



Defence Nuclear  
Organisation

## Defence Nuclear Organisation

### Contract No: DNO/WHd-025 For: Transfer of up to 5000 Drums of Higher Activity Waste (HAW)

<b>Between the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland</b>	<b>And</b>
<b>Redacted</b>	<b>Redacted</b>
<b>E-mail Address: Redacted</b>	<b>E-mail Address: Redacted</b>
<b>Telephone Number: Redacted</b>	<b>Telephone Number: Redacted</b>

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This Contract is signed on **11<sup>th</sup> March 2021**

BETWEEN

1. **THE SECRETARY OF STATE FOR DEFENCE OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND** (acting through the Defence Nuclear Organisation of the UK Ministry of Defence) (the "Authority"); and
2. **Redacted** whose registered offices are at **Redacted** (the "Contractor").

BACKGROUND:

1. The Authority is the subject of a Licence Instrument from the Office for Nuclear Regulation (ONR). The Contractor is assisting the Authority to comply with its obligation to identify a route for the treatment of a quantity Higher Activity Waste (HAW) currently located at **Redacted** by opening a route to transfer HAW to the Contractor's existing facility at **Redacted**. The Parties have been in discussions regarding this activity since 2012 and the Authority has already invested **Redacted** to increase the throughput of the Contractor's **Redacted** site, such that the additional HAW Drums will not impact on the Contractor's existing obligations.
2. This activity is of significant UK strategic importance and the Parties have agreed that they will act together in a spirit of trust and mutual co-operation to reach a successful outcome.
3. This Contract is for the **Redacted** Transfer of up to 5000 drums of HAW from the Authority to the Contractor.
4. Subject always to the Defence Reform Act 2014 and the Single Source Contract Regulations 2014, the Authority confirmed the necessary level of information to be reported to meet the requirements of the Single Source Contract Regulations 2014 in its letter to the Contractor dated 9 April 2020 and this was accepted in the Contractor's letter dated 21 April 2020.

IT IS AGREED:

#### 1. **Definitions of Terms**

In the Terms and Conditions of this Contract the following words and expressions shall have the meanings given to them, except where the context requires a different meaning:

- a. **General Definitions**
  - 1) The masculine includes the feminine and vice versa and words importing the neuter includes the masculine and the feminine.
  - 2) The singular includes the plural and vice versa.
  - 3) References to any enactment, order, regulation, or other similar instrument shall be construed as a reference to the enactment, order, regulation or instrument applicable at the date of this Contract and as

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amended or consolidated by any subsequent enactment, order, regulation or instrument.

- 4) The heading to any clause or schedule shall not affect the interpretation of that clause or schedule.
- 5) Any decision, act or thing which either Party is required or authorised to take or do under the Contract may be taken or done only by any person authorised, either generally or specifically, by the respective Party to take or do that decision, act or thing on behalf of the Party concerned.
- 6) A reference in this Contract to any clause, paragraph or annex is, except where expressly stated to the contrary, a reference to such clause, paragraph or annex of this Contract.
- 7) Any reference in this Contract to a range of clauses, paragraphs, schedules or annexes shall, except where expressly stated to the contrary, be inclusive of those clauses, paragraphs, schedules or annexes used to define the range.
- 8) References to any documents being “in the agreed form” means such documents have been initialled by or on behalf of each of the parties for the purpose of identification.
- 9) References to a public organisation shall be deemed to include a reference to any successor to such public organisation or any organisation or entity which has taken over either or both the functions and responsibilities of such public organisation. References to other persons shall include their successors and assignees.
- 10) Reference to the phrase “agreed or determined” means agreed in writing between the Parties or determined pursuant to the dispute resolution procedure set out in Clause 14 ‘Dispute’.
- 11) The words and phrases “other”, “including” and “in particular” shall not limit the generality of any preceding words or be construed as being limited to the same class as any preceding words where a wider construction is possible.
- 12) The words “business day(s)” shall mean any day excluding:
  - i) Saturdays, Sundays and public and statutory holidays in the jurisdiction of either party;
  - ii) Privilege days notified in writing by the Authority to the Contractor at least 10 (ten) business days in advance; and
  - iii) Such periods of holiday closure of the Contractor’s premises of which the Authority is given written notice by the Contractor at least 10 (ten) business days in advance.

