

Dated

March 2022



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO. 702540454

TERMS AND CONDITIONS

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SCHEDULES

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Name & Address of Contractor BAE Systems (Operations) Ltd Warwick House, PO Box 87, Farnborough Aerospace Centre, Farnborough, GU14 6YU		MINISTRY OF DEFENCE Schedule of Requirements For Hawk	Contract No: 702540454
Item No	Description	Price (ex VAT)	
1	<p><u>Core Service</u></p> <p><u>TMk2</u></p> <p>The provision of Hawk TMk2 In-Service Support in accordance with Schedule 3 (<i>Statement of Work</i>) to support pilot training from 1st April 2022 to 31st March 2033 to meet the object of the Contract.</p> <p><u>TMk1 (RAFAT)</u></p> <p>The provision of Hawk TMk1 In-Service Support in accordance with Schedule 3 (<i>Statement of Work</i>) to support RAFAT from 1st April 2022 to 31st March 2030 to meet the object of the Contract.</p> <p>(TMk2 and TMk1 (RAFAT): £ [REDACTED – Under FOIA Section 43, Commercial interests])</p> <p><u>TMk1 (RAFAT) Depth Maintenance and Black-to-Red Conversion Programme</u></p> <p>The Contractor shall deliver the TMk1 (RAFAT) Depth Maintenance and Black-to-Red Conversion Programme in accordance with Schedule 3 (<i>Statement of Work</i>) from 1st April 2022 to 31st March 2030. £ [REDACTED – Under FOIA Section 43, Commercial interests]</p> <p><u>Station Work</u></p> <p>The Contractor shall deliver the station work activities in accordance with Schedule 3 (<i>Statement of Work</i>) from 1st April 2022 to 31st March 2033. £ [REDACTED – Under FOIA Section 43, Commercial interests]</p>	<p>Target Cost: £ [REDACTED – Under FOIA Section 43, Commercial interests]</p> <p>Target Fee: £ [REDACTED – Under FOIA Section 43, Commercial interests]</p> <p>Target Price: £590,695,759</p>	
2	<p><u>Emergent Tasks</u></p> <p>The Contractor shall deliver Emergent Tasks initiated by an Emergent Task Form (ETF) at Annex 2 of Schedule 14 (<i>Contract Change Procedure</i>) and authorised in accordance with Condition 14.</p>	<p>As detailed at Schedule 17 (<i>List of Approved Emergent Tasks</i>)</p>	

3	<u>Procurement of TMk1 (RAFAT) Out of Scope Items</u> The Contractor shall deliver TMk1 (RAFAT) Out of Scope items in accordance with Condition 15.	£ [REDACTED – Under FOIA Section 43, Commercial interests] Limit of Liability per Contract Year
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THIS CONTRACT is dated

March 2022

BETWEEN:

- (1) **THE SECRETARY OF STATE FOR DEFENCE** acting through Defence, Equipment and Support whose address is MOD Abbey Wood, Bristol, BS34 8JH (the "**Authority**"); **and**
- (2) **BAE SYSTEMS (OPERATIONS) LIMITED** a company incorporated and registered in England and Wales with company registration number 01996687 whose registered address is Warwick House, PO Box 87, Farnborough Aerospace Centre, Farnborough, GU14 6YU (the "**Contractor**").

IT IS AGREED as follows:

SECTION A – THE PRELIMINARIES

1 INTERPRETATION

- 1.1 In this Contract (as defined therein) the words and expressions set out in Part A of Schedule 1 (*Definitions and Acronyms*) and in Appendix A of Schedule 3 (*Statement of Work*) shall have the meanings given to them, except where the context requires a different meaning.
- 1.2 In this Contract the acronyms and abbreviations set out in Part B of Schedule 1 (*Definitions and Acronyms*) shall have the meanings given to them.
- 1.3 In this Contract, unless the context otherwise requires:
 - (a) the singular includes the plural and vice versa;
 - (b) reference to a gender includes the other gender and the neuter;
 - (c) references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Central Government Body;
 - (d) to the extent they are not already defined in this Contract, the words and phrases defined in Part 38 of the Companies Act 2006 shall apply;
 - (e) the words "including", "other", "in particular", "for example" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "without limitation";
 - (f) references to "writing" include typing, printing, lithography, photography, display on a screen, electronic and other modes of representing or reproducing words in a visible form but excluding facsimile transmission, and expressions referring to writing shall be construed accordingly;
 - (g) "loss" includes damage or destruction;

