

**STATEMENT OF WORK
FOR
FNH UK LTD - REPAIR SERVICES**

FNH UK LTD - REPAIR SERVICES

1 REQUIREMENT

This document defines the Repair requirements of the Ministry of Defence (MoD), Defence Equipment and Support (DE&S), Soldier Training and Special Programmes (STSP) Group, hereby referred to as the Authority.

The scope of Repair is for the Equipments detailed at Appendix 1 of this document and their associated components.

2 STATEMENT OF WORK

All work shall be performed in accordance with the Terms and Conditions, including Annexes, of the Contract and to the satisfaction of the Authority's Project Manager (PM) (details as at Box 2 of DEFFORM 111).

On receipt of any equipment, the Contractor will check it against their in-house database to ascertain whether it is still under original warranty or has undergone a previous repair.

At the initial inspection, the Contractor will assess the equipment to determine the repairs necessary to return it to an A1 serviceable condition.

In order to ascertain the extent of each repair, the Contractor shall provide an initial Inspection Report to the Authority. This report will detail the particulars of the equipment (such as variant and serial number), deficient or unserviceable items or components, a list of defects, and a recommendation for the repair.

The Contractor shall inform the Authority in accordance with the provisions of DEFCON 16, on receipt of request for repair of materials, the name of the part that makes up any component of the Articles supplied, which is due to become obsolescent. The Contractor shall provide a FIRM price quotation for the part, and suggest the number required to support the Article supplied under this Contract for the remaining life of the Article. The Authority shall have the option to purchase a sufficient quantity of the particular obsolescent part to support the remaining service life of the Article. In the event that product Drawings are re-issued or new Drawings raised, for example when new spares or obsolete spares are identified, Manroy Engineering Ltd. shall provide copies of such Drawings to the Authority.

On completion of the repair a Repair Report is to be issued to the Authority from Contractor detailing the extent of the repair/s actually undertaken on each equipment. The Authority accepts that sub-contractor may, on occasion, need to carry out a more comprehensive repair than initially assessed by Contractor; the Authority will use the Repair Report to settle the final repair cost for each item.

The Repair Report will be recorded by Contractor and maintained within a database detailing the defects discovered on each individual equipment and the extent of the repair necessary to return the sight to A1 condition. This database will be continuously reviewed by Contractor and presented quarterly to the Authority, to determine whether there are any 'trends' to failures; with a view to taking necessary corrective action.

3 TASKING PROCESS

All task activities shall be completed in accordance with the Price, Time and Performance targets agreed with the Authority for each task, and as defined in the Tasking Process:

- a. Requirement for Non-Core Tasking instruction realised.
- b. The Contractor or Authority shall complete Tasking Proforma Part 1, this requires authorisation and completion by the Authority's Commercial Manager.
- c. The Contractor shall respond by completing Tasking Proforma Part 2 and return to the Authority's Commercial Manager.
- d. The Authority's Commercial Manager shall return the Tasking Proforma Part 3, either authorising the Contractor to perform the work, or informing the Contractor that the task shall not proceed.

Upon receipt of a Tasking Proforma Part 1, the Authority or Contractor is to acknowledge receipt of the request to the Authority or Contractor within 1 working day.

The Contractor is to provide a full response via a Tasking Proforma Part 2 within 5 working days of receipt of Part 1.

No work shall be undertaken until Authorisation has been received via the completed Tasking Proforma Part 3, duly completed by the Authority's Project Manager, Commercial Manager and Finance Officer. Any work undertaken before the receipt of the authority shall be at the Contractor's own risk.

Note: The issue of a Tasking Proforma Part 1 by the Authority or receiving a Tasking Proforma Part 2 from the Contractor does not commit the Authority to placing any specific Task with the Contractor.

4 BEYOND ECONOMICAL REPAIR (BER)

If an item is considered to be BER on initial inspection by the Contractor, the Inspection Report will be annotated accordingly and reported to the Authority who will detail the actions to be taken. Should the equipment be deemed BER whilst undergoing repair at Sub-Contractor, the Authority are to be informed by Contractor and no further action is to be taken until direction is given from the Authority. BER shall be defined as when the repair cost would exceed 75% of the replacement purchase price.

