



Ministry of Defence

Incorporates up to 29th August 24, v11
Defence General Munitions Team

Contract No: DGM/2022

For:

**Supply of 5.56mm and 9mm Securiblack
Ammunition.**

**Between the Secretary of State for Defence of
the United Kingdom of Great Britain and
Northern Ireland**

And

Team Name and Address:

Defence General Munitions Project Team
Fir 1C #4110
Neighbourhood 4
Defence Equipment & Support
Abbey Wood
BS34 8JH

Email Address: Redacted@mod.gov.uk

Telephone Number: 03001674562

Contractor Name and Address:

GENERAL DYNAMICS ORDNANCE AND
TACTICAL SYSTEMS - CANADA INC. 5, Montée
des Arsenaux Repentigny,

Québec,

Canada,

J5Z 2P4

Email Address: Redacted

Telephone Number: Redacted

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Schedule 1 - Definitions of Contract

Articles	means the Contractor Deliverables (goods and/or the services), including Packaging (and Certificate(s) of Conformity and supplied in accordance with any QA requirements if specified) which the Contractor is required to provide under the Contract in accordance with Schedule 2 (Schedule of Requirements), but excluding incidentals outside Schedule 2 (Schedule of Requirements) such as progress reports. (This definition only applies when DEFCONs are added to these Conditions);
Authority	means the Secretary of State for Defence acting on behalf of the Crown;
Authority's Representative(s)	shall be those person(s) defined in Schedule 3 (Contract Data Sheet) who will act as the Authority's Representative(s) in connection with the Contract. Where the term "Authority's Representative(s)" in the Conditions is immediately followed by a functional description in brackets, the appropriate Authority's Representative(s) shall be the designated person(s) for the purposes of condition 7;
Business Day	means 09:00 to 17:00 Monday to Friday, excluding public and statutory holidays;
Central Government Body	a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: Government Department; Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); Non-Ministerial Department; or Executive Agency;
Collect	means pick up the Contractor Deliverables from the Consignor. This shall include loading, and any other specific arrangements, agreed in accordance with clause 27.c and Collected and Collection shall be construed accordingly;

Commercial Packaging

means commercial Packaging for military use as described in Def Stan 81-041 (Part 1)

Conditions

means the terms and conditions set out in this document;

Consignee

means that part of the Authority identified in Schedule 3 (Contract Data Sheet) to whom the Contractor Deliverables are to be Delivered or on whose behalf they are to be Collected at the address specified in Schedule 3 (Contract Data Sheet) or such other part of the Authority as may be instructed by the Authority by means of a Diversion Order;

Consignor

means the name and address specified in Schedule 3 (Contract Data Sheet) from whom the Contractor Deliverables will be dispatched or Collected;

Contract

means the Contract including its Schedules and any amendments agreed by the Parties in accordance with condition 6 (Amendments to Contract);

Contract Price

means the amount set out in Schedule 2 (Schedule of Requirements) to be paid (inclusive of Packaging and exclusive of any applicable VAT) by the Authority to the Contractor, for the full and proper performance by the Contractor of its obligations under the Contract.

Contractor

means the person who, by the Contract, undertakes to supply the Contractor Deliverables, for the Authority as is provided by 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, and the expression shall also include any person to whom the benefit of the Contract may be assigned by the Contractor with the consent of the Authority;

Contractor Deliverables

means the goods and/or the services, including Packaging (and Certificate(s) of Conformity and supplied in accordance with any QA requirements if specified) which the Contractor is required to provide under the Contract;

Control

means the power of a person to secure that the affairs of the Contractor are conducted in accordance with the wishes of that person:
by means of the holding of shares, or the possession of voting powers in, or in relation to, the Contractor; or
by virtue of any powers conferred by the constitutional or corporate documents, or any other document, regulating the Contractor;
and a change of Control occurs if a person who Controls the Contractor ceases to do so or if another person acquires Control of the Contractor;

CPET

means the UK Government's Central Point of Expertise on Timber, which provides a free telephone helpline and website to support implementation of the UK Government timber procurement policy

Crown Use

in relation to a patent means the doing of anything by virtue of Sections 55 to 57 of the Patents Act 1977 which otherwise would be an infringement of the patent and in relation to a Registered Design has the meaning given in paragraph 2A(6) of the First Schedule to the Registered Designs Act 1949;

Dangerous Goods

means those substances, preparations and articles that are capable of posing a risk to health, safety, property or the environment which are prohibited by regulation, or classified and authorised only under the conditions prescribed by the: Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009 (CDG) (as amended 2011);

European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR);
Regulations Concerning the International Carriage of Dangerous Goods by Rail (RID);
International Maritime Dangerous Goods (IMDG) Code;
International Civil Aviation Organisation (ICAO) Technical Instructions for the Safe Transport of Dangerous Goods by Air;
International Air Transport Association (IATA) Dangerous Goods Regulations.

DBS Finance

means Defence Business Services Finance, at the address stated in Schedule 3 (Contract Data Sheet);

DEFFORM

means the MOD DEFFORM series which can be found at <https://www.aof.mod.uk>;

DEF STAN

means Defence Standards which can be accessed at <https://www.dstan.mod.uk>;

Deliver

means hand over the Contractor Deliverables to the Consignee. This shall include unloading, and any other specific arrangements, agreed in accordance with condition 28 and Delivered and Delivery shall be construed accordingly;

Munitions Readiness Date

means the Date at Contractor's facility, defined as the agreed date at which production of all munitions specified in Schedule 2 (Schedule of Requirements) is manufactured and ready for delivery.

Delivery Date

means the date as specified in Schedule 2 (Schedule of Requirements) on which the Contractor Deliverables or the relevant portion of them are to be Delivered or made available for Collection;

Denomination of Quantity (D of Q)

means the quantity or measure by which an item of material is managed;

Design Right(s)

has the meaning ascribed to it by Section 213 of the Copyright, Designs and Patents Act 1988;

Diversion Order

means the Authority's written instruction (typically given by MOD Form 199) for urgent Delivery of specified quantities of Contractor Deliverables to a Consignee other than the Consignee stated in Schedule 3 (Contract Data Sheet);

Effective Date of Contract

means the date specified on the Authority's acceptance letter;

Evidence

means either:
an invoice or delivery note from the timber supplier or Subcontractor to the Contractor specifying that the product supplied to the Authority is FSC or PEFC certified; or
other robust Evidence of sustainability or FLEGT licensed origin, as advised by CPET;

Firm Price

means a price (excluding VAT) which is not subject to variation;

FLEGT

means the Forest Law Enforcement, Governance and Trade initiative by the European Union to use the power of timber-consuming countries to reduce the extent of illegal logging;

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

means a Contractor Deliverable or a component of a Contractor

Deliverable

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;

Independent Verification

means that an evaluation is undertaken and reported by an individual or body whose organisation, systems and procedures conform to "ISO Guide 65:1996 (EN 45011:1998). General requirements for bodies operating product certification systems or equivalent", and who is accredited to audit against forest management standards by a body whose organisation, systems and procedures conform to "ISO 17011: 2004 General Requirements for Providing Assessment and Accreditation of Conformity Assessment Bodies or equivalent";

Information

means any Information in any written or other tangible form disclosed to one Party by or on behalf of the other Party under or in connection with the Contract;

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;

Legal and Sustainable

means production and process methods, also referred to as timber production standards, as defined by the document titled "UK Government Timber Production Policy: Definition of legal and sustainable for timber procurement". The edition current on the day the Contract documents are issued by the Authority shall apply;

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.

Military Level Packaging (MLP)

means Packaging that provides enhanced protection in accordance with Def Stan 81-041 (Part 1), beyond that which Commercial Packaging normally provides for the military supply chain.;

Military Packager Approval Scheme (MPAS)

is a MOD sponsored scheme to certify military Packaging designers and register organisations, as capable of producing acceptable Services Packaging Instruction Sheet (SPIS) designs in accordance with Defence Standard (Def Stan) 81-041 (Part 4).;

Military Packaging Level (MPL)

shall have the meaning described in Def Stan 81-041 (Part 1).;

MPAS Registered Organisation	is a packaging organisation having one or more MPAS Certificated Designers capable of Military Level designs. A company capable of both Military Level and commercial Packaging designs including MOD labelling requirements;
MPAS Certificated Designer	shall mean an experienced Packaging designer trained and certified to MPAS requirements;
NATO	means the North Atlantic Treaty Organisation which is an inter-governmental military alliance based on the North Atlantic Treaty which was signed on 4 April 1949;
Notices	shall mean all Notices, orders, or other forms of communication required to be given in writing under or in connection with the Contract;
Overseas	shall mean non UK or foreign;
Packaging	Verb. The operations involved in the preparation of materiel for; transportation, handling, storage and Delivery to the user; Noun. The materials and components used for the preparation of the Contractor Deliverables for transportation and storage in accordance with the Contract;
Packaging Design Authority (PDA)	shall mean the organisation that is responsible for the original design of the Packaging except where transferred by agreement. The PDA shall be identified in the Contract, see Annex A to Schedule 3 (Appendix – Addresses and Other Information), Box 3.;
Parties	means the Contractor and the Authority, and Party shall be construed accordingly;
Primary Packaging Quantity (PPQ)	means the quantity of an item of material to be contained in an individual package, which has been selected as being the most suitable for issue(s) to the ultimate user, as described in Def Stan 81-041 (Part 1).;
Publishable Performance Information	means any of the Information in Schedule 9 (KPI Data Report) as Information it relates to Key Performance Indicator where it is expressed as publishable in the table in Schedule 9 which shall not contain any Information which is exempt from disclosure which shall be determined by the Authority; and which shall not constitute Sensitive Information;
Recycled Timber	means recovered wood that prior to being supplied to the Authority had an end use as a standalone object or as part of a structure. Recycled Timber covers: pre-consumer reclaimed wood and wood fibre and industrial by-products; post-consumer reclaimed wood and wood fibre, and driftwood; reclaimed timber abandoned or confiscated at least ten years previously; it excludes sawmill co-products;
Safety Data Sheet	has the meaning as defined in the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulations 2007 (as amended).;
Schedule of Requirements	means Schedule 2 (Schedule of Requirements), which identifies, either directly or by reference, Contractor Deliverables to be provided, the quantities and dates involved

and the price or pricing terms in relation to each Contractor Deliverable;

Sensitive Information

means the Information listed in the completed Schedule 5 (Contractor's Sensitive Information), which is 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;

Short-Rotation Coppice

means a specific management regime whereby the poles of trees are cut every one to two years and which is aimed at producing biomass for energy. It is exempt from the UK Government timber procurement policy. For avoidance of doubt, Short-Rotation Coppice is not conventional coppice, which is subject to the timber policy;

Specification

means the description of the Contractor Deliverables, including any specifications, drawings, samples and / or patterns, and shall include any document or item which, individually or collectively is referred to in Schedule 2 (Schedule of Requirements). The Specification forms part of the Contract and all Contractor Deliverables to be supplied by the Contractor under the Contract shall conform in all respects with the Specification;

STANAG 4329

means the publication NATO Standard Bar Code Symbolologies which can be sourced at <https://www.dstan.mod.uk/faqs.html>;

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

Timber and Wood-Derived Products

means timber (including Recycled Timber and Virgin Timber but excluding Short-Rotation Coppice) and any products that contain wood or wood fibre derived from those timbers. Such products range from solid wood to those where the manufacturing processes obscure the wood element;

Transparency Information

means the content of this Contract in its entirety, including from time to time agreed changes to the Contract, and details of any payments made by the Authority to the Contractor under the Contract;

Virgin Timber

means Timber and Wood-Derived Products that do not include Recycled Timber.

Annex A to Schedule 1 – Additional Definitions of Contract law. Conditions 44 - 46
(Additional Conditions)

Financial Year

A Financial Year will start on the 1st April and shall conclude on the 31st March the following year;

Fixed Price

means a price (excluding VAT) which is subject to variation. In this case, the price is subject to the Variation of Munitions Price clause stated in Condition 45.4 of the Terms and Conditions.

Schedule 2 - Schedule of Requirements for Contract No: DGM/2022

Firm Year - Contract Year 1 (FY 24/25)									
Item Number	ADAC Number/NSN	Specification	Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility	Delivery Date	Total Qty	Firm Price (CAD) Ex VAT	
								Per Round (FIRM)	Total inc. packaging (and delivery if specified in the Purchase Order)
1	12210-**	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	28 Weeks ARO	Firm Delivery Date to be provided once munitions readiness date is confirmed	Redacted	Redacted	Redacted
2	12209-**	9mm Securiblack® Loud Toxfree® GEN2			28 Weeks ARO		Redacted	Redacted	Redacted
3	11910-**	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons			28 Weeks ARO		Redacted	Redacted	Redacted
4	N/A	Delivery of Technical Documentation in accordance with Schedule 16 to the Contract	Authority's Project Manager	In accordance with Schedule 16	In accordance with Schedule 16	N/A	1	N/A Additional information to be provided in accordance with Clause 47.3	
5	N/A	Delivery of Line Item 1 - 3 to Redacted	N/A		N/A	N/A	N/A	N/A	Redacted

Firm Year - Contract Year 2 (FY 25/26)									
Item Number	ADAC Number/NSN	Specification	Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility	Delivery Date	Total Qty	Firm Price (CAD) Ex VAT	
								Per Round (FIRM)	Total inc. packaging (and delivery if specified in the Purchase Order)
6	12210-**-	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	28 Weeks ARO	Firm Delivery Date to be provided once munitions readiness date is confirmed	Redacted	Redacted	Redacted
7	12209-**-	9mm Securiblack® Loud Toxfree® GEN2			28 Weeks ARO		Redacted	Redacted	
8	11910-**-	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons			28 Weeks ARO		Redacted	Redacted	
	N/A	Delivery of Line Item 6 - 8 to Redacted	N/A		N/A	N/A	N/A	N/A	
Total Contract Value (Ex VAT)									Redacted

Note: MoD acknowledges that whilst the standard munitions readiness date in DGM/2022, Sch 2 for the Securiblack products is 28 weeks ARO, for the first year, that lead time is dependent on our agreement on certain technical data which remains under discussion and timely provision of other data such as marking information. It is understood therefore that for the first delivery only, the munitions readiness date shall be 28 weeks ARO; or 28 weeks from mutual agreement on contract technical data and provision of all other data to allow marking and palletisation to be completed, whichever occurs last.

OFFICIAL-SENSITIVE COMMERCIAL

Option Year - Contract Year 3 (FY 26/27)										
Item Number	ADAC Number/NSN	Specification	Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility	Delivery Date	Total Qty	Fixed Price (CAD) Ex VAT		
								Per Round (FIXED)	Base Price in CAD	Total inc. packaging (and delivery if specified in the Purchase Order)
10	12210-**	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	TBC - Subject to contract option being invoked	Firm Delivery Date to be provided once munitions readiness date is confirmed	Estimated Redacted	Subject to VOP Clause 45.4	Redacted	Subject to contract option being invoked.
11	12209-**	9mm Securiblack® Loud Toxfree® GEN2			TBC - Subject to contract option being invoked		Estimated Redacted		Redacted	
12	11910-**	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons			TBC - Subject to contract option being invoked		Estimated Redacted		Redacted	
13	N/A	Delivery of Line Item 10 - 12 to Redacted	N/A		N/A	N/A	N/A		TBD	
Total Contract Value (Ex VAT)										
Option Year - Contract Year 4 (FY 27/28)										
		Specification				Delivery Date	Total Qty	Fixed Price (CAD) Ex VAT		

Item Number	ADAC Number/NSN		Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility			Per Round (FIXED)	Base Price in CAD	Total inc. packaging (and delivery if specified in the Purchase Order)
14	12210-**	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	TBC - Subject to contract option being invoked	Firm Delivery Date to be provided once munitions readiness date is confirmed	Estimated Redacted	Subject to VOP Clause 45.4	Redacted	Subject to contract option being invoked
15	12209-**	9mm Securiblack® Loud Toxfree® GEN2			TBC - Subject to contract option being invoked				Redacted	
16	11910-**	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons			TBC - Subject to contract option being invoked				Redacted	
17	N/A	Delivery of Line Item 14- 16 to Redacted	N/A		N/A	N/A	N/A		TBD	
Total Contract Value (Ex VAT)										
Option Year - Contract Year 5 (FY 28/29)										
		Specification				Delivery Date	Total Qty	Fixed Price (CAD) Ex VAT		

Item Number	ADAC Number/NSN		Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility			Per Round (FIXED)	Base Price in CAD	Total inc. packaging (and delivery if specified in the Purchase Order)	
18	12210-**	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	TBC - Subject to contract option being invoked	Firm Delivery Date to be provided once munitions readiness date is confirmed	Estimated Redacted	Subject to VOP Clause 45.4	Redacted	Subject to contract option being invoked	
19	12209-**	9mm Securiblack® Loud Toxfree® GEN2			TBC - Subject to contract option being invoked				Estimated Redacted		Redacted
20	11910-**	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons			TBC - Subject to contract option being invoked				Estimated Redacted		Redacted
21	N/A	Delivery of Line Item 18 - 20 to Redacted	N/A		N/A	N/A	N/A	TBD			
Total Contract Value (Ex VAT)											
Option Year - Contract Year 6 (FY 29/30)											
		Specification				Delivery Date	Total Qty	Fixed Price (CAD) Ex VAT			

Item Number	ADAC Number/NSN		Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility			Per Round (FIXED)	Base Price in CAD	Total inc. packaging (and delivery if specified in the Purchase Order)
22	12210-**	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	TBC - Subject to contract option being invoked	Firm Delivery Date to be provided once munitions readiness date is confirmed	Estimated Redacted	Subject to VOP Clause 45.4	Redacted	Subject to contract option being invoked
23	12209-**	9mm Securiblack® Loud Toxfree® GEN2			TBC - Subject to contract option being invoked				Estimated Redacted	
24	11910-**	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons			TBC - Subject to contract option being invoked				Estimated Redacted	
25	N/A	Delivery of Line Item 22 - 24 to Redacted	N/A		N/A	N/A	TBD			
Total Contract Value (Ex VAT)										

Option Year - Contract Year 7 (FY 30/31)										
Item Number	ADAC Number/NSN	Specification	Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility	Delivery Date	Total Qty	Fixed Price (CAD) Ex VAT		
								Per Round (FIXED)	Base Price in CAD	Total inc. packaging (and delivery if specified in the Purchase Order)
26	12210-**-	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	TBC - Subject to contract option being invoked	Firm Delivery Date to be provided once munitions readiness date is confirmed	Estimated Redacted	Subject to VOP Clause 45.4	Redacted	Subject to contract option being invoked
27	12209-**-	9mm Securiblack® Loud Toxfree® GEN2			TBC - Subject to contract option being invoked		Estimated Redacted		Redacted	
28	11910-**-	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons			TBC - Subject to contract option being invoked		Estimated Redacted		Redacted	
29	N/A	Delivery of Line Item 26 - 28 to Redacted	N/A		N/A	N/A	N/A		TBD	
Total Contract Value (Ex VAT)										

Item Number	Consignee Address (XY code only)
1,2,3, & 5-29	Delivery to Redacted
4	Delivery to Authority's Project Manager as stated in the DEFFORM 111

Appendix A to Schedule 2 – Options for Additional buys in Contract Years 1 and 2

Option for Additional buys in Contract Year 1 (FY 24/25)									
Item Number	ADAC Number/NSN	Specification	Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility	Delivery Date	Total Qty	Firm Price (CAD) Ex VAT	
								Per Round (FIRM)	Total inc. packaging (and delivery if specified in the Purchase Order)
30	12210-**-	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	Subject to contract option being invoked.			Redacted	Redacted
31	12209-**-	9mm Securiblack® Loud Toxfree® GEN2				Redacted	Redacted		
32	11910-**-	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons				Redacted	Redacted		
33	N/A	Delivery of Line Item 30- 32 to Redacted	N/A					TBD	Redacted
Option for Additional buys in Contract Year 2 (FY 25/26)									
Item Number	ADAC Number/NSN	Specification	Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility	Delivery Date	Total Qty	Firm Price (CAD) Ex VAT	
								Per Round (FIRM)	Total inc. packaging (and delivery if specified in the Purchase Order)
34	12210-**-	9mm Securiblack® Quiet Toxfree® GEN2	XY	In accordance with Schedule 16	Subject to contract option being invoked.			Redacted	Redacted
35	12209-**-	9mm Securiblack® Loud Toxfree® GEN2				Redacted	Redacted		
36	11910-**-	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons				Redacted	Redacted		
37	N/A	Delivery of Line Item 34- 36 to Redacted	N/A					TBD	Redacted

Appendix B to Schedule 2 – Ad Hoc Tasking - Labour Rates

Ad-Hoc Tasking								
Item Number	ADAC Number/NSN	Specification	Consignee Address Code	Packaging Requirements	Munitions Readiness Date at Contractor's facility	Delivery Date	Total Qty	Firm Price (CAD) Ex VAT
38	N/A	To be agreed in accordance with Clause 47.3						Firm Price Per Appendix 2 to Schedule 9 - Ad-Hoc Tasks, Tasking Authorisation Form
Ad-Hoc Task Rates								
Financial Year	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	
GD-OTS Canada Production Rates-Per Hour (CAD)								
GD-OTS Canada Engineering Rates-Per Hour (CAD)								

1. The rates listed in Appendix B of Schedule 2 are to be used exclusively for pricing Ad-Hoc Tasks agreed in accordance with Clause 47.3.
2. Rates are Firm and not subject to variation and inclusive of Profit. Rates exclude third party contractors / suppliers.
3. In the event of a Ad-Hoc task requiring the use of third parties the contractor will provide a Firm price quote to be agreed by the Authority prior to any work comencing.

Schedule 3 - Contract Data Sheet for Contract No: DGM/2022

General Conditions
Condition 2 – Duration of Contract: The Contract expiry date shall be: 13 th September 2026 (Unless extended via Option Years in accordance with Clause 45.3)
Condition 4 – Governing Law: Contract to be governed and construed in accordance with: English Law <input checked="" type="checkbox"/> Scots Law <input type="checkbox"/> Clause 4.d shall apply (one must be chosen) Solicitors or other persons based in England and Wales (or Scotland if Scots Law applies) irrevocably appointed for Contractors without a place of business in England (or Scotland, if Scots Law applies) in accordance with clause 4.g (if applicable) are as follows:
Condition 7 – Authority's Representative: The Authority's Representatives for the Contract are as follows: Commercial: Redacted Project Manager: Redacted
Condition 18 – Notices: Notices served under the Contract shall be sent to the following address: Authority: UKSTRATCom Munition Team (DGM PT) (as per Annex A to Schedule 3 (DEFFORM 111)) Fir 1C #4110 Neighbourhood 4 Abbey Wood Bristol BS34 8JH Contractor: GENERAL DYNAMICS ORDNANCE AND TACTICAL SYSTEMS - CANADA INC. 5, Montée des Arsenaux Repentigny, Québec, Canada, J5Z 2P4 Notices can be sent by electronic mail? <input checked="" type="checkbox"/> Notices served by electronic mail shall be sent to the Commercial and Project representative's e-mail addresses as per DEFFORM 111.
Clause 19.a – Progress Meetings: The Contractor shall be required to attend the following meetings via tele-conference A Project Kick-Off Meeting approximately two (2) months after Contract commencement on a date to be agreed between the Parties. Annual Performance Review Meetings following delivery of Contractor Deliverables stated in Schedule 2 – Schedule of Requirements, on dates to be agreed between the Parties.

Location of Meetings: To be agreed between the Parties.

Clause 19.b – Progress Reports:

The Contractor is required to submit the following Reports:

1. An email two (2) months prior to agreed delivery dates of Contractor Deliverables in Schedule 2 – Schedule of Requirements, to provide confirmation of a delivery slot into Redacted, and confirm customs process documentation (if required).
2. The Contractor shall supply a completed Schedule 12 – Performance Management Report quarterly to the Authority for review and (10) business days prior to the agreed date of the annual performance meeting. The report shall include all information requested within the Schedule 12 template including a KPI assessment summarising all orders within the contract year.

Supply of Contractor Deliverables

Condition 20 – Quality Assurance:

Is a Deliverable Quality Plan required for this Contract? ☒ (tick as appropriate)

The Quality Assurance Requirements for this requirement are outlined in Schedule 16 to the Contract.

Condition 21 – Marking of Contractor Deliverables:

Special Marking requirements: In accordance with Schedule 16 to the Contract

Condition 23 – Supply of Data for Hazardous Contractor Deliverables, Materials and Substances:

A completed Schedule 6 (Hazardous Articles, Materials or Substance Statement), and if applicable, Safety Data Sheet(s) are to be provided by e-mail with attachments in Adobe PDF or MS WORD format to:

- a) The Authority's Representative (Commercial)
- b) Defence Safety Authority – DSA-DLSR-MovTpt-DGHSIS@mod.uk

to be delivered no later than 30 (thirty) days post Contract Award.

Condition 24 – Timber and Wood-Derived Products

A completed Schedule 7 (Timber and Wood-Derived Products Supplied under the Contract: Data Requirements), is to be provided by e-mail with attachments in Adobe PDF or MS WORD format to the Authority's Representative (Commercial)

To be Delivered by the following date: No later than 30 (thirty) days post Contract Award.

Condition 25 – Certificate of Conformity:

Is a Certificate of Conformity required for this Contract? ☒

Applicable to Line Items: Applicable to all Munition Line Items in Schedule 2 – Schedule of Requirements to be delivered to Authority's Project Manager, as per DEFFORM 111 to the Contract

If required does the Contractor Deliverables require Traceability throughout the Supply Chain? ☐

Applicable to Line Items:

Clause 27.b – Delivery by the Contractor: (in accordance with Condition 27)

The following Line Items are to be Delivered by the Contractor

Line Items All Line Items in Schedule 2

For Line Item 4 the Contractor shall provide any current technical documentation available at the time the contract comes into effect in accordance with Schedule 16 to the Contract. This documentation should be delivered in advance of the agreed delivery dates, as specified in Schedule 16.

Should the Authority require additional documentation to satisfy Schedule 16 to the contract the Authority will request this via an Ad-Hoc task in accordance with Schedule 2 Annex B and Clause 47.3 of the terms and conditions.

Special Delivery Instructions: In accordance with Schedule 16 to the Contract.

Each consignment is to be accompanied by a DEFFORM 129J.

Clause 27.c – Collection by the Authority: (in accordance with Condition 27)

The following Line Items are to be Collected by the Authority:

Line Items N/A

Special Collection Instructions: N/A

Condition 29 – Rejection:

The time limit for rejection for the Contractor Deliverables stated within the Schedule of Requirements at Schedule 2 shall be sixty (60) Business Days.

The time limit for rejection for the Contractor Deliverables Containing Technical Documents (Line Item 4) of the Schedule of Requirements at Schedule 2 shall be sixty (60) Business Days.

Condition 31 – Self-to-Self Delivery:

Self to Self Delivery required: ☐

If required, Delivery address applicable:

Pricing and Payment

Condition 34 – Contract Price:

Schedule 2 - Line Items 1, 2, 3, 4, 5, 6, 7, 8, 9, 30, 31, 32, 34, 35, 36 shall be **Firm Price**.

