definitions

1.1 In this Condition 'Subcontractor' means any subcontractor engaged by the Contractor or by any other subcontractor of the Contractor at any level of subcontracting to provide Contractor Deliverables wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of this Contract and 'Subcontract' shall be interpreted accordingly.

2. Contractor Obligations

2.1 The Contractor shall provide a list in Microsoft Excel format of each Subcontract worth more than £1,000.00. For each Subcontract, the list shall include, in so far as is reasonably practicable:

- a. The registered name of the Subcontractor;
- b. The company registration number and DUNS number;
- c. Value, for all Subcontracts over £1,000.00;
- d. A description of the goods or services provided;
- e. In respect of the DEFCONs that are included in this Contract and which require the Contractor to include equivalent terms in Subcontracts, confirmation, in respect of each such DEFCON, that such terms have been so included; and
- f. In respect of the DEFCONs that are included in this Contract and which require information to be provided by the Contractor to the Authority, such information may be

SC1B (Edn 10/22)
Contract 706985450
As at Contract Award

provided by being included in this list unless it is specifically stated in the DEFCON or elsewhere in this Contract that it should be provided separately, or through a specified tool, or online portal.

2.2 The information listed in Condition 2.1 above shall be provided within 30 days of the Contract start date and thereafter updated annually to reflect any changes to the accuracy of the information.

22.3 Variation of Price

1. The prices and rates to be utilised for Schedule 2 Line Items 3 and 4 for Contract Years 4 - 7 shall be calculated as follows:

1.1. The prices and rates to be utilised for Schedule 2 Line Items 3 and 4 for Contract Years 4 - 7 shall be calculated as follows are Fixed Prices at Contract Year 1 price levels. The prices do not include provision beyond this date for increases or decreases in the market price of the services being purchases. Any such variation shall be calculated in accordance with the following formula:

$$V = P (a+b (O_i/O_0)) - P$$

Where: V represents the variation of price

P represents the Fixed Price as stated in the Schedule of requirements for Year 4 or 5 of the In-Service Support Phase of the Contract.

O represents the index HQT1 – Top Level SPPI

O₀ represents the average OUTPUT Price Index figure for the base period (2023)

O_i represents the average OUTPUT Price Index figure for the Fixed Price period to which the VOP condition is to be applied (i.e. Contract Years 4 - 7)

a represents the Non Variable Element (NVE) – 0.1

b represents the Variable Element – 0.9 a + b = 1

1.2 The Index referred to in Clause 1.1 above shall be taken from the following Tables: OUTPUT Price Index - e.g. ONS Publication MM22 Table 2 'Price Indices of UK OUTPUT: All Manufacturing and Selected Industries', or, Table 4 'Price Indices of Products Manufactured in the UK'.

1.3 For the purposes of Rates for Spares at Annex B the same formula applies as above, but the O index shall be G6VF - Electrical Equipment for Domestic Market.

1.4 Indices published with a 'B' or 'F' marker, or a suppressed value, in the last 3 years are not valid for Variation of Price clauses and shall not be used. Where the price index has an 'F' marker or suppression applied to it during the term of the Contract, the Authority and the

Contractor shall agree an appropriate replacement index or indices. The replacement index or indices shall cover, to the maximum extent possible, the same economic activities as the original index or indices.

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

1.6 In the event the agreed index or indices cease to be published (e.g. because of a change in the Standard Industrial Classification) the Authority and the Contractor shall agree an appropriate replacement index or indices, which shall cover to the maximum extent possible the same economic activities as the original index or indices. The methodology outlined by the Office for National Statistics used for rebasing indices (as in Clause 1.5 1.4 above) shall then be applied.

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

1.8 The Contractor shall notify the Authority of any significant changes in the purchasing / manufacturing plan on the basis of which these provisions were drawn up and agreed, or of any other factor having a material bearing on the operation of these provisions such as to cause a significant divergence from their intended purpose, in order that both parties may consider whether any change in this provision would be appropriate.

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

1.10 Claims under this Condition shall be submitted to the Authority, certified to the effect that the "requirements of this Clause 6.5 – Variation of Price have been met."

22.4 Travel and Subsistence

1. Any claims for Travel and Subsistence resulting from the Tasking Authorisation Form Process shall be capped at a maximum of £400 per person per claim unless alternatively agreed by the Authority.

22.5 Transfer of Undertakings (Protection of Employment) (TUPE)

1. If TUPE applies at the expiry or termination (in whole or in part) of this Contract the Contractor shall provide the information set out at Annex F. Consideration of TUPE shall be made in the Contractor's Exit Plan.

22.6 Business Continuity

1. In the event of an incident which impacts on the Contractor's processes used in the support provided under this Contract, the Contractor shall maintain continuity of the support in accordance with its Business Continuity Plan (BCP). The Contractor shall maintain the BCP for the duration of the Contract and shall deliver a copy of the BCP in accordance with the Statement of Work at Annex A.
2. The Contractor's BCP shall set out the arrangements that are to be invoked to ensure that the business processes and operations, required by the Contractor to provide the services covered under this Contract remain supported, including but not limited to:
 - 2.1. The alternative processes, (including business processes), options and responsibilities that may be adopted in the event of a failure in or disruption to the business processes and operations; and
 - 2.2. the steps to be taken by the Contractor upon resumption of the business processes and operations in order to address any prevailing effect of the failure or disruption including a root cause analysis of the failure or disruption.
3. The Disaster Recovery Plan shall only be invoked upon the occurrence of a disaster. In the event of a complete loss of service or in the event of a disaster, the Contractor shall immediately invoke the BCP (and shall inform the Authority promptly of such invocation).
4. The Contractor shall review part or all of the BCP (and the risk analysis on which it is based):
 - 4.1. on a regular basis and as a minimum once every 6 (six) calendar months; or
 - 4.2. within 3 (three) calendar months of the BCP (or any part) having been invoked.

