

Date: 25 October 2022

BAE SYSTEMS

Tel: + **Redacted FOI Exemption**
E-mail: **Redacted FOI Exemption**

BAE Systems (Operations) Ltd
Alvington, Yeovil
Somerset, BA22 8UZ
United Kingdom

Ref A: Technical Proposal – HS 1.052d Human Augmentation Phase 2 Proposal

Ref B: HS 1.052d Human Augmentation Phase 2 – Part 2

Ref C: HS 1.052d Human Augmentation Phase 2 CQs

BAES Ref: HS 1.052d Proposal

For the attention of **Redacted FOI Exemption**,

Dear **Redacted FOI Exemption**,

Subject: HS 1.052d Human Augmentation Phase 2 - Proposal

We are pleased to submit our proposal for HS 1.052d Human Augmentation Phase 2.

Scope of Work

This proposal covers the firm price for the work as described in the Technical Proposal at Reference A.

Firm Price

The total firm price for the HS 1.052d Human Augmentation Phase 2 is **£120,575.10** (One Hundred and Twenty Thousand, Five Hundred and Seventy-Five Pounds and Ten Pence).

This Firm Price is broken down in detail in the Part 2 at Reference B (attached).

Our Firm Price is valid for 30 days from the date of this letter.

Changes to requirements or schedule may result in changes to the Firm Price and will require formal authorisation.

The agreed Clarification Question template has been provided alongside this firm price proposal to capture any CQs that may arise from this letter.

Terms and Conditions

The terms and conditions of this proposal and any subsequent tasking shall be in accordance with Framework Agreement No DSTL/AGR/01035/01.

DEFCON 705 has been applied to all contractual deliverables as per the Tasking

Form. **Limit of Contractors Liability**

The risks associated with this task have been reviewed by Dstl and BAE Systems using the Risk Profile Assessment Tool and a “Green” risk profile rating has been applied. The applicable caps on Contractor’s liability are as follows:

DEFCON	Cap of Contractors Liability
Material Breach/Liability for Breaches - DEFCON 514	150% of Firm Price above
Contractor's Personnel at Government Establishments - DEFCON 76	£50,000,000
Loss of or Damage to Issued Property - DEFCON 611	150% of Firm Price above
Loss of or Damage to Articles - DEFCON 612	150% of Firm Price above

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Our Firm Price is subject to the following Assumptions, Dependencies and Exclusions:

- **Assumptions**
 - The Start-up meeting, Closure presentation and all progress meetings have been assumed virtual
 - RTL T&S included for 1 stakeholder meeting
- **Dependencies**
 - All work under this task will be completed before 11 March 2023. In the event the work cannot be completed before 11 March 2023 for reasons not attributable to the Contractor or its Suppliers, the parties will negotiate, in good faith, the termination of the task or an equitable adjustment in price and schedule.
 - CA will be required by no later than 01.10.2022. If there are any delays to the CA the commercial proposal will need to be revisited as the end date will then likely extend beyond the Framework end date.
 - HS 1.052d cannot be contracted before HS 1.052a & HS 1.052c to ensure all pre CA activities are covered.
 - Dstl are required at the demonstration event.
- **Exclusions**
 - Travel risk: We have budgeted for only travel by car and train within the UK. Additional travel (including air travel) is not anticipated and therefore not costed.
 - Scoping phase work will not require ethical approval as no data collection is taking place. Subsequent research phases will require ethical approval for human testing of devices. If the participants are military personnel, MODREC approval will be necessary to conduct that testing. We do not currently foresee any legal implications of the proposed work

Please contact us should you have any questions regarding the above.

Yours Sincerely

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Redacted FOI Exemption

Commercial Officer

BAE Systems Digital Intelligence

For and on behalf of BAE Systems (Operations) Limited