Schedule 2 – Line Items 10, 11, 12, 14, 15, 16, 18, 19, 20, 22, 23, 24, 26, 27 and 28 Shall be subject to **Variation of Price (VOP)** in accordance with clause 45.4.

Termination

Condition 41 – Termination for Convenience

The Notice period for terminating the Contract shall be twenty (20) Business Days.

Other Addresses and Other Information (forms and publications addresses and official use information)

See Annex A to Schedule 3 (DEFFORM 111)

DEFFORM 111

(Edn 07/21)

Appendix - Addresses and Other Information

Commercial Officer:

Name: Redacted

Address:

UK Strategic Command, Defence General Munitions Project Team
Defence Equipment and Support
FIR 1C #4110,
Neighbourhood 4,
Abbey Wood, BS34 8JH

Email: Redacted @mod.gov.uk
□ 03001674562

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

Name: Redacted

Address:

UK Strategic Command, Defence General Munitions Project Team
Defence Equipment and Support
FIR 1C #4110,
Neighbourhood 4,
Abbey Wood, BS34 8JH

Email: Redacted @mod.gov.uk
□ 07866 119 609

Packaging Design Authority:

Authority's PM, Redacted, to approve, as per box 2.

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

□

(b) U.I.N.

As per box 2.

Drawings/Specifications are available from:

As per box 2.

Intentionally Left Blank

Quality Assurance Representative:

All Quality related enquiries for this contract shall be initially be directed through the UK Ministry of Defence (MOD) Assistant Engineer for this contract:

Name: Nigel Holder

Email: Redacted @mod.gov.uk

□ +44 300 1682895

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

8. Public Accounting Authority:

1. 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
□ 44 (0) 161 233 5397

Email: DBSFin-FAADMT-AiiTeam@mod.gov.uk

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

Redacted@mod.gov.uk**9. Consignment Instructions:**

The items are to be consigned as follows:

See Schedule of Requirement (Schedule 2) and Schedule 16.

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

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

Air Freight Centre

IMPORTS □ 030 679 81113 / 81114 Fax 0117 913 8943

EXPORTS □ 030 679 81113 / 81114 Fax 0117 913 8943

Surface Freight Centre

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

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

B. JSCS

JSCS Helpdesk □ 01869 256052 (option 2, then option 3); JSCS Fax No 01869 256837 www.freightcollection.com

Users requiring an account to use the MOD Freight Collection Service should contact DESWATERGUARD-ICS-Support@mod.gov.uk in the first instance.

11. The Invoice Paying Authority:

Ministry of Defence □ 0151-242-2000

DBS Finance

Walker House, Exchange Flags

Fax: 0151-242-2809

Liverpool, L2 3YL

Website is:

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

12. 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: DESLCSSL-OpsFormsandPubs@mod.uk.*** NOTE**

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

<https://www.aof.mod.uk/aofcontent/tactical/toolkit/index.htm>

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

Schedule 4 - Contract Change Control Procedure (i.a.w. clause 6.d) for Contract No: DGM/2022

Authority Changes

1. The Authority shall be entitled to propose any change to the Contract (a "Change") or (subject to Clause 2) Changes in accordance with this Schedule 4.
2. Nothing in this Schedule shall operate to prevent the Authority from specifying more than one Change in any single proposal, provided that such changes are related to the same or similar matter or matters.

Notice of Change

3. If the Authority wishes to propose a Change or Changes, it shall serve a written notice (an "Authority Notice of Change") on the Contractor.
4. The Authority Notice of Change shall set out the Change(s) proposed by the Authority in sufficient detail to enable the Contractor to provide a written proposal (a "Contractor Change Proposal") in accordance with clauses 7 to 9 (inclusive).
5. The Contractor may only refuse to implement a Change or Changes proposed by the Authority, if such change(s):
 - a. would, if implemented, require the Contractor to deliver any Contractor Deliverables under the Contract in a manner that infringes any applicable law relevant to such delivery; and/or
 - b. would, if implemented, cause any existing consent obtained by or on behalf of the Contractor in connection with their obligations under the Contract to be revoked (or would require a new necessary consent to be obtained to implement the Change(s) which, after using reasonable efforts, the Contractor has been unable to obtain or procure and reasonably believes it will be unable to obtain or procure using reasonable efforts); and/or
 - c. would, if implemented, materially change the nature and scope of the requirement (including its risk profile) under the Contract;

and:

 - d. the Contractor notifies the Authority within 10 (ten) Business Days (or such longer period as shall have been agreed in writing by the parties) after the date of the Authority Notice of Change that the relevant proposed Change or Changes is/are a Change(s) falling within the scope of Clauses 5.a, 5.b and/or 5.c providing written evidence for the Contractor's reasoning on the matter; and
 - e. further to such notification:
 - (1) either the Authority notifies the Contractor in writing that the Authority agrees, or (where the Authority (acting reasonably) notifies the Contractor that the Authority disputes the Contractor's notice under Clause 5.d) it is determined in accordance with Condition 40 (Dispute Resolution), that the relevant Change(s) is/are a Change(s) falling within the scope of Clauses 5.a, 5.b and/or 5.c; and
 - (2) (where the Authority either agrees or it is so determined that the relevant Change(s) is/are a Change(s) falling within the scope of Clauses 5.a, 5.b and/or 5.c) the Authority fails to make sufficient adjustments to the relevant Authority Notice of Change (and issue a revised Authority Notice of Change) to remove the Contractor's grounds for refusing to implement the relevant Change under Clauses 5.a, 5.b and/or 5.c within 10 (ten) Business Days (or such longer period as shall have been agreed in writing by the parties) after:
 - i) the date on which the Authority notifies in writing the Contractor that the Authority agrees that the relevant Change(s) is/are a Change(s) falling within the scope of

Clauses 5.a, 5.b and/or 5.c); or

ii) the date of such determination.

6. The Contractor shall at all times act reasonably, and shall not seek to raise unreasonable objections, in respect of any such adjustment.

Contractor Change Proposal

7. As soon as practicable, and in any event within:

a. (where the Contractor has not notified the Authority that the relevant Change or Changes is/are a Change(s) falling within the scope of Clauses 5.a, 5.b and/or 5.c in accordance with Clause 5) fifteen (15) Business Days (or such other period as the Parties agree (acting reasonably) having regard to the nature of the Change(s)) after the date on which the Contract shall have received the Authority Notice of Change; or

b. (where the Contractor has notified the Authority that the relevant Change or Changes is/are a Change(s) falling within the scope of Clauses 5.a, 5.b and/or 5.c in accordance with Clause 5 and:

(1) the Authority has agreed with the Contractor's conclusion so notified or it is determined under Condition 40 (Dispute Resolution) that the relevant Change(s) is/are a Change(s) falling within the scope of Clauses 5.a, 5.b and/or 5.c and the Authority has made sufficient adjustments to the relevant Authority Notice of Change (and issued a revised Authority Notice of Change(s)) to remove the Contractor's grounds for refusing to implement the relevant Change(s) under Clauses 5.a, 5.b and/or 5.c) fifteen (15) Business Days (or such other period as the parties shall have agreed (both parties acting reasonably) having regard to the nature of the Change(s)) after the date on which the Contractor shall have received such revised Authority Notice of Change; or

(2) the Authority has disputed such conclusion and it has been determined in accordance with Condition 40 (Dispute Resolution) that the relevant Change(s) is/are not a Change(s) falling within the scope of Clauses 5.a, 5.b and/or 5.c) fifteen (15) Business Days (or such other period as the parties shall have agreed (both parties acting reasonably) having regard to the nature of the Change(s)) after the date of such determination,

the Contractor shall deliver to the Authority a Contractor Change Proposal. For the avoidance of doubt, the Contractor shall not be obliged to deliver to the Authority a Contractor Change Proposal where the Contractor notifies the Authority, and the Authority agrees or it is determined further to such notification in accordance with Clause 5, that the relevant Change or Changes is/are a Change(s) falling within the scope of Clauses 5.a, 5.b. and/or 5.c.

8. The Contractor Change Proposal shall comprise in respect of each and all Change(s) proposed:

- a. the effect of the Change(s) on the Contractor's obligations under the Contract;
- b. a detailed breakdown of any costs which result from the Change(s);
- c. the programme for implementing the Change(s);
- d. any amendment required to this Contract as a result of the Change(s), including, where appropriate, to the Contract Price; and
- e. such other information as the Authority may reasonably require.

9. The price for any Change(s) shall be based on the prices (including rates) already agreed for the Contract and shall include, without double recovery, only such charges that are fairly and properly attributable to the Change(s).

Contractor Change Proposal – Process and Implementation

10. As soon as practicable after the Authority receives a Contractor Change Proposal, the Authority shall:

- a. evaluate the Contractor Change Proposal; and
- b. where necessary, discuss with the Contractor any issues arising (and (in relation to a Change(s) proposed by the Authority) following such discussions the Authority may modify the Authority Notice of Change) and the Contractor shall as soon as practicable, and in any event not more than ten (10) Business Days (or such other period as the Parties shall have agreed in

writing) after receipt of such modification, submit an amended Contractor Change Proposal.

11. As soon as practicable after the Authority has evaluated the Contractor Change Proposal (amended as necessary) the Authority shall:

a. either indicate its acceptance of the Change Proposal by issuing a DEFFORM 10B in accordance with Condition 6 (Formal Amendments to the Contract), whereupon the Contractor shall promptly sign and return to the Authority the DEFFORM 10B indicating their unqualified acceptance of such amendment in accordance with, and otherwise discharge their obligations under, such Condition and implement the relevant Change(s) in accordance with such proposal;

or

b. serve Notice on the Contractor rejecting the Contractor Change Proposal and withdrawing (where issued in relation to a Change or Changes proposed by the Authority) the Authority Notice of Change (in which case such notice of change shall have no further effect).

12. If the Authority rejects the Contractor Change Proposal, it shall not be obliged to give its reasons for such rejection.

13. The Authority shall not be liable to the Contractor for any additional work undertaken or expense incurred in connection with the implementation of any Change(s), unless a Contractor Change Proposal has been accepted by the Authority in accordance with Clause 11.a and then subject only to the terms of the Contractor Change proposal so accepted.

Contractor Changes

14. If the Contractor wishes to propose a Change or Change(s), they shall serve a Contractor Change Proposal on the Authority. Such proposal shall be prepared and reviewed in accordance with and otherwise be subject to the provisions of Clauses 8 to 13 (inclusive).

Schedule 5 - Contractor's Sensitive Information Form (i.a.w. condition 12) for Contract No: DGM/2022

CONTRACT NO: DGM/2022
Description of Contractor's Commercially Sensitive Information: Technical drawings packages; technical information; prices.
Cross Reference(s) to location of sensitive information:
Explanation of Sensitivity: Restricted GD-OTS information and drawings and quoted prices are included in the tender.
Details of potential harm resulting from disclosure: Technology and pricing becoming public would negatively impact GD-OTS competitiveness.
Period of Confidence (if applicable): N/A (all information must be considered Restricted GD-OTS without ending period)
Contact Details for Transparency / Freedom of Information matters: Alain Boisvert Position: Associate General Counsel and Director of Contract Management Address: 5 Montee-des-Arsenaux, Repentigny, Quebec, Canada, J5Z 2P4 Telephone Number: 450-582-6408 Email Address: Redacted @gd-ots.com

Schedule 6 – Hazardous and Non Hazardous Substances, Mixtures or Articles
Statement by the Contractor

Contract Number: DGM/2022

Contract Title: Supply of 5.56mm and 9mm Training Securiblack Ammunition

Contractor: GENERAL DYNAMICS ORDNANCE AND TACTICAL SYSTEMS - CANADA

Date of Contract:

* To the best of our knowledge there are no hazardous Substances, Mixtures or Articles to be supplied. ☐; or

* To the best of our knowledge the hazards associated with Substances, Mixtures or Articles to be supplied under the Contract are identified in the Safety Data Sheets or UK REACH Article 33 Communication attached in accordance with either:

DEFCON 68 ☒; or

Condition 9 of Standardised Contract 1A/B Conditions. ☐;

Contractor's Signature: Redacted

Name:

Job Title:

Date:

* check box (☒) as appropriate

To be completed by the Authority

DMC:

NATO Stock Number:

Contact Name:

Contact Address:

Contact Phone Number:

Contact Email Address:

Copy to be forwarded to:

Hazardous Stores Information System (HSIS)
Spruce 2C, #1260
MOD Abbey Wood (South)

Schedule 7 – Timber and Wood - Derived Products Supplied under the Contract:
Data Requirements for Contract Number: DGM/2022

The following information is provided in respect of Clause condition 24 (Timber and Wood – Derived Products):

Schedule of Requirements item and timber product type	Volume of timber Delivered to the Authority with FSC, PEFC or equivalent evidence	Volume of timber Delivered to the Authority with other evidence	Volume (as Delivered to the Authority) of timber without evidence of compliance with Government Timber Procurement Policy	Total volume of timber Delivered to the Authority under the Contract
8600063	1020 PMP Or 2.4m3	0	0	1020 PMP Or 2.4m3
8600084	204 PMP Or 0.5m3	0	0	204 PMP Or 0.5m3

Schedule 8 - Acceptance Procedure (iaw condition 28) for Contract No: DGM/2022

This Schedule contains the Acceptance Criteria for all Contract Deliverables within the scope of this Contract, DGM/2022.

Documentation – (Line Item 4 of Schedule 2)

- 1.1. Line Item 4 of Schedule 2 - The Contractor shall provide technical documents to the Authority's Project Manager in accordance with Schedule 16 to the Contract.
- 1.2. **Document Acceptance Criteria** – Provision of Technical Documentation to the Authority's Project Manager's satisfaction, in accordance with Schedule 16 Annex A and any applicable Ad Hoc Task placed pursuant to Clause 47.3.

Ammunition (Line Item 1- 3 & 6-8 of Schedule 2)

- 2.1. The Contractor shall deliver Ammunition in to DM Stores in accordance with the Delivery Schedule and Technical Specification at Schedule 2 and 16 to the Contract.

DM Depot Activities

- 2.2. For ammunition delivered from the Contractor to DM Redacted, DM will bring the stock to account and conduct Initial Acceptance (IA) Inspections within the rejection period specified at Condition 29 to Schedule 3.
- 2.3. The DM Redacted processing tasks, to be undertaken upon delivery of 5.56mm and 9mm Ammunition shall assess the compliance of the Contract Deliverables with the requirements contained within Schedule 16 to the Contract.
- 2.4. Any faults found during IA will result in a Non-Compliance report being raised by DM. This report shall be subject to review by the MOD Project Manager, who shall decide the most appropriate course of action to resolve any non-compliant munition. The Contractor shall be notified of any rejection by the Authority within the rejection period specified at Condition 29 to Schedule 3.
- 2.5. **Munition Acceptance Criteria** – Delivery of 5.56mm and 9mm Training Securibank Ammunition in accordance with Schedule 2 which has passed the Authority's Initial Acceptance inspection along with associated Certificate of Conformity.

NOTE – Acceptance and payment of ammunition delivery can only occur after the associated delivery and Certificate of Conformity have been delivered and accepted in accordance with the criteria stated in Schedule 16 to the satisfaction of the Authority's project manager

Schedule 9 – Munitions Order Form (MOF) and Ad-Hoc Tasks, Tasking Authorisation Form (TAF)**Munitions Order Form (MOF)****Part A – Request for Proposal**

Munitions Order Reference Number:

Date of Request:

ADAC No.	Description	Requested Delivery Date	Delivery Location	Quantity Required

Authority Authorisation to Issue to Contractor

	Name	Signature
Technical/PM		
Commercial		

Part B – Contractor's Proposal

Munitions Order Reference Number:

Date of Proposal:

Proposal Expiry Date (Not less than 60 calendar days from date of proposal):

ADAC No.	Description	Quantity Confirmation	Price Excluding Delivery
	(Add Lines as Required)		
		Total Price Munitions*	
		Delivery*	
		Total Order Price (FIRM)	

Munitions Readiness Date:

Delivery Date:

Part C – Authority's Approval to Proceed

Munitions Order Reference Number:

Date of Proposal:

Authority Project Manager

I am content with Part 2 of this Munitions Order.

Signed:

Date:

Name:

Position

Authority Finance Officer

I confirm financial approval is hereby given for this Munitions Order.

Signed:

Date:

Name:

Position

Authority Commercial Officer

I am content this Munitions Order is consistent with the scope, Terms and Conditions of DGM/2022.

Signed:

Date:

Name:

Position:

The Contractor is now authorised to proceed with the work in accordance with the Terms and Conditions of the Contract.

Ad-Hoc Tasks, Tasking Authorisation Form (TAF)**PART 1 – TASK SPECIFICATION****TASK TITLE:****TASK AMENDMENT:** *(if required)***TASK NO:****TASK DESCRIPTION:**

Deliverable No.	Deliverable	Date Due	Acceptance Criteria
1	(Add lines As Required)		

The following additional DEFCONs shall apply to this Task as indicated below:

DEFCON	Description	Applicability (Yes/No). Where Yes, please confirm deliverable numbers.

DEFFORM 177 required – Yes/No (Delete As Appropriate)

Authority PM Contact Details:

Name:.....

Telephone Number:.....

Email:.....

PART 2 – FIRM PRICE QUOTATION**(To be completed by the Contractor)**

Please use the table below to show the cost breakdown for work covered by this TAF (including overheads and profit):

Labour Type	Labour Rate	Number of Hours	Value
Other (Please Specify)			
Total			

Assumptions/Dependencies/Exclusions:

Delivery Dates:

Deliverable No.	Deliverable	Delivery Date
1	(Add lines As Required)	

TOTAL FIRM PRICE QUOTATION:

.....

LATEST DATE for satisfactory completion of all deliverables:

.....

THIS QUOTATION IS VALID UNTIL (DATE):

.....

Contractor's Authorising Officer

I confirm agreement to all details in Part 1 and 2

Signed:

Date:

Name: Position.....

PART 3 – APPROVAL**Authority Project Manager**

I am content with Part 1 and 2 of this task.

Signed: Date:

Name: Position

Authority Finance Officer

I confirm financial approval is hereby given for this task.

Signed: Date:

Name: Position

Authority Commercial Officer

I am content this task is consistent with the scope, terms and conditions of DGM/2022.

Signed: Date:

Name: Position:

The Contractor is now authorised to proceed with the work in accordance with the terms and conditions of the Contract.

Appendix 1 to Schedule 9 - Authorised Munition Order List

DGM/2022 - Authorised Munition Orders					
Munition Order Reference Number	SoR Item(s)	Munition(s) Ordered	Forecast Delivery Date(s)	Munition Order Price (Including Profit and Delivery)	Actual Delivery Date
			Total MOF Value:		

Appendix 2 to Schedule 9 - Ad-Hoc Tasks, Tasking Authorisation Form List

DGM/2022 - Authorised Ad-Hoc Tasks				
Ad-Hoc Tasks Reference Number	Description	Forecast Delivery Date(s)	Ad-Hoc Task Price (Including Profit and Delivery)	Actual Delivery Date
		Total Ad-Hoc Tasks Value:		

Schedule 10 – Notification of Intellectual Property Rights (IPR) Restrictions for Contract No. DGM/2022.

Part A – Notification of IPR Restrictions

1. ITT/ Contract Number	DGM/2022			
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	<ul style="list-style-type: none"> - Complete Technical Data Package (including but not limited to drawings, product/testing specifications & methods). - Manufacturing processes and related data. - Product specifics (raw material, components, sub-components) such as (not limited to) measurements. - Proof documentation including evidence of proof reports/test results. - Disposal Data Pack and all related information on ammunition. 	5321006COM 9mm Securiblack® Quiet Toxfree® GEN2	<p>All items developed at Contractor's own private expense. No rights given to the Authority other than form, fit and function data.</p> <p>Nothing within the Contract or any of its provisions shall act in a way as to change title or ownership of any Intellectual Property as furnished under the Contract.</p>	Sole ownership of rights and IPR to remain with the Contractor
2	<ul style="list-style-type: none"> - Complete Technical Data Package (including but not limited to drawings, product/testing specifications & methods). - Manufacturing processes and related data. - Product specifics (raw material, components, sub-components) such as (not limited to) measurements. - Proof documentation including evidence of proof reports/test results. - Disposal Data Pack and all related information on ammunition. 	5321003COM 9mm Securiblack® Loud Toxfree® GEN2	The Authority will take user rights in accordance with the applicable DEFCONS 16 & 21.	
3	<ul style="list-style-type: none"> - Complete Technical Data Package (including but not limited to drawings, product/testing specifications & methods). - Manufacturing processes and related data. - Product specifics (raw material, components, sub-components) such as (not limited to) measurements. - Proof documentation including evidence of proof reports/test results. - Disposal Data Pack and all related information on ammunition. 	5358400COM 5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons		

(Please see the DEFFORM 711 Completion Notes for guidance on completing the Notification of Intellectual Property Rights (IPR) Restrictions form)

Schedule 11 - Contract Data Requirements (DEFFORM 315)

1. <u>ITT/Contract Number</u> DGM/2022	2. <u>CDR Number</u> 001	3. <u>Data Category</u> Safety / Disposal	4. <u>Contract Delivery Date</u> In accordance with Schedule 2
5. <u>Equipment/Equipment Subsystem Description</u> 5.56mm and 9mm Training Securibank Ammunition		6. <u>General Description of Data Deliverable</u> Safety Data Sheet - The Contractor will supply a Safety Data Sheet. Any requirements for further technical information will be authorised in accordance with Clause 47.3 Ordering Process - Ad-Hoc Tasks	
7. <u>Purpose for which data is required</u> Safety Data Sheet to be issued to suppliers as part of any competitive exercise for disposal activities to inform them of hazardous materials contained within the equipment to ensure safe disposal. The Safety Data Sheet may be issued to any Contractor delegated by the Authority to dispose of quantities of the equipment.		8. <u>Intellectual Property Rights</u> a. <u>Applicable DEFCONs</u> DEFCON 16 (Edn. 06/21) Repair and Maintenance Information DEFCON 21 – (Edn. 06/21) – Retention of Records b. <u>Special IP Conditions</u> For the avoidance of doubt, nothing within the Contract or any of its provisions shall act in a way as to change title or ownership of any Intellectual Property as furnished under the Contract. The Authority will take user rights in accordance with the applicable DEFCONs 16 & 21	
9. <u>Update/Further Submission Requirements</u> All data deliverables relating to the Safety Data Sheet shall include any applicable GDOT's Proprietary information markings and include the following statement 'GDOTS Proprietary IPR with UK MOD Rights subject to DEFCON 16 of DGM/2022'.			
10. <u>Medium of Delivery</u> In accordance with Schedule 16 to the Contract.		11. <u>Number of Copies</u> 2 copies – 1x soft copy and 1 x hard copy.	

1. <u>ITT/Contract Number</u> DGM/2022	2. <u>CDR Number</u> 002	3. <u>Data Category</u> Proof Documentation	4. <u>Contract Delivery Date</u> In accordance with Schedule 2
5. <u>Equipment/Equipment Subsystem Description</u> 5.56mm and 9mm Training Securiblack Ammunition		6. <u>General Description of Data Deliverable</u> Proof documentation, including evidence of proof reports/test results	
7. <u>Purpose for which data is required</u> The Proof Documentation is required to be issued to any Third Party delegated by the Authority to ensure the safe handling of ammunition for any stated purpose required by the Authority. In accordance with the rights granted to the Authority under DEFCON 16.		8. <u>Intellectual Property Rights</u> a. <u>Applicable DEFCONs</u> DEFCON 16 (Edn. 06/21) Repair and Maintenance Information DEFCON 21 – (Edn. 06/21) – Retention of Records b. <u>Special IP Conditions</u> For the avoidance of doubt, nothing within the Contract or any of its provisions shall act in a way as to change title or ownership of any Intellectual Property as furnished under the Contract. The Authority will take user rights in accordance with the applicable DEFCONs 16 & 21.	
9. <u>Update/Further Submission Requirements</u> All data deliverables relating to the Proof Documentation shall include any applicable GDOT's Proprietary information markings and include the following statement 'GDOTS Proprietary IPR with UK MOD Rights subject to DEFCON 16 of DGM/2022'.			
10. <u>Medium of Delivery</u> In accordance with Schedule 16 to the Contract.		11. <u>Number of Copies</u> 2 copies – 1x soft copy and 1 x hard copy.	

Schedule 12 – Performance Management Report**DGM/2022**

Report Date:

Munition Order:

Item No	Product Description	Quantity Ordered	Agreed Munition Readiness Date	Forecast Munitions Readiness Date	Agreed Delivery Date	Forecast Delivery Date	Status as of report date	Reason for delay Mitigation Plan (Amber/Red)	
							GREEN (on time or ahead of schedule)		
							AMBER (1-30 Business Days Late)		
							RED (More than 30 Business Days late)		

Additional Comments and Information on any recovery of performance as appropriate:

Reporting Frequency: The Contractor shall submit the above Schedule 12 - Performance Management Report to the Authority Quarterly in accordance with Clauses 45.5 and Clause 12.

Schedule 13 - Key Performance Indicator

The Key Performance Indicator that shall apply to this Contract are as set out in this Schedule 13. Performance Management shall be undertaken as set out at Clause 45.5 to the Terms and Conditions.

KPI Ser No.	Title	Description and Measure	Green Indicator	Amber Indicator	Red Indicator
K-01	Delivery of Ammunition Articles	Delivery of Ammunition Deliverables in accordance with Schedule 2 and Schedule 16.	Delivery of technically compliant Ammunition received to the agreed delivery location as per agreed delivery date (on time) or ahead of agreed delivery date	Delivery of technically compliant Ammunition received to the agreed delivery location between one (1) Thirty (30) Business days later than the agreed delivery	Delivery of technically compliant Ammunition received to the agreed delivery location more than Thirty (30) Business Days late

Schedule 14 – Government Furnished Assets

This Schedule 14 contains the Government Furnished Assets (GFA) agreed by the Authority to be provided to the Contractor in the period of performance of this Contract, GFA shall be provided in accordance with DEFCON 694, as set out in the Terms and Conditions to this Contract.

Serial Number	NSN Number	Product Description	Quantity	Required by Date	Delivery Location	Loan Completion Date
1						
2						
3						
4						
5						
6						

Schedule 15 – Cyber Implementation Plan

This Schedule 15 contains the Cyber Implementation Plan for Contract DGM/2022, in accordance with DEFCON 658 – Cyber.