b. Specific Definitions

- 1) "Assay Process" means the review and inspection of Received HAW Drums together with the subsequent confirmation of compliance with the agreed Condition for Acceptance (CfA).
- 2) "Consignor" means the Authority's agent or contractors responsible for the transport of HAW Drums.
- 3) "Commercial Officer" means an authorised signatory within the Authority's commercial department.
- 4) "Conditions for Acceptance" or "CfA" means the **Redacted** Limited document, as amended from time to time, notified to the HAW Programme Board as containing the procedure and information necessary to identify those HAW Drums which are suitable for transport to and Receipt at **Redacted**.
- 5) "Contract" means this contract dated with the date as written above.
- 6) "Engineered Drum Stores or EDS" means the suite of existing and future stores at **Redacted** used to store HAW Drums.
- 7) "Government Security Classifications" means the policy for classification and safeguarding information as detailed in Cabinet Office Policy dated May 2018 or any updates
- 8) "HAW Drums" means drums containing Higher Activity Waste.
- 9) "HAW Programme Board" means as detailed in Schedule 3.
- 10) "HAW Working Group" means as detailed in Schedule 3.
- 11) "Immediate Threat" means a situation where one or more HAW Drums Received at **Redacted** are in a condition which could lead to: safety issues, a breach of the Site Licence Conditions or impact on the operation of a plant; which needs to be rectified urgently by **Redacted**.
- 12) "**Redacted** Container" means the transport container used to transport the HAW Drums.
- 13) "Party" and "Parties" means the Authority and the Contractor, together the Parties and separately a Party.
- 14) "Price" means the sum or sums defined in Annex A to Schedule 1.
- 15) "Terms and Conditions" means the main body of the Contract, from Clause 1 'Definition of Terms' to Clause 21.
- 16) "Title Transfer" means transfer of ownership of up to 5000 HAW Drums and all associated financial and other liabilities from the Authority to the Contractor upon Receipt of each HAW Drum at its **Redacted** site.
- 17) "Receipt" means receipt of HAW Drums at the Contractors **Redacted** site and signed for by the Contractor as received prior to the Assay Process and "Received" shall be construed accordingly.

## 2. Introduction

- a. By this Contract, the Parties agree to the Title Transfer, subject to the Terms and Conditions of this Contract.

- b. In consideration of the Title Transfer and performance of the Contractor's obligations in Schedule 1 for which time shall not be of the essence, the Authority shall pay the Price in accordance with the payment provisions set out in Clause 10 'Payment' and in Annex A to Schedule 1.

### 3. Precedence

- a. In the event of any inconsistency, ambiguity or conflict between the workings of any documents forming part of this Contract, the order of priority shall be (1) the Terms and Conditions; (2) DEFCONs; (3) Schedule 1; (4) any other Schedule; (5) any documents referred to in either the Terms and Conditions, the DEFCONs or the Schedules as being part of the Contract.
- b. If either Party identifies any, or any apparent, inconsistency, ambiguity, conflict, discrepancy, error, omission or uncertainty within or between any provisions of the Contract it shall notify the other Party in writing accordingly as soon as reasonably practical.
- c. The Parties shall seek to agree to such amendments to resolve such inconsistency, ambiguity, conflict, discrepancy, error or omission as soon as reasonably practical.
- d. Where the Parties fail to reach agreement within 10 (ten) business days of the notice given under Clause 3(b) above and either Party considers that the inconsistency, ambiguity, conflict, discrepancy, error or omission to be material to its rights and obligations under this Contract, then the matter will be referred to the dispute resolution procedure in accordance with Clause 14 'Dispute'.

### 4. Effective Date and Duration

This Contract and the rights and obligations of the Parties to this Contract shall come into effect upon the last date of signature by both Parties and shall, unless terminated in accordance with Clause 15 'Termination', expire on 31<sup>st</sup> March 2029.

