



Ministry of Defence

Contract Number: 701555457

Terms and Conditions (T&Cs)

For:

**The Provision of HUSLE and Cargo Nets
including Post Design Support Services**

Issued

19 June 2023

Contractor's Name Amsafe Bridport Limited	MINISTRY OF DEFENCE SCHEDULE OF REQUIREMENTS COVERING: Provision of HUSLE and Cargo Nets including Post Design Support Services	DEFFORM 110 Contract No 701555457
Issued on: 19 June 2023		Previous Contract No. REDACTED
ITEM NO	DESCRIPTION	PRICE PER ITEM (£ EX VAT)
1	Provision of Programme Management activities in accordance with Schedule 2 to the contract from Contract Award to 30 June 2025	REDACTED
2	Provision of Fixed quantity supply of Cargo Nets and HUSLE in accordance with Schedule 2 (Statement of Requirement) and Annex F (Equipment Price List labelled "Equipment List Supported by Line Item 1-2") to Schedule 2.	REDACTED
3	Provision of Post Design Services (PDS) and Ad-Hoc Tasking in Accordance with Schedule 2 (Statement of Requirement) and Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2	To be priced IAW pricing Condition at Clause 15 and DEFCON 637 (if applicable) using the Engineering Rates at Appendix 1 to Annex E (Labour Price List) to Schedule 2 (Statement of Requirement)
4	Variable Supply of Cargo Nets and HUSLE provisioning in accordance with Schedule 2 (Statement of Requirement), Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2, Annex C (Spare Process Guidance Map) to Schedule 2 and Annex F (Equipment Price List labelled "Equipment List Supported by Line Item 4 and 6") to Schedule 2	To be priced IAW pricing Condition at Clause 15 on an 'as required' basis.
5	Qualifying Defence Contract Bid Costs in accordance with Schedule 2 (Statement of Requirement).	REDACTED
Options		
6	Option 1 Provision of C17CSAE DT Requirement in accordance with Schedule 2 (Statement of Requirement), Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2, Annex C (Spare Process Guidance Map) to Schedule 2 and Annex F (Equipment Price List labelled "Equipment List Supported by Line Item 4 and 6) to Schedule 2	To be priced IAW pricing condition at Clause 15 on an 'as required' basis.
7	Option 2 Provision of C17CSAE DT PDS Requirement in Accordance with Schedule 2 (Statement of Requirement) and Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2	To be priced IAW pricing Condition at Clause 15 and DEFCON 637 (if applicable) using the Engineering Rates at Appendix 1 to Annex E (Labour Price List) to Schedule 2 (Statement of Requirement)

8	Option 3 Provision of Programme Management activities in accordance with Schedule 2 to the contract from 1 July 2025 to 30 June 2026	£To be priced in accordance with pricing Condition at Clause15
9	Option 4 Provision of Post Design Services (PDS) and Ad-Hoc Tasking In Accordance with Schedule 2 (Statement of Requirement) and Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2 from 1 July 2025 to 30 June 2026	£To be priced in accordance with pricing Condition at Clause15
10	Option 5 Variable Supply of Cargo Nets and HUSLE provisioning in accordance with Schedule 2 (Statement of Requirement), Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2, Annex C (Spare Process Guidance Map) to Schedule 2 and Annex F (Equipment Price List labelled "Equipment List Supported by Line Item 4 and 6) from 1 July 2025 to 30 June 2026	£To be priced in accordance with pricing Condition at Clause 15
Total contract value at contract award £9,793,135.56		
All items above shall be subject to the terms and conditions of this Contract		

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

For and on behalf of the Contractor:

Name and Title	REDACTED TEXT under FOIA Section 40, Personal Information
Signature	REDACTED TEXT under FOIA Section 40, Personal Information
Date	22/06/2023

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

Name and Title	REDACTED TEXT under FOIA Section 40, Personal Information
Signature	REDACTED TEXT under FOIA Section 40, Personal Information
Date	22/06/2023

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THIS CONTRACT is made on this 20 June 2023.

BETWEEN:

- (1) **THE SECRETARY OF STATE FOR DEFENCE OF THE UNITED KINGDOM AND NORTHERN IRELAND** (“**The Authority**”); and
- (2) **AMSAFE BRIDPORT LIMITED**, a company registered in United Kingdom with number 140449 whose registered office is at The Court, West Street, Bridport, Dorset DT6 3QU (“**The Contractor**”), each a “**Party**” and together, the “**Parties**”.

WHEREAS:

(A) The Authority issued an Invitation to Negotiate (ITN) on 18th May 2021 for the provision of In Service Support and Post Design Services for the Advanced Mission Planning Aid.

(B) The Contractor submitted its formal tender, reference **REDACTED** on 17th September 2021.

(C) The Authority accepted the Contractor’s tender on 25 May 2023 and the Parties have now agreed to enter into a contract for the provision of the Services on the terms set out in the Contract.

IT IS AGREED as follows:

1. STANDARD CONDITIONS OF CONTRACT

1.1. The following Defence Conditions of Contract (“**DEFCONs**”) shall apply:

DEFCON	EDITION	TITLE
5J	18/11/16	Unique Identifiers
14	11/22	Inventions and Designs Crown Rights And Ownership of Patents and Registered Designs
15	06/21	Design Rights and Rights to use Design Information
16	06/21	Repair and Maintenance Information
21	06/21	Retention of Records
23	06/21	Special Jigs, Tooling and Test Equipment
68	10/22	Supply of Data for Hazardous Articles, Materials and Substances
76	11/22	Contractor's Personnel at Government Establishments
82	06/21	Special Procedure for Initial Spares
90	06/21	Copyright

113	02/17	Diversion Orders
117	07/21	Supply of Information for NATO Codification And Defence Inventory Introduction
129	02/22	Packaging (For Articles Other Than Munitions)
129J	18/11/16	The Use of Electronic Business Delivery Form
501	10/21	Definitions and Interpretations
503	06/22	Formal Amendments to Contract
507	07/21	Delivery
513	04/22	Value Added Tax (VAT) and Other Taxes
514	08/15	Material Breach
515	06/21	Bankruptcy and Insolvency
516	04/12	Equality
518	02/17	Transfer
520	08/21	Corrupt Gifts and Payments of Commission
522	11/21	Payment and Recovery of Sums Due
524	12/21	Rejection
524A	12/22	Counterfeit Materiel
525	10/98	Acceptance
526	08/02	Notices
527	09/97	Waiver
528	07/21	Import and Export Licences
529	09/97	Law (English)
530	12/14	Dispute Resolution (English Law)
531	09/21	Disclosure of Information
532A	05/22	Protection of Personal Data (Where Personal Data is not being processed on behalf of the Authority)
534	06/21	Subcontracting and Prompt Payment
537	12/21	Rights of Third Parties