Contract Title	Supply of 5.56mm and 9mm Securiblack Ammunition
MOD Contract Number:	DGM/2022
CSM Risk Assessment Reference:	204630646
CSM Cyber Risk Profile	Very Low
Name of Supplier:	GENERAL DYNAMICS ORDNANCE AND TACTICAL SYSTEMS - CANADA INC.
Current level of Supplier Compliance	Compliant
Reasons why Supplier is unable to achieve full compliance:	N/A
Measures planned to achieve compliance/mitigate the risk with associated dates:	N/A
Anticipated date of compliance/mitigations will be in place:	N/A
Risk Accepted and by whom	Yes / No
Notified (If applicable):	Yes / No
Decision recorded on Octavian:	Yes / No
Name	Redacted
Position	Commercial Manager
Date	01/03/24

Schedule 16 – Statement of Requirements**Statement of Requirements for Contract No: DGM/2022****1. Background**

A procurement of the three 5.56mm & 9mm Securiblack® ammunition natures listed below has become necessary to complete the in-service safe blank firing system. This Statement of Requirements sets out the specifications and deliverables within the contract.

This Contract aims to provide DGM UK Strategic Command with:

- a) 9mm Securiblack® Quiet Toxfree® GEN2
- b) 9mm Securiblack® Loud Toxfree® GEN2
- c) 5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons
- d) The Authority recognises that Securiblack ammunition is a commercial product and therefore gaps may exist between the technical documentation which has been identified or provided by the Contractor prior to contract award and documents required by the SOR. The Authority has therefore outlined a number of areas that require further information / clarification in order for the Authority to bring the rounds into service. These areas are outlined in DGM/2022 TAF 001 and the Contractor will quote for the provision of such data, where it is practical to do so, and subject to legal and commercial restrictions; as soon as possible after contract award. The Authority may decide to proceed with all or part of the contractors TAF-001 price response at its discretion.

2. Scope

The Contractor shall deliver and adhere to:

- a) The Schedule of Requirements as per the agreed delivery Schedule in Schedule 2
- b) The Statement of Requirements (SOR) as set out herein and the Authority's requirements for any quality standards referenced within the document;
- c) Ad-hoc tasks as notified by the Authority (where these ad-hoc tasks are agreed with the Contractor);
- d) The latest issue, version or edition of any Quality Standards (STANAGs, Def Stans,) which will be available via StanMIS, and AQAPs via DGM UKSC PT specified in this SOR that are in force at the time of an agreed delivery date; and
- e) Quality Management System Certification and Quality Liaison/Pre-Production Meetings.

In each case in accordance with the Terms and Conditions of the Contract.

3. Ammunition Build Standard

Ammunition Build Standard shall be managed in accordance with DefStan 05-057 - Configuration Management and shall be agreed in accordance with the corresponding Technical Data Pack (TDP), which shall be delivered to the Authority in accordance with the timelines for delivery agreed within TAF 001. The Contractor shall comply with the following Defence Standards and is to include but not be limited to all criteria stated within TAF 001. In accordance with DEFSTAN 13-098 the data contained within the Technical Data Pack may be shared with third parties for reasons in keeping with DEFCON, 16, 21 and 90.

DEF STAN 07 - 085	Design Requirements for Weapons and Associated Systems
DEF STAN 13 - 096	Lotting and Batching of Ammunition - General Requirements
STANAG 4763	Safety and Suitability for Service Assessment Testing for Small Calibre Ammunition Less Than 20mm
DEF STAN 13 - 096	Lotting and Batching of Ammunition - General Requirements

The Ammunition Build Standard(s) for all Contractor Deliverables at Schedule 2 shall be agreed to be as per the TDP that the Contractor supplies to the Authority in accordance with TAF 001. The Contractor shall be responsible for informing the Authority if the Ammunition Build Standard is altered in accordance with Section 4 to Schedule 16—Changes to Build Standard.

4. Changes to Build Standard

In the event the Contractor identifies that a change to the agreed Ammunition Build Standard(s) is required, the Contractor shall be responsible for informing the Authority within five (5) working days of identification.

Upon such notification changes under the Contract including changes to build standards shall be addressed through the Contract Change Mechanism (Clause 6. Formal Amendments to Contract).

The Contractor shall provide the following:

- a) A completed DEF STAN 05-057 Modification Proposal Form for the Authority's consideration;
- b) Revised Ammunition Technical Data Pack in accordance with proposed or accepted modification proposal;
- c) Revised Safety Data Sheets in accordance with Clause 23 to the Terms and Conditions and Schedule 16.
- d) Advice on any variations to the Terms and Conditions of the Contract, including any change in price in the Schedule of Requirements.

The Authority will acknowledge receipt of the documentation submitted for the proposed change to the ammunition build standard and provide an initial impact statement regarding the Authority's internal review process appropriate to the change within fifteen (15) working days of receipt. This impact statement will include information about a proposed timeline for formal response to the Contractor's proposed modification.

If the Authority requires further information or clarification in support of the Contractor's proposed change, the Authority will submit a request in writing to the Contractor. The Contractor shall provide a response to the Authority's request for information or clarification within ten (10) working days, unless otherwise agreed by the Authority.

Following review of the documentation and any clarifications where applicable, the Authority will provide a response to the request. In the event that the Authority accepts the change to the ammunition build standard, the change will be incorporated into the contract in accordance with Clause 6. Formal Amendments to Contract.

In the event the change is not accepted by the Authority, a Deviation from Build Standard may be required as set out in Section 5 to Schedule 16.

5. A Temporary Deviation from Build Standard/Non-Conforming Material

Where a proposed change relates to a deviation in Ammunition Build Standard, the Contractor shall provide a justification to the Authority as soon as possible with each application. As a minimum, this shall include:

- a) A completed DEF STAN 05-057 Modification Proposal Form for the Authority's consideration;
- b) A completed DEF STAN 05-061 Part 1 Annex B for the Authority's consideration.
- c) Revised Ammunition Technical Data Pack in accordance with DEFSTAN 13-098; and
- d) Revised Safety Data Sheets in accordance with Clause 23 to the Terms and Conditions.
- e) Advise on any variations to the Terms and Conditions of the Contract, including any change in price in the Schedule of Requirements.

Where a proposed change relates to a deviation in Build Standard, the Contractor shall provide the Authority with revised drawings as part of the submission with the Modification Proposal Form.

Where a proposed change relates to a deviation in Ammunition Build Standard(s), for which a concession is appropriate, the concession application requirements are listed under DEF STAN 05-061 Part 1 Annex A. Design Authority concurrence for each application is required and it shall be the responsibility of the Contractor to seek Authority approval for the concession application.

The Authority retains the right to decide if a change is regarded as minor or major. Minor deviation activities shall be allowed in accordance with DEF STAN 05-061 Part 1 but shall still be agreed by the Authority as 'minor' in writing.

Where deviation of the Ammunition Build Standard is agreed, the Contractor shall provide appropriate technical safety and environmental information and compliance matrices as required for the Defence Munitions Publication to be produced by the Authority in accordance with DEFSTAN 13-099.

Any non-conforming material or irregularity/defect, even if not covered by the Ammunition Build Standard, which is detected and could adversely affect proper functioning, handling, safety, or storage of the articles being supplied shall be grounds for the rejection of the lot or lots in question in accordance with Clause 29 – Rejection.

6. Manufacture & Proof Testing

The Contractor shall supply Contractor Deliverables ordered under the Contract to the Ammunition Build Standard(s) referred to at Section 3 to this Schedule 16. The Contractor shall ensure that the proof testing is conducted by sufficiently qualified experienced and competent parties in accordance with the procedures specified in the Contractor's agreed proofing methodology and DefStan 05-101.

Unless otherwise specified in the Contract, the Contractor shall be responsible for the performance of all proof testing and associated activities, including the supply of all necessary equipment and ancillaries, transportation to ranges, reproof etc. The Authority reserves the right to perform any proof that it deems necessary to assure that the ammunition conforms with the prescribed requirements. The results of any such proof shall be binding.

The Contractor shall provide evidence upon request by the Authority, in the form of reports and/or test results, to demonstrate to the Authority's satisfaction that the Contractor Deliverables supplied perform to the contracted specification at Annex A to Schedule 16. The Contractor shall provide the required evidence thirty 30 working days prior to delivery unless otherwise agreed by the Authority.

7. Marking of Ammunition, Associated Packaging and Palletisation

The Contractor shall comply with all the requirements of the following DEFSTANs:

DEF STAN 00-810	Marking of Ammunition & Associated Packages – General Part 1
DEF STAN 00-810	Marking of Ammunition and Associated Packages (below 20mm) Part 13
DEF STAN 00-810	Marking of Ammunition and Associated Packages Part 20
DEF STAN 00-088	Packaging for Ammunition and Explosives

DEF STAN 81-116	Expanded Polyethylene Sheet, Types GP and QX, Grades A, B, C and D
DEF STAN 00-814	Unit Loads of Ammunition for Military Use

The Contractor shall provide Ammunition Marking Drawings (AMDs) for the Contractor Deliverables and their packaging in accordance with DEF STAN 00-810 Parts 1, 13, and 20 to the Authority in accordance with TAF 001.

The Authority shall review and seal the AMDs and associated packaging documentation prior to delivery of the Contractor Deliverables. The Contractor shall bear any costs associated with re-packaging Contractor Deliverables in the event that the AMDs do not comply with the requirements in this Section. The Contractor can provide photographs of the packed ammunition with labelling clearly visible, to the Authority thirty days prior to delivery for confirmation that items are packed correctly. Any faults identified with the packaging within the photographs will be brought to the attention of the contractor in order that they can be rectified prior to delivery.

8. Delivery of Contractor Deliverables to MOD Depot(s)

The Contractor shall comply with the agreed Delivery Schedule and Delivery Location contained at Schedule 2. When delivering the Contract Articles to MOD Stores, the Contractor shall contact Defence Munitions (DM), at least ten (10) business days before the planned shipment, quote the correct Forecast Control Number (FCN), and provide details of the breakdown of the consignment. The FCN can be obtained from the Authority prior to booking a delivery slot.

DM will agree a date and time slot for the consignment to be delivered and will issue a Consignment Can Accept (CCA) number to the Contractor. The consignment shall not be shipped until the CCA number has been issued.

In the event the Contractor is required to take possession of any ammunition from a MOD store, the Contractor shall comply with the requirements set out at Clause 46.6 to the Terms and Conditions.

9. Safety & Environmental Management

The Contractor shall comply with the following DEF STANs:

DSA 01.1	Defence Policy for Health, Safety and Environmental Protection
DEF STAN 00-027	The Measurement of Impulse Noise from Military Weapons, Explosives and Pyrotechnics; and Selection of Hearing Protection
DEF STAN 00-035	Environmental Handbook for Defence Materiel Part 1-5
DEF STAN 00-056	Safety Management Requirements for Defence Systems Part 1 & 2
DEF STAN 05-135	Avoidance of Counterfeit Material
DEF STAN 07-085	Design Requirements for Weapons and Associated Systems
DEF STAN 13-129	Requirements for Explosives Hazard Data Sheets for MOD Use
STANAG 4147	Chemical Compatibility of Ammunition Components with Explosives (Non-Nuclear Applications)

The Contractor shall maintain their Safety Management Plan, which demonstrates how the Contractor maintains the intrinsic safety of the Contractor Deliverables. This should be made available to the Authority upon written request.

10. SMR/PSEP

The Authority will undertake Safety Management Reviews (SMR) and convene a Project Safety and Environmental Panel (PSEP) to review the enduring safety of the Contractor Deliverables at varying stages of the project life cycle. The Contractor shall be required to attend the SMR/PSEP as directed by the Authority either in person or virtually. The Contractor may be required to provide

information/documentation to facilitate the SMR/PSEP as directed by the Authority. DGM will communicate the requirements to the Contractor no later than fifteen (15) business days prior to the scheduled meeting.

11. Qualification of Contract Articles

Contractor Deliverables under this Contract may need to undergo S3 Qualification testing to ensure that they are safe and suitable for service.

The S3 Qualification Programme will incorporate destructive testing on a quantity of ammunition natures in accordance with STANAG 4297. The Contractor shall be provided with written feedback of the Contractor Deliverables' performance in the S3 Qualification Programme upon completion of the qualification testing by the Authority.

The S3 Qualification Programme will be based upon the criteria defined at AOP 15 Annex A-Questionnaire for the Simunition® Ammunition Suite. The Ammunition will be subject to all relevant tests identified in the AOP 15 Annex A and in accordance with the testing procedures set out at DefStan 00-035. The Authority will not have an agreed test plan for the Contractor Deliverables prior to Contract award.

To complete S3 testing third party contractors will require the use of technical data supplied to the authority as part of this contract in accordance with DEFSTAN 13-098 and DEFCONs, 16, 21 and 90.

The Contractor shall not be responsible for any product change or rectification work where issues or failures are identified as a result of any UK testing which extends beyond the scope of that which has already been undertaken by the Contractor. The Contractor shall be responsible for any product change or rectification work required where any testing carried out by the Authority illustrates the delivered ammunition does not meet the technical specifications as stated within the Contractors submitted TDP delivered under TAF 001. The Contractor shall rectify any defects at no additional cost to the Authority to ensure the Contractor Deliverables comply with the Contractors submitted TDP.

Throughout the term of this Contract, the Contractor shall continue to ensure the Contractor Deliverables meet the stated technical specifications submitted by the Contractor within their TDP delivered in accordance with TAF 001. The Contractor shall maintain compliance with the requirements set out in the following:

DEF STAN 05-101	Proof of Ordnance, Munitions, Armour and Explosives – Parts 1-3
STANAG 4170	Principles and Methodology for the Qualification of Explosive Materials for Military Use – Edition 2
STANAG 4297	Guidance on the Assessment of the Safety and Suitability for Service (S3) of Non-Nuclear Munitions for NATO Armed Forces – Edition 2
AQAP 2110	NATO Quality Assurance Requirements for Design, Development and Production

To demonstrate continued adherence to these standards, the Contractor shall provide proof documentation, including but not limited to Certificate of Conformity and test reports from each proof test, for each lot delivered. The Proof Documentation shall be provided to the Authority no later than 30 working days prior to each scheduled delivery.

12. Quality Management

The Contractor shall be responsible for all aspects of quality management to ensure Contractor Deliverables supplied under the Contract accord with the technical specifications stipulated in this Schedule 16.

The Contractor shall provide a Quality Management Plan that meets the requirements of AQAP 2110 (or equivalent) to ensure there is an auditable quality assurance regime in place for this Contract. In accordance with the requirements of AQAP 2110, the Contractor shall maintain his quality management procedures. Information on the Contractor's quality management procedures shall be provided on receiving notice from the Authority's quality assurance representative within 10 business days of request.

The Contractor shall meet the requirements defined in the following standards:

DEF STAN 05-061	Quality Assurance Procedural Requirements Concessions – Part 1
DEF STAN 13-096	Lotting and Batching of Ammunition Part 1 – General Requirements
AQAP-2110	NATO Quality Assurance Requirements for Design, Development and Production Edition D Version 1
DEF STAN 13-098	Requirements for the Provision of Munitions Technical Data for the ASTRID Base Inventory System
DEF STAN 13-099	Requirements for Defence Munitions Publications
STANAG 4107	Mutual Acceptance of Government Quality Assurance and Usage if the Allied Quality Assurance Publication Edition 10

13. Defence Munition Publications (DMPs)

At the Request of the Authority and in accordance with Clause 47.3 of the Terms and Conditions the Contractor shall provide Defence Munitions Publication (DMP) in accordance with DEF STAN 13-099. The DMPs supplied under this Contract are intended for use by the Authority as a single publication detailing the technical specifications and function of the ammunition to support the UK MOD's logistical plans for handling, transport and maintenance of the Contractor Deliverables. The Intellectual Property Rights (IPR) that shall apply to the DMP(s) supplied shall be in accordance with DEFCON 16.

If requested by the Authority in accordance with Clause 47.3 the Contractor shall deliver one DMP covering the required information for all ammunition natures delivered under the Contract. The format and contents of the DMP shall meet the requirements set out at DEF STAN 13-099. In accordance with DEFSTAN 13-099 the data contained within the DMP may be shared with third parties for reasons in keeping with DEFCON 16,21 and 90.

14. Configuration Management

The Contractor shall keep all component records relevant to all Contractor Deliverables for at least ten (10) years from Contract expiry and make them available, without cost to the Authority, within a reasonable period upon request. Records shall not be disposed of without the prior written approval of the Authority.

DEF STAN.05-057	Configuration Management of Defence Materiel
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15. Obsolescence Management

The Contractor shall manage obsolescence in accordance with their normal operating procedures. Where an issue of obsolescence is identified, the Contractor shall notify the Authority as soon as reasonably practicable, but no later than ten (10) working days following identification. The Contractor shall advise the Authority on the cause of the issue and the impact of the relevant issue on:

- a) Production and delivery schedules and the ability to order over the remaining term of the Contract;

- b) Performance, reliability and safety; and
- c) Any other matter that the Contractor deems relevant to performance and compliance with obligations under the Contract.

Where an issue of obsolescence necessitates a change to the Ammunition Build Standard and/or the Contract, an amendment to the Contract shall be required in accordance with Section 4 to this Schedule 16 and Clause 6 to the Terms and Conditions.

16. Disposal Data Pack

The Contractor Deliverables shall be designed in accordance with STANAG 4518 to ensure that it can be disposed of in a safe and environmentally friendly manner, including residual battlefield and training debris.

Along with the TDP to be delivered in accordance with TAF 001, the Contractor shall provide an appropriate Safety Data Sheet within thirty (30) business days of Contract award. If requested by the Authority in accordance with Clause 47.3 the Contractor shall provide a Disposal Data Pack for the Defence Munitions Publication to be produced in accordance with Schedule 3 and DEF STAN 13-099. The Disposal Data Pack shall include but not be limited to:

- a) Recommended procedures for the safe disposal of Contractor Deliverables which have exceeded the Service Life allocated by the Authority;
- b) Material Safety Data sheets; and
- c) Recommended instructions for safe disposal of all stores in the event of partial functioning or accidental damage.

The Disposal Data Pack will be issued to third parties that are responsible for disposing of Shelf Life Expired (SLED) ammunition on behalf of the Authority. The Contractor shall ensure that they mark all documentation delivered as per DEFCON 16 and Schedule 10 to this Contract. In accordance with DEFSTAN 13-098 the data contained within the Disposable Data Pack may be shared with third parties for reasons in keeping with DEFCON 16,21 and 90.

17. Performance Meetings

The Contractor shall attend, either in person or via tele-conference (at the Contractor's discretion), Annual Performance Meetings for the duration of the Contract as set out at Condition 19.a to Schedule 3.

The date, time and agenda for these meetings shall be as agreed between the Contractor and the Authority. As a minimum, progress meetings shall routinely include a review of the Contractor's production schedules (including opportunities to align the Authority's procurement), Performance reporting in accordance with Schedule 12 and as per Clause 45.5, quality and safety, risks to timely delivery, obligations/compliance, and proposed changes (where applicable).

The Contractor shall provide an agenda and supporting material for the progress meeting no later than ten (10) working days in advance of the agreed meeting date. The Contractor shall issue draft minutes from the meetings no later than ten (10) working days after each meeting for mutual agreement and amendment where required. The minutes shall not constitute a formal record until the Authority has approved the content of the meeting minutes.

The Contractor shall provide suitably qualified and experienced personnel with the appropriate security clearance and delegated Authority for all meetings conducted under the Contract.

18. Risk, Continuity and Contingency Management

As a measure of good practice, the Contractor is expected to maintain an up-to-date Risk Management Plan as well as a Continuity and Contingency Plan. These documents shall be made available to the Authority within thirty (30) business days of written request.

The Risk Management Plan should, at a minimum, include detailed consideration of all potential Risks that could impact the performance of this Contract, with reference to the severity and the likelihood of the Risk occurring; its potential cost, time and reputational impact and an evaluation of reasonable mitigations for the Risks.

The Continuity & Contingency Plan should detail the Contractor's course of action in response to a significant future event or situation that could impact performance of the Contract. This should include; identification of available resources, identification of potential Risks, a step by step action plan that will be initiated as a result of the occurrence of the event (or Risk), who is responsible for the action and its cost and time implications. The plan should first consider the steps required for continuity/to resume business as usual (BAU), the plan should then detail any additional contingency measures that are to be taken to fulfil business outputs should BAU not be achievable.

In order to be effective both the Risk Management Plan and the Continuity & Contingency Plan need to be regularly reviewed and updated and distributed to all stakeholders that are accountable for an action within them.

19. Deliverable Technical Documentation Requirements

The following table contains a summary of the Technical Documentation Contractor Deliverables that shall be provided by the Contractor under this Contract.

No.	Technical Document	Delivery By Date
1	Technical Data Pack for each Ammunition Contractor Deliverable, as set out at Schedule 11 and Annex A to this Schedule 16	To be agreed in accordance with Clause 47.3
2	Contractor's Proofing Methodology and Proof Schedule as set out at Section 6 to Schedule 16	To be agreed in accordance with Clause 47.3
3	Control of Dangerous Articles and Substances Information (Condition 23)- Schedule 6.	As per Condition 23 Schedule 3
4	Disposal Data Pack, as per Section 16 of Schedule 16	To be agreed in accordance with Clause 47.3
5	Ammunition Marking Drawings for each Contractor Deliverable, as set out at Section 7 of Schedule 16	To be agreed in accordance with Clause 47.3
6	Valid copy of Certification of the QMP (such as but not limited to ISO 9001:2015)	Within thirty(30) business days following receipt of required MOD technical data to complete Technical Documentation (NSN, ADAC..)
7	Defence Munition Publication, as set out at Section 13 of Schedule 16	To be agreed in accordance with Clause 47.3.
For each delivery lot or batch of Contractor Deliverables, the Contractor shall provide the following:		
8	Certificate of Conformity, as per Condition 25, Schedule 3 and Section 11 to Schedule 16.	Thirty (30) working days prior to delivery of Contractor Deliverable
9	Proof documentation, including evidence of proof reports/test results for the Contractor Deliverables, as per Section 6 of Schedule 16	Thirty (30) working days prior to delivery of Contractor Deliverable

10	Evidence of packaging and marking, as per Section 7 of Schedule 16	Thirty (30) working days prior to delivery of Contractor Deliverable
At the request of the Authority, the Contractor shall attend annual Performance Review Meetings on dates to be agreed between the Parties following the delivery of Contractor Deliverables in Schedule 2, Schedule of Requirements		
For Meetings relating to the performance of this Contract, the Contractor shall provide the following:		
11	Meeting agenda, supporting material and draft minutes for each Performance Meeting	As set out in Section 17 of Schedule 16
12	Provide supporting evidence and/or information to the Authority in support of SMRs and PSEPs, as per Section 10 of Schedule 16	Upon request by the Authority
13	A completed Schedule 12 - Performance Management Report to the Authority that are referred to in Schedule 16 and Clause 45.5	Ten (10) business days prior to the annual Performance Meetings
Upon request by the Authority, the Contractor shall provide the following:		
14	Component records for the Contractor Deliverables, as set out at Section 14 of Schedule 16	Upon request by the Authority
15	Information related to the Contractor's Quality Management Procedures, as set out at Section 12 of Schedule 16	Within ten (10) business days upon request by the Authority
16	Proof documentation, including evidence of proof reports/test results for any lot and/or batch of Contractor Deliverables, as per Section 6 of Schedule 16	Within ten (10) business days upon request by the Authority
17	Safety Management Plan, in accordance with Section 9 of Schedule 16	Upon request by the Authority
18	Quality Management Plan, as per Section 12 of Schedule 16	Upon request by the Authority
19	Configuration Management Plan, as set out at Section 14 of Schedule 16	Upon request by the Authority
20	Risk, Continuity & Contingency Management Plan, as set out at Section 18 of Schedule 16	Upon request by the Authority

Annex A to Schedule 16 - TECHNICAL DATA PACK REQUIREMENTS**Securibank AMMUNITION**

Ser	Document description	Document type	Suggested document title	Mandatory/ Preferable/ Optional	DefStan/STANAG for Reference	MOD document number required?	Document Number Format	Remarks
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Technical Description	Technical Description	Technical Description <i>Full Service Designation</i>	P	DefStan 07-085 Def Stan 13-099	NO		To include the following detail: External appearance (colour, dimensions, mass). Description of the construction for major components (materials, dimensions, fill (incl mass min/max tolerances i.e. +/- 3 g). Description of the design and action of any safety or arming mechanisms. Description of the explosive train(s). Description of the physical action when used. Description of any external system safety/arming identification features (i.e. arming windows, markers).
2	Composition specification	Technical Specification	Composition Specification <i>Composition Name</i> (DA designated)	M	DefStan 07-085 Def Stan 13-096 Def Stan 13-099	NO		To include composition breakdown by mass/volume/percentage in support of explosives qualification and classification.
3	Composition NATO qualification certification	Certification	Material Qualification for (composition title)	P	STANAG 4170	NO		Any existing material qualification for NATO members (or type qualification where applicable).

4	Product Safety Data Sheet	Safety Data Sheet	<i>OEM designated</i>	M		NO		Appropriate to the assembled product only. i.e. should not detail hazards such as respiratory protection and handling requirements of sealed compositions other than 'when damaged'...
5	Hazardous Materials Safety Data Sheet	Safety Data Sheet	(OEM designated)	M		NO		Applicable to any hazardous ingredient of any composition/component
6	Explosives Hazard Data Sheet	Explosives Hazard Data Sheet	Explosives Hazard Data Sheet <i>Full Service Designation</i>	M	Def Stan 13-129	NO		This is not an SDS - Specific format iaw Def Stan 13-129. If not supplied, sufficient technical data must be supplied to allow DGM to produce.
7	Top Level Drawing	Design Drawing	<i>Full Service Designation</i>	M	Def Stan 13-099	YES		Historically an 'W' number. Particular attention should be paid to the DefStan requirements for subcomponent colour coding.
8	Store marking	Ammunition Marking Drawing	Marking Instruction for Full Service Designation	M	DefStan 00-810	YES	AMD ***	Applicable to each component and specifying whether permanent or temporary markings
9	Sub component drawing	Design Drawing	<i>Designation</i> - for use on W*** (where W*** is the TLD)	P	DefStan 07-085 Def Stan 13-099	NO		Typically, a sub drawing number of the parent component/store (i.e. W***-2, W***-3 or W***a, W***b, etc). May have individual drawing numbers if preferred.
10	Ammunition Container	Design Drawing	AC Name ***	M		YES	AC Name ***	Empty Container (no internal packaging). Derived from AC model number (i.e. AC ***). Not required if ACs are provided as GFE.
11	Method of Pack	Design Drawing	Ammunition Container Assembly ***	M	Defstan 00-088 DefStan 81-041 (non explosive)	YES	ACA Name ***	Filled Container. Derived from ACA model number (i.e. ACA ***). If an assembly can hold multiple stores, a table of contents detailing ADAC and Full Service Designation should be shown.