### 5. Governance

The Contract shall be subject to the governance processes as set out in Schedule 3.

### 6. Delivery

- a. The HAW Working Group shall agree the annual delivery schedule by no later than 28 February of each year and this delivery schedule will be reviewed and updated by the HAW Working Group as necessary.
- b. The Authority shall procure that the Consignor delivers to the Contractor's **Redacted** site HAW Drums in accordance with the agreed delivery schedule and in compliance with the CfA using **Redacted** containers.
- c. Pursuant to Clause 7 below (Condition), once the HAW Drums have been Received, they cannot be returned to the Consigning Site, unless instructed to do so by a relevant regulator or Government authority.

- d. In the event that the Contractor damages the **Redacted** container during Receipt and turnaround operations, the Authority shall be entitled to recover the reasonable costs of any necessary repair. Costs will be agreed by the HAW Working Group, acting reasonably, and will be deducted from a subsequent invoice. The Contractor shall have no liability for any damage to the **Redacted** container or any other equipment used by the Authority or Consignor which occurs during transit or which is caused by the Authority's or the Consignor's own handling of the container. Any reasonable additional charges associated with handling the **Redacted** received in a damaged state at **Redacted** will be notified to the Authority as additional charges and recovered in line with Annex A to Schedule 1.

## 7. Condition

- a. Each HAW Drum will be transferred by the Authority to the Contractor in the condition set out in the CfA.
- b. The Contractor shall undertake an Assay Process of each HAW Drum after each HAW Drum has been Received. In the event that a HAW Drum does not meet the CfA it will be subject to the following provisions:
  - 1) Where the Contractor reasonably determines that an Immediate Threat is posed by a HAW Drum, the Contractor will use reasonable endeavours to notify the Authority and discuss mitigating actions. However, if this is not possible the Contractor shall in its absolute discretion be entitled to undertake such measures as it reasonably considers necessary to avoid or resolve the Immediate Threat and the Authority shall be liable to pay all reasonable charges incurred by the Contractor relating to such measures. The Contractor shall apply any such charges to subsequent invoices;
  - 2) In addition to the circumstances at Clause 7(b)(i) above, the Parties will discuss and agree the next steps and whether the event has any impact on the remaining HAW Drums yet to be delivered to the Contractor, which may include the temporary pause of deliveries to the Contractor's **Redacted** site; and
  - 3) The Contractor shall inform the Authority of the requirement for additional charges:
    - i) in order for the HAW Drums to meet the CfA or to revise the CfA to allow the HAW Drums to be accepted; or
    - ii) in relation to any activities required for the ongoing management, storage and disposal of such drums; and
    - iii) any reasonable additional charges identified by the Contractor shall be provided to the HAW Working Group for review and added to the next invoice to be issued to the Authority (unless otherwise agreed) under the terms of Annex A to Schedule 1.

## 8. Service Interruption

Where the route for Receipt, treatment or storage of drums becomes unavailable, the Contractor shall explain the situation to the Authority and the Authority shall procure that no further HAW Drums are transported to the Contractor until the Parties agree that deliveries can restart. The Parties will discuss whether the Receipts can continue, on what timescales and whether an amendment to this contract is required to implement this.

**9. Price**

The Price is set out in Annex A to Schedule 1.

**10. Payment**

The invoice(s) for payment will be issued by the Contractor to the Authority, as set out in Annex A to Schedule 1.

**11. Allocation of responsibilities**

- a. Except as explicitly provided for in this Contract, neither Party shall be liable in respect of any claim (other than arising from negligence) by the other Party arising out of or in any way in connection with the Contract.
- b. Upon Title Transfer of each of the HAW Drums the Contractor shall accept full and total liability in respect of each HAW Drum transferred.
- c. The Authority shall remain liable for any reasonable additional charges arising in the event that any HAW Drum does not subsequently meet the CfA following the Assay Process.

