Schedule 4 to Terms and Conditions - Security

1. **Security Aspects Letter**

1.1 The Commodity Supplier as provided Leidos Supply Limited with a signed copy of the Security Aspects Letter on contract award in the form appended hereto. Such Security Aspects Letter shall be updated annually on each anniversary of the Effective Date and at any other time as required by Leidos Supply Limited following which, the Contractor shall be required to sign the amended Security Aspects Letter and return to Leidos Supply Limited within 10 Business Days of it being provided.

2. **Security Liaison Officer**

2.1 The Contractor shall as soon as reasonably practicable following the Effective Date appoint, or procure the appointment of a Security Liaison Officer to be responsible, in consultation with such representative as Leidos Supply Limited may designate, for the implementation of all security arrangements concerning the provision of the Services and the Contractor Personnel. The Security Liaison Officer shall also be responsible for the training and supervision of Contractor Personnel to ensure that appropriate security requirements and regulations are met.

3. **Security Policy**

3.1 The Contractor recognises and acknowledges that Leidos Supply Limited requires high security standards, as set out more particularly in the Security Aspects Letter. The Contractor undertakes to comply with all such security standards and the Security Aspects Letter and shall ensure the confidentiality, integrity and availability of all assets, including information, associated with the Contract.

3.2 At all times, Leidos Supply Limited shall be responsible for the Security Aspects Letter which it may in its sole discretion amend from time to time. Any such amendment to the Security Aspects Letter shall not constitute a Change in the contract.

3.3 The Contractor shall monitor the Security Policy and shall be required to comply with any such amendment to the Security Policy as soon as reasonably practicable, subject to paragraph 3.1. The Contractor shall not be entitled to rely on a defence to any breach of its obligations under this Agreement, resulting or arising from, or caused by, any amendments to the Security Policy, that it has not received notice of any such amendment.

3.4 The constituent parts of the Security Policy at contract award shall be identified in the Security Aspects Letter to be signed by the Contractor and provided to Leidos Supply Limited on contract award.

3.5 The Contractor shall at all times ensure that the level of security employed in the provision of the Services shall be appropriate to maintain those items set out in paragraph 3.6 (without limitation).

3.6 The items referred to in paragraph 3.5 are:

(A) security of any premises in which the Contractor holds any Data disclosed by Leidos Supply Limited;

(B) operational and technical processes to safeguard against any unauthorised access, loss, destruction, damage, alteration, theft, use or disclosure of any Data disclosed by Leidos Supply Limited in compliance with the Security Policy;

(C) loss of confidentiality, integrity or availability of the Project Assets or the Data;

(D) unauthorised access to, use of, or interface with the Project Assets or the Data by any person or organisation;

4. **Security Requirements**

4.1 The Contractor shall develop, implement and maintain the security requirements which obligation shall apply during the Term and after the Exit Period (if so directed by Leidos Supply Limited). Leidos Supply Limited shall approve such activities and shall audit such activities periodically.

5. **Malicious Software and Activity**

5.1 The Contractor shall, as an enduring obligation throughout the Term, use the latest versions of anti-virus software and definitions available from an industry accepted anti-virus software vendor to check for Malicious Software on the Contractor IS, and maintain accreditation to U.K. Government 'Cyber Essentials' or ISO 27001 standard.

6. **Personnel Security**

6.1 Security Clearance

(A) The Contractor shall ensure that any Contractor Related Parties engaged in activities connected with the provision of the Services have the level of clearance appropriate to their role as set out in the Security Policy and the Security Aspects Letter and, where applicable, are cleared to the appropriate level of security when within the boundaries of any Authority Site or any other Government establishment.

(B) Before any Contractor Personnel are permitted to carry out any role or activity in connection with this Agreement, they are required to have the appropriate level of security clearance in place. The Contractor shall be responsible for ensuring that such Contractor Personnel are security cleared to the level required by the Security Aspects Letter by application to the National Security Vetting Agency or Leidos (or other issuing body from time to time).

(C) The Contractor shall also comply with any security training or briefing requirements and make any Contractor Personnel available for such purposes as Leidos Supply Limited may from time to time require.

(D) If at any time the Contractor becomes aware of any reason or suspected reason for doubting the suitability of any Contractor Personnel to hold the respective security clearance, it shall notify Leidos Supply Limited immediately in writing together with any information about the Contractor Personnel and shall thereafter comply with any directions given by

Leidos Supply Limited in respect of such notice.

(E) The refusal or revocation of any requisite security clearance of any Contractor Personnel shall immediately disqualify such person from any involvement in the provision of the Services until such time as the requisite security clearance is given or reinstated (if at all) as the case may be.