12	Container marking drawing	Ammunition Marking Drawing	Marking Instruction for AC *** containing Full Service Designation	M	DefStan 00-810, Pt 20	YES	AMD ***	
13	Intermediary Packaging Design Drawing	Design Drawing	<i>Part number of packaging item</i>	M	DefStan 00-810 DefStan 81-116	NO		Historically an SV number. Not required if provided as GFE.
14	Intermediary Packaging Marking Drawing (if applicable).	Ammunition Marking Drawing	Marking instruction for <i>Part number of item</i>	O	DefStan 00-810, Pt 20	NO		May have individual drawing numbers if preferred.
15	Internal Packaging Design Drawing	Design Drawing	<i>Name of packaging item</i>	M	DefStan 00-810 DefStan 81-116	NO	<i>Item part number ***</i>	Historically each internal package layer has an AC or SV number. Not required if provided as GFE.
16	Internal Packaging Marking Drawing (if applicable)	Ammunition Marking Drawing	Marking instruction for <i>Part number of AC/item</i>	M	DefStan 00-810, Pt 20	YES	AMD ***	Typically a sub drawing number of the parent component/store (i.e. AMD***-2, AMD***-3 or AMD***a, AMD***b, etc).
17	OEM Packing Instruction	Process/Instruction	Packing Instruction for *** in ACA ***	O	Defstan 00-088 DefStan 81-041 (non explosive)	NO		Must confirm compliance with DG Pls as detailed in ADR, IMDG, IATA.
18	UN Series Transport Testing Reports	Report	<i>Test centre designated</i>	M		NO		Drops Test heights should be discussed with the PT at the earliest opportunity to prevent repetition of drop testing at a later date.
19	Transport Competent Authority Document	Certification	<i>CA designated</i>	M		NO		HSE, DoTEx. Applications to DOSR for military classification is mandatory regardless of holding another CAD and will be submitted on behalf of the supplier by DGM.

Schedule 17 – Security Aspects Letter (SAL)

Ministry
of Defence



UK Strategic Command Munitions
Defence General Munitions Project Team

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Defence Equipment & Support
Fir 1c, #4115
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Our Reference: DE&S PT/DGM/7/27/2/4

16 Oct 24

**ITT/CONTRACT NUMBER & TITLE: DGM/2022 5.56mm & 9mm SECURIBLANK
AMMUNITION**

1. On behalf of the Secretary of State for Defence, I hereby give you notice of the information or assets connected with, or arising from, the referenced ITT that constitute classified material.
2. Aspects that constitute classified material, including UK OFFICIAL-SENSITIVE for the purpose of DEFCON 660, are specified below. These aspects must be fully safeguarded. The enclosed "Security Conditions" outlines the minimum measures required to safeguard UK OFFICIAL SENSITIVE assets and information.

SER	SECURITY ASPECTS	CLASSIFICATION
	Project	
1	Existence of Project	UK OFFICIAL
2	Delivery Schedules	UK OFFICIAL-SENSITIVE
3	Stocks & CASP Requirement	UK OFFICIAL-SENSITIVE
	Operational	
4	In service date (ISD)	UK OFFICIAL-SENSITIVE
5	Third part trials and testing	UK OFFICIAL-SENSITIVE
	Commercial	
6	Contract	UK OFFICIAL – SENSITIVE COMMERCIAL
7	Schedule of requirements	UK OFFICIAL – SENSITIVE COMMERCIAL
8	Contract costs quotes	UK OFFICIAL – SENSITIVE COMMERCIAL
9	Statement of Work	UK OFFICIAL – SENSITIVE COMMERCIAL
10	Shipping and movement	UK OFFICIAL
	Technical	
11	ILS Statement of Work	UK OFFICIAL - SENSITIVE
12	Design specifications	UK OFFICIAL - SENSITIVE
13	Top level drawings	UK OFFICIAL
14	Ammunition Marking Drawings	UK OFFICIAL
15	Packaging drawings and specifications	UK OFFICIAL
16	Functional demonstrations and trials (non-contextual)	UK OFFICIAL - SENSITIVE
17	Technical evaluation results (S3)	UK OFFICIAL – SENSITIVE

18	Safety and Environmental Case Report (SECR)	UK OFFICIAL - SENSITIVE
19	All Up Round (AUR)	UK OFFICIAL
20	Material Safety Data Sheets (MSDS)	UK OFFICIAL
21	Drill and instructional rounds	UK OFFICIAL
22	Technical User Publications (DMPs if produced)	UK OFFICIAL

3. Measures must be taken to safeguard classified information and assets in accordance with applicable national laws and regulations. Your attention is drawn to the requirements of the Security Conditions. You should take all reasonable steps to make sure that all individuals employed on any work in connection with the ITT that have access to classified information and assets are aware of the protective requirements and that such requirements will continue to apply should the ITT be unsuccessful.

4. Will you please confirm that:

a. This definition of the classified aspects of the referenced Invitation to Tender has been brought to the attention of the person directly responsible for security of classified material.

b. The definition is fully understood.

c. Measures can, and will, be taken to safeguard the classified aspects identified herein in accordance with applicable national laws and regulations. [The requirement and obligations set out above and in any contractual document can and will be met and that the classified information shall be protected in accordance with applicable national laws and regulations.]

5. If you have any difficulty either in interpreting this definition of the classified aspects or in safeguarding them, will you please let me know immediately.

6. Classified Information associated with this ITT must not be published or communicated to anyone without the approval of the MOD Contracting Authority.

7. Any access to classified information or assets on MOD premises that may be needed will be subject to MOD security regulations under the direction of the MOD Project Officer in accordance with DEFCON 76.

Yours Faithfully,

Redacted

Note: GENERAL DYNAMICS ORDNANCE AND TACTICAL SYSTEMS - CANADA INC have provided formal confirmation of their understanding of the requirements outlined within the Security Aspects Letter on the 26/04/2024. The Contractor has provided sufficient evidence to the Authority to show compliance with the requirements of the Security Aspects Letter.

**ANNEX A to Schedule 17: UK OFFICIAL AND UK OFFICIAL-SENSITIVE
CONTRACTUAL SECURITY CONDITIONS**

Purpose

1. This document provides guidance for Contractors where classified material provided to or generated by the Contractor is graded UK OFFICIAL or UK OFFICIAL-SENSITIVE. Where the measures requested below cannot be achieved or are not fully understood, further advice should be sought from the UK Designated Security Authority (Email: COO-DSR-IIPCSy@mod.gov.uk).

Definitions

2. The term "*Authority*" for the purposes of this Annex means the HMG Contracting Authority.
3. The term "*Classified Material*" for the purposes of this Annex means classified information and assets.

Security Grading

4. The SENSITIVE caveat is used to denote UK OFFICIAL material that is of a particular sensitivity and where there is a need to reinforce the 'need to know'. The Security Aspects Letter, issued by the Authority shall define the UK OFFICIAL-SENSITIVE material that is provided to the Contractor, or which is to be developed by it, under this Contract. The Contractor shall mark all UK OFFICIAL and UK OFFICIAL-SENSITIVE documents which it originates or copies during the Contract with the applicable security grading.

Security Conditions

5. The Contractor shall take all reasonable steps to adhere to the provisions specified in the Contract or listed in this Annex. The Contractor shall make sure that all individuals employed on any work in connection with the Contract have notice that these provisions apply to them and shall continue so to apply after the completion or earlier termination of the Contract. The Authority must state the data retention periods to allow the Contractor to produce a data management policy. If you are a Contractor located in the UK your attention is also drawn to the provisions of the Official Secrets Acts 1911 to 1989 in general, and to the provisions of Section 2 of the Official Secrets Act 1911 (as amended by the Act of 1989) in particular.

Protection of UK OFFICIAL and UK OFFICIAL-SENSITIVE Classified Material

6. The Contractor shall protect UK OFFICIAL and UK OFFICIAL-SENSITIVE material provided to or generated by it in accordance with the requirements detailed in this Security Condition and any other conditions that may be specified by the Authority. The Contractor shall take all reasonable steps to prevent the loss or compromise of classified material whether accidentally or from deliberate or opportunist attack.

7. Once the Contract has been awarded, where Contractors are required to store or process UK MOD classified information electronically, they are required to register the IT system onto the Defence Assurance Risk Tool (DART). Details on the registration process can be found in the 'Industry Security Notices (ISN)' on Gov.UK website. ISNs 2017/01, 04 and 06, Defence Condition 658 and Defence Standard 05-138 details the DART registration, IT security accreditation processes, risk assessment/management and Cyber security requirements which can be found in the following links:

<https://www.gov.uk/government/publications/industry-security-notices-isns>.

<http://dstan.gateway.isg-r.r.mil.uk/standards/defstans/05/138/000002000.pdf>

<https://www.gov.uk/government/publications/defence-condition-658-cyber-flow-down>

8. All UK classified material including documents, media and other assets must be physically secured to prevent unauthorised access. When not in use UK OFFICIAL and UK OFFICIAL-SENSITIVE material shall be handled with care to prevent loss or inappropriate access. As a minimum UK OFFICIAL-SENSITIVE material shall be stored under lock and key and shall be placed in a lockable room, cabinets, drawers or safe and the keys/combinations shall be subject to a level of control.

9. Disclosure of UK OFFICIAL and UK OFFICIAL-SENSITIVE material must be strictly controlled in accordance with the "need to know" principle. Except with the written consent of the Authority, the Contractor shall not disclose the Contract or any provision thereof to any person other than to a person directly employed by the Contractor or sub-Contractor.

10. Except with the consent in writing of the Authority the Contractor shall not make use of the Contract or any information issued or provided by or on behalf of the Authority otherwise than for the purpose of the Contract, and, same as provided for in paragraph 8 above, the Contractor shall not make use of any article or part thereof similar to the articles for any other purpose.

11. Subject to any intellectual property rights of third parties, nothing in this Security Condition shall restrict the Contractor from using any specifications, plans, drawings and other documents generated outside of this Contract.

12. Any samples, patterns, specifications, plans, drawings or any other documents issued by or on behalf of the Authority for the purposes of the Contract remain the property of the Authority and must be returned on completion of the Contract or, if directed by the Authority, destroyed in accordance with paragraph 34.

Access

13. Access to UK OFFICIAL and UK OFFICIAL-SENSITIVE material shall be confined to those individuals who have a "need-to-know", have been made aware of the requirement to protect the information and whose access is essential for the purpose of their duties.

14. The Contractor shall ensure that all individuals requiring access to UK OFFICIAL-SENSITIVE information have undergone basic recruitment checks. This should include establishing proof of identity; confirming that they satisfy all legal requirements for employment by the Contractor; and verification of their employment record. Criminal record checks should also be undertaken where permissible under national/local laws and regulations. This is in keeping with the core principles set out in the UK Government (HMG) Baseline Personnel Security Standard (BPSS) which can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/714002/HMG_Baseline_Personnel_Security_Standard_-_May_2018.pdf

Hard Copy Distribution

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

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

Electronic Communication and Telephony and Facsimile Services

17. UK OFFICIAL information may be emailed unencrypted over the internet. UK OFFICIAL-SENSITIVE information shall normally only be transmitted over the internet encrypted using either a National Cyber Security Centre (NCSC) Commercial Product Assurance (CPA) cryptographic product or a UK MOD approved cryptographic technique such as Transmission Layer Security (TLS). In the case of TLS both the sender and recipient organisations must have TLS enabled. Details of the required TLS implementation are available at:

<https://www.ncsc.gov.uk/guidance/tls-external-facing-services>

Details of the CPA scheme are available at:

<https://www.ncsc.gov.uk/scheme/commercial-product-assurance-cpa>

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

19. UK OFFICIAL information may be discussed on fixed and mobile telephones with persons located both within the country of the Contractor and overseas. UK OFFICIAL-SENSITIVE information may be discussed on fixed and mobile telephones only where there is a strong business need to do so and only with the prior approval of the Authority.

20. UK OFFICIAL information may be faxed to recipients located both within the country of the Contractor and overseas, however UK OFFICIAL-SENSITIVE information may be transmitted only where there is a strong business case to do so and only with the prior approval of the Authority.

Use of Information Systems

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

22. The Contractor should ensure **10 Steps to Cyber Security** (Link below) is applied in a proportionate manner for each IT and communications system storing, processing or generating UK OFFICIAL or UK OFFICIAL-SENSITIVE information. The Contractor should ensure competent personnel apply 10 Steps to Cyber Security.

<https://www.ncsc.gov.uk/guidance/10-steps-cyber-security>.

23. As a general rule, any communication path between an unauthorised user and the data can be used to carry out an attack on the system or be used to compromise or ex-filtrate data.

24. Within the framework of the 10 Steps to Cyber Security, the following describes the minimum security requirements for processing and accessing UK OFFICIAL-SENSITIVE information on IT systems.

a. Access. Physical access to all hardware elements of the IT system is to be strictly controlled. The principle of "*least privilege*" will be applied to System Administrators. Users of the IT System (Administrators) should not conduct 'standard' User functions using their privileged accounts.

b. Identification and Authentication (ID&A). All systems are to have the following functionality:

- (1). Up-to-date lists of authorised users.

(2). Positive identification of all users at the start of each processing session.

c. Passwords. Passwords are part of most ID&A security measures. Passwords are to be "*strong*" using an appropriate method to achieve this, e.g. including numeric and "*special*" characters (if permitted by the system) as well as alphabetic characters.

d. Internal Access Control. All systems are to have internal Access Controls to prevent unauthorised users from accessing or modifying the data.

e. Data Transmission. Unless the Authority authorises otherwise, UK OFFICIAL-SENSITIVE information may only be transmitted or accessed electronically (e.g. point to point computer links) via a public network like the Internet, using a CPA product or equivalent as described in paragraph 16 above.

f. Security Accounting and Audit. Security relevant events fall into two categories, namely legitimate events and violations.

(1). The following events shall always be recorded:

- (a) All log on attempts whether successful or failed,
- (b) Log off (including time out where applicable),
- (c) The creation, deletion or alteration of access rights and privileges,
- (d) The creation, deletion or alteration of passwords.

(2). For each of the events listed above, the following information is to be recorded:

- (a) Type of event,
- (b) User ID,
- (c) Date & Time,
- (d) Device ID.

The accounting records are to have a facility to provide the System Manager with a hard copy of all or selected activity. There also must be a facility for the records to be printed in an easily readable form. All security records are to be inaccessible to users without a need to know. If the operating system is unable to provide this then the equipment must be protected by physical means when not in use i.e. locked away or the hard drive removed and locked away.

g. Integrity & Availability. The following supporting measures are to be implemented:

- (1). Provide general protection against normally foreseeable accidents/mishaps and known recurrent problems (e.g. viruses and power supply variations),
- (2). Defined Business Contingency Plan,
- (3). Data backup with local storage,
- (4). Anti-Virus Software (Implementation, with updates, of an acceptable industry standard Anti-virus software),
- (5). Operating systems, applications and firmware should be supported,
- (6). Patching of Operating Systems and Applications used are to be in line with the manufacturers recommended schedule. If patches cannot be applied an understanding of the resulting risk will be documented.

h. Logon Banners. Wherever possible, a "*Logon Banner*" will be provided to summarise the requirements for access to a system which may be needed to institute legal action in case of any breach occurring. A suggested format for the text (depending on national legal requirements) could be:

"Unauthorised access to this computer system may constitute a criminal offence"

i. Unattended Terminals. Users are to be automatically logged off the system if their terminals have been inactive for some predetermined period of time, or systems must

activate a password protected screen saver after 15 minutes of inactivity, to prevent an attacker making use of an unattended terminal.

j. Internet Connections. Computer systems must not be connected direct to the Internet or "un-trusted" systems unless protected by a firewall (a software based personal firewall is the minimum but risk assessment and management must be used to identify whether this is sufficient).

k. Disposal. Before IT storage media (e.g. disks) are disposed of, an erasure product must be used to overwrite the data. This is a more thorough process than deletion of files, which does not remove the data.

Laptops

25. Laptops holding any UK OFFICIAL-SENSITIVE information shall be encrypted using a CPA product or equivalent as described in paragraph 17 above.

26. Unencrypted laptops and drives containing personal data are not to be taken outside of secure sites¹. For the avoidance of doubt the term "drives" includes all removable, recordable media e.g. memory sticks, compact flash, recordable optical media (CDs and DVDs), floppy discs and external hard drives.

27. Any token, touch memory device or password(s) associated with the encryption package is to be kept separate from the machine whenever the machine is not in use, left unattended or in transit.

28. Portable CIS devices holding the Authorities' data are not to be left unattended in any public location. They are not to be left unattended in any motor vehicles either in view or in the boot or luggage compartment at any time. When the vehicle is being driven the CIS is to be secured out of sight in the glove compartment, boot or luggage compartment as appropriate to deter opportunist theft.

Loss and Incident Reporting

29. The Contractor shall immediately report any loss or otherwise compromise of any OFFICIAL or OFFICIAL-SENSITIVE material to the Authority. In addition any loss or otherwise compromise of any UK MOD owned, processed or UK MOD Contractor generated UK OFFICIAL or UK OFFICIAL-SENSITIVE material is to be immediately reported to the UK MOD Defence Industry Warning, Advice and Reporting Point (WARP). This will assist the MOD in formulating a formal information security reporting process and the management of any associated risks, impact analysis and upward reporting to the UK MOD's Chief Information Officer (CIO) and, as appropriate, the Contractor concerned. The UK MOD WARP will also advise the Contractor what further action is required to be undertaken.

WARP Contact Details

Email: DefenceWARP@mod.gov.uk (OFFICIAL with no NTK restrictions)

RLI Email: defencewarp@modnet.rli.uk (MULTIUSER)

Telephone (Office hours): +44 (0) 30 6770 2185

Mail: Defence Industry WARP, DE&S PSyA Office

MOD Abbey Wood, NH2 Poplar-1 #2004, Bristol, BS34 8JH

30. Reporting instructions for any security incidents involving MOD classified material can be found in Industry Security Notice 2017/03 as may be subsequently updated at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/651683/ISN_2017-03 - Reporting of Security Incidents.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/651683/ISN_2017-03_-_Reporting_of_Security_Incidents.pdf)

Sub-Contracts

¹ Secure Sites are defined as either Government premises or a secured office on the contractor premises.

31. Where the Contractor wishes to sub-contract any elements of a Contract to sub-Contractors within its own country or to Contractors located in the UK such sub-contracts will be notified to the Contracting Authority. The Contractor shall ensure that these Security Conditions are incorporated within the sub-contract document.

32. The prior approval of the Authority shall be obtained should the Contractor wish to sub-contract any UK OFFICIAL-SENSITIVE elements of the Contract to a sub-Contractor facility located in another (third party) country. The first page of Appendix 5 (MOD Form 1686 (F1686) of the GovS 007 Security Contractual Process chapter is to be used for seeking such approval. The MOD Form 1686 can be found at Appendix 5 at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/710891/2018_May_Contractual_process.pdf

33. If the sub-contract is approved, the Contractor will flow down the Security Conditions in line with paragraph 31 above to the sub-Contractor. Contractors located overseas may seek further advice and/or assistance from the Authority with regards the completion of F1686.

Publicity Material

34. Contractors wishing to release any publicity material or display assets that arises from a Contract to which these Security Conditions apply must seek the prior approval of the Authority. Publicity material includes open publication in the Contractor's publicity literature or website or through the media; displays at exhibitions in any country; lectures or symposia; scientific or technical papers, or any other occasion where members of the general public may have access to the information even if organised or sponsored by the UK Government

Physical Destruction

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

Interpretation/Guidance

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

37. Further requirements, advice and guidance for the protection of UK classified information at the level of UK OFFICIAL-SENSITIVE may be found in Industry Security Notices at:

<https://www.gov.uk/government/publications/industry-security-notices-isns>

Audit

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



Ministry of Defence

**Defence General Munitions Team (DGM)
Terms and Conditions
Contract No: DGM/2022 For:**

Supply of 5.56mm and 9mm Securiblack Ammunition.

General Conditions**1. General**

- a. The defined terms in the Contract shall be as set out in Schedule 1.
- b. The Contractor shall comply with all applicable Legislation, whether specifically referenced in this Contract or not.
- c. The Contractor warrants and represents, that:
 - (1) they have the full capacity and authority to enter into, and to exercise their rights and perform their obligations under, the Contract;
 - (2) from the Effective Date of Contract and for so long as the Contract remains in force it shall give the Authority Notice of any litigation, arbitration (unless expressly prohibited from doing so in accordance with the terms of the arbitration), administrative or adjudication or mediation proceedings before any court, tribunal, arbitrator, administrator or adjudicator or mediator or relevant authority against themselves or a Subcontractor which would adversely affect the Contractor's ability to perform their obligations under the Contract;
 - (3) as at the Effective Date of Contract no proceedings or other steps have been taken and not discharged (nor, to the best of the knowledge of the Contractor, threatened) for the winding-up of the company or dissolution or for the appointment of a receiver, administrative receiver, administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues;
 - (4) for so long as the Contract remains in force they shall give the Authority Notice of any proceedings or other steps that have been taken but not discharged (nor to the best of the knowledge of the Contractor, threatened) for the winding-up of the company or dissolution or for the appointment of a receiver, administrator, liquidator, trustee or similar officer in relation to any of its assets or revenues.
- d. Unless the context otherwise requires:
 - (1) The singular includes the plural and vice versa, and the masculine includes the feminine and vice versa.
 - (2) The words "include", "includes", "including" and "included" are to be construed as if they were immediately followed by the words "without limitation", except where explicitly stated otherwise.
 - (3) The expression "person" means any individual, firm, body corporate, unincorporated association or partnership, government, state or agency of a state or joint venture.
 - (4) References to any statute, enactment, order, regulation, or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation, or instrument as amended, supplemented, replaced or consolidated by any subsequent statute, enactment, order, regulation, or instrument.
 - (5) The heading to any Contract provision shall not affect the interpretation of that provision.
 - (6) Any decision, act or thing which the Authority is required or authorised to take or do under the Contract may be taken or done only by the person (or its nominated deputy) authorised in Schedule 3 (Contract Data Sheet) to take or do that decision, act, or thing on behalf of the Authority.
 - (7) Unless excluded within the Conditions of the Contract or required by law, references to submission of documents in writing shall include electronic submission.

2. Duration of Contract

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

3. Entire Agreement

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

4. Governing Law

a. Subject to clause 4.d, the Contract shall be considered as a contract made in England and subject to English Law.

b. Subject to clause 4.d and Condition 39 (Dispute Resolution) and without prejudice to the dispute resolution process set out therein, each Party submits and agrees to the exclusive jurisdiction of the Courts of England to resolve, and the laws of England to govern, any actions proceedings, controversy or claim of whatever nature arising out of or relating to the Contract or breach thereof.

c. Subject to clause 4.d any dispute arising out of or in connection with the Contract shall be determined within the English jurisdiction and to the exclusion of all other jurisdictions save that other jurisdictions may apply solely for the purpose of giving effect to this Condition 4 and for the enforcement of any judgment, order or award given under English jurisdiction.

d. If the Parties pursuant to the Contract agree that Scots Law should apply then the following amendments shall apply to the Contract:

(1) Clause 4.a, 4.b and 4.c shall be amended to read:

"a. The Contract shall be considered as a contract made in Scotland and subject to Scots Law.

b. Subject to Condition 39 (Dispute Resolution) and without prejudice to the dispute resolution process set out therein, each Party submits and agrees to the exclusive jurisdiction of the Courts of Scotland to resolve, and the laws of Scotland to govern, any actions, proceedings, controversy or claim of whatever nature arising out of or relating to the Contract or breach thereof.

c. Any dispute arising out of or in connection with the Contract shall be determined within the Scottish jurisdiction and to the exclusion of all other jurisdictions save that other jurisdictions may apply solely for the purpose of giving effect to this Condition 4 and for the enforcement of any judgment, order or award given under Scottish jurisdiction."

(2) Clause 3939.b shall be amended to read:

"In the event that the dispute or claim is not resolved pursuant to clause 3939.a the dispute shall be referred to arbitration. Unless otherwise agreed in writing by the Parties, the arbitration and this clause 3939.b shall be governed by the Arbitration (Scotland) Act 2010. The seat of the arbitration shall be Scotland. For the avoidance of doubt, for the purpose of arbitration the tribunal shall have the power to make provisional awards pursuant to Rule 53 of the Scottish Arbitration Rules, as set out in Schedule 1 to the Arbitration (Scotland) Act 2010."

e. Each Party warrants to each other that entry into the Contract does not, and the performance of the Contract will not, in any way violate or conflict with any provision of law, statute, rule, regulation, judgement, writ, injunction, decree or order applicable to it. Each Party also warrants that the Contract does not conflict with or result in a breach or termination of any provision of, or constitute a default under, any mortgage, contract or other liability, charge or encumbrance upon any of its properties or other assets.

f. Each Party agrees with each other Party that the provisions of this Condition 4 shall survive any termination of the Contract for any reason whatsoever and shall remain fully enforceable as between the Parties notwithstanding such a termination.

g. Where the Contractor's place of business is not in England or Wales (or Scotland where the Parties agree pursuant to the Contract that Scots Law should apply), the Contractor irrevocably appoints the solicitors or other persons in England and Wales (or Scotland where the Parties agree pursuant to the Contract that Scots Law should apply) detailed in Schedule 3 (Contract Data Sheet) as their agents to accept on their behalf service of all process and other documents of whatever description to be served on the Contractor in connection with any litigation or arbitration within the English jurisdiction (or Scottish jurisdiction where the Parties agree pursuant to the Contract that Scots Law should apply) arising out of or relating to the Contract or any issue connected therewith.

5. Precedence

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

(1) Conditions 1 - 43 (and 44 - 47, if included in the Contract) of the Conditions of the Contract

shall be given equal precedence with Schedule 1 (Definitions of Contract) and Schedule 3 (Contract Data Sheet);

- (2) Schedule 2 (Schedule of Requirements) and Schedule 8 (Acceptance Procedure);
- (3) the remaining Schedules; and
- (4) any other documents expressly referred to in the Contract.

b. If either Party becomes aware of any inconsistency within or between the documents referred to in clause 5.a such Party shall notify the other Party forthwith and the Parties will seek to resolve that inconsistency on the basis of the order of precedence set out in clause 5.a. Where the Parties fail to reach agreement, and if either Party considers the inconsistency to be material to its rights and obligations under the Contract, then the matter will be referred to the dispute resolution procedure in accordance with Condition 39 (Dispute Resolution).

6. Formal Amendments to the Contract

a. Except as provided in Condition 30 and subject to clause 6.c, the Contract may only be amended by the written agreement of the Parties (or their duly authorised representatives acting on their behalf). Such written agreement shall consist of:

- (1) the Authority Notice of Change under Schedule 4 (Contract Change Control Procedure) (where used); and
- (2) the Contractor's unqualified acceptance of the contractual amendments as evidenced by the DEFFORM 10B duly signed by the Contractor.

b. Where required by the Authority in connection with any such amendment, the Contractor shall (as so required) confirm that any existing Parent Company Guarantee is sufficiently comprehensive so as to cover and support all of the Contractor's liabilities and obligations under and in connection with the Contract (as amended by such amendment) or provide a revised Parent Company Guarantee with such DEFFORM 10B to achieve the same purposes.

c. Where the Authority wishes to amend the Contract to incorporate any work that is unpriced at the time of amendment:

- (1) if the Contract is not a Qualifying Defence Contract, the Authority shall have the right to settle with the Contractor a price for such work under the terms of DEFCON 643 (SC2) or DEFCON 127. Where DEFCON 643 (SC2) is used, the Contractor shall make all appropriate arrangements with all its Subcontractors affected by the Change or Changes in accordance with clause 5 of DEFCON 643 (SC2); or
- (2) if the Contract is a Qualifying Defence Contract, the Contract Price shall be redetermined on amendment in accordance with the Defence Reform Act 2014 and Single Source Contract Regulations 2014 (each as amended from time to time).