538	06/02	Severability
539	01/22	Transparency
550	02/14	Child labour and Employment Law
566	10/20	Change of Control of Contractor
601	04/14	Redundant Material
602A	04/23	Quality Assurance (With Deliverable Quality Plan)
603	10/04	Aircraft Integration and Clearance Procedure
608	07/21	Access and Facilities to Be Provided By the Contractor
609	07/21	Contractor's Records
611	12/22	Issued Property *Please see schedule 3 for a list of all GFA requirements
612	06/21	Loss of or Damage to the Articles
620	06/22	Contract Change Control Procedure
621A	12/21	Transport (if Authority is responsible for transport).
624	08/22	Use of Asbestos
625	06/21	Co-Operation on Expiry of Contract
627	11/21	Requirement for a Certificate of Conformity
632	11/21	Third Party Intellectual Property - Rights and Restrictions
637	05/17	Defect Investigation and Liability
642	07/21	Progress Meetings (Applicable to SoR Line Item 1 - Local Technical Committee Meetings (LTC) and Program Review Meetings (PRM) only.) **The Authority acknowledges that additional meetings other than PRMs and LTCs for Cargo Nets and HUSLE only will be subject to ad-hoc costs if deemed applicable**
644	07/18	Marking of Articles
647	05/21	Financial Management Information Note: ASB will provide Financial Information twenty (20) Business Days after Contract Award and annually thereafter. The Financial Information will be submitted to the Project and Commercial Managers specified in DEFFORM 111.
656 B	08/16	Termination for Convenience (Contracts over £5M)

658	10/22	Cyber * Note: Further to DEFCON 658 the Cyber Risk Profile of the Contract is Very Low, as defined in Def Stan 05-138.
660	12/15	Official-Sensitive Security Requirements
670	02/17	Tax Compliance
675	03/21	Advertising Subcontracts (Defence and Security Public Contracts Regulations 2011 only)
678	09/19	SME Spend Data Collection Note: ASB will submit a DEFFORM 139 by 30 June each year. The Financial Information will be submitted to the Project and Commercial Managers specified in DEFFORM 111.
691	03/15	Timber and Wood – Derived Products
694	07/21	Accounting for Property of the Authority
800	12/14	Qualifying Defence Contract
801	12/14	Amendments to Qualifying Defence Contracts – Consolidated Versions
804	03/15	QDC: Confidentiality of Single Source Contract Regulations Information

1.2. The Contractor shall comply with the following Military Aviation Authority (MAA) Regulatory Publications (MRP):

1.2.1. Overarching documents:

1.2.1.1. MAA01: MAA Regulatory Policy (issue 8)

1.2.1.2. MAA02: MAA Master Glossary (issue 10)

1.3. Regulatory Articles (RA):

Regulatory Article	Issue	Detail
RA 1005	9	Contracting with Competent Organisations
RA 1014	7	(1) Design Organisations and Co-ordinating Design Organisations - Airworthiness Responsibilities -Responsibilities of a Design Organisation or Co-ordinating Design Organisation
RA 1225	3	(1) Air System Documentation Audit Trail - Air System Documentation Audit Trail
RA 4809	8	Acceptance of Components (MRP 145.A.A2)
RA 5103	5	(1) Certification of Design - Requirement and Scope for Certificate of Design
		(2) Certification of Design - Management and Authorisation of Certificate of Design

RA 5301	4	(1) Air System Configuration Management - Configuration Management Principles
		(2) Air System Configuration Management - Configuration Management under Contractor Control
		(3) Air System Configuration Management - Configuration Management under Ministry Control
RA 5305	5	(1) In-Service Design Changes – General
		(2) In-Service Design Changes – Safety
		(3) In-Service Design Changes – Modification Procedure
RA 5405	8	<p>(1) Special Instructions (Technical) - Special Instructions (Technical)</p> <p>** Caveat – the Authority recognises and accepts that ASB does not have a STI schedule. If there was an STI, all STIs would be discussed at the LTCs and registered.**</p>
RA 5815	2	(1) Instructions for Sustaining Type Airworthiness - Provision and Amendments to Instructions for Sustaining Type Airworthiness
RA 5825	2	(1) Fault Reporting and Investigation - Fault Reporting and Investigation
RA 5835	3	(1) Military Production Organisation (MRP 21 Subpart G) - Military Production Organisation
RA 5850	6	(1) Military Design Approved Organisation (MRP 21 Subpart J) - Responsibilities of a Design Organisation
		(2) Military Design Approved Organisation (MRP 21 Subpart J) - Scheme Inclusion and Approval Award
		Caveat – the Authority agrees and accepts that a Type Airworthiness Manager (TAM) is not required under the scope of this contract. TAM responsibilities lie within ACDT under the delegation of the Chief Engineer.
		(3) Military Design Approved Organisation (MRP 21 Subpart J) - Design Management System (MRP Part 21.A.239)
		(4) Military Design Approved Organisation (MRP 21 Subpart J) - Design Organisation Exposition
		(5) Military Design Approved Organisation (MRP 21 Subpart J) - Approval Requirements (MRP Part 21.A.257)
		**Caveat – the Authority agree sand accepts that a Type Airworthiness Manager (TAM) is not required under the scope of this contract. TAM responsibilities lie within ACDT under the delegation of the Chief Engineer. **
		(6) Military Design Approved Organisation (MRP 21 Subpart J) - Changes in Design Management System (MRP Part 21.A.247)
		(7) Military Design Approved Organisation (MRP 21 Subpart J) - Investigation and Inspections (MRP Part 21.A.257)
		(8) Military Design Approved Organisation (MRP 21 Subpart J) - Failures, Malfunctions and Defects
		(9) Military Design Approved Organisation (MRP 21 Subpart J) - Findings (MRP Part 21.A.258)
		(10) Military Design Approved Organisation (MRP 21 Subpart J) - Validity of Approval (MRP Part 21.A.259)
		(11) Military Design Approved Organisation (MRP 21 Subpart J) - Privileges (MRP Part 21.A.263)
		(12) Military Design Approved Organisation (MRP 21 Subpart J) - Designs using Government Furnished Equipment

		(13) Military Design Approved Organisation (MRP 21 Subpart J) - Record Keeping
RA 5885	3	(1) Identification of Products, Parts and Appliances (MRP 21 Part 21 Subpart Q) - Identification of Products (MRP Part 21.A.801)
		(3) Identification of Products, Parts and Appliances (MRP 21 Part 21 Subpart Q) - Identification of Parts and Appliances (MRP Part 21.A.804)
		(4) Identification of Products, Parts and Appliances (MRP 21 Part 21 Subpart Q) - Identification of Critical Parts (MRP Part 21.A.805))
		** Caveat – the Authority agrees and accepts that the marking of critical parts is captured within the CSR and configuration logs and discussed at the LTCs. **