22.7 Spares Pricing

1. The Contractor shall provide a full spares list at Annex B for all spares required to support the equipment. The spares list for each spare shall detail:

- 1.1.1 Item Description
- 1.1.2 The NATO Stock Number
- 1.1.3 Minimum Order Quantities (if applicable)
- 1.1.4 A Firm Price for the first three years and Fixed Prices for each year after that including the Option years.
- 1.1.5 Quantity discounts (if applicable)

2. All prices are to include costs, overheads and profits.
3. Spares will be ordered in accordance with Clause 23.1

23. Processes

23.1 Spares

1. Spares will be ordered through the following process. A Purchase Order, issued to the Contractor by the Authority's Project Manager, will constitute the Authority's approval to proceed with the manufacture and supply of the items listed at Annex B. The Contractor shall acknowledge receipt of the Purchase order within 3 business days. The Contractor shall then proceed with the manufacture and supply of the spares order.
2. If the Contractor is unable to accept the demand order whether wholly or in part, he shall notify the Authority's issuing branch giving the reasons and where appropriate recommendations for amendment.
3. The Contractor shall deliver the articles Delivered Duty Paid against the timescales listed against each item at Annex B. The Contractor shall endeavour to collate deliveries into batches whenever possible. Once the items are ready for collection, the Contractor shall notify the Authority's Project Manager to arrange collection.
4. Payment shall be made on delivery and acceptance by the Authority.

23.2 Ad Hoc Tasking

1. All tasks under this Contract shall be raised and placed using Tasking Authorisation Form at Annex D to this Contract and in accordance with the following procedure.
2. All tasks shall be Firm priced on a case-by-case basis.
3. Part 1a of the tasking form shall be raised by the Authority's Project Manager for specific tasks and shall be completed to show the Task Number, Task Title and details of the task requirement. It shall also record any telephone conversation/emails etc. where the scope of work has been agreed between the Authority's Project Manager and Contractor and issued to the Contractor. Part 1b shall be approved by the Authority's Commercial Officer.
4. After receiving the initial tasking, the Contractor shall submit any Requests for Information (RFI) within 5 working days to the Authority, the Authority will then have up to 5 working days to respond. Within 5 working days a meeting should be held between the Contractor and the Authority to agree on the content of the task.
5. Part 2 of the form shall be completed and signed on behalf of the Contractor by an authorised officer within 10 working days. It shall include a Firm Price offer, supported by a breakdown of pricing as applicable utilising the spares pricing and rates at Annex B and C. The original form together with the price breakdown should be returned to the Project Manager for authorisation.

6. Part 3 of the form shall be completed by the authorised Authority's Project Manager before being passed to the relevant Authority's Finance Branch and Commercial Branch for final authorisation. No work is to be undertaken by the Contractor until a Price has been agreed by the relevant Authority's Commercial Branch. This will then constitute the Contractor's authority to proceed with the task.
7. Part 4a, of the form is for Task Closure/Revision/Cancellation request. It will be completed by an authorised representative of the Contractor and is to list total expenditure and comments. It can also be used in the event of any significant task changes requiring a revised Price; in this case the Task Form will be re-issued. Where a Task is revised due to a significant change of circumstances requiring a revised Price Offer then a revised Task form will be prepared by the Authority's Project Manager. Part 2 shall be completed by the Contractor where applicable / when instructed to do so by the Authority.
8. The tasking form shall be either completed in paper form or in electronic format. If the form is completed electronically, the form shall be printed at the Contract Amendment Stage and shall become a paper form for the remainder of the task.
9. On completion of the task, the Contractor shall complete section 4a of the task form and forward it to the Authority's Project Manager. When the Authority's Project Manager is content that the task is complete, he shall sign part 4b and return the form to the Contractor. The Contractor shall then claim payment.
10. All tasks will be added to the task list at Annex E on a six-monthly basis.

Offer and Acceptance

Contract No. 706985450 for the Procurement of High Accuracy Aiming Heads

This Contract shall come into effect on the date of signature by both parties

For and on behalf of the Contractor:

Name and Title	Julian Paice Managing Director
Signature	Signed on original
Date	

For and on behalf of the Secretary of State for Defence:

Name and Title	Toni Stadon Commercial Officer SEEC DT
Signature	TStadon
Date	17 th October 2023

Schedule 1 – Additional Definitions of Contract

Schedule 2 – Schedule of Requirements

Name and Address of Tenderer: Trimax Technologies Ltd Unit 6 Pipers Court, Berkshire Drive, Thatcham, Berkshire, RG19 4ER		MINISTRY OF DEFENCE Schedule of Requirements for High Accuracy Aiming Kit	Contract No. 706985450		
Item Number	Description	Delivery Date	Quantity	FIRM Price £ (Ex-VAT)	
				Per item	Total
1	Initial purchase of High Accuracy Aiming Kits	20 working weeks from Contract Award	10	[REDACTED]	[REDACTED]
2	Initial purchase of Aiming Heads	20 working weeks from Contract Award	16	[REDACTED]	[REDACTED]
3	Ad Hoc Purchase of Spares	N/A	N/A	To be priced i.a.w Annex B	To be priced i.a.w Annex B
4	Ad Hoc Tasking	N/A	N/A	To be priced i.a.w Annex B & C	To be priced i.a.w Annex B & C
5	T3 Train the Trainer Package	TBC	1	[REDACTED]	[REDACTED]

Schedule 3 – Contract Data Sheet

Contract Period	<p>Effective date of Contract: The date which both parties signed Condition 23 Offer and Acceptance</p> <p>The Contract expiry date shall be: Contract Effective Date + 7 years</p>
Clause 6 - Notices	<p>Notices served under the Contract can be transmitted by electronic mail:</p> <p>Yes</p> <p>No</p> <p>Notices served under the Contract shall be sent to the following address:</p> <p>Authority: Please see box 1 DEFFORM 111</p> <p>Contractor:</p>
Clause 8 – Supply of Contractor Deliverables and Quality Assurance	<p>Is a Deliverable Quality Plan required for this Contract?</p> <p>Yes</p> <p>No</p> <p>If Yes the Deliverable Quality Plan must be set out as defined in AQAP 2105 and delivered to the Authority (Quality) within Business Days of Contract Award. Once agreed by the Authority the Quality Plan shall be incorporated into the Contract. The Contractor shall remain at all times, solely responsible for the accuracy, suitability and applicability of the Deliverable Quality Plan.</p> <p>Other Quality Assurance Requirements:</p> <p>AQAP 2131 Edition C Version1 NATO Quality Assurance Requirements for Final Inspection and Test. CoC shall be provided in accordance with DEFCON 627.</p> <p>Process and controls for the avoidance of counterfeit material shall be established and applied in accordance with Def Stan. 05-135, Issue 2 – Avoidance of Counterfeit Materiel.</p> <p>For guidance on the application and interpretation of AQAPs refer to the appropriate AQAP Standards Related Document (SRD).</p>