- (h) "materiel" is a generic term meaning equipment (including fixed assets), stores, supplies and spares;
 - (i) "person" includes any legal or natural person or persons;
 - (j) the headings are for ease of reference only and shall not affect the interpretation or construction of this Contract;
 - (k) unless excluded within the terms of the Contract or where required by law:
 - (i) references to submission of documents in writing shall include electronic submission; and
 - (ii) any requirement for a document to be signed or references to signatures shall be construed to include electronic signature, provided that a formal method of authentication as agreed between the Parties is employed;
 - (l) references to meetings are as set out in Schedule 13 (*Governance*);
 - (m) unless otherwise provided references to "Conditions" and "Schedules" are references to the Conditions and Schedules of this Contract and references in any Schedule to "paragraphs", "Parts" and "Annexes" are, unless otherwise provided, references to the paragraph, Parts and Annexes of the Schedule or the Part of the Schedule in which the references appear; and
 - (n) references to this Contract are references to this Contract as amended from time to time.
- 1.4 If there is any conflict between the Conditions and the Schedules and/or any Annexes to the Schedules, the conflict shall be resolved in accordance with the following order of precedence:
- (a) Conditions 1 to 63 (excluding the listed DEFCONs and DEFFORMs);
 - (b) Schedule 1 (*Definitions and Acronyms*) and the definitions set out in Appendix A of Schedule 3 (*Statement of Work*), save in respect of the definitions referred to in Condition 42.1 (*Intellectual Property DEFCONs*) where the DEFCONs shall take precedence;
 - (c) the DEFCONs and DEFFORMs listed within Conditions 1 to 63;
 - (d) MAA Regulatory Articles and Defence Standards at Schedule 8 (*Standards*);
 - (e) Schedule 3 (*Statement of Work*);
 - (f) the other Schedules;
 - (g) the Annexes to the Schedules; and
 - (h) any other document and any other Standard incorporated by reference into the Contract.

For the avoidance of doubt, if there is a conflict between the Contract and any ETF, such ETF shall take precedence.

- 1.5 The Schedules and their Annexes form part of this Contract.
- 1.6 In entering into this Contract the Authority is acting as part of the Crown.
- 1.7 Where expressly stated throughout, DEFCONs are incorporated into the terms and conditions of this Contract.

2 OBJECT OF THE CONTRACT

- 2.1 The Parties acknowledge that the object of this Contract is for the Contractor to provide in-service support activities for the Hawk TMk1 (RAFAT) and Hawk TMk2 aircraft to ensure that a sufficient number of TMk1 FAF Aircraft and TMk2 Fit for Purpose Aircraft are made available to the Authority or the Authority's Representative to enable the Authority to meet the TMk1 and TMk2 Annual Flying Plans.
- 2.2 To meet the object of the Contract, the Contractor shall undertake the activities set out in Schedule 3 (*Statement of Work*) and provide the CDRLs set out in Schedule 7 (*Contract Data Requirements List*).
- 2.3 The overarching assumptions, exclusions and dependencies that underpin the Services are set out in Schedule 4 (*Master Data Assumptions List*).

3 QUALIFYING DEFENCE CONTRACT

- 3.1 The Parties acknowledge that the Contract is a Qualifying Defence Contract for the purposes of the Defence Reform Act 2014 and the Single Source Contract Regulations 2014.