1.4. The Contractor shall comply with the following Defence Standards (DEFSTANS):

DEFSTAN	Issue	Title
DEF STAN 00-35	5	Environmental Handbook for Defence Materiel **Caveat – the Authority recognises that AmSafe Bridport is currently non-compliant to this DEF STAN. The Authority recognises that AmSafe Bridport is working towards achieving ISO 14401 and ISO 14004 and will be compliant to this DEF STAN once certification has been achieved (expected end of October 2023). AmSafe Bridport will provide regular updates on this work at the LTCs**
DEFSTAN 00-051	2	Environmental Management Requirements for Defence Systems **Caveat – the Authority recognises that AmSafe Bridport is currently non-compliant to this DEF STAN. The Authority recognises that AmSafe Bridport is working towards achieving ISO 14401 and ISO 14004 and will be compliant to this DEF STAN once certification has been achieved (expected end of October 2023). AmSafe Bridport will provide regular updates on this work at the LTCs**
DEF STAN 00-56	7	Safety Management Requirements for Defence Systems, Part 1 **Caveat – The Authority accepts that AmSafe Bridport Safety Assessments do not cover environmental issues**
DEFSTAN 00-056	5	Safety Management Requirements for Defence Systems, Part 2, Guidance on Establishing a means of complying to Part 1 Note: ASB will provide a compliance table within 3 months of Contract Award
DEF STAN 00-970	23	Certification Specification for Airworthiness **Caveat – AmSafe Bridport is compliant against applicable clauses**
DEF STAN 00-251	2	Human Factors Integration for Defence Equipment

		<p>**Caveat – The Authority accepts that for all existing designs, the Compliance Records (CRs) do not identify the relevant DEF STAN clauses. The Authority agrees and accepts that any updates to existing CRs would be undertaken under a TAAF, if required.</p> <p>Any new designs developed against this contract will have the relevant DEF STAN clauses identified in the CR. **</p>
DEF STAN 81-041	11	Packaging of Defence Material
DEF STAN 05-57	5	Configuration management of Defence Material
DEF STAN 05-061	7	Quality Assurance Procedural Requirements
DEF STAN 05-99	2	Managing Government Furnished Assets in Industry
DEF STAN 05-135	2	Avoidance of Counterfeit Material
DEF STAN 05-138	3	Cyber Security for Defence Suppliers

- 1.5. The Contractor shall comply with the following British Standards:

British Standard	Title
BS EN 9100:2018	Quality Management Systems – Requirements for Aviation, Space and Defence Organisations

- 1.6. The Contractor shall comply with the following International Organisation for Standardisation (ISO):

- 1.7.

Reference	Issue	Title
ISO 9001	2015	Quality Management Systems. Fundamentals and Vocabulary AS/EN 9100D Standardised QMS
ISO 14001	2015	Environmental Management **Caveat – the Authority recognises that AmSafe Bridport is currently non-compliant to this ISO. The Authority recognises that AmSafe Bridport is working towards achieving ISO 14401 and expects to achieve certification end of October 2023. AmSafe Bridport will provide regular updates on this work at the LTCs**
ISO 14004	2016-3	Environmental Management Systems – General Guidelines on Principles, Systems and Supporting Techniques **Caveat – the Authority recognises that AmSafe Bridport is currently non-compliant to this ISO. The Authority recognises that AmSafe Bridport is working towards achieving ISO 14004 and expects to achieve certification in end of October 2023. AmSafe Bridport will provide regular updates on this work at the LTCs**

- 1.8. The Contractor shall comply with the following North Atlantic Treaty Organisation (NATO) Allied Quality Assurance Publications (AQAPs):

Reference	Edition	Version	Title
2310	B	1	NATO Quality Assurance Requirements for Aviation, Space and Defence Suppliers.
2105	C	1	Quality Plans
2070	B	4	General Mutual Government Quality Assurance

Section 1 – Mechanics

2. DEFINITIONS, STRUCTURE AND INTERPRETATION

- 2.1. In this Contract, unless the context requires otherwise, the definitions set out in Schedule 1 (Definitions and Abbreviations) shall apply.
- 2.2. Unless the context requires otherwise:
 - 2.2.1. Reference to a Clause is a reference to the whole of that Clause unless stated otherwise.
 - 2.2.2. Reference to Clauses and Schedules shall refer to the clauses and schedules to this Contract unless stated otherwise.
 - 2.2.3. The words "include", "includes" and "including" are to be construed as if they were immediately followed by the words "without limitation", except where explicitly stated otherwise., government, state or agency of a state or joint venture and includes their successors and permitted assignees or transferees.

3. PRECEDENCE

- 3.1. In the event of a contradiction between any parts of this Contract, the order of precedence shall be as stated in Clause 3.2.
- 3.2. If there is any inconsistency between the provisions of the main body of this Contract and the Schedules, or between any of the Schedules, the conflict shall be resolved according to the following order of priority:
 - 3.2.1. the main body of this Contract, and Schedule 1 (Definitions and Abbreviations), Schedule 4 (Payment Plan) and Schedule 8 (Contractor's Commercially Sensitive Information);
 - 3.2.2. Schedule 2 (Statement of Requirement), the Annexes to Schedule 2 (Statement of Requirement);
 - 3.2.3. Schedule 6 (Contract Data Requirement).
 - 3.2.4. the remaining Schedules; and the Annexes to the Schedules.
- 3.3. Should the Contractor or the Authority become aware of any conflicts or inconsistencies between any contractual documentation the party shall immediately notify the other party accordingly.

- 3.4. Conflict, or apparent conflict, between any documents shall be notified to the Authority for determination of how such conflict or apparent conflict shall be resolved. Resolution of such conflict is to be resolved jointly between the Authority and the Contractor and, upon resolution, the Parties shall confirm in writing, and make an amendment to the Contract if appropriate.

4. ENTIRE AGREEMENT

- 4.1. 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 clause shall not exclude liability in respect of any fraudulent misrepresentation.

Section 2 - Scope

5. SCHEDULE OF REQUIREMENTS

- 5.1. The Contractor shall provide all of the Items defined in the Schedule of Requirements (DEFFORM 110) in accordance with Schedule 2 (Statement of Requirement) and the terms and conditions and associated Schedules of this Contract.

6. DURATION

- 6.1. The Contract shall take effect on the Commencement Date and shall terminate on the earlier of:

6.1.1.the Expiry Date as stated in Clause 24.1; or

6.1.2.the Termination Date.

Section 3 – Contractor's Obligations

7. CONTRACTOR'S WARRANTIES AND REPRESENTATIONS

Contractor Warranties

- 7.1. The Contractor warrants and represents to the Authority that:

7.1.1.it has the corporate power to enter into and to exercise its rights and perform its obligations under this Contract and any Sub-Contracts;

7.1.2.it is not subject to any claim, litigation, arbitration, proceedings or any other obligation which shall or is likely to have a material adverse effect on the ability of the Contractor to perform its obligations under this Contract;

7.1.3.it shall not, and has not, committed any Prohibited Act under DEFCON 520 (Corrupt Gifts and Payments of Commission); and

7.1.4.so far as it is aware, there is not, nor has there been, any infringement or alleged infringement of any third party's Intellectual Property rights (IPR), in connection with this Contract and the Authority relies upon such warranties and representations.

7.1.5.The Contractor warrants that it has read, understood and agreed to each and all terms, clauses, specifications (including drawings) and conditions specified in the Contract and it

accepts, without reservation, the said Contract terms within their normal and common meaning.

7.1.6. The Contractor hereby acknowledges that it has no right to assert against the Authority, its officers, agents or employees, any claims or demands with respect to the Statement of Requirement (Schedule 2), Legislation and any other requirements defined in the Contract as are in effect on the Commencement Date:

7.1.7. based upon impossibility of performance, defective, inaccurate, impracticable, insufficient or invalid specifications, implied warranties of suitability of such specifications, or

7.1.8. otherwise derived from the aforesaid specifications and hereby waives any claims or demands so based or derived as might otherwise arise.