	Where GQA is performed against this contract it will be in accordance with AQAP 2070 Edition B Version 4.
Clause 9 – Supply of Data for Hazardous Substance, Articles and Materials in Contractor Materials	<p>A completed DEFFORM 68 (Hazardous and Non-Hazardous Substances, Mixtures or Articles Statement), and if applicable, UK REACH Article 31 compliant Safety Data Sheet(s) (SDS) including any related information to be supplied in compliance with the Contractor's statutory duties under Clauses 9.b, and any information arising from the provisions of Clause 9 are to be provided by e-mail with attachments in Adobe PDF or MS WORD format to:</p> <p>The Authority's Representative (Commercial)</p> <p>by the following date: Contract Effective Date + 1 month</p> <p>So that the safety information can reach users without delay, the Authority shall send a copy preferably as an email with attachment(s) in Adobe PDF or MS WORD format.</p> <p>(1) Hard copies to be sent to:</p> <p>Hazardous Stores Information System (HSIS)</p> <p>Spruce 2C, NH3</p> <p>MOD Abbey Wood (South)</p> <p>Bristol, BS34 8JH</p> <p>(2) Emails to be sent to:</p> <p>REDACTED</p> <p>SDS which are classified above OFFICIAL including Explosive Hazard Data Sheets (EHDS) for Ordnance, Munitions or Explosives (OME) are not to be sent to HSIS and must be held by the respective Authority Delivery Team.</p>

Clause 10 – Delivery/Collection	Contract Deliverables are to be: Delivered Duty Paid in accordance with Annex A SOW 6 Special Instructions (including consignor address if different from Contractor's registered address):

Clause 12 – Packaging and Labelling of Contractor Deliverables	Additional packaging requirements: Not Applicable
Clause 14 – Progress Meetings	The Contractor shall be required to attend the following meetings: Not Applicable
Clause 14 – Progress Reports	The Contractor is required to submit the following Reports: Not Applicable

DEFFORM 111 – Appendix – Addresses and Other Information

1. Commercial Officer

Name: Toni Staddon

Address: MoD Abbeywood, Rowan OC #8207 , Bristol, BS34 8JH

Email: Toni.staddon100@mod.gov.uk Tel: 03001585583

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

Name: Luke Woolley

Address: MoD Abbeywood, Rowan OC #8207, Bristol, BS34 8JH

Email: REDACTED

2. Packaging Design Authority Organisation & point of contact:

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

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

Branch/Name:

(b) U.I.N.

4. Drawings/Specifications are available from: Please

see Box 2 **5. Intentionally Blank**

6. Quality Assurance Representative:

Sid Jones REDACTED

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

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

7. Public Accounting Authority

Returns under DEFCON 694 (or SC equivalent) should be sent to DBS Finance ADMT – Assets In Industry 1, Level 4 Piccadilly Gate, Store Street, Manchester, M1 2WD

Tel: +44 (0) 161 233 5397

For all other enquiries contact DES Fin FA-AMET Policy, Level 4 Piccadilly Gate, Store Street, Manchester, M1 2WD

Tel: +44 (0) 1612335394

8. Consignment Instructions The items are to be consigned as follows:

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

SC1B (Edn 10/22)
Contract 706985450
As at Contract Award

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 10.

The Invoice Paying Authority

Ministry of Defence, DBS Finance, Walker House, Exchange Flags Liverpool, L2 3YL
0151-242-2000 Fax: 0151-242-2809

Website is: <https://www.gov.uk/government/organisations/ministry-of-defence/about/procurement#invoice-processing>

11. Forms and Documentation are available through *:

Ministry of Defence, Forms and Pubs Commodity Management PO Box 2, Building C16, C Site, Lower Arncott, Bicester, OX25 1LP (Tel. 01869 256197 Fax: 01869 256824)

Applications via fax or email: Leidos-FormsPublications@teamleidos.mod.uk

*** NOTE**

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

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

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

Schedule 4 – Contractor’s Sensitive Information Form (i.a.w Clause 5)

This list shall be agreed in consultation with the Authority and the Contractor and may be reviewed and amended by agreement. The Authority shall review the list before publication of any information.

Contract No: 706985450
Description of Contractor’s Sensitive Information: N/A
Cross Reference(s) to location of Sensitive Information: N/A
Explanation of Sensitivity: N/A
Details of potential harm resulting from disclosure: N/A
Period of Confidence (if applicable):
Contact Details for Transparency / Freedom of Information matters: Name: Julian Paice Position: Director Address: Trimax Technologies Ltd, Unit 6 Pipers Court, Berkshire Drive, Thatcham, Berkshire, RG19 4ER Telephone Number: 01635 292999 Email Address: info@trimaxtech.com

Schedule 5 – DEFFORM 711 Notification of IPR Restrictions (i.a.w Clause 7)

DEFFORM 711 – PART A – Notification of IPR Restrictions

1. ITT/Contract Number: 706985450				
2. ID#	3. Unique Technical Data Reference Number / Label	4. Unique Article(s) Identification Number / Label	5. Statement Describing IPR Restriction	6. Ownership of the Intellectual Property Rights
1	REDACTED	REDACTED	REDACTED	REDACTED
2				
3				
4				
5				
6				
7				

8				
---	--	--	--	--

DEFFORM 711 – PART B – System/ Product Breakdown Structure (PBS)

The Contractor should insert their PBS here. For Software, please provide a Modular Breakdown Structure.

Annex A – Statement of Work
STATEMENT OF WORK (SOW) FOR HIGH ACCURACY AIMING KIT

Scope

1. This document provides the SOW between the Authority and the Contractor for the goods and services to be provided under the subsequent Contract. The purpose of this SOW is to define the scope and content of the technical and management activities to be undertaken by the Contractor and the deliverables required for its completion under the Contract.