5 REPAIR CAPACITY

There is no guaranteed minimum repair capacity for the equipment under this contract.

The equipment will be issued to the Contractor by the Authority. The Contractor is responsible for returning the equipment once repaired.

6 COMPLETE EQUIPMENT SCHEDULE (CES)

The items detailed at Appendix 1 do not have CES items.

7 PROGRESS REPORTS AND MEETINGS

In accordance with the Contract Condition H, the Contractor shall provide a monthly progress report by email to the PM advising progress of each repair including risks and opportunities. Progress meetings will be held in line with the requirements specified in the Statement of Work for Support Services.

The monthly progress report format is to be confirmed; however, it should include a summary of the following:

- a Quantity and variant of equipment received.
- b Quantity and variant of equipment returned.
- c Progress/extent of faults repaired.
- d Quantity and variant of BER equipment.

8 PRICE

FIRM price repair costs will be established at the initial inspection and the Authority will authorise the repair based on these costs. The FIRM price will be analysed for VfM by the Project Manager and Commercial team based on historic costings and a breakdown of costs as provided.

Firm Prices shall be net after allowing for all cash and trade discounts. The Firm Prices shall be on an ex-works basis, in accordance with INCOTERMS 2000.

9 QUALITY

The Contractor shall ensure that the Contract is carried out in accordance with BS EN ISO 9001:2008/15, or equivalent, and to the satisfaction of the Quality Assurance Representative (details as per Box 7 DEFFORM 111). The Contractor shall guarantee to maintain its qualification status throughout the period of the Contract. Any sub-Contractors must also be either certified under the same conditions or subjected to the Contractor's second party assurance and audit to ensure that an equivalent Quality Management System is in place.

The Contractor shall ensure that all work under the Contract is carried out in accordance with the DEFSTANs / AQAPs listed under Schedule 5 of the Contract. The AQAP 2110 Edition3/Edition D version 1 applies to this contract agreement and follows NATO quality assurance requirements for production.

Each contract item shall be clearly identified by its drawing/drawing list number and issue status. The Contractor shall ensure that all product drawings, specifications and related documentation, defining both physical and functional characteristics, are subject to appropriate configuration control procedures. Where required by MOD for item NATO codification purposes the Contractor will provide the necessary drawings and specifications, in accordance with DEFCON 117.

The Authority may, at its sole discretion, undertake examination of items delivered, together with the associated inspection record to ensure conformance of the Articles to the requirements of this Contract. In the course of performing such activities, the Authority may, at its sole discretion, submit components or assemblies for critical examination to its own or accredited third party laboratories or test houses.

The Authority may, at its sole discretion, task the Quality Assurance Authority to carry out Quality Assurance surveillance, including reciprocal Government Quality Assurance Representative (GQAR) arrangements under STANAG 4107 for Contractors/sub-Contractors placed outside the UK.

The Contractor shall be responsible for the rectification of any faults identified in the above paragraphs and for all associated costs. Articles found to be faulty may be rejected in accordance with DEFCON 524.

10 MARKING OF ARTICLES

All Articles shall be permanently marked with their individual serial number (if applicable) and NATO Stock Number (NSN). Articles that are too small to be permanently marked shall be identified using barcode labels on the individual packaging of each item, in accordance with

DEFCON 129. Any marking method used shall not have an adverse effect upon the strength, function reliability or corrosion resistance of the Articles.

Where articles of supply are not already codified, the Contractor shall be responsible for arranging codification, through the United Kingdom National Codification Bureau (UKNCB), of the Articles to obtain NSNs. Where the Contractor is aware that an Article has already been codified by another NCB he shall provide full details of that codification to the PM so that UK interest can be registered.

11 SAFETY AND ENVIRONMENTAL

The Contractor shall ensure that the Equipment is safe to operate and maintain and that the requirements stipulated in the Contract for the safety of the Equipment and its impact on the environment are met in full.

In performing the Contract the Contractor shall comply with all his statutory duties and obligations relating to safety and environmental and shall be responsible for ensuring that none of the Contract requirements causes him to be in breach of any statutory duty or obligation relating to safety.