SECTION B – THE SERVICES

4 TERM

Contract Period

- 4.1 This Contract shall commence on the Commencement Date and (except as expressly stated otherwise in this Contract) shall continue until the Expiry Date unless the Contract is terminated early in accordance with the terms of this Contract ("**the Contract Period**").

Contract Period Extension

- 4.2 The Authority may request to extend the Contract Period by giving the Contractor at least two (2) years' notice before the end of the Contract Period. If the Contractor agrees to such an extension in principle then the Parties shall agree to work together in good faith to agree the terms of such extension (including but not limited to Condition 45 (*Limitations of Liability*)).

5 SERVICES AND CONTRACTOR OBLIGATIONS

- 5.1 The Contractor shall provide the Services for the Contract Period.
- 5.2 Schedule 2 (*Statement of Requirement*) is for information purposes only and articulates the Authority's requirements. The Contractor shall be under no obligation to fulfil the requirements detailed therein save for as set out in Schedule 3 (*Statement of Work*). The Contractor's scope of work can be found within Schedule 3 (*Statement of Work*).
- 5.3 The Contractor shall perform all its obligations under this Contract in accordance with (but not limited to):
- (a) all applicable Law;
 - (b) Good Industry Practice;
 - (c) the Standards set out at Schedule 8 (*Standards*);
 - (d) Schedule 9 (*Security Aspects Letter*); and
 - (e) the Quality Plans.
- 5.4 The Parties shall comply with the RA Compliancy Matrix set out at Appendix A to Schedule 8 (*Standards*).
- 5.5 Where an Article requires repair or replacement, the Contractor shall in the first instance seek to rely upon the warranty provisions of its Sub-Contracts.
- 5.6 The Contractor shall ensure that all Articles that it supplies to meet its obligations under the Contract are obtained from approved CAA, FAA, EASA, Authority (MAA) or Contractor approved sources and that any Sub-Contractors undertaking test, repair and overhaul activities are similarly approved. The Contractor shall also ensure that certificates for release to service/certificates of conformity to MAA, CAA, FAA, EASA or MOD QA standards are received with all Articles which have been supplied, repaired or overhauled under the Contract. With the exception of parts associated with alternate designer modifications¹, Articles are to be supplied to the design standard of the Aircraft, in accordance with the Master Record Index (MRI) (or its equivalent) maintained by the lead Design Organisation. Articles associated with alternate designer modifications¹ are to be supplied to the design standard specified in the relevant design documentation.

6 TRANSFORMATION AND CONTINUOUS IMPROVEMENT

- 6.1 The Parties shall work collaboratively together to implement and deliver the benefits as set out in Schedule 6 (*Transformation Plan*). Furthermore, the Parties will work together throughout the

¹ In legacy terminology this would have been equivalent to Service Modification.

Contract Period to identify and implement further cost effective opportunities to improve efficiency of delivery of the Service.

7 WARRANTIES AND REPRESENTATIONS

Contractor Warranties

- 7.1 The Contractor warrants and represents to the Authority that:
- (a) it is validly incorporated, organised and subsisting in accordance with the Laws of its place of incorporation;
 - (b) it has the corporate power to enter into and to exercise its rights and perform its obligations under the Contract and any Sub-Contracts that it enters into;
 - (c) 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 the Contract;
 - (d) so far as it is aware, there is not, nor has there been, any infringement or alleged infringement of any third party's IPR in connection with the Contract; and
 - (e) its entering into, delivery and performance of the Contract has been validly authorised by all appropriate corporate and other action and that all its obligations under the Contract constitute legally valid, binding and enforceable obligations.
- 7.2 The Authority relies upon such warranties and undertakings.

Contractor Undertakings

- 7.3 The Contractor undertakes that for so long as the Contract remains in full force:
- (a) 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 the Contract, the Contractor's ability to perform its obligations under the Contract, unless such notice is precluded by the rules of the Dispute Forum. Such notice to the Authority shall be given within twenty (20) Working Days of the Contractor becoming aware such proceedings may be threatened or pending, and immediately after the commencement thereof; and
 - (b) it shall not undertake the performance of its obligations under the Contract otherwise than through itself or a Sub-Contractor.