Requirement

2. The requirement is intended to deliver support and procurement of the High Accuracy Aiming Kit to support the delivery of [REDACTED], inclusive of described additional tasks that may be proposed, scoped, costed, but only if approved by the Authority. These will be managed via the tasking process set out within the Contract. These tasks will be used to manage issues relating to the in-service support and procurement of the High Accuracy Aiming Kit. Tasks are not limited to the items listed in this document.
3. Trimax will provide High Accuracy Aiming Kits consisting of:
[REDACTED]
4. These items will be packaged in a single box ready to be transported by the Users.
5. The requirement is to purchase 10 High Accuracy Aiming Kits & 16 additional aiming heads in Year 1 of the contract. This Framework Contract shall allow for the purchases of additional units over the Contract Term.
6. A 1 x 1 day Train the trainer (T3) package is required to train instructors to be SQEP on the equipment.
7. This requirement will remain extant for a period of 7 years commencing from Contract Award date. See Annex A for detailed requirements

Annex A to Statement of Work

SOW REF	WORK CATEGORY	STATEMENT OF WORK	DELIVERABLES
SOW 1	Ad Hoc Tasking	<p>The Contractor shall provide the Authority with advice, assistance, and answers to technical questions and administrative details related to the Equipment listed in the equipment list at section 3.</p> <p>The Contractor is to provide Technical Support covering the equipment under the contract. The Contractor shall provide telephone and e-mail technical support to the Operations Manager appertaining to equipment's covered by the contract.</p>	Tasking satisfied in line with agreed deliverables.
SOW 2	Obsolescence	<p>The Contractor shall provide an Obsolescence Plan.</p> <p>The Contractor shall be responsible for managing obsolescence over the entire period of the contract and, notwithstanding any Obsolescence Issues or problems; the Contractor remains responsible for meeting all performance and other requirements of this contract.</p> <p>Contractor shall be liable for all costs incurred in identifying and implementing a Form Fit Function (Equivalent) replacement to resolve the Obsolescence Concern or Obsolescence Issue. The costs for which the Contractor is responsible include, but are not limited to, the costs of investigating part availability, locating suitable part replacement, vendor interface, engineering efforts, testing and qualification requirements, documentation changes.</p> <p>The Contractor shall be responsible for all costs associated with: - the mitigation of Obsolescence Risks; - the resolution of Obsolescence Issues.</p> <p>The costs for which the Contractor is responsible include, but are not limited to,</p>	Delivery of an obsolescence plan within 3 months of Contract Award.

		the costs of investigating part availability, locating suitable part replacement, vendor interface, engineering and redesign efforts, testing and qualification requirements, documentation changes. The Contractor shall ensure that the Authority does not incur any additional costs due to obsolescence.	
SOW 3	Configuration Management	<p>For the purposes of the Contract, Defence Standard 05-057 Issue 8 entitled "Configuration Management of Defence Material" shall apply.</p> <p>a) Configuration Control (CC) shall be applied to ensure tracking of the status of all units.</p> <p>b) It shall be conducted in accordance with Defence Standard 05-57.</p> <p>c) If the Configuration status of the System has changed, the Contractor shall agree (via the TAF process) what changes can be made to the overall fleet of the system to maintain availability for the Users.</p> <p>d) Work will be tasked by the MOD Operations Manager (OM) who shall prioritise the work to be undertaken.</p> <p>e) The Contractor shall, with the agreement of the Authority, establish a Joint Asset Register to track systems in the repair loop to ensure that the Users retains the maximum availability.</p>	

SOW 4	Acceptance	<p>1. The Contractor shall provide a 'Certificate of Conformity' (CoC) confirming that the equipment complies to the procurement specification and with all current UK legislation (as applicable) to the equipment following each repair and/ or service.</p> <p>2. DEFCON 627 confirms the Authority's requirement for a CoC as described in the JSP940 MOD Policy for Conformity.</p>	
SOW 5	Quality Management	<p>Quality Management System - The contractor shall maintain a Quality Management System in accordance with ISO9001:2015 (or equivalent) throughout the duration of this Contract, with an appropriate scope to meet the contract deliverables. This shall be certificated by a United Kingdom Accreditation Service (UKAS) accredited certification body or equivalent International Accreditation Forum (IAF) member. This shall be at no additional cost to the Authority.</p> <p>1. Concessions - For the purpose of the Contract, Concessions shall be managed in accordance with Defence Standard 05-061 Part 1 entitled "Quality Assurance Procedural Requirements - Concessions Issue 7".</p> <p>1. Counterfeit Avoidance Management - For the purposes of the contract, Counterfeit Avoidance Management shall be managed in accordance with Defence Standard 05-135 entitled "Avoidance of Counterfeit Materiel Issue 2".</p> <p>2. Contractor Working Parties - For the purposes of the contract, and Contractor Working Parties shall be provided in accordance with Defence Standard 05-061 Part 4 entitled " Quality Assurance Procedural Requirements - Contractor Working Parties Issue 4".</p> <p>3. Informative Quality Assurance Standards - For Guidance on the application and interpretation Please use the appropriate AQAP Standard Related document (SRD). Where Government Quality Assurance is performed against this Contract, it will be in accordance with AQAP 2070 Edition B.</p>	

		<p>4. Quality Assurance Representative - All Reference to the GQAR in the documents which form part of this Contract shall be read as referring to the Authority specified in Box 7 of the DEFFORM 111.</p> <p>1. NATO Quality Assurance Requirements (Design/Development and Production) – For the purposes of the Contract AQAP2110 Edition D entitled “NATO Quality Assurance Requirements for Design, Development and Production” shall apply where the Contractors Quality Management System meets the requirements of ISO 9001:2015. Certificate of Conformity shall be provided in accordance with DEFCON 627.</p> <p>Note: Refer to Quality Conditions within the Contract.</p>	
SOW 6	Delivery Information	<p>The Contractor shall deliver all articles Delivered Duty Paid to the following address:</p> <p>Delivery address – [REDACTED]</p> <p>Lead time – Supplier to provide lead times with tender</p> <p>Packaging and marking - As per DEF STAN 81-041 Part 1 & 6</p>	
SOW 7	Spares	<p>A Purchase Order, issued to the Contractor by the Authority’s Project Manager, will constitute the Authority’s approval to proceed with the manufacture and supply of the items listed at Annex B. The Contractor shall acknowledge receipt of the Purchase order within 3 business days. The Contractor shall then proceed with the manufacture and supply of the spares order.</p> <p>If the Contractor is unable to accept the demand order whether wholly or in part, he shall notify the Authority’s issuing branch giving the reasons and where appropriate recommendations for amendment.</p>	

		<p>The Contractor shall deliver the articles in accordance with the timescales listed against each item at Annex B.</p> <p>Payment shall be made on delivery and acceptance by the Authority.</p>	
SOW 8	Train the trainer package	A 1 x day train the trainer package for 6 persons at the supplier location. The aim of the training is to achieve SQEP on the equipment and allow participants to train others.	Delivery of items in accordance with the lead times at Annex B
SOW 9	Technical information	The Contractor is to provide technical information in the form of a technical publication covering the equipment under the contract on delivery of the equipment in accordance with Annex H - CDR	

--	--	--	--

[Redacted under exemptions set out by the Freedom of Information Act]

Annex B – Spares List

All rates are exclusive of VAT but inclusive of overheads and profit.

