

IUS CONSOLIDATED CONTRACT SCHEDULE

CONSOLIDATED SCHEDULE 16
CONTRACT CHANGE PROCEDURE

for Contract Number DCNS/119

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CONSOLIDATED SCHEDULE 16

CONTRACT CHANGE PROCEDURE

This Consolidated Schedule provides a consolidated version of the requirements of Schedule 6.2 (*Change Control Procedure*) of the Call-Off Terms and the Customer Authority's special terms relating to the Contract Change Procedure.

Capitalised terms used but not defined in this Consolidated Schedule are defined in Consolidated Schedule 1 (*Definitions*).

1 PURPOSE

1.1 This Consolidated Schedule:

- 1.1.1 describes the process for agreeing PSN Changes (see Paragraph 2 below);
- 1.1.2 describes the process for requesting a Contract Change and the categorisation of Contract Changes (see Paragraphs 3 and 4 below);
- 1.1.3 describes the process for responding to a Contract Change Request and progressing a Contract Change (see Paragraphs 5 and 6 below);
- 1.1.4 describes the information that is required to be included in each CCN (see Paragraph 7 below);
- 1.1.5 describes the process for considering, accepting or rejecting a Contract Change following receipt of the relevant CCN (see Paragraphs 8, 9 and 10 below); and
- 1.1.6 describes how the cost of implementing a Contract Change should be apportioned between the Parties (see Paragraph 11 below).

2 PSN CHANGES

- 2.1 PSN Changes shall be processed in accordance with this Paragraph 2. If either Party is in doubt about whether a proposed change falls within the definition of a PSN Change then it shall be referred to the Framework Authority for determination.
- 2.2 Any PSN Changes shall be agreed in accordance with Part A of Schedule 4 (*Framework Agreement Variation Procedure*) of the Framework Agreement. The Customer Authority and the Contractor agree to comply with the provisions set out in Part A of Schedule 4 (*Framework Agreement Variation Procedure*) of the Framework Agreement.
- 2.3 Any PSN Changes agreed in accordance with Part A of Schedule 4 (*Framework Agreement Variation Procedure*) of the Framework Agreement shall be incorporated into a CCN. Accordingly, the Contractor shall prepare two (2) copies of a CCN which it shall sign and deliver to the Customer Authority for its signature. Following receipt by the Customer Authority of the CCN, the Customer Authority Commercial Manager shall sign both copies and return one (1) copy to the Contractor. On the Customer Authority's signature, the CCN shall constitute a binding variation to this Consolidated Contract, provided that the CCN is signed by the authorised signatory of the Customer Authority within ten (10) Working Days (or such other period as agreed by the Parties in writing) of receiving the Contractor's signed copy. If the Customer Authority does not sign the CCN within this time period, then the Contractor shall notify the Customer Authority in writing and if the Customer Authority does not sign the CCN within five (5) Working Days (or such other period as agreed by the

Parties in writing) of the date of such notification, then the Contractor may refer the matter to the Dispute Resolution Procedure.

3 RIGHT TO REQUEST CONTRACT CHANGES

3.1 Either Party may request a Contract Change by giving written notice via email or registered post (a “**Contract Change Request**”) to the other, such notice to specify whether the proposed Contract Change is:

3.1.1 an Emergency Contract Change;

3.1.2 a Major Contract Change; or

3.1.3 a Minor Contract Change.

3.2 Any Contract Changes that are instigated by a Change in Law will be categorised using the titles above, depending on the nature of the Contract Change.

3.3 The Parties acknowledge that changes to:

3.3.1 Project Milestones are not Contract Changes, but shall be progressed in accordance with Consolidated Schedule 2 (*Implementation Plan*);

3.3.2 the Procurement Plan are not Contract Changes, but shall be progressed in accordance with Consolidated Schedule 9 (*Charges and Invoicing*);

3.3.3 the list of Key Personnel as described in Clause 26.8 of this Consolidated Contract are not Contract Changes; and

3.3.4 the identities of the Customer Authority Critical Sites in accordance with Paragraph 2.1.7(iii) of Consolidated Schedule 2 (*Implementation Plan*), are not Contract Changes.

4 RE-CATEGORISATION OF CONTRACT CHANGES

The Customer Authority may at any time re-categorise any proposed Contract Change as an Emergency Contract Change, a Major Contract Change or a Minor Contract Change.

5 RESPONSE TO A CONTRACT CHANGE

5.1 The Contractor shall acknowledge receipt of each Contract Change Request initiated by the Customer Authority promptly via email or registered post.