Status of Contractor Warranties and Undertakings

- 7.4 None of the warranties, representations, undertakings, indemnities and other obligations made, given or undertaken by the Contractor in the Contract shall be given a limited construction by reference to any other.

8 THE AUTHORITY'S OBLIGATIONS

- 8.1 The Authority warrants and represents to the Contractor that:
- (a) it has the power to enter into and to exercise its rights and perform its obligations under the Contract;
 - (b) 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 Authority to perform its obligations under the Contract;
 - (c) so far as it is aware, there is not, nor has there been, any infringement or alleged infringement of any third party's IPR in connection with the Contract; and
 - (d) its entering into, delivery and performance of the Contract has been validly authorised by all appropriate corporate and other action and that all its obligations under the Contract constitute legally valid, binding and enforceable obligations.
- 8.2 The Contractor relies upon such warranties and undertakings.
- 8.3 The Authority shall comply with its obligations set out in this Contract.

9 PERFORMANCE MANAGEMENT AND KEY PERFORMANCE INDICATORS

- 9.1 The Contractor's performance for Item 1 (Core Service) shall be measured against the Key Performance Indicators (KPIs) and Key Resilience Indicators (KRIs) set out as follows:

KPIs:

- KPI A – Aircraft Fit for Purpose (TMk2 only)
- KPI B – Aircraft in Forward Available Fleet (TMk1 only)

KRIs (TMk1 RAFAT and TMk2):

- KRI 1 – Inventory Management
- KRI 2 – Bank of hours/Bank of Days (TMk2 only)
- KRI 3 – Support Equipment
- KRI 4 – Management Performance
- KRI 5 - Technical Through Life Support (TTLS) performance

Monthly Performance Report

- 9.2 The Contractor's performance in achieving the KPIs and KRIs shall be measured on a Monthly basis. In support of this, the Contractor shall prepare, and deliver to the Monthly Joint Performance Review Chairpersons, a Monthly Performance Report. The Monthly Performance Report shall be divided into separate sections covering both the KPIs and the KRIs, and shall be compiled by the Contractor in accordance with the provisions of this Condition 9 (*Performance Management and Key Performance Indicators*) and Schedule 7 (*Contract Data Requirements List*).
- 9.3 For the avoidance of doubt, each KPI and KRI shall be measured separately. Any act, omission, cause or factor that would otherwise adversely affect the scoring for more than one (1) KPI and KRI, shall only apply to a single KPI or KRI for the applicable Month. Both Parties shall act reasonably in determining which KPI or KRI score shall be affected for the applicable Month. Where a KPI and KRI are both impacted, then, in determining which KPI or KRI shall be affected, the KPI shall take precedence.
- 9.4 Each Monthly Performance Report shall cover a single Month and shall be submitted by the Contractor to the Authority after the end of the Month to which it relates, within five (5) Working Days. Before submission to the Authority, the report shall be signed by the Contractor to certify that it is an accurate reflection of the Contractor's performance. The Monthly Performance Report shall form the basis for review and discussion by the Parties at the Monthly Joint Performance Review and Monthly Joint Business Review, (see Schedule 13 (*Governance*)). The Monthly Performance Report will be formally accepted before, or at, the next Monthly Joint Performance Review to allow payment in line with Condition 27 (*Payment*).
- 9.5 If the Parties are unable to agree on the Contractor's assessment in the Monthly Performance report, then the Parties shall follow the escalation process set out in Condition 58 (*Escalation Process*) to resolve the matter.
- 9.6 If the Monthly Joint Performance Review is delayed or cancelled for any reason, and the Authority does not reject the Monthly Performance Report within twenty (20) Working Days of delivery by the Contractor to the Authority, then the Monthly Performance Report shall be deemed accepted by the Authority and the Contractor shall be entitled to claim payment in accordance with Condition 27 (*Payment*).
- 9.7 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.8 The KPIs and KRIs shall be measured and reported on from the Commencement Date. [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.9 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.10 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.11 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.12 [REDACTED – Under FOIA Section 43, Commercial interests].