The Tenderer shall provide price breaks where applicable as part of its tender

[Redacted under exemptions set out by the Freedom of Information Act]

[Redacted under exemptions set out by the Freedom of Information Act]

Annex C – Rates

The following Contract rates shall be used to calculate the value of all amendments and taskings over the duration of the contract. All rates are exclusive of VAT but inclusive of overheads and profit. The profit rate shall only be applied to materials and sub-contractor costs.

	Contract Year 1 (Firm)	Contract Year 2 (Firm)	Contract Year 3 (Firm)	Contract Year 4 (Fixed)	Contract Year 5 (Fixed)	Contract Year 6 (Fixed)	Contract Year 7 (Fixed)
Project Management	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Engineering	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Administration	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Profit	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Annex D – Tasking Authorisation Form

PART 1 - REQUEST FOR QUOTATION (To be completed by the Authority)

To: [SUPPLIER ADDRESS DETAILS]		From: Defence Equipment Support SEEC Rowan 2C, OC #8207, MOD Abbey Wood Bristol, BS34 8JH	
No		TAF No	<i>XXX [to be inserted prior to issue]</i>
The Contractor is required to submit a Firm Price quotation, exclusive of VAT, for the work specified below. Work shall <u>not</u> commence until authorised by the Authority Project Manager, Commercial Manager and Finance Manager.			
Task Description			
Task Security Classification			
Authorisation			
Name: Post: Authority Project Manager		Signed: Date:	
Name: Post: Authority Commercial Manager		Signed: Date:	

PART 2 - CONTRACTOR'S FIRM PRICE QUOTATION FOR TASK *(To be completed by the Contractor)*

To: Defence Equipment Support SEEC Rowan 2C, 0C #8207 MOD Abbey Wood Bristol, BS34 8JH	From: [SUPPLIER ADDRESS DETAILS]
<p>Attach full price breakdown to this TAF for consideration, prices are to be based on the rates at Annex C to the Contract. Quotation to be exclusive of VAT. Quotation to include:</p> <p>Labour Hours (identifying all grades and total number of hours for each)</p> <p>Prime Material Costs (a full breakdown of Materials and Bought-Out costs to be submitted attached)</p> <p>Travel and Subsistence costs</p> <p>Subcontract costs, including copies of quotations</p> <p>Profit Rate applied (applied on materials only)</p>	
Firm Price Quotation for this task as per attached price breakdown is Total (ex VAT)	£
The quotation for the work as described above is submitted to the Authority Project Manager, or their nominated representative, for consideration.	
Authorisation	
Name: Post:	Signed: Date:

Part 3 – AUTHORITY ACCEPTANCE *(To be completed by the Authority)*

To: [SUPPLIER ADDRESS DETAILS]	From: Defence Equipment Support SEEC Rowan 2C, 0C #8207 MOD Abbey Wood Bristol, BS34 8JH
Authority Acceptance	
Authorisation	
Name: Post: Authority Project Manager	Signed: Date:
Name: Post: Authority Commercial Manager	Signed: Date:
Name: Post: Authority Finance Manager	Signed: Date:

Part 4 – ASSESSMENT RESULTS (To be completed by the Authority)

To: [SUPPLIER ADDRESS DETAILS]	From: Defence Equipment Support SEEC Rowan 2C, 0C #8207 MOD Abbey Wood Bristol, BS34 8JH
Full Assessment Results	

<input type="checkbox"/>	
<input type="checkbox"/>	The Authority accepts (insert name). The Authority rejects (insert name) full details shall be confirmed in writing.
Claims for Payment	
Authorisation	
Name: Post: Authority Project Manager	Signed: Date:
Name: Post: Authority Commercial Manager	Signed: Date:

Annex E – Tasking Record

TAF No.	TAF Description	TAF Price (£GBP Firm)

Annex F – TUPE

Letter Seeking Employee Information

1. As you are aware you are currently providing services for to , under contract dated You [have been / are*] advised of the intention by the Authority to [re-compete [the][an amended] requirement / consider taking the activity into MOD / place the activity with a different provider*] [Include a brief summary of the new requirement if necessary]. The purpose of this letter is to request your assistance in providing information about your employees (and those of your sub-contractors / third parties) who may be affected.
2. The MOD's policy is set out in the Code of Practice for Staff Transfers in MOD Contracts jointly signed by its recognised Trades Unions, the CBI, Defence Manufacturer's Association and Business Services Association. It identifies that comprehensive, accurate and timely information about potential staff transfers arising from the application of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) should be available to promote clarity and certainty about the treatment of staff and, where an activity is competed, to maintain the integrity of the contractual process and equality of treatment between bidders.
3. I would be grateful if you could provide the information outlined below and in para 4 by [date] for the purposes of [understanding current costs and liabilities of those staff] [and]* release of that information to prospective service providers with a tender document. A spreadsheet for providing this data is attached.
 - a. The total number of employees (including third party / sub-contractor employees) that are currently wholly or mainly assigned, other than on a temporary basis, to an organised grouping (situated in Great Britain) which has as its principal purpose the carrying out of the activities indicated in paragraph 1. Totals may be broken down to show different branches and functions.
 - b. The total number of posts or proportion of posts expressed as a full time equivalent value, which currently undertake the work covered by the requirements indicated at paragraph 1. Totals may be broken down to show different branches and functions.
 - c. Preceding 12 months total pay costs – e.g. pay, employee / employer ERNIC and Overtime.
 - d. Total redundancy liability costs of the employees identified at 3.a.