5.2 In respect of:

5.2.1 an Emergency Contract Change, as soon as practicable and in any event within two (2) days;

5.2.2 a Major Contract Change, within ten (10) Working Days; or

5.2.3 a Minor Contract Change, within five (5) Working Days,

after either Party notifies the other of a proposal for the Contract Change (unless the Parties agree an alternative period), the Customer Authority and the Contractor shall discuss the relevant Contract Change to agree whether they can proceed further with the proposed Contract Change or abandon the proposed Contract Change. The Contractor

shall ensure that all proposed Contract Changes are reviewed during meetings of the Service Operations Board.

- 5.3** The Contractor shall not withhold its consent to any Contract Change unless the Contractor demonstrates to the Customer Authority that it does not have, and cannot procure, the technical expertise to implement the Contract Change or the Contract Change would result in a breach of the Regulations.

6 PROGRESSION OF CONTRACT CHANGES

If the Parties agree to proceed further with a Contract Change following discussions under Paragraph 5, then (unless otherwise agreed by the Parties) the Contractor shall prepare and submit to the Customer Authority a CCN, in respect of:

- 6.1** an Emergency Contract Change, as soon as practicable and in any event within two (2) days;
- 6.2** a Major Contract Change, within ten (10) Working Days; or
- 6.3** a Minor Contract Change, within five (5) Working Days,

after the Parties agree to proceed further with that Contract Change under Paragraph 5. The Parties may extend the time period in which the Contractor is required to provide a CCN in respect of any particular Contract Change by mutual agreement in writing, such form of writing to refer to this Paragraph 6.

7 CONTENTS OF THE CCN

Each CCN must be in the form set out in Appendix 1 to this Consolidated Schedule and contain:

- 7.1** a CCN reference number;
- 7.2** the originator and date of the request for the relevant Contract Change;
- 7.3** the reason for the relevant Contract Change and a description of any benefits anticipated;
- 7.4** full details of the relevant Contract Change including detailed estimates as to cost, including information on Man Days of effort to be allocated to the Contract Change;
- 7.5** details of when the Contractor will invoice the Customer Authority for any subset or portion of the Charges in relation to the Contract Change, where it is a Major Contract Change;
- 7.6** any variations to the Charges to be made as a result of the relevant Contract Change, such variations to be calculated in accordance with Consolidated Schedule 9 (*Charges and Invoicing*);
- 7.7** a timetable for implementing the relevant Contract Change (including Milestones) together with an appropriate extension of time for the performance of any associated obligations and any proposals for acceptance of the relevant Contract Change (including in accordance with Consolidated Schedule 19 (*Testing Procedures*));
- 7.8** details of the resources to be used to implement the Contract Change;
- 7.9** information about whether a design phase is required and, if so, when such design phase shall take place and whether the implementation of the relevant Contract Change is contingent on the design phase being completed;

7.10 an impact assessment of the Contract Change which shall cover (as a minimum) details of:

- 7.10.1** the impact on (or enhanced risks to) the Services, any known projects (including as set out in other CCNs), the Customer Authority's network or operations, sites/facilities, End Users, any warranty given by either Party, the availability of technical or other support or software or Equipment used to provide the Services, the Contractor's ability to meet its other obligations under this Consolidated Contract, including the provision of the Services in accordance with any relevant Milestones and Service Levels, or any timetables previously agreed by the Parties;
- 7.10.2** any impact on another Tower (including any cooperation required from another Tower);
- 7.10.3** any proposed impact on the Customer Authority Dependencies;
- 7.10.4** location(s) from/to where the Contract Change is to be delivered;
- 7.10.5** any applicable Disaster Recovery Services;
- 7.10.6** any impact on compliance with the Standards;
- 7.10.7** Network Infrastructure implications;
- 7.10.8** any impact on Customer Authority Equipment or Contractor Equipment;
- 7.10.9** any impact on other planned Contract Changes;
- 7.10.10** any relevant software or other significant Intellectual Property Rights (including software licences) (stipulating the type and the current owner) that are to be used, modified or created by the Contract Change;
- 7.10.11** proposals for ensuring that the outcome of the Contract Change is capable of being maintained by, or transferred to, a Replacement Contractor; and
- 7.10.12** any other matter reasonably requested by the Customer Authority or reasonably considered to be relevant by the Contractor, including technology options, security accreditation and software licensing.