Changes to the Specification

d. The Specification forms part of the Contract and all Contract Deliverables to be supplied by the Contractor under the Contract shall conform in all respects with the Specification.

e. The Contractor shall use a configuration control system to control all changes to the Specification. The configuration control system shall be compatible with ISO 9001 (latest published version) or as specified in the Contract.

7. Authority Representatives

a. Any reference to the Authority in respect of:

- (1) the giving of consent;
- (2) the delivering of any Notices; or
- (3) the doing of any other thing that may reasonably be undertaken by an individual acting on behalf of the Authority,

shall be deemed to be references to the Authority's Representatives in accordance with this Condition 7.

b. The Authority's Representatives detailed in Schedule 3 (Contract Data Sheet) (or their nominated deputy) shall have full authority to act on behalf of the Authority for all purposes of the Contract. Unless notified in writing before such act or instruction, the Contractor shall be entitled to treat any act of the Authority's Representatives which is authorised by the Contract as being expressly authorised by the Authority and the Contractor shall not be required to determine whether authority has in fact been given.

c. In the event of any change to the identity of the Authority's Representatives, the Authority shall provide written confirmation to the Contractor, and shall update Schedule 3 (Contract Data Sheet) in accordance with Condition 6 (Formal Amendments to the Contract).

8. Severability

- a. If any provision of the Contract is held to be invalid, illegal or unenforceable to any extent then:
- (1) such provision shall (to the extent that it is invalid, illegal or unenforceable) be given no effect and shall be deemed not to be included in the Contract but without invalidating any of the remaining provisions of the Contract; and
 - (2) the Parties shall use all reasonable endeavours to replace the invalid, illegal or unenforceable provision by a valid, legal and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid, illegal or unenforceable provision.

9. Waiver

- a. No act or omission of either Party shall by itself amount to a waiver of any right or remedy unless expressly stated by that Party in writing. In particular, no reasonable delay in exercising any right or remedy shall by itself constitute a waiver of that right or remedy.
- b. No waiver in respect of any right or remedy shall operate as a waiver in respect of any other right or remedy.

10. Assignment of Contract

Neither Party shall be entitled to assign the Contract (or any part thereof) without the prior written consent of the other Party.

11. Third Party Rights

Notwithstanding anything to the contrary elsewhere in the Contract, no right is granted to any person who is not a Party to the Contract to enforce any term of the Contract in its own right and the Parties to the Contract declare that they have no intention to grant any such right.

12. Transparency

a. Notwithstanding any other term of this Contract, including Condition 13 (Disclosure of Information), the Contractor understands that the Authority may publish the Transparency Information and Publishable Performance Information to the general public.

b. Subject to clause 12.c the Authority shall publish and maintain an up-to-date version of the Transparency Information and Publishable Performance Information in a format readily accessible and reusable by the general public under an open license where applicable.

c. If, in the Authority's reasonable opinion, publication of any element of the Transparency Information and Publishable Performance 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 and Publishable Performance Information in its entirety. Accordingly, the Authority acknowledges that it shall only exclude Transparency Information and Publishable Performance 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 and Publishable Performance Information, in accordance with the principles set out above, including through compliance with the requirements relating to the preparation of Publishable Performance Information set out in clauses 12.e to 12.i. Where the Authority publishes Transparency Information, it shall:

- (1) Before publishing, redact any Information that would be exempt from disclosure if it was the subject of a request for information under the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004 (EIR), for the avoidance of doubt, including Sensitive Information;
- (2) Taking account the Sensitive information set out in Schedule 5, 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
- (3) 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.

Publishable Performance Information

e. Within three (3) months of the effective date of Contract the Contractor shall provide to the Authority for its approval (such approval shall not be unreasonably withheld or delayed) a draft Publishable Performance Information KPI Data Report consistent with the content requirements of Schedule 12.

f. If the Authority rejects any draft Publishable Performance Information the Contractor shall submit a revised version of the relevant KPI Data Report for further approval by the Authority with five (5) business days of receipt of any notice or rejection, taking account of any recommendations for revision and improvement to the report provided by the Authority. This process shall be repeated until the parties have an agreed version of the Publishable Performance Information.

g. The Contractor shall provide an accurate and up to date version of the KPI Data Report to the Authority for each quarter at the frequency referred to in the agreed Schedule 12.

h. Any dispute in connection with the preparation and/or approval of Publishable Performance Information, other than under clause 12.f, shall be resolved in accordance with the dispute resolution procedure provided for in this Contract.

i. The requirements of this Condition are in addition to any other reporting requirements in this Contract.

13. Disclosure of Information

a. Subject to clauses 13.d to 13.i and Condition 12 each Party:

- (1) shall treat in confidence all Information it receives from the other;
- (2) shall not disclose any of that Information to any third party without the prior written consent of the other Party, which consent shall not unreasonably be withheld, except that the Contractor may disclose Information in confidence, without prior consent, to such persons and to such extent as may be necessary for the performance of the Contract;
- (3) shall not use any of that Information otherwise than for the purpose of the Contract; and
- (4) shall not copy any of that Information except to the extent necessary for the purpose of exercising its rights of use and disclosure under the Contract.

b. The Contractor shall take all reasonable precautions necessary to ensure that all Information disclosed to the Contractor by or on behalf of the Authority under or in connection with the Contract:

- (1) is disclosed to their employees and Subcontractors, only to the extent necessary for the performance of the Contract; and
- (2) is treated in confidence by them and not disclosed except with the prior written consent of the Authority or used

otherwise than for the purpose of performing work or having work performed for the Authority under the Contract or any subcontract.

c. The Contractor shall ensure that their employees are aware of the Contractor's arrangements for

discharging the obligations at clauses 13.a and 13.b before receiving Information and shall take such steps as may be reasonably practical to enforce such arrangements.

d. A Party shall not be in breach of Clauses 13.a, 13.b, 13.f, 13.g and 13.h to the extent that either Party:

- (1) exercises rights of use or disclosure granted otherwise than in consequence of, or under, the Contract;
 - (2) has the right to use or disclose the Information in accordance with other Conditions of the Contract; or
 - (3) can show:
 - (a) that the Information was or has become published or publicly available for use otherwise than in breach of any provision of the Contract or any other agreement between the Parties;
 - (b) that the Information was already known to it (without restrictions on disclosure or use) prior to receiving the Information under or in connection with the Contract;
 - (c) that the Information was received without restriction on further disclosure from a third party which lawfully acquired the Information without any restriction on disclosure; or
 - (d) from its records that the same Information was derived independently of that received under or in connection with the Contract;
- provided that the relationship to any other Information is not revealed.

e. Neither Party shall be in breach of this Condition where it can show that any disclosure of Information was made solely and to the extent necessary to comply with a statutory, judicial or parliamentary obligation. Where such a disclosure is made, the Party making the disclosure shall ensure that the recipient of the Information is made aware of and asked to respect its confidentiality. Such disclosure shall in no way diminish the obligations of the Parties under this Condition.

f. The Authority may disclose the Information:

- (1) to any Central Government Body for any proper purpose of the Authority or of the relevant Central Government Body, which shall include: disclosure to the Cabinet Office and/or HM Treasury for the purpose of ensuring effective cross-Government procurement processes, including value for money and related purposes. Where such a disclosure is made the Authority shall ensure that the recipient is made aware of its confidentiality;
- (2) to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;
- (3) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
- (4) subject to clause 13.g below, on a confidential basis to a professional adviser, consultant or other person engaged by any of the entities defined in Schedule 1 (including benchmarking organisations) for any purpose relating to or connected with the Contract;
- (5) subject to clause 13.g below, on a confidential basis for the purpose of the exercise of its rights under the Contract; or
- (6) on a confidential basis to a proposed body in connection with any assignment, novation or disposal of any of its rights, obligations or liabilities under the Contract; and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Authority under this Condition.

g. Where the Authority intends to disclose Information to a commercial entity which is not a Central Government Body in accordance with clauses 13.f.(4) or 13.f.(5) above, the Authority will endeavour to provide the Contractor with 3 Business Days' notice in advance of such disclosure. In relation to a disclosure of Information made under clause 13.f.(3) above, if reasonably requested by the Contractor within 2 Business Days of such notice being given, where the Authority has not already done so, it will endeavour to procure from the intended recipient of the Information an agreement containing confidentiality terms the same as, or substantially similar to, those placed on the Authority under this Condition.

h. Before sharing any Information in accordance with clause 13.f, the Authority may redact the Information. Any decision to redact Information made by the Authority shall be final.

i. The Authority shall not be in breach of the Contract where disclosure of Information is made solely and to the extent necessary to comply with the Freedom of Information Act 2000 (the "Act") or the Environmental Information Regulations 2004 (the "Regulations"). To the extent permitted by the time for compliance under the Act or the Regulations, the Authority shall consult the Contractor where the Authority is considering the disclosure of Information under the Act or the Regulations and, in any event, shall provide prior notification to the Contractor of any decision to disclose the Information. The Contractor acknowledges and accepts that their representations on disclosure during consultation may not be determinative and that the decision whether to disclose Information in order to comply with the Act or the Regulations is a matter in which the Authority shall exercise its own discretion, subject always to the provisions of the Act or the Regulations.

j. Nothing in this Condition shall affect the Parties' obligations of confidentiality where Information is disclosed orally in confidence.

14. Publicity and Communications with the Media

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

15. Change of Control of Contractor

a. The Contractor shall notify the Representative of the Authority at the address given in clause 15.b, as soon as practicable, in writing of any intended, planned or actual change in control of the Contractor, including any Subcontractors. The Contractor shall not be required to submit any notice which is unlawful or is in breach of either any pre-existing non-disclosure agreement or any regulations governing the conduct of the Contractor in the UK or other jurisdictions where the Contractor may be subject to legal sanction arising from issuing such a notice.

b. Each notice of change of control shall be taken to apply to all contracts with the Authority. Notices shall be submitted to:

Mergers & Acquisitions Section
Strategic Supplier Management Team
Spruce 3b # 1301
MOD Abbey Wood,
Bristol, BS34 8JH

and emailed to: DefComrcISSM-MergersandAcq@mod.gov.uk

c. The Representative of the Authority shall consider the notice of change of control and advise the Contractor in writing of any concerns the Authority may have. Such concerns may include but are not limited to potential threats to national security, the ability of the Authority to comply with its statutory obligations or matters covered by the declarations made by the Contractor prior to contract award.

d. The Authority may terminate the Contract by giving written notice to the Contractor within six months of the Authority being notified in accordance with clause 15.a. The Authority shall act reasonably in exercising its right of termination under this Condition.

e. If the Authority exercises its right to terminate in accordance with clause 15.d the Contractor shall be entitled to request the Authority to consider making a payment representing any commitments, liabilities or expenditure incurred by the Contractor in connection with the Contract up to the point of termination. Such commitments, liabilities or expenditure shall be reasonably and properly chargeable by the Contractor, and shall otherwise represent an unavoidable loss by the Contractor by reason of the termination of the Contract. Any payment under this clause 15.e must be fully supported by documentary evidence. The decision whether to make such a payment shall be at the Authority's sole discretion.

f. Notification by the Contractor of any intended, planned or actual change of control shall not prejudice the existing rights of the Authority or the Contractor under the Contract nor create or imply any rights of either the Contractor or the Authority additional to the Authority's rights set out in this Condition.

16. Environmental Requirements

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

17. Contractor's Records – Not Applicable**18. Notices**

a. A Notice served under the Contract shall be:

- (1) in writing in the English language;
- (2) authenticated by signature or such other method as may be agreed between the Parties;
- (3) sent for the attention of the other Party's Representative, and to the address set out in Schedule 3 (Contract Data Sheet);
- (4) marked with the number of the Contract; and
- (5) delivered by hand, prepaid post (or airmail), facsimile transmission or, if agreed in Schedule 3 (Contract Data Sheet), 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 the recipient's Business Day and otherwise on the first Business Day of the recipient immediately 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.

19. Progress Monitoring, Meetings and Reports

a. The Contractor shall attend progress meetings at the frequency or times (if any) specified in Schedule 3 (Contract Data Sheet) and shall ensure that their Contractor's representatives are suitably qualified to attend such meetings.

b. The Contractor shall submit progress reports to the Authority's Representatives at the times and in the format (if any) specified in Schedule 3 (Contract Data Sheet). The reports shall detail as a minimum:

- (1) performance/Delivery of the Contractor Deliverables;
- (2) risks and opportunities;
- (3) any other information specified in Schedule 3 (Contract Data Sheet); and
- (4) any other information reasonably requested by the Authority.

Supply of Contractor Deliverables**20. Supply of Contractor Deliverables and Quality Assurance**

a. The Contractor shall provide the Contractor Deliverables to the Authority, in accordance with the Schedule of Requirements and the Specification, and shall allocate sufficient resource to the provision of the Contractor Deliverables to enable it to comply with this obligation.

b. The Contractor shall:

- (1) comply with any applicable quality assurance requirements specified in Schedule 3 (Contract Data Sheet) in providing the Contractor Deliverables; and
- (2) discharge their obligations under the Contract with all due skill, care, diligence and operating practice by appropriately experienced, qualified and trained personnel.

c. The provisions of clause 20.b. shall survive any performance, acceptance or payment pursuant to the Contract and shall extend to any remedial services provided by the Contractor.

d. The Contractor shall:

- (1) observe, and ensure that the Contractor's Team observe, all health and safety rules and regulations and any other security requirements that apply at any of the Authority's premises;
- (2) notify the Authority as soon as they become aware of any health and safety hazards or issues which arise in relation to the Contractor Deliverables; and
- (3) before the date on which the Contractor Deliverables are to start, obtain, and at all times maintain, all necessary licences and consents in relation to the Contractor Deliverables.

21. Marking of Contractor Deliverables

a. Each Contractor Deliverable shall be marked in accordance with the requirements specified in Schedule 3 (Contract Data Sheet), 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 Schedule 2 (Schedule of Requirements).

b. Any marking method used shall not have a detrimental effect on the strength, serviceability or corrosion resistance of the Contractor Deliverables.

c. The marking shall include any serial numbers allocated to the Contractor Deliverable.

d. 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 22 (Packaging and Labelling (excluding Contractor Deliverables containing Munitions)).

22. Packaging and Labelling (excluding Contractor Deliverables containing Munitions)

a. Packaging responsibilities are as follows:

- (1) The Contractor shall be responsible for providing Packaging which fully complies with the requirements of the Contract.
- (2) The Authority shall indicate in the Contract the standard or level of Packaging required for each Contractor Deliverable, including the PPQ. If a standard or level of Packaging (including the PPQ) is not indicated in the Contract, the Contractor shall request such instructions from the Authority before proceeding further.
- (3) The Contractor shall ensure all relevant information necessary for the effective performance of the Contract is made available to all Subcontractors.
- (4) Where the Contractor or any of their Subcontractors have concerns relating to the appropriateness of the Packaging design and or MPL prior to manufacture or supply of the Contractor Deliverables they shall use DEFFORM 129B to feedback these concerns to the Contractor or Authority, as appropriate.

b. The Contractor shall supply Commercial Packaging meeting the standards and requirements of Def Stan 81-041 (Part 1). In addition, the following requirements apply:

- (1) The Contractor shall provide Packaging which:
 - (a) will ensure that each Contractor Deliverable may be transported and delivered to the consignee named in the Contract in an undamaged and serviceable condition; and
 - (b) is labelled to enable the contents to be identified without need to breach the package; and
 - (c) is compliant with statutory requirements and this Condition.
- (2) The Packaging used by the Contractor to supply identical or similar Contractor Deliverables to commercial customers or to the general public (i.e. point of sale packaging) will be acceptable, provided that it complies with the following criteria:
 - (a) reference in the Contract to a PPQ means the quantity of a Contractor Deliverable to be contained in an individual package, which has been selected as being the most suitable for issue(s) to the ultimate user;

(b) Robust Contractor Deliverables, which by their nature require minimal or no packaging for commercial deliveries, shall be regarded as "PPQ packages" and shall be marked in accordance with clauses 22.i to 22.l. References to "PPQ packages" in subsequent text shall be taken to include Robust Contractor Deliverables; and

(c) for ease of handling, transportation and delivery, packages which contain identical Contractor Deliverables may be bulked and overpacked, in accordance with clauses 22.i to 22.k.

c. The Contractor shall ascertain whether the Contractor Deliverables being supplied are, or contain, Dangerous Goods, and shall supply the Dangerous Goods in accordance with:

- (1) The Health and Safety At Work Act 1974 (as amended);
- (2) The Classification Hazard Information and Packaging for Supply Regulations (CHIP4) 2009 (as amended);
- (3) The REACH Regulations 2007 (as amended); and
- (4) The Classification, Labelling and Packaging Regulations (CLP) 2009 (as amended).

d. The Contractor shall package the Dangerous Goods as limited quantities, excepted quantities or similar derogations, for UK or worldwide shipment by all modes of transport in accordance with the regulations relating to the Dangerous Goods and:

- (1) The Safety Of Lives At Sea Regulations (SOLAS) 1974 (as amended); and
- (2) The Air Navigation (Amendment) Order 2019.

e. As soon as possible, and in any event no later than one month before delivery is due, the Contractor shall provide a Safety Data Sheet in respect of each Dangerous Good in accordance with the REACH Regulations 2007 (as amended) and the Health and Safety At Work Act 1974 (as amended) and in accordance with Condition 23 (Supply of Hazardous Materials or Substances in Contractor Deliverables).

f. The Contractor shall comply with the requirements for the design of MLP which include clauses 22.f and 22.g as follows:

- (1) Where there is a requirement to design UK or NATO MLP, the work shall be undertaken by an MPAS registered organisation, or one that although non-registered is able to demonstrate to the Authority that their quality systems and military package design expertise are of an equivalent standard.

(a) The MPAS certification (for individual designers) and registration (for organisations) scheme details are available from:

DES LSOC SpSvcs-SptEng-Pkg1

MOD Abbey Wood

Bristol, BS34 8JH

Tel. +44(0)30679-35353

DELSOC-SpSvcs-SptEng-Pkg1@mod.gov.uk

(b) The MPAS Documentation is also available on the DStan website.

- (2) MLP shall be designed to comply with the relevant requirements of Def Stan 81-041, and be capable of meeting the appropriate test requirements of Def Stan 81-041 (Part 3). Packaging designs shall be prepared on a SPIS, in accordance with Def Stan 81-041 (Part 4).

(3) The Contractor shall ensure a search of the SPIS index (the 'SPIN') is carried out to establish the SPIS status of each requirement (using DEFFORM 129a 'Application for Packaging Designs or their Status').

(4) New designs shall not be made where there is an existing usable SPIS, or one that may be easily modified.

(5) Where there is a usable SFS, it shall be used in place of a SPIS design unless otherwise stated by the Contract. When an SFS is used or replaces a SPIS design, the Contractor shall upload this information on to SPIN in Adobe PDF.

(6) All SPIS, new or modified (and associated documentation), shall, on completion, be uploaded by the Contractor on to SPIN. The format shall be Adobe PDF.

(7) Where it is necessary to use an existing SPIS design, the Contractor shall ensure the Packaging manufacturer is a registered organisation in accordance with clause 22.f(1) above, or if un-registered, is compliant with MPAS ANNEX A Supplement (Code) M. The Contractor shall

ensure, as far as possible, that the SPIS is up to date.

(8) The documents supplied under clause 22.f(6) shall be considered as a contract data requirement and be subject to the terms of DEFCON 16 and DEFCON 21.

g. Unless otherwise stated in the Contract, one of the following procedures for the production of new or modified SPIS designs shall be applied:

- (1) If the Contractor or their Subcontractor is the PDA they shall:
 - (a) On receipt of instructions received from the Authority's representative nominated in Box 2 Annex A to Schedule 3 (Contract Data Sheet), prepare the required package design in accordance with clause 22.f.
 - (b) Where the Contractor or their Subcontractor is registered, they shall, on completion of any design work, provide the Authority with the following documents electronically:
 - i. a list of all SPIS which have been prepared or revised against the Contract; and
 - ii. a copy of all new / revised SPIS, complete with all continuation sheets and associated drawings, where applicable, to be uploaded onto SPIN.
 - (c) Where the PDA is not a registered organisation, then they shall obtain approval for their design from a registered organisation before proceeding, then follow clause 22.g(1)(b).
- (2) Where the Contractor or their Subcontractor is not the PDA and is un-registered, they shall not produce, modify, or update SPIS designs. They shall obtain current SPIS design(s) from the Authority or a registered organisation before proceeding with manufacture of Packaging. To allow designs to be provided in ample time, they should apply for SPIS designs as soon as practicable.
- (3) Where the Contractor or their Subcontractor is un-registered and has been given authority to produce, modify, and update SPIS designs by the Contract, they shall obtain approval for their design from a registered organisation using DEFFORM 129a before proceeding, then follow clause 22.g(1)(b).
- (4) Where the Contractor or their Subcontractor is not a PDA but is registered, they shall follow clauses 22.g(1)(a) and 22.g(1)(b).

h. If special jigs, tooling etc., are required for the production of MLP, the Contractor shall obtain written approval from the Commercial Officer before providing them. Any approval given will be subject to the terms of DEFCON 23 (SC2) or equivalent condition, as appropriate.

i. In addition to any marking required by international or national legislation or regulations, the following package labelling and marking requirements apply:

- (1) If the Contract specifies UK or NATO MPL, labelling and marking of the packages shall be in accordance with Def Stan 81-041 (Part 6) and this Condition as follows:
 - (a) Labels giving the mass of the package, in kilograms, shall be placed such that they may be clearly seen when the items are stacked during storage.
 - (b) Each consignment package shall be marked with details as follows:
 - i. name and address of consignor;
 - ii. name and address of consignee (as stated in the Contract or order);
 - iii. destination where it differs from the consignee's address, normally either:
 - (i). delivery destination / address; or
 - (ii). transit destination, where delivery address is a point for aggregation / disaggregation and / or onward shipment elsewhere, e.g. railway station, where that mode of transport is used;
 - iv. the unique order identifiers and the CP&F Delivery Label / Form which shall be prepared in accordance

with DEFFORM 129J.

- (i). If aggregated packages are used, their consignment marking and identification requirements are stated at clause 22.i.

(2) If the Contract specifies Commercial Packaging, an external surface of each PPQ package and each consignment package, if it contains identical PPQ packages, shall be marked, using

details of the Contractor Deliverables as shown in the Contract schedule, to state the following:

- (a) description of the Contractor Deliverable;
- (b) the full thirteen digit NATO Stock Number (NSN);
- (c) the PPQ;
- (d) maker's part / catalogue, serial and / or batch number, as appropriate;
- (e) the Contract and order number when applicable;
- (f) the words "Trade Package" in bold lettering, marked in BLUE in respect of trade packages, and BLACK in respect of export trade packages;
- (g) shelf life of item where applicable;
- (h) for rubber items or items containing rubber, the quarter and year of vulcanisation or manufacture of the rubber product or component (marked in accordance with Def Stan 81-041);
- (i) any statutory hazard markings and any handling markings, including the mass of any package which exceeds 3kg gross; and
- (j) any additional markings specified in the Contract.

j. Bar code marking shall be applied to the external surface of each consignment package and to each PPQ package contained therein. The default symbology shall be as specified in Def Stan 81-041 (Part 6). As a minimum the following information shall be marked on packages:

- (1) the full 13-digit NSN;
- (2) denomination of quantity (D of Q);
- (3) actual quantity (quantity in package);
- (4) manufacturer's serial number and / or batch number, if one has been allocated; and
- (5) the CP&F-generated unique order identifier.

k. Requirements for positioning bar codes in relation to related text, as well as positioning on package etc., are defined in Def Stan 81-041 (Part 6). If size of the bar code does not allow a label to be directly attached, then a tag may be used. Any difficulties over size or positioning of barcode markings shall initially be referred to the organisation nominated in Box 3 of Annex A to Schedule 3 (Contract Data Sheet).

l. The requirements for the consignment of aggregated packages are as follows:

- (1) With the exception of packages containing Dangerous Goods, over-packing for delivery to the consignee shown in the Contract may be used by the consignor to aggregate a number of packages to different Packaging levels, provided that the package contains Contractor Deliverables of only one NSN or class group. Over-packing shall be in the cheapest commercial form consistent with ease of handling and protection of over-packed items.
- (2) Two adjacent sides of the outer container shall be clearly marked to show the following:
 - (a) class group number;
 - (b) name and address of consignor;
 - (c) name and address of consignee (as stated on the Contract or order);
 - (d) destination if it differs from the consignee's address, normally either:
 - i. delivery destination / address; or
 - ii. transit destination, if the delivery address is a point of aggregation / disaggregation and / or onward shipment e.g. railway station, where that mode of transport is used;
 - (e) where applicable, the reference number of the delivery note produced by CP&F relating to the contents. The consignee's copy of each delivery note shall be placed in the case / container. If the Contractor Deliverables listed in the delivery note are packed in several cases, the consignee's copy shall be placed in the first case and a separate list detailing the contents shall be prepared for each case after the first and placed in the case to which it relates. Each case is to be numbered to indicate both the number of the case and the total number of cases concerned e.g. 1/3, 2/3, 3/3;
 - (f) the CP&F-generated shipping label; and
 - (g) any statutory hazard markings and any handling markings.

m. Authorisation of the Contractor to undertake Packaging design, or to use a packaging design, that was not part of the original requirement under the Contract, shall be considered as an alteration to the

specification in accordance with Condition 6 (Formal Amendments to the Contract).

n. The Contractor shall ensure that timber and wood-containing products supplied under the Contract comply with the provisions of Condition 24 (Timber and Wood-Derived Products) and Annex I and Annex II of the International Standards for Phytosanitary Measures, "Guidelines for Regulating Wood Packaging Material in International Trade", Publication No 15 (ISPM 15).

o. All Packaging shall meet the requirements of the Packaging (Essential Requirements) Regulations 2003 (as amended) where applicable.

p. In any design work the Contractor shall comply with the Producer Responsibility Obligations (Packaging Waste) Regulations 2007 (as amended) or equivalent legislation. Evidence of compliance shall be a contractor record in accordance with Condition 17 (Contractor's Records).

q. This Condition is concerned with the supply of Packaging suitable to protect and ease handling, transport and storage of specified items. Where there is a failure of suitable Packaging (a design failure), or Packaging fails and this is attributed to the Packaging supplier, then the supplier shall be liable for the cost of replacing the Packaging.

r. Liability for other losses resulting from Packaging failure or resulting from damage to Packaging, (such as damage to the packaged item etc.), shall be specified elsewhere in the Contract.

s. General requirements for service Packaging, including details of UK and NATO MLP and Commercial Packaging descriptions, are contained in Def Stan 81-041 (Part 1) "Packaging of Defence Materiel". Def Stans, NATO Standardisation Agreements (STANAGs), and further information are available from the DStan internet site at: <https://www.dstan.mod.uk/>

t. Unless specifically stated otherwise in the invitation to tender or the Contract, reference to any standard including Def Stans or STANAGs in any invitation to tender or Contract document means the edition and all amendments extant at the date of such tender or Contract.

u. In the event of conflict between the Contract and Def Stan 81-041, the Contract shall take precedence.