4. In respect of those employees included in the totals at paragraph 3 the information detailed below is required. It is understood that this information will not identify an individual member of staff by name or other unique personal identifier so that the provisions of the Data Protection Act are not infringed.
- a. Grade / Function. (Care should be taken if including a singleton Grade / Pay Band as this would identify the subsequent information as relating to an individual).
 - b. Location. (If services currently provided are conducted at several geographical sites care should be taken if there is only one employee is on a site or an employee in a singleton Grade / Function is on site as this would identify the subsequent information as relating to an individual).
 - c. Age in years (not date of birth).
 - d. Employment status (i.e. fixed term, casual, permanent).
 - e. Length of current period of continuous employment (in years / months).
 - f. Weekly conditioned hours of attendance (gross).
 - g. Standard Annual Leave Entitlement (not the 'in year' leave total that may contain carry over or deficit from the previous leave year).
 - h. Detail of current employer provided Pension Scheme Membership. (Name of scheme identifying whether it is a Defined Benefit, Defined Contribution or Stakeholder arrangement, including employee contribution rate (to ensure that the requirements of the Pensions Act 2004 can be met). In addition, please indicate if the employee is a former Civil Servant participating in a pension scheme that has been the subject of certification for "broad comparability" by the Government Actuary's Department.)
 - i. Redundancy liability information (Statutory or Enhanced Company scheme and £).
 - j. Annual Salary.
 - k. Details of any regular overtime commitments (these may be weekly, monthly or annual commitments for which staff may receive an overtime payment).
 - l. Details of attendance patterns that attract enhanced rates of pay or allowances (i.e. shift or rostered attendance).
 - m. Regular or recurring allowances.
 - n. Outstanding financial claims arising from employment (i.e. season ticket

loans, transfer grants – noting that these will only give an indication of the type and value of loan balances and that these will change during the bid period).

- o. Additional information about factors influencing staffing levels and costs.
5. You are also requested to make the following information available to prospective service providers in a convenient form, e.g. reference documents, notices, handbooks, instructions or electronic media.
 - a. Employment terms and conditions applicable to those members of staff who may be transferred, (for example: probationary periods, retirement age, periods of notice, current pay agreements, working hours, entitlement to annual sick leave, maternity and paternity special leave, terms of mobility, loan or leasing schemes, occupational welfare, facility time arrangements, competencies, job descriptions and additional employment benefits).
 - b. Relevant collective agreements.
 - c. Details of the pension schemes.
6. Please note that in the event that the Authority decides to appoint a different service provider and there is a relevant transfer to which the TUPE Regulations apply, you will need to meet the requirements of Regulation 11 to provide Employee Liability Information to any new employer (the transferee). The provision of the information requested in this letter to the MOD is not to be taken as discharging your obligations under Regulation 11 of the TUPE Regulations.
7. If you wish to discuss any matters relating to this request, please do not hesitate to contact me.

*Delete as necessary

Annex G – Commercial Exploitation Levy (CEL)

Commercial Exploitation of Defence Equipment Developed at Government Expense

CEL Agreement No: CEA/0798/23/24

Delivery Team Details: Specialist Explosive Ordnance and Disposal (EOD) Exploitation Countermeasures (SEEC)

Interpretation etc.

1. In this Agreement the following shall have the effect with respect to interpretation:
 - a. 'the Contract(s)' mean(s) Contract No 706985450 between the Ministry and the Contractor relating to / for The Procurement of High Accuracy Aiming Heads.
 - b. 'Contract Article' means any article which uses the design produced under the Contract(s) and includes any sub-assemblies, components or spares thereof;
 - c. 'Government-funded tooling' means jigs and tools, etc. provided or paid for by the Ministry and required for the production of a Contract Article;
 - d. the 'Contractor' includes any subsidiary or associated company of the Contractor;
 - e. 'leviable transaction' means a sale or any other transaction giving rise to levy under this Agreement;
 - f. the 'Contractor's selling price' means, subject to the proviso hereto, the price for which the Contractor invoices its customer but excluding the cost of such of the following elements as are applicable and can be identified to the satisfaction of the Ministry:
 - (1) Freight costs and insurance.
 - (2) Cost of packing not developed at UK Government expense.
 - (3) The cost of ECGD servicing and other sales finance charges including interest on customer credit. (4) The cost of any MOD inspection.
 - (5) Installation and commissioning costs where installation and commissioning form no part of the work under the development contract(s).
 - (6) Agents' fees and commission.
 - (7) The price paid by the Contractor for an article or articles supplied to them by a third party for incorporation in the Contract Article, but only if such third party has a separate commercial exploitation agreement with the Ministry relating to such article or articles and has been informed by the Contractor that such article or articles are being used for a leviable transaction.
 - (8) Value Added Tax where applicable.

Provided that any element of profit which the contractor has included in the above items (1) - (8) shall not be so included.

- g. 'Profit' other than for the purposes of the proviso to sub-clause f. of this Clause means the difference between the Contractor's selling price and the allowable costs prescribed by the Ministry for the purpose of the sale in question, provided such difference is a positive sum.

Sales and Licences

- 2. Should the Contractor sell any Contract Article, other than for any purpose set out in Clauses 5 and 6 hereof, the Contractor shall pay to the Ministry:
 - a. a levy for the use of the design to be calculated at 7.5 per cent of the Contractor's selling price.
 - b. a levy of 2.5 per cent of the Contractor's selling price for the use of Government-funded tooling except that the rate of 2.5 per cent shall be reduced appropriately where a substantial part of jigs and tools etc. used in connection with a sale or other transaction has not been provided or paid for by the Ministry;

except that, unless otherwise agreed by the Ministry, levy on individual sales above £15M in value (for which purpose contemporaneous sales of the same equipment to the same customer will count as one sale) will be payable on an appropriate profit-sharing basis to be agreed between the Contractor and the Ministry before the contract of sale is entered into. The threshold of £15M may be increased from time to time by the Ministry, in relation to future sales, to take account of inflation.

- 3. Should the Contractor grant a licence to manufacture Contract Articles, the Contractor shall pay to the Ministry a levy calculated at 33.3 per cent of the gross receipts of the Contractor in money by way of royalties, licence fees or otherwise in respect thereof:

Provided that:

- a. where the consideration consists wholly or in part of some benefit other than money the levy shall, in lieu of or in addition to such payments (as the case may be), consist of or include a sum representing 33.3 per cent of what may reasonably be regarded as the value of the said benefit; and
 - b. the Contractor shall not grant any licence for which there is no consideration, or only nominal consideration, without first agreeing with the Ministry what levy if any should reasonably be paid to the Ministry in respect of such licence; and
 - c. where the licensee pays for parts supplied in addition to paying its licence fee for manufacturing Contract Articles, levy on such parts shall be due in accordance with Clause 2 above in addition to the rate due under this clause. The receipts by the Contractor in respect of such parts shall not be regarded as receipts in respect of the licence on which the levy of 33.3 per cent is charged.
- 4. Payment of levy is deemed to include payment for the use of any industrial property rights owned by the Ministry in connection with a sale or other transaction giving rise to levy under this Agreement.
 - 5. No levy shall be payable in respect of:
 - a. purchases by the Ministry;

- b. sales to another UK Government Contractor or sub-contractor when the Contract Articles concerned can be clearly identified as being supplied to meet the requirements of the Ministry;
 - c. substantial individual equipment not developed at UK Government expense.
6. In the case of sales to the Government of Australia, whether directly or under a sub-contract, of Contract Articles which are Guided Weapons or other items which have been developed with the aid of the Joint Project facilities at the Weapons Research Establishment, Woomera, and of spares for elements of such systems, the levy shall be restricted to a charge for the use of Government-funded tooling in accordance with Clause 2.b.