**12. Limitation of Liability**

- a. Except as otherwise expressly provided in this Contract, neither Party shall in any circumstances have any liability for any loss of profits or goodwill or for any type of consequential or indirect loss or damage even if such loss or damage was reasonably foreseeable, save in the case of fraud or fraudulent misrepresentation, negligence, intellectual property rights infringement, death or injury.
- b. The total liability of the Contractor arising out of the express terms of this Contract namely in respect of damage caused to **Redacted**, as stated in clause 6 (d), shall not exceed **Redacted**

**13. Security**

- a. The security grading of all UK classified information, documents or material made available under this Contract shall be marked on such documents or otherwise indicated and notice of such classification shall thereby be deemed to have been given by the Parties. The Parties shall notify each other of any subsequent change in such security grading. The Parties shall protect classified information in accordance with the Government Security Classifications.



- b. Each Party shall arrange for all classified information, documents and material provided by one Party to the other Party (whether transmitted in writing, orally, or electronically, or by observing or the handing over of material) to be protected by applicable national statutes and regulations to ensure that such statutes and regulations provide a degree of security protection no less stringent than that detailed in the Government Security Classifications for safeguarding classified information.
- c. The Parties shall not release or disclose information, documents and material provided by each Party under this Contract, whether classified or unclassified, to any third party including the government of another country or an organisation of such a country or to an international organisation, without the prior written consent of the other Party. The Parties shall restrict access to any classified information, documents and material provided under this Contract to persons who have been granted an appropriate security clearance by either their national government or by the UK government, as the case may be, and who have a "need to know" such information, documents or material in connection with the performance of their duties and who have been approved by the UK government.
- d. Either Party shall immediately inform the other Party of any failure to maintain adequate security standards or any breach of security relating to classified information, documents and materials supplied under this Contract and, shall investigate any such occurrences without delay and shall keep the other Party updated and informed of the progress and the outcome of their investigation and actions taken to prevent a recurrence and any other relevant security information of which the other Party should be aware or which may assist the other Party in controlling any failure or breach of security standards.
- e. Unclassified information, documents and material provided by one Party to the other under this Contract, shall be kept strictly confidential and subject to Clause 13 (a) - (d) and shall not be released or disclosed to a third party, including the government of another country or to a national or an organisation of another country, or to an international organisation, without the prior written consent of the original disclosing Party unless required to by a court or tribunal having jurisdiction over the Party.
- f. Unclassified information, documents and material provided by one Party to the other under this Contract shall not be used by the receiving Party other than for the purposes for which it was provided without the prior written consent of the disclosing Party; save that the receiving Party may use such information, documents and material in connection with any legal proceedings under or in connection with this Contract, under judicial or other lawful authority, or in accordance with the discharge of any statutory obligations.

#### **14. Dispute**

The Parties will attempt in good faith to resolve any dispute or claim arising out of or relating to this Contract through negotiations between the respective representatives of the Parties having authority to settle the matter. If any dispute cannot be resolved within thirty (30) business days, the Parties shall escalate the issue to the HAW Programme Board in accordance with Schedule 3 Governance. If the HAW Programme Board cannot resolve the issue within a further thirty (30) business days,

the matter shall be escalated to the Party's respective Commercial Director (or equivalent).

## **15. Termination**

### **Termination for Convenience**

- a. Either Party shall have the right to terminate the Contract in whole or in part at any time by giving the other Party at least twenty (20) business days written notice. Upon expiry of the notice period the Contract, or relevant part thereof, shall terminate without prejudice to the rights of the parties already accrued up to the date of termination. Where only part of the Contract is being terminated, the Authority and the Contractor shall owe each other no further obligations in respect of the part of the Contract being terminated, but will continue to fulfil their respective obligations on all other parts of the Contract not being terminated.
- b. The Parties agree that prior to serving any notice in accordance with Clause 15a, it will refer any concerns and issues to the HAW Programme Board as set out in Schedule 3.

### **Material Breach**

- c. In addition to any other rights and remedies, either Party shall have the right to terminate the Contract (in whole or in part) with immediate effect by giving written Notice to the other Party where the other Party is in material breach of its obligations under the Contract.

### **Consequences of Termination**

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

## **16. Third Party Rights**

No right is granted to any person who is not a Party to this Contract to enforce any term of this Contract and both Parties declare that they have no intention to grant any such right.