Contractor Undertakings

7.2. The Contractor undertakes that for so long as this Contract remains in full force it shall give the Authority notice of any litigation, arbitration, administrative or adjudication or mediation proceedings before or of any court, arbitrator, administrator or adjudicator or mediator or relevant Authority ("Dispute Forum") against itself or a Sub-Contractor which would adversely affect, to an extent which is material in the context of this Contract, the Contractor's ability to perform its obligations under this Contract, unless such notice is precluded by the rules of the Dispute Forum, provided that notice shall be given within 20 (twenty) Business Days of the Contractor becoming aware such proceedings may be threatened or pending, and immediately after the commencement thereof.

Contractor Warranties and Representations

7.3. Other than as expressly set out in this Contract, none of the warranties, representations, undertakings, indemnities and other obligations made, given or undertaken by the Contractor in this Contract shall be given a limited construction by reference to any other.

8. ACCESS TO THE CONTRACTOR'S PREMISES

8.1. The Contractor shall provide to the Authority's Representatives following reasonable notice, relevant facilities, at no direct cost to the Authority, and all reasonable access to its premises for the purpose of monitoring the Contractor's progress and quality standards in performing the Contract.

9. CONTRACTOR'S PERFORMANCE

9.1. The Contractor shall carry out all work under this Contract in accordance with the Statement of Requirement (detailed at Schedule 2 (Statement of Requirement)).

9.2. The Contractor shall perform the Contract and provide the Deliverables in accordance with: Good Industry Practice;

9.2.1. all applicable Legislation;

9.2.2. the Contractor's approved quality assurance systems as set out in DEFCON 602A (Quality Assurance (With Deliverable Quality Plan)); and

9.2.3. applicable safety and environmental requirements captured within this Contract.

- 9.3. Subject to DEFCON 528 (Import and Export Licences), DEFCON 611 (Issued Property), DEFCON 612 (Loss of or Damage to the Articles) and DEFCON 14 (Inventions and Designs Crown Rights And Ownership of Patents and Registered Designs), DEFCON 15 (Design Rights and Rights to use Design Information) and DEFCON 16 (Repair and Maintenance Information) and DEFCON 90 (Copyright), the Contractor shall obtain and maintain all Necessary Consents required for the performance of its obligations under this Contract.

10. APPOINTMENT OF PRIME CONTRACTOR AND PLACING OF SUB-CONTRACTS

- 10.1. For the purposes of this Contract and the work to be performed thereunder, the Contractor shall be designated as the Prime Contractor, and shall accordingly be responsible to the Authority, subject to the provisions of the Contract, for the proper execution of the Contract.

- 10.2. The Contractor's responsibilities referred to in Clause 4.1 of this Condition shall apply equally to work carried out by Sub-Contractors in respect of the requirements of the Contract.

- 10.2.1. Sub-contracting any part of this Contract shall not relieve the Contractor of any obligation or duty attributable to the Contractor under this Contract. The Contractor shall be responsible for the acts and omissions of the Sub-Contractors as though such acts or omissions are its own.

- 10.3. The Contractor shall ensure that the Terms and Conditions of this Contract are reflected in all Sub-Contracts, at whatever level, to the extent necessary to enable the Contractor to fully meet his obligations to the Authority under the Contract.

- 10.3.1. In all circumstances, the Contractor shall ensure that all sub-contracts in relation to this Contract include:

- 10.3.1.1. a requirement that either party to the Sub-Contract may release to the Authority any of those parts of the sub-contract documentation as are necessary to demonstrate the Contractor's compliance with the provisions of the Contract and that any such release shall not amount to a breach of any provision of confidentiality contained within the Sub-Contract; and

- 10.3.1.2. provisions that the Authority's rights, which are otherwise enforceable under the Contracts (Rights of Third Parties) Act 1999, are not rendered unenforceable; and

- 10.3.1.3. a term which requires payment to be made to the Sub-contractor within a specified time period not exceeding 30 (thirty) Business Days from receipt of a valid invoice as defined by the Sub-Contract requirements (unless otherwise agreed between the Contractor and the relevant Sub-Contractor).

- 10.3.2. The Contractor shall inform the Authority immediately when it becomes aware of any breach by any Sub-Contractor of any of the requirements set out or referred to this Contract, any Prohibited Acts, and if requested to do so by the Authority, shall terminate the relevant Sub-Contract.

- 10.4. The Contractor's responsibilities shall also include but not be limited to:

- 10.4.1. the placing, administration, control and management of all Sub-Contracts required to meet the requirement defined in the Schedule of Requirements, regardless of the method by which the Sub-Contractor may be selected;

- 10.4.2. co-ordinating and overall system engineering and any trials and tests, included in the Contractor's proposal or required under the Contract;

- 10.4.3. planning, programming and progressing of the work including provision of appropriate documentation;

10.4.4. financial management of the work including financial control and monitoring of all Sub-Contracts;

10.4.5. providing the Authority with the information the Contractor is required to provide in the Statement of Requirement in Schedule 2 to this contract to satisfy himself throughout of the life of the Contract that the work is proceeding to time and performance.

10.4.6. ensuring that work performed as part of this Contract is carried out and/or performed in accordance with:

10.4.6.1. Good Industry Practice; and

10.4.6.2. UK Legislation.

10.5. The Contractor shall furnish the Authority with the audit trail document set for any Sub-Contract(s) let by the Contractor and a copy of any Sub-Contract(s) as required by the Authority.

11. OBSOLESCENCE

11.1. The Contractor is responsible for Obsolescence monitoring in accordance with the Statement of Requirement (Schedule 2). Notwithstanding any obsolescence issues or problems; the Contractor remains responsible for meeting all performance and other requirements of this Contract unless specifically identified in the Statement of Requirement (Schedule 2).

11.2. The Contractor shall be responsible for identifying and resolving all obsolescence issues. Upon identifying an obsolescence, the Contractor shall inform the Authority. The resolution of any obsolescence shall be discussed between the Contractor and Authority on a case-by-case basis to determine who is responsible for covering the costs to resolve the obsolescence. If the cost to resolve the obsolescence is deemed the responsibility of the Authority, the resolution shall be costed for, and handled under a Task and Authorisation Form (TAAF) (Annex E to Schedule 2 (Statement of Requirement)). Following the resolution of any obsolescence, the Contractor reserves the right to review impacts to the Unit Price and Minimum Order Quantities (MOQs) for any equipment affected by the obsolescence in Annex F (Equipment Price List) to Schedule 2 (Statement of Requirement) and re-price accordingly. Any change in requirement will be negotiated by both the Contractor and the Authority and will be subject to DEFCON 503 (Formal Amendments to Contract).

11.3. The Contractor shall provide the Authority with obsolescence status briefs, as part of the periodic programme review meetings as defined in Schedule 2 (Statement of Requirement).