23. Supply of Data for Hazardous Materials or Substances in Contractor Deliverables

a. The Contractor shall provide to the Authority:

- (1) for each hazardous material or substance supplied, a Safety Data Sheet (SDS) in accordance the extant Classification, Labelling and Packaging (GB CLP) Regulation; and
- (2) for each Contractor Deliverable containing hazardous materials or substances, safety information as required by the Health and Safety at Work, etc Act 1974, at the time of supply.

Nothing in this Condition shall reduce or limit any statutory duty or legal obligation of the Authority or the Contractor.

b. If the Contractor Deliverable contains hazardous materials or substances, or is a substance falling within the scope of the extant UK REACH Regulation:

- (1) the Contractor shall provide to the Authority an SDS for the substance in accordance with the Regulation. 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 and forward it to the Authority and to the address listed in clause 23.h below; and
- (2) the Authority, if it becomes aware of new information regarding the hazardous properties of the substance, or any other information that might call into question the appropriateness of the risk management measures identified in the SDS supplied, shall report this information in writing to the Contractor.

c. If the Contractor is required, under, or in connection with the Contract, to supply Contractor Deliverables or components of Contractor Deliverables that, in the course of their use, maintenance, disposal, or in the event of an accident, may release hazardous materials or substances, they shall provide to the Authority a list of those hazardous materials or substances, and for each hazardous

material or substance listed, provide an SDS.

d. The Contractor shall provide to the Authority a completed Schedule 6 (Hazardous Contractor Deliverables, Materials or Substances Supplied under the Contract: Data Requirements) in accordance with Schedule 3 (Contract Data Sheet).

e. If the Contractor Deliverables, materials or substances are ordnance, munitions or explosives, 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.

f. If the Contractor Deliverables, materials or substances are or contain or embody a radioactive substance as defined in the extant Ionising Radiation Regulations, the Contractor shall additionally provide details of:

- (1) activity; and
- (2) the substance and form (including any isotope);

g. If the Contractor Deliverables, materials or substances have magnetic properties, the Contractor shall additionally provide details of the magnetic flux density at a defined distance, for the condition in which it is packed.

h. Any SDS to be provided in accordance with this Condition, including any related information to be supplied in compliance with the Contractor's statutory duties under clause 23.a.(1) and 23.b.(1), any information arising from the provisions of clauses 23.e, 23.f and 23.g and the completed Schedule 6, shall be sent directly to the Authority's Representative (Commercial) as soon as practicable, and no later than one (1) month prior to the Contract delivery date, unless otherwise stated in Schedule 3 (Contract Data Sheet). In addition, so that the safety information can reach users without delay, a copy shall be sent preferably as an email with attachment(s) in Adobe PDF or MS WORD format, or, if only hardcopy is available, to the addresses below:

- (1) Hard copies to be sent to:
Hazardous Stores Information System (HSIS)
Department of Safety & Environment, Quality and Technology (DS & EQT)
Spruce 2C, #1260,
MOD Abbey Wood (South)
Bristol BS34 8JH
- (2) Emails to be sent to:
DESTECH-QSEPEnv-HSISMulti@mod.gov.uk

i. Failure by the Contractor to comply with the requirements of this Condition shall be grounds for rejecting the affected Contractor Deliverables. Any withholding of information concerning Hazardous Contractor Deliverables, materials or substances shall be regarded as a material breach of Contract under Condition 42 (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 42.

j. 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.

24. Timber and Wood-Derived Products

a. All Timber and Wood-Derived Products supplied by the Contractor under the Contract:

- (1) shall comply with the Contract Specification; and
- (2) must originate either:
 - (a) from a Legal and Sustainable source; or
 - (b) from a FLEGT-licensed or equivalent source.

b. In addition to the requirements of clause 24.a, all Timber and Wood-Derived Products supplied by the Contractor under the Contract shall originate from a forest source where management of the forest has full regard for:

- (1) identification, documentation and respect of legal, customary and traditional tenure and use rights related to the forest;
 - (2) mechanisms for resolving grievances and disputes including those relating to tenure and use rights, to forest management practices and to work conditions; and
 - (3) safeguarding the basic labour rights and health and safety of forest workers.
- c. If requested by the Authority, the Contractor shall provide to the Authority Evidence that the Timber and Wood-Derived Products supplied to the Authority under the Contract comply with the requirements of clause 24.a or 24.b or both.
- d. The Authority reserves the right at any time during the execution of the Contract and for a period of five (5) years from final Delivery under the Contract to require the Contractor to produce the Evidence required for the Authority's inspection within fourteen (14) days of the Authority's request.
- e. If the Contractor has already provided the Authority with the Evidence required under clause 24.c, the Contractor may satisfy these requirements by giving details of the previous notification and confirming the Evidence remains valid and satisfies the provisions of clauses 24.a or 24.b or both.
- f. The Contractor shall maintain records of all Timber and Wood-Derived Products delivered to and accepted by the Authority, in accordance with Condition 17 (Contractor's Records).
- g. Notwithstanding clause 24.c, if exceptional circumstances render it strictly impractical for the Contractor to record Evidence of proof of timber origin for previously used Recycled Timber, the Contractor shall support the use of this Recycled Timber with:
- (1) a record tracing the Recycled Timber to its previous end use as a standalone object or as part of a structure; and
 - (2) an explanation of the circumstances that rendered it impractical to record Evidence of proof of timber origin.
- h. The Authority reserves the right to decide, except where in the Authority's opinion the timber supplied is incidental to the requirement and from a low risk source, whether the Evidence submitted to it demonstrates compliance with clause 24.a or 24.b, or both. In the event that the Authority is not satisfied, the Contractor shall commission and meet the costs of an Independent Verification and resulting report that will:
- (1) verify the forest source of the timber or wood; and
 - (2) assess whether the source meets the relevant criteria of clause 24.b.
- i. The statistical reporting requirement at clause 24.j applies to all Timber and Wood-Derived Products delivered under the Contract. The Authority reserves the right to amend the requirement for statistical reporting, in the event that the UK Government changes the requirement for reporting compliance with the Government Timber Procurement Policy. Amendments to the statistical reporting requirement will be made in accordance with Condition 6 (Formal Amendments to the Contract).
- j. The Contractor shall provide to the Authority, a completed Schedule 7 (Timber and Wood-Derived Products Supplied under the Contract: Data Requirements), the data or Information the Authority requires in respect of Timber and Wood-Derived Products delivered to the Authority under the Contract, or in respect of each order in the case of a Framework Agreement, or at such other frequency as stated in the Contract. The Contractor shall send all completed Schedule 7s (Timber and Wood-Derived Products Supplied under the Contract: Data Requirements), including nil returns where appropriate, to the Authority's Representative (Commercial).
- k. The Schedule 7 (Timber and Wood-Derived Products Supplied under the Contract: Data Requirements) may be amended by the Authority from time to time, in accordance with Condition 6 (Formal Amendments to the Contract).
- l. The Contractor shall obtain any wood, other than processed wood, used in Packaging from:
- (1) companies that have a full registered status under the Forestry Commission and Timber

Packaging and Pallet Confederation's UK Wood Packaging Material Marking Programme (more detailed information can be accessed at www.forestry.gov.uk) and all such wood shall be treated for the elimination of raw wood pests and marked in accordance with that Programme; or

(2) sources supplying wood treated and marked so as to conform to Annex I and Annex II of the International Standard for Phytosanitary Measures, "Guidelines for Regulating Wood Packaging Material in International Trade", Publication No 15 published by the Food and Agricultural Organisation of the United Nations (ISPM15) (more detailed information can be accessed at www.fao.org).

25. Certificate of Conformity

a. Where required in Schedule 3 (Contract Data Sheet) the Contractor shall provide a Certificate of Conformity (CofC) in accordance with Schedule 2 (Schedule of Requirements) and any applicable Quality Plan. One copy of the CofC shall be sent to the Authority's Representative (Commercial) upon Delivery, and one copy shall be provided to the Consignee upon Delivery.

b. Each CofC should include the wording "Certificate of Conformity" in the title of the document to allow for easy identification. One CofC is to be used per NSN/part number; a CofC must not cover multiple line items.

c. The Contractor shall consider the CofC to be a record in accordance with Condition 17 (Contractor's Records).

d. The Information provided on the CofC shall include:

- (1) Contractor's name and address;
- (2) Contractor unique CofC number;
- (3) Contract number and where applicable Contract amendment number;
- (4) details of any approved concessions;
- (5) acquirer name and organisation;
- (6) Delivery address;
- (7) Contract Item Number from Schedule 2 (Schedule of Requirements);
- (8) description of Contractor Deliverable, including part number, specification and configuration status;
- (9) NATO Stock Number (NSN) (where allocated);
- (10) identification marks, batch and serial numbers in accordance with the Specification;
- (11) quantities;
- (12) a signed and dated statement by the Contractor that the Contractor Deliverables comply with the requirements of the Contract and approved concessions.

Exceptions or additions to the above are to be documented,

e. Where Schedule 2 (Schedule of Requirements) and any applicable Quality Plan require demonstration of traceability and design provenance through the supply chain the Contractor shall include in any relevant subcontract the requirement for the Information called for at clause 25.d. The Contractor shall ensure that this Information is available to the Authority through the supply chain upon request in accordance with Condition 17 (Contractor Records).

26. Access to Contractor's Premises

a. The Contractor shall arrange for the Authority to have reasonable access to the premises where the work under the Contract is being undertaken and to technical information relevant to the Contract for the purposes of monitoring and overseeing progress of the work and to ensure consistency with the stated delivery requirements.

b. Visits by the Authority or his authorized Representatives to Sub-Contractors in accordance with this Clause shall only be made after consultation with the Contractor. In the event of visits to Sub-Contractor premises the Contractor shall be invited to attend

27. Delivery / Collection

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

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

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

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

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

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

- (1) on the Delivery of the Contractor Deliverables by the Contractor to the Consignee in accordance with clause 27.b; or
- (2) on the Collection of the Contractor Deliverables from the Consignor by the Authority once they have been made available for Collection by the Contractor in accordance with clause 27.c.

28. Acceptance

a. Acceptance of the Contractor Deliverables shall occur in accordance with any acceptance procedure specified in Schedule 8 (Acceptance Procedure). If no acceptance procedure is so specified acceptance shall occur when either:

- (1) the Authority does any act in relation to the Contractor Deliverable which is inconsistent with the Contractor's ownership; or
- (2) the time limit in which to reject the Contractor Deliverables defined in clause 29.b has elapsed.

29. Rejection and Counterfeit Material

Rejection:

a. If any of the Contractor Deliverables Delivered to the Authority do not conform to the Specification or any other terms of the Contract, then (without limiting any other right or remedy that the Authority may have) the Authority may reject the Contractor Deliverables (in whole or in part). The Authority shall return these Contractor Deliverables to the Contractor at the Contractor's risk and cost.

b. Rejection of any of the Contractor Deliverables under clause 29.a shall take place by the time limit for rejection specified in Schedule 3 (Contract Data Sheet), or if no such period is specified, the Contractor Deliverables shall be deemed to be accepted within a reasonable period of time.

Counterfeit Materiel:

c. Where the Authority suspects that any Contractor Deliverable or consignment of Contractor Deliverables contains Counterfeit Materiel, it shall:

- (1) notify the Contractor of its suspicion and reasons therefore;
- (2) where reasonably possible, and if requested by the Contractor within 10 Business Days of such notification, (at the Contractor's own risk and expense and subject to any reasonable controls specified by the Authority) afford the Contractor the facility to (i) inspect the Contractor Deliverable or consignment and/or (ii) obtain a sample thereof for validation or testing purposes.
- (3) give the Contractor a further 20 Business Days or such other reasonable period agreed by the Authority, from the date of the inspection at 29.c.(2).(i) or the provision of a sample at 29.c.(2).(ii), to comment on whether the Contractor Deliverable or consignment meets the definition of Counterfeit Materiel; and
- (4) determine, on the balance of probabilities and strictly on the evidence available to it at the time, whether the Contractor Deliverable or consignment meets the definition of Counterfeit Materiel. Where the Authority has determined that the Contractor Deliverable, part or consignment of Contractor Deliverables contain Counterfeit Materiel then it may reject the Contractor Deliverable, part or consignment under 29.a and 29.b (Rejection).

d. In addition to its rights under 29.a and 29.b (Rejection), where the Authority reasonably believes that any Contractor Deliverable or consignment of Contractor Deliverables contains Counterfeit Materiel, it shall be entitled to:

- (1) retain any Counterfeit Materiel; and/or
- (2) retain the whole or any part of such Contractor Deliverable or consignment where it is not possible to separate the Counterfeit Materiel from the rest of the Contractor Deliverable, or consignment; and such retention shall not constitute acceptance under Condition 28 (Acceptance).

e. Where the Authority intends to exercise its rights under clause 29.d, it shall where reasonable permit the Contractor, within a period specified by the Authority, to arrange at their own risk and expense and subject to any reasonable controls specified by the Authority, for:

- (1) the separation of Counterfeit Materiel from any Contractor Deliverable or part of a Contractor Deliverable; and/or
- (2) the removal of any Contractor Deliverable or part of a Contractor Deliverable that the Authority is satisfied does not contain Counterfeit Materiel.

f. In respect of any Contractor Deliverable, consignment or part thereof that is retained in accordance with clause 29.d, including where the Authority permits the Contractor to remove non-Counterfeit Materiel under clause 29.e but the Contractor fails to do so within the period specified by the Authority and subject to clause 29.j, the Authority shall be entitled to exercise any, all, or any combination of, the following rights:

- (1) to dispose of it responsibly, and in a manner that does not permit its reintroduction into the supply chain or market;
- (2) to pass it to a relevant investigatory or regulatory authority;
- (3) to retain conduct or have conducted further testing including destructive testing, for further investigatory, regulatory or risk management purposes. Results from any such tests shall be shared with the Contractor; and/or
- (4) to recover the reasonable costs of testing, storage, access, and/or disposal of it from the Contractor.

Exercise of the rights granted at clauses 29.f.(1) to 29.f.(3) shall not constitute acceptance under Condition 28 (Acceptance).

g. Any scrap or other disposal payment received by the Authority shall be off set against any amount due to the Authority under clause 29.f.(4). If the value of the scrap or other disposal payment exceeds the amount due to the Authority under clause 29.f.(4) then the balance shall accrue to the Contractor.

h. The Authority shall not use a retained Article or consignment other than as permitted in clauses 29.c – 29.j.

i. The Authority may without restriction report a discovery of Counterfeit Materiel and disclose information necessary for the identification of similar materiel and its possible sources.

j. The Contractor shall not be entitled to any payment or compensation from the Authority as a result of the Authority exercising the rights set out in clauses 29.c – 29.j except where it has been determined in accordance with Condition 39 (Dispute Resolution) that the Authority has made an incorrect determination in accordance with clause 20.c.(4). In such circumstances the Authority shall reimburse the Contractor's reasonable costs of complying with clause 29.c.

30. Diversion Orders

a. The Authority shall notify the Contractor at the earliest practicable opportunity if it becomes aware that a Contractor Deliverable is likely to be subject to a Diversion Order.

b. The Authority may issue a Diversion Order for the urgent delivery of the Contractor Deliverables identified in it. These Contractor Deliverables are to be delivered by the Contractor using the quickest means available as agreed by the Authority.

c. The Authority reserves the right to cancel the Diversion Order.

d. If the terms of the Diversion Order are unclear, the Contractor shall immediately contact the Representative of the Authority who issued it for clarification and/or further instruction.

e. If the Diversion Order increases the quantity of Contractor Deliverables beyond the scope of the Contract, it is to be returned immediately to the Authority's Commercial Officer with an appropriate explanation.

f. The Contractor shall be entitled to reasonable additional delivery and packaging costs incurred in complying with the Diversion Order or cancellation. Claims are to be submitted by the Contractor to the Authority's Commercial Officer together with applicable receipts and agreed as an amendment to the Contract in accordance with Condition 6 (Formal Amendments to the Contract). The Contractor shall comply with the requirements of the Diversion Order upon receipt of the Diversion Order.

31. Self-to-Self Delivery

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

Licences and Intellectual Property

32. Import and Export Licences

a. If, in the performance of the Contract, the Contractor needs to import into the UK or export out of the UK anything not supplied by or on behalf of the Authority and for which a UK import or export licence is required, the responsibility for applying for the licence shall rest with the Contractor. The Authority shall provide the Contractor with sufficient information, certification, documentation and other reasonable assistance in obtaining any necessary UK import or export licence.

b. When an export licence or import licence or authorisation either singularly or in combination is required from a foreign government for the performance of the Contract, the Contractor shall as soon as reasonably practicable consult with the Authority on the licence requirements. Where the Contractor is the applicant for the licence or authorisation the Contractor shall:

(1) ensure that when end use or end user restrictions, or both, apply to all or part of any Contractor Deliverable (which for the purposes of this Condition shall also include information, technical data and software), the Contractor, unless otherwise agreed with the Authority, shall identify in the application:

(a) the end user as: Her Britannic Majesty's Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter "HM Government"); and

(b) the end use as: For the Purposes of HM Government; and

(2) include in the submission for the licence or authorisation a statement that "information on the status of processing this application may be shared with the Ministry of Defence of the United Kingdom".

c. If the Contractor or any Subcontractor in the performance of the Contract needs to export materiel not previously supplied by or on behalf of the Authority for which an export licence or import licence or authorisation from a foreign government is required, the responsibility for instituting expeditious action to apply for and obtain the licence shall rest with the Contractor or that Subcontractor. For the purposes of this Condition materiel shall mean information, technical data and items, including Contractor Deliverables, components of Contractor Deliverables and software.

d. Where the Contract performance requires the export of materiel for which a foreign export licence or import licence or authorisation is required, the Contractor shall include the dependencies for the export licence or import licence or authorisation application, grant and maintenance in the Contract risk register and in the risk management plan for the Contract, with appropriate review points. Where there is no requirement under the Contract for a risk management plan the Contractor shall submit this information to the Authority's representative.

e. During the term of the Contract and for a period of up to 2 years from completion of the Contract, the Authority may make a written request to the Contractor to seek a variation to the conditions to a foreign export licence or import licence or authorisation to enable the Authority to re-export or re-transfer a licensed or authorised item or licensed or authorised information from the UK to a non-licensed or unauthorised third party. If the Authority makes such a request it will consult with the Contractor before making a determination of whether the Authority or the Contractor is best placed in all the circumstance to make the request. Where, subsequent to such consultation the Authority notifies the Contractor that the Contractor is best placed to make such request:

(1) the Contractor shall, or procure that the Contractor's Subcontractor shall, expeditiously consider whether or not there is any reason why it should object to making the request and, where it has no objection, file an application to seek a variation of the applicable export licence or import licence or authorisation in accordance with the procedures of the licensing authority. Where the Contractor has an objection, the Parties shall meet within five (5) working days to resolve the issue and should they fail the matter shall be escalated to an appropriate level within both Parties' organisations, to include their respective export licensing subject matter experts; and

(2) the Authority shall provide sufficient information, certification, documentation and other reasonable assistance as may be necessary to support the application for the requested variation.

f. Where the Authority determines that it is best placed to make such request the Contractor shall provide sufficient information, certification, documentation and other reasonable assistance as may be necessary to support the Authority to make the application for the requested variation.

g. Where the Authority invokes clause 32.e or 32.f the Authority will pay the Contractor a fair and reasonable charge for this service based on the cost of providing it.

h. Where the Contractor subcontracts work under the Contract, which is likely to be subject to foreign export control, import control or both the Contractor shall use reasonable endeavours to incorporate in each subcontract equivalent obligations to those set out in this Condition. Where it is not possible to include equivalent terms to those set out in this Condition, the Contractor shall report that fact and the circumstances to the Authority.

i. Without prejudice to HM Government's position on the validity of any claim by a foreign government to extra-territoriality, the Authority shall provide the Contractor with sufficient information, certification, documentation and other reasonable assistance to facilitate the granting of export licences or import licences or authorisations by a foreign Government in respect of the performance of the Contract.

j. The Authority shall provide such assistance as the Contractor may reasonably require in obtaining any UK export licences necessary for the performance of the Contract.

k. The Contractor shall use reasonable endeavours to identify whether any Contractor Deliverable

is subject to:

- (1) a non-UK export licence, authorisation or exemption; or
- (2) any other related transfer or export control,

that imposes or will impose end use, end user or re-transfer or re-export restrictions, or restrictions on disclosure to individuals based upon their nationality. This does not include the Intellectual Property-specific restrictions of the type referred to in Condition 33 (Third Party Intellectual Property – Rights and Restrictions).

l. If at any time during the term of the Contract the Contractor becomes aware that all or any part of the Contractor Deliverables are subject to clause 32.k(1) or 32.k(2), they shall notify the Authority of this as soon as reasonably practicable by providing details in the DEFFORM 528 or other mutually agreed alternative format. Such notification shall be no later than thirty (30) days of knowledge of any affected Contractor Deliverable and in any event such notification shall be not less than thirty (30) days prior to delivery of the Contractor Deliverables.

m. If the information to be provided under clause 32.l has been provided previously to the Authority by the Contractor under the Contract, the Contractor may satisfy these requirements by giving details of the previous notification and confirming they remain valid and satisfy the provisions of clause 32.l.

n. During the term of the Contract, the Contractor shall notify the Authority as soon as reasonably practicable of any changes in the information notified previously under clauses 32.l or 32.m of which they become or are aware that would affect the Authority's ability to use, disclose, re-transfer or re-export an item or part of it as is referred to in those clauses by issuing an updated DEFFORM 528 to the Authority.

o. For a period of up to 2 years from completion of the Contract and in response to a specific request by the Authority, the Contractor shall notify the Authority as soon as reasonably practicable of any changes in the information notified previously under clause 32.l or 32.m of which they become aware that would affect the Authority's ability to use, disclose, re-transfer or re-export an item or part of it as is referred to in those clauses by issuing an updated DEFFORM 528 to the Authority.

p. Where following receipt of materiel from a Subcontractor or any of their other suppliers restrictions are notified to the Contractor by that Subcontractor, supplier or other third party or are identified by the Contractor, the Contractor shall immediately inform the Authority by issuing an updated DEFFORM 528. Within 20 days of such notification, the Contractor shall propose to the Authority actions to mitigate the impact of such restrictions. Such proposals may include, where appropriate, mutually supported attempts to obtain removal or modification to the restrictions or to obtain appropriate authorisations from the relevant foreign government. The Authority shall notify the contractor within 20 days of receipt of a proposal whether it is acceptable and where appropriate the Contract shall be modified in accordance with its terms to implement the proposal.

q. If the restrictions prevent the Contractor from performing their obligations under the Contract and have not been removed, modified or otherwise satisfactorily managed within a reasonable time, the Authority may at its absolute discretion elect to amend the contract in accordance with Condition 6 or as otherwise may be provided by the Contract, or to terminate the Contract. Except as set out in clause 32.r, in the event of termination in these circumstances termination shall be on fair and reasonable terms having regard to all the circumstances including payments already made and that would otherwise be due under the Contract, costs incurred by the Contractor and benefits received by the Authority. The Parties, acting in good faith, will use all reasonable endeavours to agree such fair and reasonable terms failing which either Party may refer the matter to dispute resolution in accordance with the provisions in the Contract.

r. In the event that the restrictions notified to the Authority pursuant to clause 32.l were known or ought reasonably have been known by the Contractor (but were not disclosed) at contract award or if restrictions notified to the Authority pursuant to clauses 32.n or 32.p were known or ought reasonably to have been known by the Contractor at the date of submission of the most recent DEFFORM 528 submitted to the Authority in accordance with clause 32.l, termination under clause 32.t will be in accordance with Condition 42 (Material Breach) and the provisions of clause 32.v will not apply.

s. The Authority shall use reasonable endeavours to identify any export control restrictions applying to materiel to be provided to the Contractor as Government Furnished Assets (GFA). Where the

Authority is to provide materiel necessary to enable the Contractor to perform the Contract or in respect of which the Services are to be provided, and that materiel is subject to a non-UK export licence, authorisation, exemption or other related transfer or export control as described in the provisions of clause 32.k, the Authority shall provide a completed DEFFORM 528 or will provide a new or updated DEFFORM 528 to the Contractor within thirty (30) days of the date of knowledge and in any case not later than thirty (30) days prior to the delivery of such materiel to the Contractor.

t. In the event that the Authority becomes aware that the DEFFORM 528 disclosure was incomplete or inaccurate or in the event additional such materiel is identified then the Authority shall provide, as soon as reasonably practicable a new or revised DEFFORM 528. In the event that the Authority becomes aware that a prior disclosure included in DEFFORM 528 submitted to the Contractor was incomplete or inaccurate less than thirty (30) days prior to the delivery to the Contractor of any material to which the updated or new disclosure relates, the Parties will meet as soon as reasonably practicable to discuss how to mitigate the impact of the incomplete or inaccurate disclosure.

u. Where:

- (1) restrictions are advised by the Authority to the Contractor in a DEFFORM 528 provided pursuant to clauses 32.s or 32.t or both; or
- (2) any of the information provided by the Authority in any DEFFORM 528 proves to be incorrect or inaccurate; the Authority and the Contractor shall act promptly to mitigate the impact of such restrictions or incorrect or inaccurate information. Such mitigation shall include, where appropriate, mutually supported attempts to obtain removal or modification to the restrictions or to obtain appropriate authorisations from the relevant foreign government. If the restrictions or incorrect or inaccurate information adversely affect the ability of the Contractor to perform their obligations under the Contract, the matter shall be handled under the terms of Condition 6 (Formal Amendments to the Contract) or as may otherwise be provided by the Contract as appropriate and if no alternative solution satisfies the essential terms of the Contract and the restrictions have not been removed, modified or otherwise satisfactorily managed within a reasonable time the Authority may terminate the Contract. Termination under these circumstances will be under the terms of Condition 41 (Termination for Convenience) and as referenced in the Contract.

v. Pending agreement of any amendment of the Contract as set out in clause 32.q or 32.u, provided the Contractor takes such steps as are reasonable to mitigate the impact, the Contractor shall be relieved from their obligations to perform those elements of the Contract directly affected by the restrictions or provision of incorrect or incomplete information.