## **17. Non-Assignment**

Neither Party shall give, bargain, sell, assign, or otherwise dispose of this Contract or any part thereof, or the benefit or advantage of the Contract or any part thereof, without the previous consent in writing of the other Party.

## **18. Governing Law and Jurisdiction**

- a. This Contract shall be governed by and construed in accordance with the laws of England and, subject to Clause 14 "Dispute" and without prejudice to the dispute resolution process set out therein, the Parties agree to submit to the exclusive jurisdiction of the Courts of England.

- b. Other jurisdictions may apply solely for the purpose of giving effect to this Clause 18 and for enforcement of any order or award issued by the arbitral tribunal.

**19. Notices**

- a. All notices, orders or other forms of communication required to be given in writing ("Notices") under or in connection with this Contract shall:

- 1) be given in writing;
- 2) be in a form which can be read, copied and recorded;
- 3) be authenticated by signature or by such other method as agreed between the Parties;
- 4) be marked for the attention of the appropriate department or officer;

- i) For the Contractor the appropriate person shall be:

Name: **Redacted**  
Address: **Redacted,**  
**Redacted**  
Email: **Redacted**  
Phone: **Redacted**

- ii) For the Authority the appropriate person(s) shall be:

- a. Commercial: **Redacted** (*as per Schedule 2*)
- b. Project Manager: **Redacted** (*as per Schedule 2*)

- b. Notices should be delivered by:

- 1) first class prepaid post; or
- 2) electronic mail.

- c. Notices shall be deemed to have been received:

- 1) if sent by first class prepaid post (or airmail, if appropriate) on the third Business Day (or on the tenth Business Day in the case of airmail), after the day of posting; and
- 2) if sent by facsimile or other electronic means:
- 3) if transmitted between 0900 and 1700 hrs on a business day (recipient's time), on completion of receipt by the sender of verification of the transmission from the receiving instrument; or
- 4) if transmitted at any other time, at 0900 on the first business day (recipient's time) following the completion of receipt by the sender of verification of the transmission from the receiving instrument.

- d. The addresses (including electronic addresses) of each Party to which all Notices shall be sent are those specified in this Contract, or such other addresses as either Party may by written Notice specify to the other for the purpose of this clause.
- e. Where either Party requests written confirmation of any communication which does not constitute a Notice, such request shall not unreasonably be refused.

## **20. Corrupt Gifts and Payment Commission**

- a. Either Party shall not do, and warrants that in entering the Contract it has not done, any of the following (hereafter referred to as 'prohibited acts'):
  - 1) offer, promise or give to any Crown servant any gift or financial or other advantage of any kind as an inducement or reward;
    - i) for doing or not doing (or for having done or not having done) any act in relation to the obtaining or execution of this or any other Contract with the Crown; or
    - ii) for showing or not showing favour or disfavour to any person in relation to this or any other Contract with the Crown.
  - 2) enter into this or any other Contract with the Crown in connection with which commission has been paid or has been agreed to be paid by it or on its behalf, or to its knowledge, unless before the Contract is made particulars of any such commission and of the terms and conditions of any such agreement for the payment thereof have been disclosed in writing to the Authority.
- b. If either Party, its employees, agents or any subcontractor (or anyone acting on its behalf or any of its or their employees) does any of the prohibited acts or commits any offence under sub sections 108-109 of the Anti-Terrorism, Crime and Security Act 2001, or an offence under the Bribery Act 2010 with or without the knowledge or authority of the Party in relation to this Contract or any other Contract, the other Party shall be entitled:
  - 1) to terminate the Contract and recover from the other Party the amount of any loss resulting from the termination;
  - 2) to recover from the other Party the amount or value of any such gift, consideration or commission; and
  - 3) to recover from the other Party any other loss sustained in consequence of any breach of this Clause 20 'Corrupt Gifts and Payment of Commission' where the Contract has not been terminated.
- c. In exercising its rights or remedies under this Clause, the Party shall:
  - 1) act in a reasonable and proportionate manner having regard to such matters as the gravity of, and the identity of the person performing, the prohibited act;