If the Contractor believes that the proposed Contract Change would increase operational risk to the Customer Authority, it shall provide to the Customer Authority proposals for mitigating such risk and (in the case of a Contract Change requested by the Customer Authority) an alternative solution to address any concerns the Customer Authority has put forward as a reason for requesting the Contract Change, via email or registered post;

7.11 rollout plans, roll-back plans and Test Plans. Where requested by the Customer Authority or where a proposed Contract Change represents a high risk or high impact to the Customer Authority, the CCN shall also contain:

- 7.11.1** a comprehensive end-to-end Test Plan, notification and escalation lists, suggested workarounds, affected resources and risk assessments; and
- 7.11.2** a comprehensive contingency plan, including: (a) a back-out plan and a regression plan and procedures with specific criteria to initiate the execution of the back-out plan and the regression plan; or (b) where a regression plan is not needed for the relevant Contract Change, a detailed description of why a regression plan is not needed for the relevant Contract Change;

- 7.12** where a new security confirmation or a re-confirmation is required, details of security confirmation or re-confirmation required;
- 7.13** the consequential amendments, if any, to this Consolidated Contract (including the Consolidated Schedules) necessitated by the relevant Contract Change;
- 7.14** in respect of a regulatory Contract Change, details of how the proposed Contract Change will ensure compliance with the relevant change(s) to Regulations;
- 7.15** the date of expiry of validity of the CCN as agreed between the Parties, which unless agreed otherwise shall be sixty (60) days after the date of the CCN;
- 7.16** other such information as the Customer Authority may reasonably request in (or in response to) the Contract Change Request; and
- 7.17** provision for signature by the Customer Authority and the Contractor for acceptance or rejection of the CCN.

8 CONSIDERATION OF CCN

8.1 For each CCN submitted, the Customer Authority shall in respect of:

- 8.1.1** an Emergency Contract Change, as soon as practicable and in any event within twenty (20) Working Days; and
- 8.1.2** a Major Contract Change, within twenty (20) Working Days; or
- 8.1.3** a Minor Contract Change, within twenty (20) Working Days,

on receipt of the CCN from the Contractor, evaluate the CCN taking into consideration the factors identified by the Contractor in the CCN in accordance with Paragraph 7 above and, as appropriate:

- (i) approve the CCN;
- (ii) notify the Contractor of rejection of the CCN; or
- (iii) endeavour to reach agreement with the Contractor on any changes needed to the CCN to make it acceptable to the Customer Authority and in the course of those endeavours the Customer Authority may require the Contractor to provide additional information (and the Contractor shall provide such information within such timeframe reasonably requested by the Customer Authority).

9 ACCEPTANCE OF CCN

If the Customer Authority Commercial Manager accepts the CCN (either as submitted by Contractor or as amended by agreement between the Parties under Paragraph 8), then the Customer Authority and the Contractor shall procure that their respective authorised representatives execute, as soon as possible thereafter, two copies of the CCN, with each Party retaining one copy of the CCN executed by both Parties. Upon the CCN being executed by both Parties, the relevant Consolidated Schedules shall be taken to have been amended in accordance with the CCN.

10 REJECTION OF CCN

Unless and until the Parties have agreed the contents of a CCN in accordance with this Consolidated Schedule, the Parties must continue to perform their respective obligations under this Consolidated Contract without the variation proposed in that CCN (including, in the case of the Contractor, by continuing to provide the Services as if the Contract Change had not been requested or recommended).

11 OTHER

- 11.1** Each Party shall comply with its obligations under this Consolidated Schedule at its own cost. However, the Contractor shall not be obliged to conduct a major site survey or undertake a detailed feasibility study as a result of the impact assessment referred to in Paragraph 7 above. If the Customer Authority wishes to order a site survey or a detailed feasibility study, the Customer Authority may at its sole discretion submit a Contract Change Request for such survey or study.
- 11.2** Any discussion which may take place between the Parties in connection with a Contract Change and before the authorisation of a resultant Contract Change in accordance with this Consolidated Schedule shall be without prejudice to the rights of either Party.
- 11.3** The Contractor shall provide all cooperation reasonably requested by the Customer Authority in liaising with key stakeholders relating to proposed Contract Changes.