If, after the Contract is made, it appears that any specification or other Contract condition agreed between the Contractor and the Authority may render the Contractor in breach of any statutory duty or obligation relating to safety or the environment, it shall immediately draw that fact to the Authority's attention.

The Authority may, without prejudice to any of its rights which may have arisen under the Conditions above, require the Contractor to vary each such condition at its own expense in a manner acceptable to the Authority and which will not render the Contractor in breach of any statutory duty or obligation relating to safety.

Nothing in the Contract, or in any other document created or signed on behalf of the Authority in connection with it, shall constitute a written undertaking for the purposes of Section 6(8) of the Health and Safety at Work Act 1974 relieving the Contractor of any of his duties under Section 6 of that Act, or the Environmental Act 1995.

The Authority shall be entitled to reject the Equipment if any of the safety requirements set out in the Contract are not met in full.

12 INSPECTION AND TEST RECORDS

The Contractor shall retain all Inspection and Test records relating to Articles delivered under this Contract, and those required by any UK safety legislation applicable to the Articles, for a period of four years from the completion of all work under the Contract in accordance with DEFCON 609. Exceptionally, when requested by the Contractor, earlier disposal may be authorised in writing by the PM or his authorised representative if acceptable to the Authority.

At the end of the retention period, the Contractor shall seek confirmation from the PM that the Inspection and Test records may be destroyed. If the Authority wishes them to be retained, the PM shall make the necessary arrangements for their delivery to the Authority.

13 PACKAGING

All articles supplied shall be packaged in manufacturers retail trade pack, unless otherwise stated on the relevant Demand Order Form at ANNEX B to Schedule 2, in accordance with DEF STAN 81-41. The Contractor's attention is specifically drawn to the requirements of DEFCON 129 paragraph 10, DEFSTAN 81-41 Part 6 and STANAG 4329 for barcode labelling.

The Contractor is to provide adequate preservation and packaging to protect the quality and prevent loss, deterioration, degradation or substitution of the Articles during transit from the Contractor's place of manufacture to the Authority's point of delivery.

14 DELIVERY

The delivery schedule for repaired equipment shall be made in accordance with the dates stated on the specific Order for Repair. If the contractor believes this is unachievable a suitable delivery schedule will be agreed between the Authority's PM and the contractor.

All Articles shall be delivered in accordance with the Terms and Condition of the Contract and to the satisfaction and direction of the PM.

Unless otherwise instructed by the PM all Articles supplied shall be delivered to:

Building 54, Trade Receipts, Leidos Donnington, Telford, Shropshire, TF2 8JT.

Under the guidelines laid down in Government Furnished Asserts, MOD shall arrange the delivery of E0 stock from MOD Stores to Contractor. The Contractor shall manage all transportation to and from Sub-Contractors. Upon completion of the repair and the Contractor shall inform the Authority and arrange transport of A1 stock to MOD Stores; payment against the repair will be authorised once the Authority receive proof of delivery.

The turnaround time for the repair of equipment is not to exceed 16 weeks unless agreed otherwise; this starts from confirmation of receipt of E0 stock at Contractor from MOD Stores and finishes at the verification that A1 stock has arrived at MOD Stores from Contractor.

For items that are to be imported into the UK (a member country of the EU), the Department will issue an appropriate Certificate covering the goods to be imported. The Certificate is to accompany items imported into the UK and is to be presented to HM Customs and Excise at the time of import. The items must fall within a defined list of CN (Combined Nomenclature) codes. European Council (EC) Regulation 150/2003 sets out the rules that apply in respect of import duty on certain weapons and military equipment imported into the EU. Further information about end-use authorisation and import of goods under end-use can be found on the Customs website at www.hmce.gov.uk.

EQUIPMENT TO BE COVERED BY REPAIR SERVICES

Item	NSN	L&A	MPN	Design Authority	Associated Weapon System	Notes
L10A2 GPMG mount	1005-99-586-0748	L10A2	5829-89	Manroy	GPMG	Not on LWSSS
PAC24 GPMG mounts	1005-99-873-7121	N/A	9487-170	Manroy	GPMG	Not on LWSSS
Any Spares and Special Tools and Test Equipment	Various	N/A	Various	Various	Various	Only those not covered by LWSSS