- 2) give all due consideration, where appropriate, to action other than termination of the Contract, including (without being limited to);
  - i) requiring the other Party to procure the termination of a sub-contract where the prohibited act is that of a subcontractor or anyone acting on its or their behalf;
  - ii) requiring the other Party to procure the dismissal of an employee (whether its own or that of a sub-contractor or anyone acting on its behalf) where the prohibited act is that of such employee.
  - iii) Recovery action taken against any person in Her Majesty's service shall be without prejudice to any recovery action taken against the other Party pursuant to this Clause.

## **21. Entire Agreement, Amendments and Waiver**

- a. This Contract constitutes the entire understanding and agreement of the Parties and supersedes any and all oral, electronic or written agreements or understandings between the Parties, as to the subject matter of the Contract.
- b. The Contract may only be amended or modified, or any of its provisions waived, by written agreement of the Authority's Commercial Officer or authorised representative and signed by the duly authorised representatives of both Parties. Any request for a Party's consent to an amendment, modification or waiver shall not be unreasonably withheld or delayed by the other Party. Any such amendment, modification or waiver must comply with and refer to this Contract and to this clause in particular.
- c. No act or omission of either Party shall by itself amount to a waiver of any right or remedy under this Contract unless expressly stated by that Party in writing. In particular, no reasonable delay in exercising any right or remedy shall by itself constitute a waiver of that right or remedy.
- d. No waiver in respect of any right or remedy shall operate as a waiver in respect of any other right or remedy and nor shall it amend, delete or add to the terms, conditions or provisions of this Contract unless (and then only to the extent) expressly stated in that waiver.
- e. The waiver of a breach of any provision of this Contract shall not operate or be interpreted as a waiver of any other or subsequent breach. Any failure on the part of either Party to exercise, in any instance, any of its rights hereunder shall not constitute a relinquishment of such rights, nor shall such failure be construed as a waiver of relinquishment of similar rights arising thereafter.
- f. Neither Party shall make any press statement or undertake any publicity referring to this Contract, Annexes or Appendices, without the prior written consent of the other Party.

## **22. DEFCONs:**

The following DEFCONs shall apply to this contract and where indicated shall apply on a reciprocal basis to both the Authority and the Contractor:

DEFCON 76 (EDN. 12/06) Contractor's Personnel at Government Establishments

DEFCON 513 (EDN.11/16) Value Added Tax

DEFCON 515 (EDN. 02/17) Bankruptcy and Insolvency

DEFCON 516 (EDN 04/12) Equality

DEFCON 518 (02/17) Transfer

DEFCON 522 - Payment

DEFCON 531 (EDN 11/14) Disclosure of Information

NOTE: Paras 7-9 of DEFCON 531 are Reciprocal – Where a reference is made to the “Authority”, for the purposes of the operation of this Agreement, such reference shall be read as “the Parties”.

DEFCON 532A (EDN 04/20) Protection of Personal Data

DEFCON 538 (EDN 06/02) Severability

DEFCON 539 (EDN 08/13) Transparency

NOTE: DEFCON 539 is Reciprocal - Where a reference is made to the “Authority”, for the purposes of the operation of this Agreement, such reference shall be read as “the Parties”.

DEFCON 550 (EDN 02/14) Child Labour and Employment Law

DEFCON 566 (EDN 12/18) Change of Control of Contractor

DEFCON 609 (EDN 08/18) Contractor's Records

NOTE: DEFCON 609 is Reciprocal - Where a reference is made to the “Authority”, for the purposes of the operation of this Agreement, such reference shall be read as “the Parties”.

DEFCON 625 (EDN 10/98) Co-Operation On expiry Of Contract

DEFCON 658 (EDN 10/17) Cyber

NOTE: For Defcon 658 Cyber the Risk Assessment has been assessed to be VERY LOW

DEFCON 681 (EDN 06/02) Decoupling Clause-Subcontracting With The Crown

DEFCON 800 12/14 Qualifying Defence Contract (QDC)

DEFCON 801 12/14 Amendments to QDC - Consolidated Versions

DEFCON 804 03/15 QDC: Confidentiality of Single Source Contract Regs. Info.