11.3.1. The Contractor shall liaise with the Authority to ensure Obsolescence Management plans and mitigation / resolution of Obsolescence Concerns and Obsolescence Issues are appropriately aligned with the Authority's Future Capability Upgrade Programme.

11.4. The Contractor shall implement a proactive Obsolescence Management strategy. This shall include as a minimum:

11.4.1. the ongoing identification and review of Obsolescence Concerns and Obsolescence Issues over the duration of the contract;

11.4.2. the identification of mitigation action for Obsolescence Concerns over the duration of the contract;

11.4.3. the identification of resolution action for Obsolescence Issues.

- 11.4.3.1. This strategy shall include, but is not limited to, obsolescence of components, assemblies, sub-assemblies, piece parts, and material (hereafter referred to for purposes of this section only as "parts and/or material").

11.5 Any configuration changes due to obsolescence shall be approved in accordance with the Configuration Management process defined in this contract.

12. TASKING

- 12.1. The use of the Task Authorisation and Agreement Form (TAAF) (Annex E to Schedule 2 (Statement of Requirement)) shall be in support of Schedule of Requirements Items 3-4 (inclusive) and enacted Options (Items 6-7 and Items 9-10).
- 12.2. The tasking process shall be in accordance with that specified in Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2 (Statement of Requirement). A TAAF template is held at Annex E to Schedule 2 (Statement of Requirement).
- 12.3. For this Contract the duration period specified in this Contract shall be the period in which all work under the Contract may be authorised.
- 12.4. All authorised TAAFs will be added to Appendix 2 to Annex E (List of Authorised Tasks) of Schedule 2 (Statement of Requirement).

13. RISK MANAGEMENT

- 13.1. A summary of any new risks or issues will be presented at the bi-annual Progress Review Meeting (PRM) as defined in the Statement of Requirement (Schedule 2) for potential inclusion in the Risk Register.
- 13.1.1. The Risk Register shall include all risks against the contract, including, but not limited to labour issues, sub-contractor issues and/or new legislation that create a risk to forecasted delivery dates.
- 13.1.2. The Risk Register shall also be updated for each Task and Authorisation Form (TAAF) raised against the contract. The cost for updating the Risk Register shall be added to the cost of each Task and Authorisation Form (TAAF).

Section 4 - Authority's Obligations

14. ACCEPTANCE

ACCEPTANCE OF SERVICES

- 14.1. For the purposes of DEFCON 525 (Acceptance), acceptance of Services delivered under the Contract shall take place upon written concurrence from the Authority that the requirements of the Statement of Requirement (Schedule 2) have been achieved, and all the other requirements of the Contract have been fully met.
- 14.2. The Authority shall be allowed twenty (20) Business Days, from receipt of Contract deliverables, unless otherwise agreed by both parties in advance, to consider any data, reports or other detail required to satisfy itself that individual requirements have been met.

ACCEPTANCE OF ARTICLES

14.3. Acceptance of the Contract Articles shall occur when either:

14.3.1. the Authority does any act in relation to the Contract Articles which is inconsistent with the Contractor's ownership; or

14.3.2. the time limit in which to reject the Contractor Deliverables defined in clause 14.2 has elapsed.

REJECTION

14.4. Any evidence for acceptance which is rejected, in accordance with DEFCON 524 (Rejection) by the Authority shall be notified to the Contractor within the time period defined in Clause 14.2. Details of rejection shall be passed (in writing) to the Contractor, who will duly carry out the corrective action at no extra cost to the Authority. Post-corrective action compliance evidence shall then be submitted to the Authority for acceptance, this shall re-start the process as outlined in Clause **Error! Reference source not found.** and 14.3.

SELF-TO-SELF DELIVERY

14.5. Where any Contract Article 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.

Section 5 - Pricing and Payment

15. PRICING

15.1. All pricing under this Contract is subject to the Defence Reform Act 2014 and the associated Single Source Contract Regulations (SSCR).

15.2. Schedule of Requirements Items 1, 2 and 5 shall be Firm Priced and payable in accordance with Clause 16 (Payment).

15.3. Schedule of Requirements Items 3-4 (inclusive) and enacted Options Items 6-7 (inclusive) shall be priced on an as required basis in accordance with Schedule 2 (Statement of Requirements) and Clause 15.1, upon which the pricing shall be Firm and payable in accordance with Clause 16 (Payment).

15.4. Schedule of Requirements enacted Option Item 8 shall be priced in accordance with Clause 15.1 and no later than 12 months prior to Contract expiry.

15.5. Schedule of Requirements enacted Option Items 9 and 10 shall be priced in accordance with Clause 15.1 on an 'as required' basis.

16. PAYMENT

16.1. The Contractor shall ensure that all claims for payment reflect the contract prices determined in accordance with this Section 5 Pricing and Payment. Any claim for payment that does not accord with this Schedule shall not be regarded as a valid claim for payment.

- 16.2. Further, if the Authority considers that the Contractor has failed to perform any of their obligations under the Contract in respect of this Contract, the Authority may, wholly or in part, withhold any payment due under the Contract.

17. PAYMENT MECHANISM

- 17.1. For Schedule of Requirements Item 1, the Contractor shall have the right to claim payment quarterly in arrears following the acceptance by the Authority of either Local Technical Committee (LTC) meeting minutes or biannual Progress Review Meeting (PRM) minutes. A draft copy of the minutes shall be issued for review by the Authority with acceptance within ten (10) Business Days. The Authority will not unreasonably withhold approval. Payment shall be made via Contracting, Purchasing and Finance (CP&F) in accordance with the provisions of DEFCON 522. This shall also apply to Option Item 8 where enacted.
- 17.2. For Schedule of Requirement Item 2 – “Fixed Quantity” order and Item 4 – “Variable Supply of Cargo Nets and Spares Provisioning” shall be invoiced on an Ex-Works basis. This shall also apply to Option Item 6 and 10 where enacted.
- 17.3. For Schedule of Requirements Item 3, and Option Items 7 and 9 (inclusive), where enacted, the Contractor shall be paid on completion of the task to the satisfaction of the Authority, in accordance with the Contract.
- 17.4. For Schedule of requirements Line Item 5 the Contractor shall have the right to claim payment on the date of Contract Award.
- 17.5. The Authority shall complete payment to the Contractor no later than thirty (30) days following the Contractor raising an invoice to the CP&F system.