33. Third Party Intellectual Property – Rights and Restrictions

a. The Contractor and, where applicable any Subcontractor, shall promptly notify the Authority as soon as they become aware of:

- (1) any invention or design the subject of patent or registered Design Rights (or application thereof) owned by a third party which appears to be relevant to the performance of the Contract or to use by the Authority of anything required to be done or delivered under the Contract;
- (2) any restriction as to disclosure or use, or obligation to make payments in respect of any other intellectual property (including technical Information) required for the purposes of the Contract or subsequent use by the Authority of anything delivered under the Contract and, where appropriate, the notification shall include such Information as is required by Section 2 of the Defence Contracts Act 1958;
- (3) any allegation of infringement of intellectual property rights made against the Contractor and which pertains to the performance of the Contract or subsequent use by the Authority of anything required to be done or delivered under the Contract. Clause 33.a does not apply in respect of Contractor Deliverables normally available from the Contractor as a Commercial Off The Shelf (COTS) item or service.

b. If the Information required under clause 33.a has been notified previously, the Contractor may meet their obligations by giving details of the previous notification.

c. For COTS Contractor Deliverables patents and registered designs in the UK, in respect of any question arising (by way of an allegation made to the Authority or Contractor, or otherwise) that the manufacture or provision under the Contract of Contractor Deliverables normally available from the

Contractor as a COTS item or service is an infringement of a UK patent or registered design not owned or controlled by the Contractor or the Authority, the Contractor shall, subject to the agreement of the third party owning such patent or registered design, be given exclusive conduct of any and all negotiations for the settlement of any claim or the conduct of any litigation arising out of such question. The Contractor shall indemnify the Authority, its officers, agents and employees against any liability and cost arising from such allegation. This Condition shall not apply if:

- (1) the Authority has made or makes an admission of any sort relevant to such question;
- (2) the Authority has entered or enters into any discussions on such question with any third party without the prior written agreement of the Contractor;
- (3) the Authority has entered or enters into negotiations in respect of any relevant claim for compensation in respect of Crown Use under Section 55 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949;
- (4) legal proceedings have been commenced against the Authority or the Contractor in respect of Crown Use, but only to the extent of such Crown Use that has been properly authorised.

d. The indemnity in clause 33.c does not extend to use by the Authority of anything supplied under the Contract where that use was not reasonably foreseeable at the time of the Contract.

e. In the event that the Authority has entered into negotiation in respect of a claim for compensation, or legal proceedings in respect of the Crown Use have commenced, the Authority shall forthwith authorise the Contractor for the purposes of performing the Contract (but not otherwise) to utilise a relevant invention or design in accordance with Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949 and to use any model, document or information relating to any such invention or design which may be required for that purpose.

f. For all other Contractor Deliverables patents and registered designs in the UK, if a relevant invention or design has been notified to the Authority by the Contractor prior to the Effective Date of Contract, then unless it has been otherwise agreed, under the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949, the Contractor is hereby authorised to utilise that invention or design, notwithstanding the fact that it is the subject of a UK Patent or UK Registered Design, for the purpose of performing the Contract.

g. If, under clause 33.a, a relevant invention or design is notified to the Authority by the Contractor after the Effective Date of Contract, then:

- (1) if the owner (or its exclusive licensee) takes or threatens in writing to take any relevant action against the Contractor, the Authority shall issue to the Contractor a written authorisation in accordance with the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949, and
- (2) in any event, unless the Contractor and the Authority can agree an alternative course of action, the Authority shall not unreasonably delay the issue of a written authorisation in accordance with the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949.

h. The Authority shall assume all liability and shall indemnify the Contractor, their officers, agents and employees against liability, including the Contractor's costs, as a result of infringement by the Contractor or their suppliers of any patent, utility model, registered design or like protection outside the United Kingdom in the performance of the Contract when such infringement arises from or is incurred by reason of the Contractor following any specification, statement of work or instruction in the Contract or using, keeping or disposing of any item given by the Authority for the purpose of the Contract in accordance with the Contract.

i. The Contractor shall assume all liability and shall indemnify the Authority, its officers, agents and employees against liability, including the Authority's costs, as a result of infringement by the Contractor or their suppliers of any patent, utility model, registered design or like protection outside the UK in the performance of the Contract when such infringement arises from or is incurred otherwise than by reason of the Contractor following any specification, statement of work or instruction in the Contract or using, keeping or disposing of any item given by the Authority for the purpose of the Contract in accordance with the Contract.

j. The Contractor shall not be entitled to any reimbursement of any royalty, licence fee or similar expense incurred in respect of anything to be done under the Contract, where:

- (1) a relevant discharge has been given under Section 2 of the Defence Contracts Act 1958, or relevant authorisation in accordance with Sections 55 or 57 of the Patents Act 1977, Section 12 of the Registered Designs Act 1949 or Section 240 of the Copyright, Designs and Patents Act 1988 in respect of any intellectual property; or
- (2) any obligation to make payments for intellectual property has not been promptly notified to the Authority under clause 33.a.

k. Where authorisation is given by the Authority under clause 33.e, 33.f or 33.g, to the extent permitted by Section 57 of the Patents Act 1977, Section 12 of the Registered Designs Act 1949 or Section 240 of the Copyright, Designs and Patents Act 1988, the Contractor shall also be:

- (1) released from payment whether by way of royalties, licence fees or similar expenses in respect of the Contractor's use of the relevant invention or design, or the use of any relevant model, document or information for the purpose of performing the Contract; and
- (2) authorised to use any model, document or information relating to any such invention or design which may be required for that purpose.

l. The Contractor shall assume all liability and indemnify the Authority and its officers, agents and employees against liability, including costs as a result of:

- (1) infringement or alleged infringement by the Contractor or their suppliers of any copyright, database right, Design Right or the like protection in any part of the world in respect of any item to be supplied under the Contract or otherwise in the performance of the Contract;
- (2) misuse of any confidential information, trade secret or the like by the Contractor in performing the Contract;
- (3) provision to the Authority of any Information or material which the Contractor does not have the right to provide for the purpose of the Contract.

m. The Authority shall assume all liability and indemnify the Contractor, their officers, agents and employees against liability, including costs as a result of:

- (1) infringement or alleged infringement by the Contractor or their suppliers of any copyright, database right, Design Right or the like protection in any part of the world in respect of any item provided by the Authority for the purpose of the Contract but only to the extent that the item is used for the purpose of the Contract;
- (2) alleged misuse of any confidential information, trade secret or the like by the Contractor as a result of use of Information provided by the Authority for the purposes of the Contract, but only to the extent that Contractor's use of that Information is for the purposes intended when it was disclosed by the Authority.

n. The general authorisation and indemnity is:

- (1) clauses 33.a – 33.m represents the total liability of each Party to the other under the Contract in respect of any infringement or alleged infringement of patent or other Intellectual Property Right (IPR) owned by a third party;
- (2) neither Party shall be liable, one to the other, for any consequential loss or damage arising as a result, directly or indirectly, of a claim for infringement or alleged infringement of any patent or other IPR owned by a third party;
- (3) a Party against whom a claim is made or action brought, shall promptly notify the other Party in writing if such claim or action appears to relate to an infringement which is the subject of an indemnity or authorisation given under this Condition by such other Party. The notification shall include particulars of the demands, damages and liabilities claimed or made of which the notifying Party has notice;
- (4) the Party benefiting from the indemnity or authorisation shall allow the other Party, at its own expense, to conduct any negotiations for the settlement of the same, and any litigation that may arise therefrom and shall provide such information as the other Party may reasonably

require;

(5) following a notification under clause 33.n(3), the Party notified shall advise the other Party in writing within thirty (30) Business Days whether or not it is assuming conduct of the negotiations or litigation. In that case the Party against whom a claim is made or action brought shall not make any statement which might be prejudicial to the settlement or defence of such a claim without the written consent of the other Party;

(6) the Party conducting negotiations for the settlement of a claim or any related litigation shall, if requested, keep the other Party fully informed of the conduct and progress of such negotiations.

o. If at any time a claim or allegation of infringement arises in respect of copyright, database right, Design Right or breach of confidence as a result of the provision of any Contractor Deliverable by the Contractor to the Authority, the Contractor may at their own expense replace the item with an item of equivalent functionality and performance so as to avoid infringement or breach. The Parties will co-operate with one another to mitigate any claim or damage which may arise from use of third party IPR.

p. Nothing in Condition 33 shall be taken as an authorisation or promise of an authorisation under Section 240 of the Copyright, Designs and Patents Act 1988.

q. 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

r. Where any of the conditions listed below (1 to 3) have been added to the Conditions of the Contract as project specific DEFCONs at Clause 44, or where required by Clauses 33a-33q., the Contractor warrants and confirms that all Intellectual Property Rights restrictions and associated export restrictions relating to the use of 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 10 (Notification of Intellectual Property Rights (IPR) Restrictions).

- (1) DEFCON 16 – including notification of any self-standing background Intellectual Property;
- (2) DEFCON 90 – including copyright material supplier under clause 5;
- (3) DEFCON 91 – limitations of Deliverable Software under clause 3b.

s. 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 10.

t. Any amendment to Schedule 10 shall be made in accordance with Condition 6.

Pricing and Payment

34. Contract Price

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

b. Subject to clause 34.a the Contract Price shall be inclusive of any UK custom and excise or other duty payable if applicable. The Contractor shall not make any claim for drawback of UK import duty on any part of the Contract Deliverables supplied which may be for shipment outside of the UK.

c. The Contract price shall consist of Munition Orders Forms (MOF) and Ad Hoc Tasks, Tasking Authorisation Forms (TAF) contained withing Appendix 1 & 2 to Schedule 9 and firm orders contained with Schedule 2.

35. Payment and Recovery of Sums Due

a. Payment for Contractor Deliverables will be made by electronic transfer and prior to submitting any claims for payment under clause 35.b 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 35.a, 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 35.a 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 35.c 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 the 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.

36. Value Added Tax

a. The Contract Price excludes any UK output Value Added Tax (VAT) and any similar EU (or non-EU) taxes chargeable on the supply of Contractor Deliverables by the Contractor to the Authority.

b. If the Contractor is required by UK VAT law to be registered for UK VAT (or has registered voluntarily) in respect of their business activities at the time of any supply, and the circumstances of any supply are such that the Contractor is liable to pay the tax due to HM Revenue and Customs (HMRC), the Authority shall pay to the Contractor in addition to the Contract Price (or any other sum due to the Contractor) a sum equal to the output VAT chargeable on the tax value of the supply of Contractor Deliverables, and all other payments under the Contract according to the law at the relevant tax point.

c. The Contractor is responsible for the determination of VAT liability. The Contractor shall consult their Client Relationship Manager or the HMRC Enquiries Desk (and not the Authority's Representative (Commercial)) in cases of doubt. The Contractor shall notify the Authority's Representative (Commercial) of the Authority's VAT liability under the Contract, and any changes to it, within twenty (20) Business Days of becoming aware the liability is other than at the standard rate of VAT. In the event of any doubt about the applicability of the tax in such cases, the Authority may require the Contractor to obtain, and pass to the Authority, a formal ruling from HMRC. The Contractor shall comply promptly with any such requirement. Where the Contractor obtains a ruling from HMRC, they shall supply a copy to the Authority within three (3) Business Days of receiving that ruling unless they propose to challenge the ruling. Where the Contractor challenges the ruling they shall supply to the Authority a copy of any final decisions issued by HMRC on completion of the challenge within three (3) Business Days of receiving the decision.

d. Where supply of Contractor Deliverables comes within the scope of UK VAT, but the Contractor is not required by UK VAT law to be registered for UK VAT (and has not registered voluntarily), the Authority shall be responsible for assessing and paying over directly to HMRC any UK output VAT due in respect of the Contractor Deliverables. The Contractor shall be responsible for ensuring they take into account any changes in VAT law regarding registration.

e. Where Contractor Deliverables are deemed to be supplied to the Authority outside the UK, the Contractor may be required by the laws of the country where the supply takes place to register there for EU (or non-EU) turnover or similar tax. In that event, the Authority shall pay to the Contractor in addition to the Contract Price (and any other sum due to the Contractor under the Contract) a sum equal to the tax the Contractor is liable to pay to the tax authorities of the country in question in relation to the Contractor Deliverables within thirty (30) calendar days of a written request for payment of any such sum by the Contractor.

f. In relation to the Contractor Deliverables supplied under the Contract the Authority shall not be required to pay any sum in respect of the Contractor's input VAT (or similar EU or non-EU or both input taxes). However, these input taxes will be allowed where it is established that, despite the Contractor

having taken all reasonable steps to recover them, it has not been possible to do so. Where there is any doubt that the Contractor has complied with this requirement the matter shall be resolved in accordance with Condition 39 (Dispute Resolution).

g. Should HMRC decide that the Contractor has incorrectly determined the VAT liability, in accordance with clause 36.b above, the Authority will pay the VAT assessed by HMRC. In the event that HMRC so determines, the Contractor shall pay any interest charged on any assessment or penalties or both directly to HMRC. Such interest or penalties or both shall not be recoverable from the Authority under the Contract or any other contract. The Contractor shall supply the Authority with a copy of all correspondence between HMRC and the Contractor's advisors regarding the VAT assessment within three (3) Business Days of a written request from the Authority for such correspondence.

37. Debt Factoring

a. Subject to the Contractor obtaining the prior written consent of the Authority in accordance with Condition 10 (Assignment of Contract), the Contractor may assign to a third Party ("the Assignee") the right to receive payment of the Contract Price or any part thereof due to the Contractor under the Contract (including interest which the Authority incurred through late payment under the Late Payment of Commercial Debts (Interest) Act 1998 ("the Act")). Any assignment of the right to receive payment of the Contract Price (or any part thereof) under this Condition 37 shall be subject to:

- (1) reduction of any sums in respect of which the Authority exercises its right of recovery under clause 35;
- (2) all related rights of the Authority under the Contract in relation to the recovery of sums due but unpaid; and
- (3) the Authority receiving notification under both clauses 37.b and 37.c(2).

b. In the event that the Contractor obtains from the Authority the consent to assign the right to receive the Contract Price (or any part thereof) under clause 37.a, the Contractor shall notify the Authority in writing of the assignment and the date upon which the assignment becomes effective.

c. The Contractor shall ensure that the Assignee:

- (1) is made aware of the Authority's continuing rights under clauses 37.a(1) and 37.a(2); and
- (2) notifies the Authority of the Assignee's contact information and bank account details to which the Authority shall make payment, subject to any reduction made by the Authority in accordance with clauses 37.a(1) and 37.a(2).

d. The provisions of Condition 35 (Payment and Recovery of Sums Due) shall continue to apply in all other respects after the assignment and shall not be amended without the prior approval of the Authority.

38. Subcontracting and Prompt Payment

a. Subcontracting any part of the Contract shall not relieve the Contractor of any of the Contractor's obligations, duties or liabilities under the Contract.

b. Where the Contractor enters into a subcontract, they shall cause a term to be included in such subcontract:

- (1) providing that where the Subcontractor submits an invoice to the Contractor, the Contractor will consider and verify that invoice in a timely fashion;
- (2) providing that the Contractor shall pay the Subcontractor any sums due under such an invoice no later than a period of thirty (30) days from the date on which the Contractor has determined that the invoice is valid and undisputed;
- (3) providing that where the Contractor fails to comply with clause 38.b(1) above, and there is an undue delay in considering and verifying the invoice, that the invoice shall be regarded as valid and undisputed for the purposes of clause 38.b(2) after a reasonable time has passed; and
- (4) requiring the counterparty to that subcontract to include in any subcontract which it awards, provisions having the same effect as clauses 38.b(1) to 38.b(4).

Termination**39. Dispute Resolution**

a. 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.

b. In the event that the dispute or claim is not resolved pursuant to clause 39.a the dispute shall be referred to arbitration. Unless otherwise agreed in writing by the Parties, the arbitration and this clause 39.b 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.

c. For the avoidance of doubt, anything said, done or produced in or in relation to the arbitration process (including any awards) shall be confidential between the Parties, except as may be lawfully required in judicial proceedings relating to the arbitration or otherwise.

40. Termination for Insolvency or Corrupt Gifts**Insolvency:**

a. The Authority may terminate the Contract, without paying compensation to the Contractor, by giving written Notice of such termination to the Contractor at any time after any of the following events: Where the Contractor is an individual or a firm:

- (1) the application by the individual or, in the case of a firm constituted under English law, any partner of the firm to the court for an interim order pursuant to Section 253 of the Insolvency Act 1986; or
- (2) the court making an interim order pursuant to Section 252 of the Insolvency Act 1986; or
- (3) the individual, the firm or, in the case of a firm constituted under English law, any partner of the firm making a composition or a scheme of arrangement with them or their creditors; or
- (4) the presentation of a petition for bankruptcy order against the individual or, in the case of a firm constituted under English law, any partner of the firm unless it is withdrawn within three (3) Business Days from the date on which the Contractor is notified of the presentation; or
- (5) the court making a bankruptcy order in respect of the individual or, in the case of a firm constituted under English law, any partner of the firm; or
- (6) where the Contractor is either unable to pay their debts as they fall due or has no reasonable prospect of being able to pay debts which are not immediately payable. The Authority shall regard the Contractor as being unable to pay their debts if:
 - (a) they have failed to comply with or to set aside a Statutory demand under Section 268 of the Insolvency Act 1986 within twenty-one (21) days of service of the Statutory Demand on them; or
 - (b) execution or other process to enforce a debt due under a judgement or order of the court has been returned unsatisfied in whole or in part.
- (7) the presentation of a petition for sequestration in relation to the Contractor's estates unless it is withdrawn within three (3) Business Days from the date on which the Contractor is notified of the presentation; or
- (8) the court making an award of sequestration in relation to the Contractor's estates.

Where the Contractor is a company registered in England:

- (9) the presentation of a petition for the appointment of an administrator; unless it is withdrawn within three (3) Business Days from the date on which the Contractor is notified of the presentation; or
- (10) the court making an administration order in relation to the company; or
- (11) the presentation of a petition for the winding-up of the company unless it is withdrawn within three (3) Business Days from the date on which the Contractor is notified of the presentation; or
- (12) the company passing a resolution that the company shall be wound-up; or
- (13) the court making an order that the company shall be wound-up; or
- (14) the appointment of a Receiver or manager or administrative Receiver.

Where the Contractor is a company registered other than in England, events occur or are carried out which, within the jurisdiction to which they are subject, are similar in nature or effect to those specified in clauses 40.a(9) to 40.a(14) inclusive above.

b. Such termination shall be without prejudice to and shall not affect any right of action or remedy which shall have accrued or shall accrue thereafter to the Authority and the Contractor.

Corrupt Gifts:

c. The Contractor shall not do, and warrants that in entering the Contract they have not done any of the following (hereafter referred to as 'prohibited acts'):

- (1) offer, promise or give to any Crown servant any gift or financial or other advantage of any kind as an inducement or reward;
 - (a) for doing or not doing (or for having done or not having done) any act in relation to the obtaining or execution of this or any other Contract with the Crown; or
 - (b) for showing or not showing favour or disfavour to any person in relation to this or any other Contract with the Crown.
- (2) enter 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 them or on their behalf, or to their 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.

d. If the Contractor, their employees, agents or any Subcontractor (or anyone acting on their behalf or any of their employees) does any of the prohibited acts or commits 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, the Authority shall be entitled:

- (1) to terminate the Contract and recover from the Contractor the amount of any loss resulting from the termination;
- (2) to recover from the Contractor the amount or value of any such gift, consideration or commission; and
- (3) to recover from the Contractor any other loss sustained in consequence of any breach of this Condition, where the Contract has not been terminated.

e. In exercising its rights or remedies under this Condition, the Authority shall:

- (1) act in a reasonable and proportionate manner having regard to such matters as the gravity of, and the identity of the person performing, the prohibited act;
- (2) give all due consideration, where appropriate, to action other than termination of the Contract, including (without being limited to):
 - (a) requiring the Contractor to procure the termination of a subcontract where the prohibited act is that of a Subcontractor or anyone acting on their behalf;
 - (b) requiring the Contractor to procure the dismissal of an employee (whether their own or that of a Subcontractor or anyone acting on their behalf) where the prohibited act is that of such employee.

f. Recovery action taken against any person in Her Majesty's service shall be without prejudice to any recovery action taken against the Contractor pursuant to this Condition.

41. Termination for Convenience

a. The Authority shall have the right to terminate the Contract in whole or in part at any time by giving the Contractor at least twenty (20) Business Days written notice (or such other period as may be stated in Schedule 3 (Contract Data Sheet)). Upon expiry of the notice period the Contract, or relevant part thereof, shall terminate without prejudice to the rights of the parties already accrued up to the date of termination. Where only part of the Contract is being terminated, the Authority and the Contractor shall owe each other no further obligations in respect of the part of the Contract being terminated, but will continue to fulfil their respective obligations on all other parts of the Contract not being terminated.

b. Following the above notification the Authority shall be entitled to exercise any of the following rights in relation to the Contract (or part being terminated) to direct the Contractor to:

- (1) not start work on any element of the Contractor Deliverables not yet started;
- (2) complete in accordance with the Contract the provision of any element of the Contractor Deliverables;

- (3) as soon as may be reasonably practicable take such steps to ensure that the production rate of the Contractor Deliverables is reduced as quickly as possible;
- (4) terminate on the best possible terms any subcontracts in support of the Contractor Deliverables that have not been completed, taking into account any direction given under clauses 41.b(2) and 41.b(3) of this Condition.

c. Where this Condition applies (and subject always to the Contractor's compliance with any direction given by the Authority under clause 41.b):

- (1) The Authority shall take over from the Contractor at a fair and reasonable price all unused and undamaged materiel and any Contractor Deliverables in the course of manufacture that are:
 - (a) in the possession of the Contractor at the date of termination; and
 - (b) provided by or supplied to the Contractor for the performance of the Contract, except such materiel and Contractor Deliverables in the course of manufacture as the Contractor shall, with the agreement of the Authority, choose to retain;
- (2) the Contractor shall deliver to the Authority within an agreed period, or in absence of such agreement within a period as the Authority may specify, a list of:
 - (a) all such unused and undamaged materiel; and
 - (b) Contractor Deliverables in the course of manufacture, that are liable to be taken over by, or previously belonging to the Authority, and shall deliver such materiel and Contractor Deliverables in accordance with the directions of the Authority;
- (3) in respect of Services, the Authority shall pay the Contractor fair and reasonable prices for each Service performed, or partially performed, in accordance with the Contract.

d. The Authority shall (subject to clause 41.e below and to the Contractor's compliance with any direction given by the Authority in clause 41.b above) indemnify the Contractor against any commitments, liabilities or expenditure which would otherwise represent an unavoidable loss by the Contractor by reason of the termination of the Contract; subject to:

- (1) the Contractor taking all reasonable steps to mitigate such loss; and
- (2) the Contractor submitting a fully itemised and costed list of such loss, with supporting evidence, reasonably and actually incurred by the Contractor as a result of the termination of the Contract or relevant part.

e. The Authority's total liability under the provisions of this Condition shall be limited to the total price of the Contractor Deliverables payable under the contract (or relevant part), including any sums paid, due or becoming due to the Contractor at the date of termination.

f. The Contractor shall include in any subcontract over £250,000 which it may enter into for the purpose of the Contract, the right to terminate the subcontract under the terms of clauses 41.a to 41.e except that:

- (1) the name of the Contractor shall be substituted for the Authority except in clause 41.c(1);
- (2) the notice period for termination shall be as specified in the subcontract, or if no period is specified twenty (20) Business Days; and
- (3) the Contractor's right to terminate the subcontract shall not be exercised unless the main Contract, or relevant part, has been terminated by the Authority in accordance with the provisions of this Condition 41.

g. Claims for payment under this Condition shall be submitted in accordance with the Authority's direction.

42. 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.

b. Where the Authority has terminated the Contract under clause 42.a 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, including but not limited to any costs and expenses incurred by the Authority in:

- (1) carrying out any work that may be required to make the Contractor Deliverables comply with the Contract; or
- (2) obtaining the Contractor Deliverable in substitution from another supplier.
- (3) All damages claimed by the Authority are not to exceed the financial limits outlined in clause 46.3

43. Consequences of Termination

The termination of the Contract, however arising, shall be without prejudice to the rights and duties of either Party accrued prior to termination. The Conditions that expressly or by implication have effect after termination shall continue to be enforceable even after termination.

Additional Conditions**44. The Project Specific DEFCONS and DEFCON SC variants that apply to the Contract are:**

DEFCON 16 (Edn. 06/21) – Repair and Maintenance Information

DEFCON 21 (Edn. 06/21) – Retention of Records

DEFCON 23 (Edn. 06/21) – Special Jigs, Tooling and Test Equipment.

DEFCON 90 (Edn. 06/21) - Copyright

DEFCON 117 (SC2) (Edn. 07/21) – Supply of Information for NATO Codification Purposes

DEFCON 130 (SC2) (Edn. 11/21) – Packaging for Explosives

DEFCON 532A (SC2) (Edn. 05/22) – Protection of Personal Data (Where Personal Data is not being processed on behalf of the Authority)

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

DEFCON 658 (SC2) (Edn. 10/22) – Cyber

Note: The Cyber Risk Level for this Contract shall be Very Low as defined in Def Stan 05-138

DEFCON 659A (Edn. 09/21) – Security Measures.

Note: The Security Aspects Letter at Schedule 17 details the classifications of the project and associated information.

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

Note: The Security Aspects Letter at Schedule 17 details the classifications of the project and associated information.

DEFCON 694 (SC2) (Edn. 07/21) – Accounting for Property of the Authority

45. The Special Conditions that apply to the Contract are:**45.1 Scope of Contract**

a. The Contract shall be for 9mm Securiblack Quiet ToxFree GEN2 and 5.56mm Securiblack Loud Toxfree for C7/C8 weapons in accordance with the Contract Schedule of Requirements at Schedule 2.

45.2 Qualification

a. Ammunition Contractor Deliverables may be subjected to a Qualification Programme to prove Safety and Suitability for Service. Safety and Suitability for Service shall be defined as the Articles functioning as per the Technical Specification detailed at Schedule 16 of the Contract, following completion of the Qualification Test Plan as defined by the Authority.

b. A Third Party will conduct this Qualification programme on behalf of the Authority, the Contractor shall be required to work with the Third Party, to ensure the natures are successfully qualified.

c. In the event that the Qualification Programme deems that the Articles do not conform to the Contractors submitted TDP in accordance with Condition 45.2.a, the Authority reserves the right to:

d. Reject the Articles in accordance with Condition 29 to the Contract and the Contractor shall rectify defects in the Articles at no additional cost, in accordance with Schedule 16, Section 11, Paragraph 5.

Or,

e. Terminate the Contract in whole or in part in accordance with Condition 42.

f. Acceptance of the rectified Articles as per Condition 45.2.d shall be in accordance with Condition 28 and Schedule 8 to the Contract.

g. The Authority may at its discretion accept delivery of Contractor Deliverables prior to the successful completion of the S3 Qualification Programme. Should the Contractor manufacture any Contractor Deliverables prior to the successful completion of the S3 Qualification Programme, they do so at their own risk and shall rectify any defects or discrepancies identified through the S3 Qualification Programme at no additional cost to the Authority in accordance with Schedule 16, Section 11, Paragraph 5.