Pilot Bonus

- 9.13 The Contractor shall be entitled to an annual pilot bonus where the Annual Enterprise Pilot Output Target is achieved in accordance with Condition 28.8(d).
- 9.14 The Authority shall ensure that the Annual Enterprise Pilot Output Target is reasonable and achievable for the Contract Year. Where the Contractor (acting reasonably) disagrees that the Annual Enterprise Pilot Output Target is realistic or achievable, then the Parties shall use reasonable endeavours to agree an alternative target for the applicable Contract Year.

Key Performance Indicator**KPI A – Aircraft Fit for Purpose (TMk2 only)**

- 9.15 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.16 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.17 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.18 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.19 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.20 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.21 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.22 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.23 [REDACTED – Under FOIA Section 43, Commercial interests]:
- 9.24 [REDACTED – Under FOIA Section 43, Commercial interests]:
- 9.25 [REDACTED – Under FOIA Section 43, Commercial interests]:
- 9.26 [REDACTED – Under FOIA Section 43, Commercial interests]:
- 9.27 [REDACTED – Under FOIA Section 43, Commercial interests]

9.28 [REDACTED – Under FOIA Section 43, Commercial interests]

KPI B – Aircraft in Forward Available Fleet (TMk1 (RAFAT) only)

9.29 [REDACTED – Under FOIA Section 43, Commercial interests]

9.30 [REDACTED – Under FOIA Section 43, Commercial interests]

9.31 [REDACTED – Under FOIA Section 43, Commercial interests]

9.32 [REDACTED – Under FOIA Section 43, Commercial interests].

9.33 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.34 [REDACTED – Under FOIA Section 43, Commercial interests].

9.35 [REDACTED – Under FOIA Section 43, Commercial interests].

9.36 [REDACTED – Under FOIA Section 43, Commercial interests].

Key Resilience Indicators

KRI 1 – Inventory Management

9.37 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.38 [REDACTED – Under FOIA Section 43, Commercial interests].

9.39 [REDACTED – Under FOIA Section 43, Commercial interests].

9.40 [REDACTED – Under FOIA Section 43, Commercial interests].

9.41 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.42 [REDACTED – Under FOIA Section 43, Commercial interests].

9.43 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.44 [REDACTED – Under FOIA Section 43, Commercial interests].

9.45 [REDACTED – Under FOIA Section 43, Commercial interests]

9.46 [REDACTED – Under FOIA Section 43, Commercial interests].

9.47 [REDACTED – Under FOIA Section 43, Commercial interests].

KRI 2 – TMk2 Bank of Hours/ Bank of Days

9.48 [REDACTED – Under FOIA Section 43, Commercial interests].

9.49 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.50 [REDACTED – Under FOIA Section 43, Commercial interests].

9.51 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.52 [REDACTED – Under FOIA Section 43, Commercial interests]

9.53 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.54 [REDACTED – Under FOIA Section 43, Commercial interests].

9.55 [REDACTED – Under FOIA Section 43, Commercial interests].

KRI 3 – Support Equipment

9.56 [REDACTED – Under FOIA Section 43, Commercial interests].

9.57 [REDACTED – Under FOIA Section 43, Commercial interests].

9.58 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.59 [REDACTED – Under FOIA Section 43, Commercial interests]

9.60 [REDACTED – Under FOIA Section 43, Commercial interests]

9.61 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.62 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.63 [REDACTED – Under FOIA Section 43, Commercial interests]

9.64 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.65 [REDACTED – Under FOIA Section 43, Commercial interests].

9.66 [REDACTED – Under FOIA Section 43, Commercial interests]

KRI 4 – Management Performance

9.67 [REDACTED – Under FOIA Section 43, Commercial interests].

9.68 [REDACTED – Under FOIA Section 43, Commercial interests]

9.69 [REDACTED – Under FOIA Section 43, Commercial interests].