APPENDIX 1

CONTRACT CHANGE NOTE Contract Change Note (" CCN ") to this Consolidated Contract DCNS/119 between the Secretary of State for Defence and British Telecommunications Public Limited Company dated • (the " Consolidated Contract ")	
Any capitalised terms used but not defined in this CCN shall have the meanings given to them in this Consolidated Contract.	
Sequential CCN Reference Number:	
Title of Contract Change:	
Type of Contract Change (Emergency; Major; Minor):	
Originator:	
Date of Request:	
Date of Expiry of CCN:	
Reason for Contract Change <i>(including details of any expected benefits):</i> 	
Description of Contract Change <i>(giving full details, including any specifications, impact on the Services, Milestones and Service Levels as appropriate, and other operational and management changes):</i> 	
The costs relating to the Contract Change <i>(including any consequent change to existing Charges) including any impact from the cost of equipment:</i> 	
Timetable for implementation, together with any proposals for acceptance by the Customer Authority Commercial Manager: 	
Likely increase in operational risk to the delivery of the Services (or to the delivery of services under another Tower) and proposals for mitigating such risk and (in the case of a Contract Change requested by the Customer Authority) an alternative solution to address any concerns the Customer Authority has put forward as a reason for requesting the Contract Change: <i>Includes consideration of:</i> (a) the impact on (or enhanced risks to) the Services, any known projects (including as set out in other CCNs), the Customer Authority's network or operations, sites/facilities, End Users, any warranty given by either Party, the availability of technical or other support or software or Equipment used to provide the Services, the Contractor's ability to meet its other obligations under this Consolidated Contract, including the provision of the Services in accordance with any relevant	

<p><i>Milestones and Service Levels, or any timetables previously agreed by the Parties;</i></p> <p><i>(b) any impact on another Tower (including any cooperation required from another Tower);</i></p> <p><i>(c) any reference number given to the relevant Contract Change in connection with the Contract Change Procedure;</i></p> <p><i>(d) information about any design phase requirements, including whether the implementation of the Contract Change is contingent on the successful completion of the design phase;</i></p> <p><i>(e) any proposed impact on the Customer Authority Dependencies;</i></p> <p><i>(f) location(s) from/to where the Contract Change is to be delivered;</i></p> <p><i>(g) any applicable Disaster Recovery Services;</i></p> <p><i>(h) any impact on compliance with the Standards;</i></p> <p><i>(i) Network Infrastructure implications;</i></p> <p><i>(j) any impact on Customer Authority Equipment or Contractor Equipment;</i></p> <p><i>(k) any impact on other planned Contract Changes;</i></p> <p><i>(l) any relevant software or other significant Intellectual Property Rights (including software licences) (stipulating the type and the current owner) that are to be used, modified or created by the Contract Change;</i></p> <p><i>(m) proposals for ensuring that the outcome of the Contract Change is capable of being maintained by, or transferred to, a Replacement Contractor; and</i></p> <p><i>(n) any other matter reasonably requested by the Customer Authority or reasonably considered to be relevant by the Contractor, including technology options, security accreditation and software licensing.</i></p>	<p>Rollout, Testing, and roll-back plans, including (where applicable): (a) details of any end-to-end Test Plan, notification and escalation lists, suggested workarounds, affected resources and risk assessments; and (b) details of any contingency plans, including back-out or regression plans or, if applicable, information about why such plans are not needed:</p>
<p>Security confirmations / re-confirmations required:</p>	<p>Likely impact, if any, on other provisions of this Consolidated Contract and on the provision of any proposed new order, including:</p> <p><i>(a) scope of Customer Authority - does the Contract Change require additional consent to comply with the Customer Authority's internal governance;</i></p> <p><i>(b) definitions;</i></p> <p><i>(c) the responsibilities/obligations of the Contractor;</i></p> <p><i>(d) Customer Authority Dependencies;</i></p> <p><i>(e) working practices, including the resource requirements of the Parties, the Forward Work Schedule, the Quality Plan, Management Information, security arrangements,</i></p>

<p><i>audit requirements and exit assistance;</i></p> <p><i>(f) other Charges;</i></p> <p><i>(g) VAT;</i></p> <p><i>(h) regulatory compliance;</i></p> <p><i>(i) premises and Equipment; and</i></p> <p><i>(j) any other material matter.</i></p>	
<p>Details of any terms and conditions of this Consolidated Contract and Consolidated Schedules to be deleted, inserted or amended by this Contract Change, setting out the wording to be used and relevant clause references.</p>	
<p>Any Intellectual Property Rights in any software which the Customer Authority intends to own pursuant to the Contract Change.</p>	
<p>Signed for and on behalf of the Customer Authority</p> <p>By.....</p> <p>Name.....</p> <p>Title.....</p> <p>Date.....</p>	<p>Signed for and on behalf of the Contractor</p> <p>By.....</p> <p>Name.....</p> <p>Title.....</p> <p>Date.....</p>
<p>The Parties acknowledge that, other than the amendments set out above, all other terms and conditions of this Consolidated Contract and the Consolidated Schedules remain unchanged by this Contract Change.</p>	