18. EXERCISE OF OPTIONS

- 18.1. The Contractor, in consideration of award of the Contract, hereby grants to the Authority the irrevocable options detailed at Clause 18.2 below in accordance with the terms and conditions set out in this Contract provided that the options are exercised in accordance with clause 18.2 below. The Authority shall be under no obligation to exercise the options at Clause 18.2 below. The Authority shall not be liable for any advance commitment that the Contractor may enter into in pursuance of the options referred
- 18.2. The options are as follows:

SOR Line Item	Description	Pricing	Date of Option exercise no later than
6	Option 1 Provision of C17CSAE DT Requirement	In Accordance with Schedule 2 (Statement of Requirement), Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2, Annex C to Schedule 2 (Spare Process Guidance Map) and Annex F (Equipment Price List labelled “Equipment List Supported by Line Item 4 and 6”) to Schedule 2.	In accordance with the TAAF process

7	Option 2 Provision of C17CSAE PDS DT Requirement	In Accordance with Schedule 2 (Statement of Requirement) and Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2	In accordance with the TAAF process, using the Engineering Rates at Appendix 1 to Annex E (Labour Price List) to Schedule 2
8	Option 3 Provision of Programme Management activities in accordance with Schedule 2 to the contract from 1 July 2025 to 30 June 2026	£To be priced in accordance with pricing condition at Clause 15	No later than 12 months prior to contract expiry
9	Option 4 Provision of Post Design Services (PDS) and Ad-Hoc Tasking In Accordance with Schedule 2 (Statement of Requirement) and Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2 from 1 July 2025 to 30 June 2026	£To be priced in accordance with pricing condition at Clause 15	To be priced on an 'as required' basis
10	Option 5 Variable Supply of Cargo Nets and HUSLE provisioning in accordance with Schedule 2 (Statement of Requirement), Annex D (Ad-Hoc PDS TAAF Process) to Schedule 2, Annex C (Spare Process Guidance Map) to Schedule 2 and Annex F (Equipment Price List labelled "Equipment List Supported by Line Item 4 and 6") from 1 July 2025 to 30 June 2026	£To be priced in accordance with pricing condition at Clause 15	To be priced on an 'as required' basis

Section 6 – Licences and Intellectual Property

19. EXPORT LICENCES

19.1. In accordance with DEFCON 528 (Import and Export Licences) it shall be the responsibility of the Contractor to obtain in a timely manner any import and/or export licences required to perform any of its obligations under the Contract.

19.2. All information relating to any export licences required to perform any of its obligations under the Contract shall be recorded as part of Schedule 5 to this Contract (Import and Export Controls).

20. INTELLECTUAL PROPERTY RIGHTS

20.1. In addition to the provisions of DEFCON 14 (Inventions and Designs Crown Rights And Ownership Of Patents And Registered Designs), DEFCON 15 (Design Rights and Rights to use Design Information), DEFCON 90 (Copyright), and DEFCON 632 (Third Party Intellectual Property - Rights and Restrictions) the Contractor shall;

20.1.1. ensure that the Authority has the right to copy, amend, extend or have copied, amended or extended any technical publication request as a deliverable as part of the Statement of Requirement (Schedule 2) or any part thereof including any such part when incorporated in and amended or extended version of such technical publication, and to circulate, use or have used said technical publication including any amended or extended version and any

copies thereof for any United Kingdom Government purpose but not for the purpose of manufacturing equipment to which the technical publication relates.

- 19.2. Schedule 9 (DEFFORM 711 - "Notification of Intellectual Property Rights (IPR) Restrictions") shall define any Intellectual Property Rights (IPR) Restrictions applicable to this Contract and shall be updated with new IPR restrictions when new developments are requested under a Task Authorisation and Agreement Form (TAAF) (Annex E to Schedule 2 (Statement of Requirement)).

Section 7 – Security

21. SECURITY

- 21.1. This Condition 21 should be used in conjunction with DEFCON 660 and Schedule 10 (Security Aspects Letter).
- 21.2. The Contractor shall, and shall procure that each Sub-Contractor shall, notify the Authority's Representative immediately it becomes aware that an Employee or an accompanied emergency reactive worker has breached DEFCON 660 or Condition 30 (Sensitive Information).
- 21.3. The Contractor shall, and shall procure that its Sub-Contractors shall, give reasonable assistance to the Authority's Representative and/or any other representative or adviser of the Authority for the purposes of carrying out any investigation that the Authority undertakes (acting reasonably).

Section 8 – Termination

22. TERMINATION OF THIS CONTRACT

- 22.1. The Authority shall have the right to terminate this Contract under;
- 22.1.1. DEFCON 68 - Supply of Data for Hazardous Articles, Materials and Substances
 - 22.1.2. DEFCON 514 – Material Breach,
 - 22.1.3. DEFCON 515 - Bankruptcy and Insolvency,
 - 22.1.4. DEFCON 656B – Termination for Convenience, and;
 - 22.1.5. DEFCON 566 – Change of Control of Contractor.
- 22.2. Where the Authority deems it appropriate, the Authority may notify the Contractor of its intention to terminate this Contract in accordance with this Condition 22 (Termination of this Contract).
- 22.3. Where the Authority deems it appropriate, the Authority may offer the Contractor the opportunity to submit a rectification plan as part of the termination notice. The Contractor shall;
- 22.3.1. within twenty (20) Business Days after the date the Contractor received the termination notice or such other period as specified by the Authority (such a period not being less than

twenty (20) Business Days) the Contractor shall put forward a rectification plan (including the timescale for the rectification of the relevant termination reason) which the Authority has notified the Contractor in writing is acceptable to the Authority; and implement such agreed programme and rectifies the relevant termination event in accordance with the terms of the agreed rectification plan.

Exit Strategy

21.5 On termination of the Contract, at any time and for whatever reasons, the Authority shall not be liable for any costs additional to those set out in the Contract and DEFCON 656B.

21.6 To provide for the possibility of a handover to either a successor contractor or the Authority on termination of the Contract and up to twelve (12) months after Contract end, the Contractor shall make available, in a format which he would expect were he the successor contractor, the following:

21.6.1 All ministry holdings as identified in Schedule 3 to the Contract – GFA,

21.6.2 All reports, databases, software etc produced over the period of the Contract that belong to the Authority.

21.7 The handover shall include a provision within a twelve (12) month period from termination of the Contract, for any successor contractor or the Authority to be directly briefed by the present Contractor, in all matters that the successor contractor or Authority may raise as relevant to the past and/or future performance of work under Contract.

Section 9 - General

23. DEFECTS AND NON-CONFORMANCE

23.1. A MOD Form 445 at Annex H to Schedule 2 (Statement of Requirement) will be raised and submitted where there is a discrepancy with the delivery and or packaging of the Articles. A MOD Form 760 at Annex G to Schedule 2 (Statement of Requirement) shall be raised and submitted where there is a fault with the Article. The forms shall be raised and submitted by the Receiving Unit or the Authorised Demander and forwarded for action to the Contractor as a result of an Article or Service failing to meet its specified quality, delivery and or packaging requirements under the Contract. The Contractor shall forward all MOD Forms 445 and 760 raised to the Authority's Project Manager for information purposes only.

23.2. The Contractor shall respond to the MOD Form 445 and/or MOD Form 760 within five (5) Business Days of receipt. A full investigation of the contents of the MOD Form 445 and/or MOD Form 760 shall be completed within ten (10) Business Days of receipt. However, MOD Forms 445 and/or 760 with Health and Safety implications shall be acknowledged immediately and fully investigated within five (5) Business Days. The investigation shall not be considered complete until the Contractor has completed and returned the MOD Form 445 and/or MOD Form 760 to the Authority's Project Manager, detailing its findings, actions taken and any subsequent recommendations.

23.3. A copy of the completed MOD Form 445 and/or MOD Form 760 shall be forwarded by the Contractor to the Authority's Project Manager, Authorised Demander/Receiving unit who raised the Defect Report (where applicable).