KRI 4a – Completion of F760s and F765s

9.70 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.71 [REDACTED – Under FOIA Section 43, Commercial interests].

9.72 [REDACTED – Under FOIA Section 43, Commercial interests].

9.73 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.74 [REDACTED – Under FOIA Section 43, Commercial interests].

9.75 [REDACTED – Under FOIA Section 43, Commercial interests]:

- 9.76 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.77 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.78 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.79 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.80 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.81 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.82 [REDACTED – Under FOIA Section 43, Commercial interests]:

- 9.83 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.84 [REDACTED – Under FOIA Section 43, Commercial interests]

KRI 4b - Adherence to core governance

- 9.85 [REDACTED – Under FOIA Section 43, Commercial interests]
- 9.86 [REDACTED – Under FOIA Section 43, Commercial interests]:
- 9.87 [REDACTED – Under FOIA Section 43, Commercial interests]:
- 9.88 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.89 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.90 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.91 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.92 [REDACTED – Under FOIA Section 43, Commercial interests].
- 9.93 [REDACTED – Under FOIA Section 43, Commercial interests]

KRI 4c – Delivery of CDRIs

- 9.94 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.95 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.96 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.97 [REDACTED – Under FOIA Section 43, Commercial interests]

9.98 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.99 [REDACTED – Under FOIA Section 43, Commercial interests].

9.100 [REDACTED – Under FOIA Section 43, Commercial interests]

KRI 4d - Delivery of Key Transformation Milestones

9.101 [REDACTED – Under FOIA Section 43, Commercial interests].

9.102 [REDACTED – Under FOIA Section 43, Commercial interests]

9.103 [REDACTED – Under FOIA Section 43, Commercial interests].

9.104 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.105 [REDACTED – Under FOIA Section 43, Commercial interests].

9.106 [REDACTED – Under FOIA Section 43, Commercial interests]

KRI 5 – Technical Through Life Support

9.107 [REDACTED – Under FOIA Section 43, Commercial interests].

9.108 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.109 [REDACTED – Under FOIA Section 43, Commercial interests]

9.110 [REDACTED – Under FOIA Section 43, Commercial interests].

9.111 [REDACTED – Under FOIA Section 43, Commercial interests]:

9.112 [REDACTED – Under FOIA Section 43, Commercial interests].

General

- 9.113 Nothing in this Condition 9 (*Performance Management and Key Performance Indicators*) shall remove or in any way diminish the Contractor's obligation to meet the requirements of the Contract; nor shall it prejudice any of the Authority's rights to remedy set out elsewhere in the Contract in the event of any deficiency in the Contractor's performance which is not related to the KPIs and/or KRIs.
- 9.114 On an exceptional basis, the Contractor shall afford full and free access to Facilities, equipment and information to enable the Authority to review any performance-related information to representatives of the Authority on five (5) Working Days' notice during normal business hours (respecting health and safety requirements and minimising impact to business operations) to enable the Authority to review and/or audit the underlying performance-related information in order to satisfy itself regarding the accuracy of the Contractor's reporting, and the Contractor shall make available for inspection such Facilities, equipment and information as may be required.
- 9.115 In the event that the Authority authorises an Item 2 Emergent Task in accordance with Part C of Schedule 14 (*Contract Change Procedure*), such an Item 2 Emergent Task shall be subject to whatever remedies the Authority and Contractor shall agree are appropriate to that Item 2 Emergent Task, provided always that the Parties shall act fairly and reasonably in doing so. Those remedies shall be set out in the appropriate Item 2 Emergent Tasking Form.

Enterprise Reverse Performance Indicators

- 9.116 In the spirit of a Hawk Enterprise approach, the Authority's performance against the Enterprise Reverse Performance Indicators (ERPIs) will be measured in accordance with Schedule 24 (*Enterprise Reverse Performance Indicators*).