Sales of or Licensing of Spares or Parts

7. The sale of or licence to manufacture spares or parts of Contract Articles shall attract levy in accordance with this Agreement unless the Ministry agrees that an allowance may be made for any elements of the design of any such spare or part that were not developed at UK Government expense or a reduced rate of levy shall apply on all such spares and parts where there are practical difficulties in distinguishing between those which attract the full rate of levy, those which attract a reduced rate of levy and those on which no levy is due.

Derivatives

8. Should the Contractor sell, refurnish, recondition, maintain, lend, hire, or grant a licence to manufacture any articles in any further stage of development or articles based on the design of, or using design features of, or being a scaled version of, the Contract Article, levy calculated in accordance with this Agreement shall be due to the Ministry only to such extent as shall be reasonable in the circumstances. Subject to this the provisions of this Agreement shall apply.

Refurbishing or Reconditioning

9. Should the Contractor for resale or otherwise refurbish or recondition any Contract Articles (except at no charge to the customer under defects liability obligations) the Contractor shall pay to the Ministry a levy consisting of:
- a. a sum calculated in accordance with this Agreement on the selling price of any new sub-assemblies, components and spare parts embodied in the reconditioned or refurbished Contract Articles; and
 - b. a sum for any use of Government-funded tooling (other than any used only in the manufacture of the said new sub-assemblies, components and spare parts) calculated as in Clause 2.b on the Contractor's selling price of the said reconditioned or refurbished Contract Articles after deduction of the selling price of any new sub-assemblies, components and spare parts embodied in the reconditioned or refurbished Contract Articles.

Maintenance Agreements

10. Where an agreement for the maintenance of Contract Articles between the Contractor and another party for a fee includes the provision of parts and spares of such Contract Articles not separately invoiced, a levy calculated in accordance with this Agreement will be due on that proportion of the maintenance fee which represents a reasonable estimate for the provision of such parts and spares.

Loan or Hire of Contract Articles

11. Should the Contractor enter into any Agreement for lending any Contract Articles or for otherwise making such Articles available to a third party except by way of sale, the Contractor shall pay to the Ministry a levy calculated as specified under Clause 2 hereof of the gross receipts of the Contractor.

Provided that:

- a. where the consideration consists wholly or in part of some benefit other than money the levy shall, in lieu of or in addition to such payment (as the case may be), consist of or include a sum calculated in accordance with Clause 2 hereof and based on what may be reasonably regarded as the value of the said benefit; and
- b. the Contractor shall not enter into any Agreement (as set out in this clause) for which there is no consideration, or only nominal consideration, unless the Ministry has agreed what levy, if any, should reasonably be paid to the Ministry in respect of such Agreement.

12. Unless the Contract Article is subsequently sold, no levy shall be due where the Contractor makes a Contract Article solely for its own research or development purposes or for its own demonstration or sales promotion purposes, except in respect of use of Government-funded tooling. Contract Articles made and used by the Contractor for any other purpose shall attract levy at normal rates in accordance with Clause 2.

Abatement of Levy

13. Where, in the circumstances of an individual sale, the Contractor considers that the effect upon its selling price of inclusion of levy rates calculated in accordance with Clause 2 would be such as to prejudice its chances of completing the sale, or would result in an unreasonably low profit, it shall be open to the Contractor before the sale contract is entered into to seek the approval of the Ministry to an abatement scheme in accordance with the provisions of Clauses 14 and 15 herein. Provided that the Contractor's cost accounting system is adequate in the opinion of the Ministry to provide the statements of allowable costs necessary to implement the scheme such approval will not be unreasonably withheld.

14. The abatement scheme shall generally determine levy on the basis of outturn profitability of the sale in question expressed as a percentage on the allowable costs as prescribed for this purpose by the Ministry and shall apply as follows:

- a. where Government-funded tooling is used, the first half percent of profit on cost shall be payable to the Ministry;
- b. the next 5% of profit on cost (or the initial 5% where sub-clause 14.a does not apply) shall be retained by the Contractor;
- c. the remaining profit, without upper limit, shall be shared between the Ministry and the Contractor in the ratio of 1:1 until a total profit of 25% on cost has been reached, and thereafter in the ratio of X:1.

Note: X should be one-fifth of the total normal unabated levy rates, but never less than 1.

15. Once a request to apply the abatement scheme has been approved by the Ministry it shall not thereafter be revoked by either party for the sale in question. The Contractor shall provide on request and in a specified form a certified statement of costs and profitability and such facilities as may be necessary for the Ministry, if it so desires, to verify the statements.

Where the value of the sale is less than £500,000 any abatement of levy may at the discretion of the Ministry, be settled (before the sale contract entered into is concluded) on the basis of the expected outturn profitability provided the request for abatement is supported by adequate evidence and reasonable notice is given to the Ministry.

Notification of Leviable Transactions

16. The Contractor shall notify details including, where appropriate, the expected value of the sale, to the Ministry Delivery Team named in the Contract quoting the number of the Contract No: 706985450

- a. in respect of a sale of any Contract Articles or of a development or derivation thereof:
 - (1) as soon as it becomes apparent that a sale (or contemporaneous sales of the same equipment to the same customer) above £15M in value (or such higher value as may be notified by the Ministry from time to time) may arise;
 - (2) immediately a first sale of lesser value is entered into;
- b. immediately any negotiations for the grant of a licence for the manufacture of any Contract Articles, or of a development or derivation thereof, is entered into (the Ministry reserves the right in this connection to be supplied with a copy of the terms of the licence agreement); or
- c. in respect of any leviable transaction other than a sale or licence relating to any Contract Articles, or to a development or derivation thereof:
 - (1) immediately the transaction is entered into where the rate of levy is laid down in this Agreement;
 - (2) immediately negotiations are entered into where the appropriate rate of levy has not been agreed;
- d. when any proposed extension or alteration to the transactions set out in a.(1), b. or c.(2) is considered.