23.4. Failures in Articles or Services found to be the responsibility of the Contractor as a result of any MOD Form 445 and/or MOD Form 760 shall be put into action immediately upon agreement with the Authority's Project Manager or the Authorised Demander as appropriate. The Contractor shall either rectify the defect or provide a replacement Article at his own

expense. Unless otherwise agreed by the Authority, it shall be the responsibility of the Contractor to collect and transport goods requiring return to the Contractor's, or any third party (as applicable), premises without charge and at a time to be agreed with the Authority. For the avoidance of doubt the Contractor shall not be liable to replace spares where the failure in the Article or Service is as a direct result of accident, misuse, neglect & damage by the Authority.

23.5. In the event that a failure in an Article or Service is found to be the responsibility of the Authority as a result of any MOD Form 445 and/or MOD Form 760, the Contractor shall invoice the Authority for any direct, reasonable and substantiated costs incurred as a result of conducting the investigation, including, but not limited to transport costs and labour hours.

23.6. Where the Contractor and an Authorised Demander cannot reach agreement on a MOD Form 445 and/or MOD Form 760, it shall be forwarded to the Authority's Project Manager for resolution in accordance with DEFCON 530 (Dispute Resolution (English Law)) and Clause 25 (Dispute Resolution).

24. LIMITATION OF CONTRACTOR'S LIABILITY

Definitions

24.1. In this Condition 24 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 data protection and privacy legislation in force from time to time in the UK, including but not limited to:

i) the General Data Protection 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 (the "UK General Data Protection Regulation" or "UK GDPR");

ii) the Data Protection Act 2018;

iii) the Privacy and Electronic Communications Directive 2002/58/EC (as updated by Directive 2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended; and

iv) all applicable legislation and regulatory requirements in force from time to time which apply to a party relating to the processing of personal data and privacy [and the guidance and codes of practice issued by the Information Commissioner's Office which apply to a party];

"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 sub-contractors 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.

"Law" means any applicable law, statute, by-law, regulation, order, regulatory policy, guidance or industry code that has the equivalent of legal effect, rule of court or directives or requirements of any regulatory body, delegated or subordinate legislation or notice of any regulatory body;

“Term” means the period commencing on the commencement date (the date on which this Contract is signed) and ending on the expiry of two (2) years or on earlier termination of this Contract.

Unlimited liabilities

24.2. Neither Party limits its liability for:

- 24.2.1. death or personal injury caused by its negligence, or that of its employees, agents or sub-contractors (as applicable);
- 24.2.2. fraud or fraudulent misrepresentation by it or its employees;
- 24.2.3. 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
- 24.2.4. any liability to the extent it cannot be limited or excluded by law.

24.3. The financial caps on the Contractor's liability set out in Clause 24.5 below shall not apply to the following:

- 24.3.1. the Contractor's indemnity in relation to DEFCON 91 (Intellectual Property in Software) and DEFCON 632 (Third Party IP - Rights and Restrictions);
- 24.3.2. breach by the Contractor of DEFCON 532A and Data Protection Legislation; and
- 24.3.3. for the avoidance of doubt any payments due from the Contractor to the Authority in accordance with 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 Clause 24.5 below.

24.4. The financial caps on the Authority's liability set out in Clause 24.5 below shall not apply to the following:

- 24.4.1. for the avoidance of doubt any payments due from the Authority to the Contractor in accordance with 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 Clause 24.5 below.

Financial limits

24.5. Subject to Clauses 24.2 and 24.3 and to the maximum extent permitted by Law:

24.5.1. the Contractor's total liability in respect of losses that are caused by Defaults of the Contractor shall in no event exceed:

- 24.5.1.1. in respect of DEFCON 76 [£ Five Million pounds] (£5,000,000]) in aggregate;
- 24.5.1.2. in respect of DEFCON 514 [£ One Million pounds] (£1,000,000) in aggregate;
- 24.5.1.3. in respect of DEFCON 611 [£ One Million pounds] (£1,000,000) in aggregate;
and
- 24.5.1.4. in respect of DEFCON 612 [£ One Million pounds] (£1,000,000) in aggregate;

24.5.2. without limiting Clause 24.5.1 and subject always to Clauses 24.1, 24.2, 24.3 and 24.5.3, the Contractor's total liability throughout the Term in respect of all other liabilities, whether in contract, in tort (including negligence), arising under warranty, under statute or

otherwise under or in connection with this Contract shall be [£ Five Million pounds] (£5,000,000) in aggregate;

24.5.3. 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 24.5.1 and 24.5.2 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 24.5.1 and 24.5.2 of this Contract.

24.6. Subject to Clauses 24.1, 24.2, 24.4 and 24.7, 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.

24.7. Clause 24.6 shall not exclude or limit the Contractor's right under this Contract to claim for the Charges.

Consequential loss

24.8. Subject to Clauses 24.2, 24.3 and 24.9, 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:

24.8.1. indirect loss or damage;

24.8.2. special loss or damage;

24.8.3. consequential loss or damage;

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

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

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

24.8.7. 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.

24.9. The provisions of Clause 24.8 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:

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

24.9.1.1. to any third party;

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

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

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

24.9.3. the direct and substantiated 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, re-procurement 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);

24.9.4. any direct and substantiated 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;

24.9.5. damage to the Authority's physical property and tangible assets, including damage under DEFCON 76 and 611;

24.9.6. direct and substantiated 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;

24.9.7. any additional direct and substantiated 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);

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

24.9.9. 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.

Invalidity

24.10. If any limitation or provision contained or expressly referred to in this Condition 24 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 24.

Third party claims or losses

24.11. 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 632 or at Law), 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:

24.11.1. 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

24.11.2. 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.

No double recovery

24.12. 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.

25. DISPUTE RESOLUTION

- 25.1. Prior to either party invoking DEFCON 530 (Dispute Resolution), they shall comply with this Clause 25.1 and Sub-Clauses 25.1.1-25.1.3 (inclusive).
- 25.1.1. Any dispute shall be firstly referred to the decision of Authority's Senior Commercial Manager, and the Contractor's Senior Commercial Manager (or equivalent) or such other persons as the Parties may respectively designate for the purpose from time to time by notice to the other.
- 25.1.2. If within thirty (30) Business Days the Parties have not reached agreement then the dispute shall be referred to the Authority's Team Leader and the Programme Manager of the Contractor or such other persons as the Parties may respectively designate for the purpose from time to time by notice to the other.
- 25.1.3. If within thirty (30) Business Days of referral of the dispute, the Authority and the Contractor have not resolved the dispute, the Parties shall arrange to meet with representation from both Parties being at least 1* (or equivalent).
- 25.2. If the steps outlined in Clause 25.1 are completed and an outcome has not been agreed, the Parties shall continue with the Dispute Resolution process outlined in DEFCON 530 (Dispute Resolution).
- 25.3. Following the process as defined in DEFCON 530 (Dispute Resolution); the award of the arbitrator or of the Arbitration Tribunal shall be final and there shall be no right of appeal or recourse of any kind. These awards shall determine the apportionment of the arbitration expenses.
- 25.4. Pending final decision of a dispute, the Contractor shall proceed diligently with the performance of the Contract, unless otherwise instructed by the Authority.

