



Cabinet Office

Cabinet Office
1 Horse Guards Road
London
SW1A 2HQ

Olympus KeyMed
KeyMed House
Stock Road
Southend-on-Sea
SS2 5QH

22 June 2020

Dear [REDACTED]

BlueSky/Remora

The Minister for the Cabinet Office on behalf of the Crown (the "Cabinet Office") refers to our Letter of Commitment dated 3 April 2020 and the components and equipment purchased by KeyMed (Medical & Industrial Equipment) Limited ("**Olympus KeyMed**") in accordance with that Letter of Commitment for the purposes of the Ventilator Challenge Project ("**the Project**").

This letter sets out the terms for the conclusion of your involvement in the Project. Please confirm your agreement to these terms by counter signing and returning a copy of this letter following which we shall arrange for the final payment below to be made to you in full and final settlement of all or any sums due to Olympus-KeyMed in connection with the Project.

Whereas

- A Olympus KeyMed has provided humanitarian pro bono support for the Project to the Cabinet Office and the BlueSky consortium; and
- B Olympus KeyMed has enabled the sourcing and delivery of components and equipment for the Project for and on behalf of the Cabinet Office charging at cost only, but has had no responsibility in their specification, adequacy or suitability, or their inspection on delivery

It is agreed between us that:

- 1 The Cabinet Office acknowledges that Olympus KeyMed has acted as its agent in procuring components for the Project.
- 2 The amount payable by Cabinet Office to Olympus KeyMed in connection with the Project is £4,589,348.48 (plus VAT at the standard rate) as set out in Schedule 1 - Olympus KeyMed Costs, less the sum paid on account to Olympus KeyMed of £2,208,126.32.
- 3 On the basis that Olympus KeyMed meets its obligations as set out in this letter, the Cabinet Office shall pay to Olympus KeyMed within 5 days of you returning a signed and dated copy of this letter the balance due to Olympus KeyMed for component costs which on payment shall represent the satisfaction of all sums due to Olympus KeyMed howsoever arising in connection with the Project.
- 4 In the event that HMRC hereafter accepts that VAT on the whole or any part of the supplies paid for or payable under this letter are zero-rated for VAT purposes then Olympus KeyMed shall deliver to the Cabinet Office an appropriate adjusted VAT invoice and reimburse the Cabinet Office VAT in accordance with that adjustment.
- 5 The Cabinet Office shall agree the procedures to be followed and arrange for the collection, delivery or destruction of all components and items of equipment purchased by it for the Project as agreed and set out in the annexed Schedule 2 - Olympus KeyMed Materials (Transfer of Title).
- 6 To the extent title is not already vested in the Cabinet Office, Olympus KeyMed hereby transfers its title in all of the components and items of equipment in the annexed schedule free of any charge, pledge, lien, title retention or any other security agreement or arrangement to the Cabinet Office.
- 7 To the extent the benefit or right of action is not already vested in the Cabinet Office, Olympus KeyMed hereby assigns to the Cabinet Office the full benefit of all its interests in and its rights, if any, under or arising out of the warranties it has received in respect of each of the components and items of equipment in the schedule from their respective suppliers together with all rights for the Cabinet Office to sue or take action in respect of the said warranties.

- 8 Olympus KeyMed shall provide all reasonable assistance that may be reasonably required by the Cabinet Office, and subject to prior approval at the cost of the Cabinet Office, to obtain all necessary consents and approvals from the relevant suppliers necessary to give effect to the assignment of the warranties set out above.
- 9 Without limitation to paragraph 8 above, Olympus KeyMed hereby authorises and permits the Cabinet Office to act as its agent to the full extent required to enable the Cabinet Office to secure any necessary data, documentation or other information relating to the components and equipment from the relevant suppliers.
- 10 The components and items of equipment in the schedule are transferred to the Cabinet Office "as is" and Olympus KeyMed provides no warranty including in respect of fitness for purpose, quality or use. To the extent permitted by law, all warranties (express or implied) are hereby excluded.
- 11 Insofar as any intellectual property rights of any nature in any designs, inventions, materials or other results have been generated by or for Olympus KeyMed for or in connection with your performance of work on the Project ("**Results**"), Olympus KeyMed hereby assigns (with full title guarantee and free from all third-party rights) all such intellectual property rights in the Results to the Cabinet Office and shall take all necessary measures to secure that vesting. Olympus KeyMed acknowledge that the Results comprise intellectual property and confidential information belonging to the Cabinet Office, and that they may not be further used or disclosed without prior written permission.
- 12 The Cabinet Office may assign, novate or otherwise dispose of its rights and obligations under this letter without the consent of Olympus KeyMed to another part of the Crown (meaning for these purposes the government of the United Kingdom, but not limited to, government ministers, government departments, government offices and government agencies) provided and to the extent that does not prejudice any of the rights of Olympus KeyMed set out in this letter.
- 13 The agreement set out in this letter and any dispute arising out of it, its formation or interpretation (including non-contractual disputes) shall be governed by and

construed in accordance with the law of England and Wales and the parties submit to the exclusive jurisdiction of the English courts to settle any such dispute.

Please confirm your agreement to the terms set out above by signing and dating this letter below and returning a copy to [REDACTED] by 22 June 2020.

Yours sincerely,

[REDACTED]

[REDACTED]

Government Chief Commercial Officer

For and on behalf of the Minister for the Cabinet Office

I, [As per below] for and on behalf of KeyMed (Medical & Industrial Equipment) Limited hereby agree to and accept the terms set out in this letter.

Signed:

Dated: [] June 2020

DocuSigned by:
[REDACTED]
F13B183FAE6640B...

Director of Finance

22 June 2020

DocuSigned by:
[REDACTED]
21329CEE8ABD492...

Director of Manufacturing Business

6/22/2020

Schedule 1 - Olympus KeyMed Costs**Olympus Costs**

Type	Ex. VAT	Incl. VAT	Comments
Staff / Labour	-	-	No labour costs charged
Inventory Received			Inventory received at the Government Designated Location (GDL) to date
Freight / Other Received			Cost of freight to Olympus / Services / Consultancy costs incurred
Costs due to Sub-Contractors			Includes additional plus VAT to Acal Power Leads to complete WIP and agreed total remaining logistics costs of £ plus VAT
Total Payable to	£4,589,348.40	£5,507,218.18	
Less Invoice Already Received	£1,840,105.27	£2,208,126.32	Invoice number paid on 6 April 2020 - paid £2,208,126.32 (ex. VAT)
Net Payment Due	£2,749,243.21	£3,299,091.85	

Schedule 1 - Olympus KeyMed Costs (attached to covering email)

Schedule 2 - Olympus KeyMed Materials (Transfer of Title)

Part A - Inventory Received (attached to covering email)

Part B - Inventory in WIP (attached to covering email)