(F) The Contractor shall comply with any direction from Leidos Supply Limited to end or suspend the involvement in the provision of the Services of any Contractor Personnel.

7. **Co-operation for Security Investigation**

7.1 The Contractor shall, and shall procure that Lower-Tier Subcontractor shall, notify Leidos Supply Limited immediately if it becomes aware of:

(A) any Security Incident;

(B) any potential Security Incident; or

(C) breach by any Contractor Personnel or accompanied emergency reactive worker pursuant to paragraph 6.1 (*Security Clearance*), the Security Aspects Letter and/or the Security Policy.

7.2 Following notification to Leidos Supply Limited of any one of the above, the Contractor shall take all practical steps as may be reasonable in the circumstances to:

(A) avoid, prevent, end, remedy or mitigate any adverse effects of any of the events in paragraph 7.1;

(B) protect against any potential Security Incident; or

(C) prevent an equivalent event in the future.

7.3 In the event of a Security Incident, potential Security Incident or breach of any of the provisions in this Schedule 4 to Terms and Conditions; Schedule 4 to Terms and Conditions, Appendix 1 - Security Aspect Letter; and/or the Security Policy by the Contractor:

(A) the Contractor shall procure that Leidos Supply Limited and/or any other representative or adviser of Leidos Supply Limited shall have the right to enter any of the Contractor Sites to investigate; and/or

(B) the Contractor shall make its employees available to be interviewed by Leidos Supply Limited and/or any other representative or adviser of Leidos Supply Limited for the purposes of the investigation; and/or

(C) the Contractor shall, subject to any legal restriction on their disclosure, provide all copies of documents, records or other material of any kind which may reasonably be required by Leidos Supply Limited for the purposes of the investigation. Leidos Supply Limited shall have the right to retain copies of any such material for use in connection with the

investigation; and/or

(D) Leidos Supply Limited has the right to audit the Contractors compliance with the provisions of this Schedule 4 to Terms and Conditions; Schedule 4 to Terms and Conditions, Appendix 1 - Security Aspect Letter; and/or the Security Policy.

7.4 The Contractor shall, and shall procure that its Lower-Tier Subcontractors shall, make available, and give reasonable assistance to Leidos Supply Limited and/or any other representative or adviser of Leidos Supply Limited for the purposes of paragraph 7.3.

7.5 Nothing in paragraph 7.3 shall affect any entitlement to make deductions under Condition 8 (*Payment),* during the period in which the security investigation is subsisting or thereafter.

8. **Breach of Security**

8.1 If Leidos Supply Limited in its absolute discretion considers that breach of this Schedule 4 to Terms and Conditions; Schedule 4 to Terms and Conditions, Appendix 1 - Security Aspect Letter; or the Security Policy by the Contractor or any of its employees or any Security Incident jeopardises the security of any matter concerned with this Agreement and/or any of the operations of the Authority, and therefore amounts to a Breach of Security, Leidos Supply Limited may serve a Termination Notice on the Contractor pursuant to clause 25.1 (Termination for Commodity Supplier Default).

8.2 If Leidos Supply Limited does not consider that the breach of this Schedule 4 to Terms and Conditions; Schedule 4 to Terms and Conditions, Appendix 1 - Security Aspect Letter; and/or the Security Policy by the Key Subcontractor or any of its employees amounts to a Breach of Security, Leidos Supply Limited may nevertheless instruct the Key Subcontractor to terminate or procure the termination of a Lower-Tier Subcontract immediately:

(A) if the Lower-Tier Subcontractor is in breach of any secrecy or security obligation imposed by any other contract with the Crown; or

(B) where Leidos Supply Limited considers the circumstances of the breach jeopardise the secrecy or security of a Secret Matter and notifies the Contractor accordingly;

(C) following notice by Leidos Supply Limited to the Contractor, a failure to bring the contract into compliance with Condition 16 (*Intellectual Property*), 49 (*Data Protection*) and 50 (*Authority Data*).

8.3 The Contractor shall, and shall procure that its Lower-Tier Subcontractors shall, give effect to this instruction issued pursuant to paragraph 8.2. Leidos Supply Limited shall not be liable for any Direct Losses or Indirect Losses of the Contractor and/or any Lower-Tier Subcontractor as the case may be and nothing in this Schedule 4 to Terms and Conditions shall affect Leidos Supply Limiteds entitlement to make deductions pursuant to Condition 8 (*Payment),* arising directly or indirectly out of such termination.