**Schedule 1 - Scope of Work for Contract No: DNO/WHd-025**

**Scope – Redacted**

**Annex A to Schedule 1**

**Price:**

The price agreed for the Title Transfer of each HAW Drum is **Redacted** – “the Base Price”. The Base Price is a firm price at September 2020 money values and covers the receipt of HAW Drums during the period 01 April 2020 to 31 March 2021. The Base Price does not include provision beyond this date for changes in the price due to the unwinding of discounting or escalation.

The undiscounted price per drum in each year is shown in Table 1.

**Table 1 – Undiscounted Price for Title Transfer of 1 HAW Drum**

	2020/21	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22
Undiscounted price (P1)	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted	Redacted
	Firm Price	Fixed price at September 2020 money values							

Beyond 31 March 2021, the Price to be paid by the Authority for each drum transferred in each financial year will be calculated by escalating as follows:

$$P = P1(Oi/Oo)$$

Where:

P represents the Price payable per HAW drum in each financial year

P1 represents the undiscounted price per HAW drum for each year as shown in Table 1

Oo represents the RPI All Items Index Excl Mortgage Interest (RPIX): Jan 1987=100 for the base date, being September 2020 (295.5)

Oi represents the RPI All Items Index Excl Mortgage Interest (RPIX): Jan 1987=100 for September of the relevant financial year.

The Price per drum will be calculated each financial year as soon as the RPIX value for September is published.

**Payment:**

The Contractor will invoice the Authority twice each year. The first invoice will cover charges relating to HAW Drums Received during the period from 1 April to 30 September of each financial year and will be raised as soon as possible following the issue of the RPIX value for September of the financial year. The second invoice will cover charges relating to HAW Drums Received during the period from 1 October to 31 March and will be raised as soon as practicable after the end of March each year using the agreed Price per drum for that financial year.



Payment will be calculated by multiplying the number of drums received at **Redacted** by the Base Price for financial year 2020/21 and thereafter will be calculated by multiplying the number of drums received at **Redacted** by Price (P) for each subsequent financial year.

**Additional Charges:**

All reasonable additional charges as notified to the Authority by the Contractor in accordance with Clauses 6 and 7 will be included in a subsequent invoice to be issued to the Authority, unless agreed otherwise.

**Non-Payment of Invoices:**

If any sum payable under this Contract is not paid when due then, without prejudice to the Contractor's other rights under this Contract, the Authority shall pay interest on the overdue amount from the due date until payment is made in full both before and after any judgment, at two percent (2%) per cent per annum over the Bank of England base lending rate from time to time accruing on a daily basis and compounded quarterly and the Contractor will be entitled to suspend performance of its obligations under this Contract until the outstanding amount has been received by it from the Authority.

**Schedule 2 – Defform 111**

**Schedule 3  
Annex A**

DEFFORM 111  
(Edn 12/17)