Cancelled Orders

17. Where a sale is cancelled after some work in aid of the sale involving the use of Government-funded tooling has been undertaken, a levy shall be due in respect of such use calculated on a fair and reasonable basis. Where the Contractor has received any payments, whether from its customer or otherwise which it is entitled to retain, in respect of work done or in hand, or in respect of any claim arising out of the cancellation, levy shall also be due on a fair and reasonable basis having regard to the reasonable costs and claims which the Contractor may have to meet therefrom. The Contractor shall notify any such cancellation to the Ministry Delivery Team named in the Contract and shall provide such information as may reasonably be required for the determination of the levies payable under this Clause. Should any Contract Article (or article falling under Clause 8) manufactured or in course of manufacture prior to cancellation subsequently be re-sold levy will again be due on the normal basis.

18. The liability of the Contractor to the Ministry for any sum due under this Agreement shall accrue:

- a. in respect of sales, on the date of delivery ex-Contractor's works or, where the sale contract so prescribes, upon shipment;

- b. in respect of cancelled sales, six months after the date of cancellation or such longer period as may be agreed;
- c. in the case of licences, and in any other case in which levy is based on gross receipts by the Contractor in respect of an agreement relating to Contract Articles, on the date of receipt by the Contractor of each payment;
- d. in respect of the use of Government-funded tooling where no other liability for levy arises, upon completion of the work in question, except that if the work takes longer than a year interim payments of levy will accrue as deliveries take place. In the event of cancellation of the sale liability will accrue six months thereafter;
- e. in respect of any Variation of Price settlements on receipt of payment by the Contractor.

Payment of levy shall be in accordance with the Accounting provisions at Clauses 21-24 below.

19. Where an abatement scheme has been approved in accordance with Clauses 13-15 the Contractor shall be liable for interim payment of levy in accordance with the provisions of Clause 18 at one half the appropriate unabated levy rate unless the Ministry agrees otherwise. A final adjustment to or from the Ministry shall be made as soon as it is practicable after completion of the sale. The Ministry reserves the right to review and alter interim rates of levy from time to time and agrees to carry out such a review upon request by the Contractor.

20. Should the Contractor fail to provide statements under Clause 22 within a reasonable time the Ministry reserves the right to assess the levy payable and to recover the same.

Accounting

21. The Contractor shall supply to Defence Business Services Finance-Commercial Exploitation Agreement Team, 1st Floor, Walker House, Exchange Flags, Liverpool L2 3YL, two copies of a statement (see Clause 22) at 6 monthly or 12 monthly intervals commencing with first sale or licensing arrangements (see Clause 16).

22. The statement shall contain information concerning every sale, licence or other transaction in respect of which levy accruing during the period to which the statement relates is payable, and in particular shall specify:

- a. the nature of the transaction (making clear under which of the Clauses 2-12 hereof it falls) and the date thereof and the name and address of the other party or parties thereto;
- b. in the case of a sale, the quantity and type of equipment sold, the selling price, and in any other case, the gross receipts in money in respect thereof and the nature and value of any consideration other than money;
- c. any other matters relevant to determining the levy payable;
- d. the sum (to the nearest pound) computed to be payable by the Contractor to the Ministry in respect of each transactions (including a provisional sum in any case in which the sum depends upon a reasonable figure yet to be agreed with the Ministry).

23. The statement shall be provided not later than two months after the close of the period to which it relates once a first sale or licensing has been agreed and 'nil' statements shall thereafter be provided whenever appropriate. Where there are NIL returns over a number of years and no evident prospect of a future leviable activity or receipt the contractor should approach the Ministry Delivery Team commercial officer regarding future reporting and future CEL arrangements.

24. Each statement shall be accompanied by a payment covering the accrued levy calculated by the Contractor to be due and set out in the statement (plus VAT where applicable). Invoices in respect of any other accrued levy will be issued to the Contractor by Defence Business Services Finance-Commercial Exploitation Arrangement Team (REDACTED) Payments (including VAT where applicable) shall be made to the Secretary of State for Defence at the address to which statements are to be supplied, or at the address stated on the invoice, as appropriate.

25. Two copies of an annual certificate that the sums reported on the statements are correct and complete and in accordance with the Contractor's books of account and records or that no sales have been made or licences granted or other leviable transactions entered into, shall be obtained by the Contractor from its Auditors and shall be forwarded to Defence Business Services Finance-Commercial Exploitation Arrangement Team (REDACTED) not later than six months after the end of the Contractor's financial year.

26. For the purpose of verifying the statements the Contractor shall maintain proper books of account and records at its premises and shall make them available for inspection at all reasonable times by the representatives of the Ministry and of the National Audit Office.

Recovery of Sums Due

27. Whenever under this Agreement any sum of money shall be recoverable from or payable by the Contractor, the same may be deducted from any sum then due, or which at any time thereafter may become due, to the Contractor under any contract with the Ministry or with any Department or Office of His Majesty's Government.

Arbitration etc

28. This Agreement shall be considered as an agreement made in England and subject to English Law.

29. All disputes, differences or questions between the parties to this Agreement with respect to any matter arising out of or relating to this Agreement shall be referred to the arbitration of two persons (one to be appointed by the Ministry and one by the Contractor) or their Umpire, in accordance with the provisions of the Arbitration Act 1996.

30. Nothing in this Agreement shall be construed as relieving the Contractor from responsibility for:

- a. obtaining the necessary export licence as applicable to any overseas sale;
- b. obtaining any necessary release from security restrictions in force for the Contract Articles.

31. Contractors are advised to consult the Exports Team, Security Policy and Operations, MOD, 4.C, Whitehall, London SW1A 2HB, on a case by case basis before making offers to sell Contract Articles overseas.

Signed: Toni Staddon
(MOD Commercial)

Signed: Julian Paice – Director
(Contractor)

SIGNED ON ORIGINAL

Date:
12/10/2023

Date 08/08/2023

Annex H – Security Aspects Letter (SAL)



Ministry
of Defence



Joshua Carlisle
Project Manager

Tel: REDACTED

Email: REDACTED

Trimax Technologies Ltd

6 Pipers Court, Berkshire Drive Abbey Wood, OC #8207, Rowan 2C, Bristol

Thatcham, Berkshire, RG19 4ER

Specialist EOD&S,
Exploitation and Countermeasures Team Unit

BS34 8JH

14th July 2023

Reference: 706985450 High Accuracy
Aiming Kit

ITT/CONTRACT NUMBER & TITLE: 706985450 High Accuracy Aiming Kit

[Redacted under exemptions set out by the Freedom of Information Act]

[Redacted under exemptions set out by the Freedom of Information Act]