26. AUDITS AND ASSESSMENTS OF THE CONTRACT

- 26.1. The Contractor shall provide access to records, including sub-contractor records, for Contract purposes to enable the Authority appointed any Independent auditors, advisors and assessors to carry out any audits and/or other assessment activities to meet Authority's requirements.

27. PREVENTION OF FRAUD AND CORRUPTION

- 27.1. The Contractor shall take all reasonable steps, in accordance with Good Industry Practice, to prevent Fraud and/or Corruption by Staff and the Contractor (including its shareholders, members and directors) in connection with the Services and/or receipt of monies from the Authority.
- 27.2. The Contractor shall notify the Authority immediately if it has reason to suspect that any Fraud and/or Corruption has occurred or is occurring or is likely to occur.
- 27.3. If the Contractor or its Staff commits Fraud and/or Corruption in relation to this or any other contract with the Crown (including the Authority) the Authority may:
- 27.3.1. terminate the Contract and recover from the Contractor the amount of any loss suffered by the Authority resulting from the termination, including the cost reasonably incurred by

the Authority of making other arrangements for the supply of the Services and any additional expenditure incurred by the Authority throughout the remainder of the Term; or

27.3.2. recover in full from the Contractor any other loss sustained by the Authority in consequence of any breach of this Condition 27.

27.4. The rights of the Authority under Clause 27.3 are supplemental and in addition to any rights that the Authority may have under DEFCON 520 (Corrupt Gifts and Payment of Commission).

28. CONTROLLED INFORMATION

28.1. This Condition 28 shall apply in respect of any Controlled Information communicated to and/or held by the Contractor, in addition to and notwithstanding DEFCON 531 (Disclosure of Information), or any other confidentiality Clause of this Contract.

28.2. The Contractor shall:

28.2.1. hold the Controlled Information and not use it other than for the purpose of discharging its obligations under the Contract;

28.2.2. not copy the Controlled Information except as strictly necessary for the purpose of discharging its obligations under this Contract;

28.2.3. not disclose the Controlled Information to any third party unless so authorised in writing beforehand by the Authority;

28.2.4. protect the Controlled Information diligently against unauthorised access and against loss; and

28.2.5. act diligently to ensure that:

28.2.5.1. Controlled Information is disclosed to its employees only to the extent necessary for the purpose of discharging its obligations under this Contract; and

28.2.5.2. employees to whom Controlled Information is disclosed are made aware of and required to comply with the terms of DEFCON 531 (Disclosure of Information).

28.3. Where Controlled Information is provided to the Contractor, it shall:

28.3.1. compile a register of that Controlled Information, which shall include an explicit description of the Controlled Information, a record of the number of copies made and a record of all access to the Controlled Information including access to any copies of the Controlled Information;

28.3.2. maintain such register for the duration of this Contract and for six (6)) Years following expiry or earlier termination of this Contract in accordance with its terms;

28.3.3. make such register of access available to the Authority upon reasonable notice for inspection and audit for so long as it is required to be maintained under Sub-Clause 28.3.2; and

28.3.4. on expiry or earlier termination of this Contract in accordance with its Terms, return to the Authority all original and duplicate copies of the Controlled Information, or else at the Authority's option destroy these copies and provide a certificate of destruction to the Authority.

- 28.4. Nothing in this Condition 28 shall diminish or extinguish any right of the Contractor to copy, use or disclose any information that is not Controlled Information to the extent that it can show:
- 28.4.1. that the information concerned was or has become published or publicly available for use without breach of any provision of this Contract or any other agreement between the Parties;
 - 28.4.2. that such information was already known to it (without restrictions on disclosure or use) prior to receiving it under or in connection with this Contract;
 - 28.4.3. that the information concerned was lawfully provided by a third party without restriction on use or further disclosure; or
 - 28.4.4. from its records, that such information was derived independently of the Controlled Information, to the extent that copying, use or disclosure of such other information shall not disclose its relationship to any Controlled Information.

29. AUTHORITY DATA

- 29.1. The Contractor shall not delete or remove any proprietary notices contained within or relating to the Authority Data.
- 29.2. The Contractor shall not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Contractor of its obligations under this Contract or as otherwise expressly authorised in writing by the Authority.
- 29.3. To the extent that Authority Data is held and/or processed by the Contractor, the Contractor shall supply that Authority Data to the Authority as requested by the Authority.
- 29.4. Subject to Clause 29.9 the Contractor shall take responsibility for preserving the integrity of Authority Data and preventing the corruption or loss of Authority Data provided that this Clause 29.4 to the definition of Authority Data as per DEFCON 501 (Definitions and Interpretations), unless such Authority Data is within the custody and control of the Contractor.
- 29.5. The Contractor shall perform secure back-ups of all electronic Authority Data held on its IT systems and shall ensure that up-to-date back-ups are stored in accordance with its Business Continuity Plans and the Contractor shall procure (as reasonably required by the Authority) that the Sub-Contractors perform secure backups of all electronic Authority Data held on the Sub-Contractor's IT systems. The Contractor shall ensure that such back-ups are made available to the Authority upon reasonable request.
- 29.6. The Contractor shall ensure that any electronic system on which the Contractor holds any Authority Data, including back-up data, is a secure system that complies with the Security Policy Framework.
- 29.7. If the Authority Data is corrupted, lost or sufficiently degraded as a result of the Contractor's default so as to be unusable, the Authority may, where it does not already have a copy:
- 29.7.1. require the Contractor (at the Contractor's expense) to restore or procure the restoration of Authority Data and the Contractor shall do so as soon as practicable; and/or
 - 29.7.2. itself restore or procure the restoration of Authority Data, and shall be repaid by the Contractor any reasonable proven expenses (in the same level of detail as incurred by the Authority from the Contractor) incurred directly in doing so.
- 29.8. If at any time the Contractor suspects or has reason to believe that Authority Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the

Contractor shall notify the Authority immediately and inform the Authority of the remedial action the Contractor and/or Authority may be required to take.

- 29.9. Where the Contractor stores Authority Data on the Authority's Information Technology (IT) systems, the Authority shall be responsible for preserving the integrity of Authority Data and preventing the loss or corruption of such data when in the Authority's possession or control. The Authority shall ensure that up to date back-ups are stored in accordance with its Business Continuity Plans and such back-ups are made available to the Contractor upon reasonable request.

30. SENSITIVE INFORMATION

- 30.1. All Central Government Departments and their Executive Agencies and Non Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-governmental role delivering overall Government policy on public procurement, including ensuring value for money and related aspects of good procurement practice and answering Freedom of Information requests.
- 30.2. For these purposes, the Authority may share within Government any of the Contractor's documentation / information, including any that has been considered to be confidential and / or commercially sensitive; as detailed in Schedule 8 (Contractor's Commercially sensitive Information) to this Contract submitted by the Contractor to the Authority as part of this Contract. The information will not be disclosed outside Government.

31. PUBLICITY AND COMMUNICATIONS WITH THE MEDIA

- 31.1. 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 or as otherwise required to comply with Legislation.