45.3 Options

- a. From Financial Year 2026/2027 onwards, the option prices at Schedule 2 are Fixed Prices subject to the Variation of Munitions Price clause, stated in Condition 45.4 (Schedule 2 Option Year Line Items –10-12, 14-16, 18-20, 22-24, 26-28 in Schedule 2). The prices for Year 1 (FY 24/25), Year 2 (FY25/26) of Schedule 2 Schedule of Requirements for Contract No: DGM/2022 remain Firm, which the Contractor shall provide on the completion of Schedule 2, the Schedule of Requirements.
- b. The Authority has no obligation to exercise the options to procure additional quantities of ammunition for Financial Years 2026/2027 until 2030/2031 – in accordance with Schedule 2 of the Contract and in accordance with the Terms and Conditions.
- c. The Authority will provide the Contractor notice of the intention to take an Option contained at Schedule 2 no later than 3 months prior to the agreed Delivery Date.
- d. Should the Authority wish to avail of an option contained at Schedule 2, the Option will be invoked by Contract Amendment in accordance with Condition 6 of the Terms & Conditions and Schedule 4 to the Contract.

45.4 Variation of Munitions Price (SOR Option Year Line Items 10, 11, 12, 14, 15, 16, 18, 19, 20, 22, 23, 24, 26, 27 and 28 of Schedule 2 – Schedule of Requirements)

- a. The prices stated in the Schedule of Requirements for Option Year Line Items **10, 11, 12, 14, 15, 16, 18, 19, 20, 22, 23, 24, 26, 27 and 28** are FIXED and are subject to variation to reflect increases or decreases to the Contractor's Commercial Distributors Price List determined at the Contractor's sole discretion in accordance with the Contractor's normal procedures for establishing a competitive Commercial Distributors Price List.
- b. The Contractor's Commercial Distributors Price List shall be:
 - I. Certified as the true and correct Commercial Distributors Price List by the Contractor's Chief Financial Officer;
 - II. Published each year recurring for the duration of the Contract; and
 - III. At the Authorities sole discretion, be subject to further price assurance pursuant to Clause 47.1.

- c. The Munition Unit Prices shall be adjusted in accordance with the following formula.

$$\text{Adjusted Munition Unit Price} = (V \cdot AA \cdot P) + ((1 - AA) \cdot P)$$

Where:

V represents the Variation of the Contractors Commercial Price List declared by the Contractor.

AA represents the % of the Munitions Unit Price subject to the Contractors Commercial Distributors Price List as indicated in the table below.

P represents the FIXED Munitions Unit Price stated at Schedule 2 depending on the cartridge type and the year of purchase.

ADAC	Description	% of Munitions Unit Price subject to the Contractors Commercial Price List
12210-**-	9mm Securiblack® Quiet Toxfree® GEN2	Redacted
12209-**-	9mm Securiblack® Loud Toxfree® GEN2	Redacted
11910-**-	5.56mm Securiblack® Loud Toxfree® for C7/C8 weapons	Redacted

d. The source of the index referred to in Sub Clause A above is the Certified Commercial Distributors Price List

e. Prices shall be adjusted as part of the Ordering Process and in accordance with Clause 47.2 Munition Order Process, when the Authority initiates Munition Orders by completion of Part A to Schedule 9 Munitions Order Form (MOF) and submits it to the Contractor.

f. Upon receipt of the Authority's MOF Part A., the Contractor shall complete Part B of Schedule 9 Munitions Order Form (MOF) with prices adjusted using the above Variation of Munitions Price formula and return the Part B to the Authority (Box 2 of the DEFFORM 111) and the Authority's Commercial Officer (Box 1 of the DEFFORM 111).

g. Claims under this Condition shall be submitted to the Authority Commercial Officer appointed within the DEFFORM 111, certified to the effect that the "requirements of this Clause 45.4" have been met.

45.5 Performance Management & Performance Remedy

a. The Parties agree that the Contractor's performance under the Contract shall be monitored in accordance with the Performance Indicators and format set out in the Performance Management Report at Schedule 12 to the Contract. The frequency for monitoring of the KPI's shall be quarterly.

b. This shall measure the Contractor's forecasted and actual performance against the Delivery Schedule for the Contractor Deliverables in Schedule 2, the Schedule of Requirements, and Schedule 13, the Key Performance Indicators. The Contractor shall assess their performance quarterly in accordance with the format set out at Schedule 13. The Contractor shall submit Schedule 12 to the Authority on completion of their KPI assessment for the Authority's review and agreement. The Authority reserves the right to publish this performance information in accordance within Clause 12. Transparency.

c. As set out in Clauses 19.a and 19.b of Schedule 3 to the Contract, the Contractor shall attend an annual performance meeting (either in person or via online call) following delivery of the Contractor Deliverables for the contract year the Contractor's performance shall be monitored in accordance with Condition 45.5 (a).

d. The Contractor shall deliver a completed Performance Management Report at Schedule 12 to the Authority at least ten (10) business days prior to the agreed date of the annual Performance Meetings that are referred to in Schedule 16 (Statement of Requirement) and Schedule 3 Condition 19.a and 19.b

- e. In the event the Contractor achieves or forecasts an Amber or Red score at any time the Contractor shall declare any partial mix & volume of munitions that have or will be produced at the Munitions Readiness Date
- f. In the event a munitions order is partially fulfilled or achievable at the Munitions Readiness Date and the Authority requires, at its sole discretion, delivery of a partial order, any costs in excess of the agreed munitions order price (including transport & delivery) shall be borne in their entirety by the Contractor.
- g. In the event that the Contractor's performance is materially impacted by the Authority's delay or failure to provide information or authorisation in line with the Authority's obligations under the Contract, such waiting time will be discounted from this performance management scheme. For the avoidance of doubt, the waiting time shall be defined as the time period from the date of Contractor request until the date of receipt of the relevant information, authorisation or action by the Authority. All claims by the Contractor for alleviation against this performance management regime shall be made in the annual Performance Report and shall be made with supporting evidence.
- h. Without limitation to any other rights of remedy available to the Authority under the Contract, upon completion of each Contract Deliverable as per Schedule 2, the Contractor shall perform a reconciliation to compare the actual Delivery Date achieved against the Delivery Date agreed in Schedule 2 prior to submission of the quarterly Performance Management Report at Schedule 12.
- i. Dependent on the Contractor's performance determined at the point of reconciliation, without limitation to Condition 35 and at the Authority's sole discretion the Authority shall have the right to terminate the Contract in accordance with Condition 42. In the event that the Contractor's Actual Delivery Date exceeds 6 months of the Agreed Delivery Date in Schedule 2.

45.6 Transportation of Arms, Ammunition and Explosives

- a. In the event that any Contractor Deliverables under this Contract are rejected for any reason, or in any other instance that the Contractor is required to take possession of the Contractor Deliverables to this Contract from a MoD establishment, the Contractor Deliverables shall be considered to be Arms, Ammunition and Explosives in transit and shall be treated as if they are classed within Section 5 of the Firearms Act 1968.
- b. Any Contractor Deliverables transported from a MoD establishment by the Contractor shall be afforded reasonable protection from loss or theft when being transported. The individuals responsible for transporting the Contractor Deliverables shall ensure that the packaging and labelling is not visible during transport. The Contractor shall ensure that any Sub-Contractor responsible for the transportation of the Contractor Deliverables within the United Kingdom have the appropriate clearances in accordance with Section 5 of the Firearms Act 1968. The Contractor shall ensure that the individuals transporting the Contractor Deliverables hold a valid security clearance appropriate to the items being transported.

45.7 Government Quality Assurance Representative

- a. The Authority may choose to appoint an independent Government Quality Assurance Representative to undertake Quality Assurance activities on its behalf. In the event that an independent Quality Assurance Representative is appointed, the Representative will be identified to the Contractor following contract award.
- b. The Authority or the Authority's appointed Government Quality Assurance Representative shall, by giving reasonable notice, have the right to entry into the Contractor's works or manufacturing plant, and access to any facility currently being used for production, inspection and storage of materiel or components in connection with the item being manufactured as per the Schedule of Requirements (Schedule 2) to the Contract. Any visit to the Contractor's premises will be at the Authority's expense and only Quality Assurance related technical information will be provided by the Contractor.

45.8 Changes to Manufacturing and Inspection Process

a. The Contractor shall inform the Authority no later than three (3) months in advance of any change to the build standard, manufacturing or inspection process being implemented for any Contractor Deliverable within the scope of the Contract. The Contractor shall provide information and evidence of any such change to support assessment of the impact on the Contractor Deliverables. The Authority's Quality Assurance Representative shall be satisfied that any such change will not cause any detrimental effects on the performance of the Contractor Deliverables.

b. In the event that it is identified that any such change to the manufacturing or inspection process materially impacts the performance of the Contractor Deliverables, the Authority reserves the right to terminate the Contract in accordance with Condition 42 to the Contract.

45.9 Defects and Irregularities in Contract Deliverables

a. Any irregularity or defect which is detected and could adversely affect proper functioning, handling, safety or storage of the Contractor Deliverables being supplied shall be grounds for Rejection in accordance with Condition 29 to the Contract.

b. Where a consignment is rejected, the Contractor shall rectify the non-compliance to the satisfaction of the Authority at no extra cost and shall deliver the rectified Contractor Deliverables in accordance with Schedule 8 and 9 to the Contract.

45.10 Deviation from Build Standard

a. The Authority may, in exceptional circumstances, consider ammunition or packaging that deviates from the requirements outlined in the Contract. In the event that the ammunition or packaging deviates from the requirements, the Contractor shall complete DEF STAN 05-61 Part 1 Annex B, including a full justification of the benefit to the Authority, and forward it to the Authority's Quality Assurance Representative for consideration. Concession application requirements listed within DEF STAN 05-61 Part 1 Annex A will be taken into consideration as part of any submission from the Contractor. Deviations shall only be considered subject to a corresponding reduction in price and the Contractor shall submit his offer of price reduction with the completed concessions application form. Design Authority concurrence for each application shall be required and is the responsibility of the Contractor.

b. The Authority shall not be obliged to accept any concession application submitted by the Contractor. Any applications which offer no direct benefit to the Authority will not normally be considered. Minor deviation activities shall be allowed in accordance with DEFSTAN 05-61 Part 1 and may not be linked to a reduction in price.

45.11. IPR Ownership

For the avoidance of doubt, nothing within the Contract or any of its provisions shall act in a way as to change title or ownership of any Intellectual Property as furnished under the Contract. The Authority will take user rights in accordance with the applicable DEFCONs 16, 21 & 90.

46. Limitations on Liability**46.1 Definitions**

In this Condition 46.1 the following words and expressions shall have the meanings given to them, except where the context requires a different meaning:

"Charges" means any of the charges for the provision of the Services, Contractor Deliverables and the performance of any of the Contractor's other obligations under this Contract, as determined in accordance with this Contract;

"Data Protection Legislation" means all applicable Law in force from time to time in the UK relating to the processing of personal data and privacy, including but not limited to:

(1) UK GDPR;

(2) DPA 2018; and

the Privacy and Electronic Communications (EC Directive) Regulations 2003 (SI 2003/2426) as amended, each to the extent that it relates to the processing of personal data and privacy;

"Default" means any breach of the obligations of the relevant Party (including fundamental breach or breach of a fundamental term) or any other default, act, omission, negligence or statement of the relevant Party, its employees, servants, agents or subcontractors in connection with or in relation to the subject matter of this Contract and in respect of which such Party is liable to the other. In no event shall a failure or delay in the delivery of an Authority responsibility or an activity to be carried out by the Authority or its representatives in accordance with the Contract be considered a Default;

'DPA 2018' means the Data Protection Act 2018;

"Law" means any applicable law, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, regulation, order, regulatory policy, mandatory guidance or code of practice judgment of a relevant court of law, or directives or requirements of any regulatory body, delegated or subordinate legislation or notice of any regulatory body;

"Service Credits" means the amount that the Contractor shall credit or pay to the Authority in the event of a failure by the Contractor to meet the agreed Service Levels as set out/referred to in [cross refer to service credit regime in the contract];

"Term" means the period commencing on [the commencement date / the date on which this Contract is signed / the date on which this Contract takes effect] and ending [on the expiry of x years /on x date] or on earlier termination of this Contract.

'UK GDPR' means the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in UK law by the EU (Withdrawal) Act 2018 and the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019;

46.2 Unlimited liabilities

46.2.1. Neither Party limits its liability for:

46.2.1.2. death or personal injury caused by its negligence, or that of its employees, agents or subcontractors (as applicable);

46.2.1.3 fraud or fraudulent misrepresentation by it or its employees;

46.2.1.4. breach of any obligation as to title implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or

46.2.1.5. any liability to the extent it cannot be limited or excluded by law.

46.2.2 The financial caps on liability set out in Clauses 46.3.1 and 46.3.5 below shall not apply to the following;

46.2.2.1. for any indemnity given by the Contractor to the Authority under this Contract, including but not limited to:

46.2.2.2. the Contractor's indemnity in relation to DEFCON 91 (Intellectual Property in Software) and Condition 33 (Third Party IP – Rights and Restrictions); NOT APPLICABLE

46.2.2.3. the Contractor's indemnity in relation to TUPE at Schedule [(TUPE)]; NOT APPLICABLE

46.2.3.4. for any indemnity given by the Authority to the Contractor under this Contract, including but not limited to:

46.2.2.5. the Authority's indemnity under DEFCON 514A (Failure of Performance under Research and Development Contracts); NOT APPLICABLE

46.2.2.6. breach by the Contractor of DEFCON 532A (SC2) and Data Protection Legislation; and

46.2.2.7. to the extent it arises as a result of a Default by either Party, any fine or penalty incurred by the other Party pursuant to Law and any costs incurred by such other Party in defending any proceedings which result in such fine or penalty.

46.2.2.8. For the avoidance of doubt any payments due from either of the Parties to the other in accordance with DEFCON 811 (SC2) or the Defence Reform Act 2014 and/or the Single Source Contract Regulations 2014, as amended from time to time, shall not be excluded or limited under the provisions of Clauses 46.3.1 and/or 46.3.5 below

46.3 Financial limits

46.3.1. Subject to Clauses 46.2.1 and 46.2.2 and to the maximum extent permitted by Law:

46.3.2. [throughout the Term] the Contractor's total liability in respect of losses that are caused by Defaults of the Contractor shall in no event exceed:

46.3.2.1. The total value of the Contract at the time of loss.

46.3.3. on the exercise of any and, where more than one, each option period or agreed extension to the Term, the limitation of the Contractor's total liability (in aggregate) set out in Clauses 46.3.2 above shall be fully replenished such that on and from each such exercise or extension of the Term, the Authority shall be able to claim up to the full value of the limitation set out in Clauses 46.3.2 of this Contract.

46.3.4. Subject to Clauses 46.2.1, 46.2.2 and 46.3.3, and to the maximum extent permitted by Law the Authority's total liability (in aggregate) whether in contract, in tort (including negligence), under warranty, under statute or otherwise under or in connection with this Contract shall in respect of all liabilities (taken together) be limited to the Charges paid by the Authority in the relevant Contract Year in respect of any and all claims in that Contract Year.

46.3.5. Clause 46.3.4 shall not exclude or limit the Contractor's right under this Contract to claim for the Charges.

46.4 Consequential loss

46.4.1 Subject to Clauses 46.2.1, 46.2.2 and 46.4.2, neither Party shall be liable to the other Party or to any third party, whether in contract (including under any warranty), in tort (including negligence), under statute or otherwise for or in respect of:

46.4.1.1. indirect loss or damage;

46.4.1.2. special loss or damage;

46.4.1.3. consequential loss or damage;

46.4.1.4. loss of profits (whether direct or indirect);

46.4.1.5. loss of turnover (whether direct or indirect);

46.4.1.6. loss of business opportunities (whether direct or indirect); or

46.4.1.7. damage to goodwill (whether direct or indirect), even if that Party was aware of the possibility of such loss or damage to the other Party.

46.4.2. The provisions of Clause 46.4.1 shall not restrict the Authority's ability to recover any of the following losses incurred by the Authority to the extent that they arise as a result of a Default by the Contractor:

46.4.3. any additional operational and administrative costs and expenses arising from the Contractor's Default, including any costs paid or payable by the Authority:

46.4.3.1. to any third party;

46.4.3.2. for putting in place workarounds for the Contractor Deliverables and other deliverables that are reliant on the Contractor Deliverables; and

46.4.3.3. relating to time spent by or on behalf of the Authority in dealing with the consequences of the Default;

46.4.4. any or all wasted expenditure and losses incurred by the Authority arising from the Contractor's Default, including wasted management time;

46.4.5. the additional cost of procuring and maintaining in place transitional assistance and replacement deliverables for the remainder of the Term and any option period or agreed extension to the Term (including legal and other consultants' fees, reprocurement project costs, other expenses associated with such exercise and any increase in the fees for the replacement services over and above the Contract Price that would have been payable for the relevant Contractor Deliverables);

46.4.6. any losses arising in connection with the loss, destruction, corruption, inaccuracy or degradation of Authority data, or other data or software, including, to the extent the Authority data, other data or software can be recovered or reconstituted, the fees, costs and expenses of reconstituting such Authority data, data or software;

46.4.7. damage to the Authority's physical property and tangible assets, including damage under DEFCONs 76 (SC2) and 611 (SC2);

46.4.8. costs, expenses and charges arising from, or any damages, account of profits or other award made for, infringement of any third-party Intellectual Property Rights or breach of any obligations of confidence;

46.4.9. any additional costs incurred by the Authority in relation to the Authority's contracts with a third party (including any compensation or interest paid to a third party by the Authority) as a result of the Default (including the extension or replacement of such contracts);

46.4.10. any fine or penalty incurred by the Authority pursuant to Law and any costs incurred by the Authority in defending any proceedings which result in such fine or penalty; or

46.4.11. any savings, discounts or price reductions during the Term and any option period or agreed extension to the Term committed to by the Contractor pursuant to this Contract

46.5 Invalidity

If any limitation or provision contained or expressly referred to in this Condition [1] is held to be invalid under any Law, it will be deemed to be omitted to that extent, and if any Party becomes liable for loss or damage to which that limitation or provision applied, that liability will be subject to the remaining limitations and provisions set out in this Condition [1]

46.6 Third party claims or losses

46.6.1. Without prejudice to any other rights or remedies the Authority may have under this Contract (including but not limited to any indemnity claim under DEFCONs 91 and Condition 34 or at Law), the Authority shall be entitled to make a claim under this Contract against the Contractor in respect of any losses incurred by the Authority which arise out of a claim made against the Authority by a third party under any contract with that third party provided that such third party claim:

46.6.1.2 arises naturally and ordinarily as a result of the Contractor's failure to provide the Contractor Deliverables or failure to perform any of its obligations under this Contract; and

46.6.1.3. is a type of claim or loss that would have been recoverable under this Contract if the third party were a party to this Contract (whether as the Authority or the Contractor), such claim to be construed as direct losses for the purpose of this Contract.

46.7 No double recovery

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

47. The Processes that apply to the Contract are:**47.1 Reciprocal Price Audit**

a. All cost and pricing data, including but not limited to historical data, quotes, hourly labor & indirect rates can be verified through the cognizant PSPC Office and shall be audited in accordance with Government of Canada accepted standards and principles as per mutual agreement between the authorities of the two countries.

b. In the event the Authority requests an audit, the Contractor is prepared to provide its pricing data (Cost & profit) to the Canadian governmental office (Public Service procurement of Canada - PSPC) to certify to the Authority that all of prices are appropriate, attributable & reasonable costs per Canadian regulations & policies. Costing data will not be provided to the Authority, only to PSPC. The price list will be the base of the audit. The Authority's specific cost impact will be provided to PSPC (add-ons).

c. Any amendment required to Prices following the completion of the price audits performed in accordance with Clause 47.2 a shall apply retrospectively to all Munitions Orders placed by the Authority without limitation to Clause 35 Payment and Recovery of Sums Due, the Authority at its sole discretion will direct the Contractor to provide financial consideration in the form of:

- i. Amendment to Purchase Order(s): Commensurate revaluation of contracted Purchase Order(s) placed pursuant to Clause 47.2, enacted by amendment/replacement of Purchase Order(s) in CP&F; or;
- ii. Issue of Credit Note: The Contractor reimbursing the Authority by issue of a credit note in CP&F within 30 business days of any Contract amendment to the Contract agreed pursuant to the price investigation, for any delta in the value between the contracted Purchase Order(s) and the notional revised value of the munitions order(s); or

- iii. Offset on Future Orders: The Contractor issuing within 30 business days a standing offer in writing to offset any delta in the value between the contracted Purchase Order(s) and the notional value of the munitions order(s) on future Purchase Order(s) placed pursuant to Clause 47.2 for the duration of the Contract.
- d. In the event other changes are made to the Contract that may affect the Contract price, pursuant to clause 6, the Authority reserves the right to seek further price assurance of price deltas and the Contractor shall provide the Canadian authorities as appropriate with access to all relevant information and systems for the effective conduct of the audit. The contractor shall provide his "Statement of Agreement" to any such audit of price deltas within 10 working days of written notice from the Authority.
- e. UK MOD will receive from the Canadian Government a statement (not the actual cost details) once their review is done, similar to DGM1909. Therefore, GD-OTS Canada is taking exception to all cost and pricing data required under this proposal, including record keeping and reporting arising from but not limited to any law, regulations, or MoD Defence conditions DEFCONs for the duration of the contract term and after. For the avoidance of doubt, nothing in this contract shall oblige the Contractor to provide price breakdown information.

47.2 Munition Order Process

- a. All additional Munition Orders not stated in Schedule 2, shall be tasked by the Authority (Box 2 of the DEFFORM 111) using (Schedule 9 – Munitions Order Form).
- b. The following procedure shall be followed for authorising Munition Order Forms
 - i. The Authority will initiate Munition Orders by completion of Part A to Schedule 9 Munitions Order Form (MOF) and submitting it to the Contractor.
 - ii. On receipt of the Part A, the Contractor shall complete Part B of Schedule 9, Munitions Order Form (MOF) using the Firm prices outlined within Schedule 2 for Firm Contract Years 1 & 2.
 - iii. For Fixed priced Option Years 3-7 the Contractor shall complete Part B of Schedule 9 Munitions Order Form (MOF) in accordance with Clause 45.4 Variation of Price and return the Part B to the Authority (Box 2 of the DEFFORM 111) and the Authority's Commercial Officer (Box 1 of the DEFFORM 111).
 - iv. Once the Part B has been received from the Contractor, the Authority will review the MOF and ensure the prices stated are in accordance with the terms and conditions of the Contract. The Contractor shall only proceed with the MOF after receiving a fully endorsed MOF from the Authority with Part C completed, authorising the Contractor to proceed.

47.3 Ordering Process – Ad-hoc Tasks (SOR Items 38)

- a. All Ad-Hoc tasks, shall be tasked by the Authority using Schedule 9, Ad Hoc Tasks, Tasking Authorisation Form (TAF).
- b. The following procedure shall be followed for authorising Ad-Hoc Tasks
 - i. The Authority will initiate task(s) by completion of Part 1 of Schedule 9, Ad Hoc Tasks, Tasking Authorisation Form (TAF) and submitting a completed Part 1 to the Contractor.
 - ii. On receipt of the form, the Contractor shall complete Part 2 of the TAF, using the agreed rates at Appendix B to Schedule 2 and return the TAF to the Authority (Box 2 of the DEFFORM 111) and the Authority's Commercial Officer (Box 1 of the DEFFORM 111). The Contractor shall only proceed with the task after receiving a TAF from the Authority with Part 3 completed.

iii. Upon completion of the task the Contractor will inform the Authority's commercial officer in writing. The Authority will accept or reject the task in writing no later than thirty (30) days from receipt of the contractor's submission of completion and provide any additional reasoning, information or evidence if required.

iv. At each progress meeting, the Authority will review with the Contractor all successfully completed tasks for the preceding quarter and those Tasks that are in progress.

47.4 Force Majeure

a. The Contractor shall not be in breach of this Contract, nor liable for late or non-performance of any of its obligations under this Contract, if such delay or failure result from a "Force Majeure Event". For the purposes of this Contract a Force Majeure Event is defined as one of the following:

- i. acts of nature;
- ii. war and military actions;
- iii. hostilities and acts of terrorism;
- iv. fire and or explosions at any of the Contractor's premises or those of its suppliers except to the extent that the fire and or explosions was caused by his own negligence;
- v. Blockade;
- vi. Transport accidents except to the extent that said accidents are caused by the Contractor;
- vii. Any national failure or unavailability of power.
- viii. Floods except to the extent that the flood was caused by the Contractor's negligence;
- ix. State or governmental orders;
- x. Actions or omissions by any government authority which causes delay or impossibility of performance;
- xi. Any other circumstances beyond the reasonable control & influence of the Contractor or his sub-contractor(s) as mutually agreed between the parties.

b. The Contractor shall immediately notify the Authority in writing on the occurrence of a Force Majeure Event, including details of the Force Majeure Event, its effect on the Contractor's obligations under this Contract, and the actions proposed to mitigate its effect.

c. The Contractor shall be entitled to an appropriate extension of time for performing such obligations provided always that the Contractor has used, to the satisfaction of the Authority, all reasonable endeavors, both to mitigate the effects of the Force Majeure Event, and to facilitate the continued performance of its obligations under this Contract. The Contractor shall submit an impact assessment within 1 month of occurrence of the Force Majeure Event that shall detail the impact on the Contractor's ability to fulfil its obligations under this Contract. The Contractor shall submit his mitigation plan for restoring performance and his obligations under this Contract as soon as reasonably practicable but no later than 6 months after occurrence of the Force Majeure Event.

d. The Authority reserves the right, on giving written notice to the Contractor, to terminate this Contract, with immediate effect and without compensation, in the event the Contractor fails to submit a mitigation plan that demonstrates all reasonable endeavors shall be taken to restore performance of the Contractor's obligations under this Contract.

47.5 Contractor's Shutdown and Holiday Periods

a. The Contractor's operations are subject to shutdown periods and national holidays each year, during which no activities, either administrative or technical, are performed. These periods are:

- I. two weeks each summer (end July / beginning August, to be determined each year based on Contractor's calendar);

- II. two weeks each year for Christmas and New Year holidays;
- III. Other statutory holidays in the Province of Quebec (Canada) i.e. Journee nationale des patriotes (May); Saint-Jean-Baptiste (June), Canada Day (July), Labour Day (September), and Thanksgiving (October).

b. The Contractor shall account for these shut down periods and holidays in all timescales agreed pursuant to orders placed under Clauses 47.2 and 47.3.

c. Where these shutdown periods and holidays conflict with the Contractors ability to perform obligations in the timescales described in the Contract e.g. Contract Administration, the parties shall mutually agree an equitable, commensurate and proportionate variation in timescales to achieve compliance and satisfaction of the Contractor's obligations

Contract DGM/2022 – Supply of 5.56mm and 9mm Securiblack Ammunition

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

For and on behalf of the Company Name:

Name, Title and Company Position	Redacted – Contract Manager
Signature	Redacted
Date	September 9, 2024

For and on behalf of the Secretary of State for Defence

Name, Title and Company Position	Redacted – DGM Commercial Manager
Signature	Redacted
Date	29 th August 2024