Appendix - Addresses and Other Information

<p><b>1. Commercial Officer</b> Redacted</p> <p>Address: Redacted</p> <p>Email: Redacted</p>	<p><b>8. Public Accounting Authority</b></p> <p>1. Returns under DEFCON 694 (or SC equivalent) should be sent to DBS Finance ADMT – Assets In Industry 1, Level 4 Piccadilly Gate, Store Street, Manchester, M1 2WD ☎ Redacted</p> <p>2. For all other enquiries contact DES Fin FA-AMET Policy, Level 4 Piccadilly Gate, Store Street, Manchester, M1 2WD ☎ Redacted</p>
<p><b>2. Project Manager, Equipment Support Manager or PT Leader</b> (from whom technical information is available) Name: Redacted</p> <p>Address: Redacted Email Redacted</p>	<p><b>9. Consignment Instructions</b></p> <p>The items are to be consigned as follows: N/A</p>
<p><b>3. Packaging Design Authority</b></p> <p>Organisation &amp; point of contact:</p> <p>(Where no address is shown please contact the Project Team in Box 2)</p>	<p><b>10. Transport. The appropriate Ministry of Defence Transport Offices are:</b> <u>A. DSCOM, DE&amp;S, DSCOM, MoD Abbey Wood, Cedar 3c, Mail Point 3351, BRISTOL BS34 8JH</u> <u>Air Freight Centre</u> <u>IMPORTS Redacted</u> <u>EXPORTS Redacted</u> <u>Surface Freight Centre</u> <u>IMPORTS Redacted</u> <u>EXPORTS Redacted</u> <u>B. JSCS</u></p> <p><u>JSCS Helpdesk No Redacted (select option 2, then option 3) JSCS</u> <u>Fax No. 01869 256837</u> <u>Redacted</u> <u>Not Applicable for this Contract</u></p>
<p><b>4. (a) Supply / Support Management Branch or Order Manager:</b> Branch/Name: N/A</p> <p>Tel No:</p> <p><b>(b) U.I.N.</b></p>	<p><b>11. The Invoice Paying Authority</b> Redacted</p>
<p><b>5. Drawings/Specifications are available from</b> N/A</p>	<p><b>12. Forms and Documentation are available through *:</b> Redacted</p>
<p><b>7. Quality Assurance Representative:</b></p> <p>Commercial staff are reminded that all Quality Assurance requirements should be listed under the General Contract Conditions.</p> <p><b>AQAPS and DEF STANs</b> are available from UK Defence Standardization, for access to the documents and details of the</p>	<p><b>*NOTE</b></p> <p>1. Many <b>DEFCONs</b> and <b>DEFFORMs</b> can be obtained from the MOD Internet Site: <a href="https://www.aof.mod.uk/aofcontent/tactical/toolkit/index.htm">https://www.aof.mod.uk/aofcontent/tactical/toolkit/index.htm</a> 2. If the required forms or documentation are not available on the MOD Internet site requests should be submitted through the <a href="#">Commercial Officer named in Section 1.</a></p>

helpdesk visit <http://dstan.uwh.diif.r.mil.uk/> [intranet] or <https://www.dstan.mod.uk/> [extranet, registration needed].

## Schedule 3 - Governance

The delivery of the scope of the contract will be managed by the HAW Working Group with all contract and commercial matters being dealt with by the Commercial Review meetings and both reporting into the HAW Programme Board.

### Meetings:

- HAW Working Group
- Commercial Review
- HAW Programme Board

The objectives of each meeting are:

**HAW Working Group** is to discuss and manage the project to enable the safe, timely and efficient transfer of HAW Drums from the Authority to the Contractor including, but not limited to the following elements of the HAW Programme:

- Forecast delivery schedule – annual programme and quarterly updates
- Programme risks and opportunities – review and management
- HAW Drums Delivered to date
- Any HAW Drums that did not meet the CfA under Clause 7
- Review of any reasonable charges to be paid by the Contractor for repair of **Redacted** under Clause 6(d)
- Review of any reasonable charges to be paid by the Authority relating to receipt of a damaged **Redacted** at **Redacted** under Clause 6(d)
- Review of any reasonable additional charges related to the treatment of HAW Drums which do not meet the CfA under Clause 7
- Review of the route for Service Interruption in Clause 8.

**Commercial Review meetings** will be held between the Party's Commercial Officers prior to the HAW PB to review any contractual issues arising from the HAW WG.

**HAW Programme Board** is to review progress made by the project and subsequently direct the HAW WG with a focus on;

- An open discussion on challenges that have the potential to positively or negatively impact delivery of the project.
- Resolution of any disputes which might arise between the Parties to ensure that the project progresses successfully including, but not limited to, the review of additional charges under Clauses 6 and 7.
- Any outstanding Service Interruption actions under Clause 8,

### Reporting:

The Contractor is required to submit the following reports:

Annual report detailing:

- Quantity of HAW Drums received
- Quantity of HAW Drums invoiced
- Quantity of any HAW Drums that did not meet the CfA.

All other reports to be submitted in accordance with SSCR and DefCARs reporting requirements.