10 CONTRACTOR'S ORGANISATION

- 10.1 The Contractor shall maintain an organisation having the necessary Facilities (other than those provided by the Authority) and Employees of appropriate qualifications and experience to undertake the tasks specified in Schedule 3 (*Statement of Work*).
- 10.2 The Contractor shall be responsible for ensuring the training of its Employees. For the avoidance of doubt, the Authority shall provide the training as set out in Schedule 23 (*Government Furnished Assets*).

- 10.3 The Contractor shall ensure the continuity in post of managerial and supervisory staff except that the Authority recognises that for good company practice, the Contractor may replace certain staff by the appointment of suitable replacements. The Contractor shall provide to the Authority the latest Hawk UK senior management team organisation chart at each Monthly Joint Performance Review. The Contractor shall appoint one (1) member of its staff as local security officer who shall be responsible, in consultation with the Authority as necessary, for the implementation of all security arrangements concerning the Contractor's staff, the area in which they are employed, their offices and equipment.

11 NECESSARY CONSENTS

- 11.1 The Contractor shall:

- (a) use reasonable endeavours to obtain and maintain all Contractor Necessary Consents which may be required for the provision of the Services under the Contract;
- (b) use reasonable endeavours to assist the Authority to obtain the Authority Necessary Consents;
- (c) be responsible for implementing the Contractor Necessary Consents (save to the extent that only the Authority is, as a matter of law, able to implement the whole or the relevant part of such Contractor Necessary Consent) within the period of its validity in accordance with its terms and relevant Law;
- (d) provide to the Authority, when required, a copy of:
 - (i) any application for a Contractor Necessary Consent or any variation, relaxation or waiver (with a copy of all accompanying drawings and other documents);
 - (ii) any Contractor Necessary Consent; and
 - (iii) any legally binding agreement entered in to for the purposes of obtaining a Contractor Necessary Consent,where such disclosure is permitted;
- (e) comply with the conditions attached to any Contractor Necessary Consents and the terms of any associated legally binding agreement and procure that no such Contractor Necessary Consent or associated legally binding agreement is breached by it or any Contractor Related Party; and
- (f) comply with Site Operating Procedures and Authority Necessary Consents where and to the extent that details of the requirements of such Site Operating Procedures and Authority Necessary Consents relevant to the activities of the Contractor have been made available to or been provided to the Contractor on the MODNet Intranet sufficiently in advance of the issue in question arising for the Contractor to have had a reasonable period within which to take steps to comply with such Authority Necessary Consents.

- 11.2 The Parties shall use all reasonable endeavours to preserve the Necessary Consents, and procure, where they are able to do so, that such Necessary Consents are not revoked or quashed and that all Necessary Consents continue in full force and effect for such time as is necessary for the Contractor to provide the Services to the Authority.
- 11.3 The Authority shall, subject to the Contractor's compliance with Condition 11.1(b), use all reasonable endeavours to obtain the Authority Necessary Consents, and where relevant make available or provide copies to the Contractor of such Necessary Consents, including any associated terms and conditions and related agreements.
- 11.4 [REDACTED – Under FOIA Section 43, Commercial interests].
- 11.5 [REDACTED – Under FOIA Section 43, Commercial interests].

12 ENVIRONMENTAL PROTECTIONS

- 12.1 The Contractor shall ensure that at all times during the Contract the Contractor shall, and shall procure that its Sub-Contractors, and/or their respective Employees, agents or any other person the Contractor authorises to be present at the Premises or who performs any part of the activities under the Contract (a “**Contractor Responsible Party**”) shall exercise Good Environmental Practice which shall include carrying out and abiding by the following provisions:
- (a) comply with Environmental Law in relation to its occupation and use of the Premises and the performing of its activities under the Contract;
 - (b) comply with all Environmental Permits held by the Contractor and comply with all Environmental Permits held by the Authority where details of all terms and conditions relevant to the activities of the Contractor have been provided to the Contractor sufficiently in advance of the issue in question arising for the Contractor to have had a reasonable period within which to take steps to comply with such Environmental Permit;
 - (c) comply with Authority Regulations in relation to its occupation and use of the Premises and the performing of its activities under the Contract;
 - (d) comply with the duty of care in respect of waste pursuant to Section 34 of the Environmental Protection Act 1990 as may be amended or substituted during the period of the Contract;
 - (e) comply with the principles of ISO14001, ISO50001 and ISO14040 or replacements thereof from time to time;
 - (f) subject to Condition 12.9, in respect of the Premises keep a record of the nature, amounts and use of Hazardous Materials brought on to or otherwise stored (in accordance with Good Environmental Practice) or used at the Premises including details of the operations in which such materials are used and the location in which they are stored;
 - (g) in respect of the Premises, report promptly to the Authority full details of:

- (i) any acts, events or circumstances which involve the deposit or spill of, mixing or inadvertent use of Hazardous Materials in quantities, concentrations or circumstances which may at any time require Remediation; and
- (ii) any indication or detection of Pre-Existing Contamination, Contractor Caused Contamination or Contamination of which the Contractor becomes aware including the location of any such contamination which may give rise to a breach of Environmental Law;

12.2 In respect of the Premises, the Contractor shall ensure, acting in accordance with Good Environmental Practice, that at all times the effects (including on the environment, human health and property) of:

- (a) any Contractor Caused Contamination; and
- (b) any Environmental Losses attributable thereto,

are minimised to the extent reasonably possible.

12.3 In the event that the Authority has notified the Contractor of Contamination and/or Pre-Existing Contamination the Contractor will take all reasonable steps to avoid exacerbating such Contamination and/or Pre-Existing Contamination.

12.4 In respect of any Contractor Caused Contamination which requires or may require Remediation during the period of the Contract, the Authority shall, save in an emergency, submit promptly proposals outlining the scope of any proposed Remediation which shall include a proposed remediation strategy, a scope of works and relevant costings to the Contractor for prior written Approval. In the event that such proposals are Approved by the Contractor the Authority shall promptly and fully implement such Remediation. Any Remediation carried out under this Condition 12.4 shall be at the expense of the Contractor. In the event that the Contractor does not Approve the proposals within 30 days or where such Remediation was undertaken in an emergency, then the Parties shall follow the escalation process set out in Condition 58(*Escalation Process*) to resolve the matter.

12.5 In the event that any Contractor Caused Contamination in relation to the Premises which in the reasonable opinion of the Contractor requires emergency Remediation in order to not breach Environmental Law and/or Environmental Permits (subject to the Authority having complied with Condition 12.1(b) in order to prevent or minimise its effects on the use of the Premises, or the performance of the Contractor's activities under the Contract, the Contractor shall notify the Authority that emergency Remediation is required. Any Remediation carried out under this Condition 12.5 shall be at the expense of the Contractor save to the extent that Condition 12.7 is applicable when it shall be at the expense of the Authority.

12.6 The Contractor shall provide such access, assistance and co-operation as may be necessary to allow the Authority to carry out Remediation under Conditions 12.4, 12.5 and 12.7.

- 12.7 In the event of Pre-Existing Contamination or Contamination which in the reasonable opinion of the Contractor requires or may require Remediation at any time during the period of the Contract in order to prevent or minimise its effects on the performance of the Contractor's activities under the Contract, the environment, human health and property, the Contractor shall notify the fact to the Authority as soon as reasonably practicable following the Contractor becoming aware of such Pre-Existing Contamination or other Contamination and the Authority shall as soon as reasonably practical carry out such Remediation as it considers to be necessary in the circumstances at the expense of the Authority.
- 12.8 Pursuant to Condition 12.7, the Contractor shall be entitled to apply for relief from the Authority's rights under Condition 23 (*Authority Dependency Failure*) during the period of Remediation. Any decision to accept alleviation for the Contractor to the Authority's rights under Condition 23 (*Authority Dependency Failure*) shall not be unreasonably withheld or delayed.
- 12.9 The Authority shall provide the Contractor with prior written notification whenever an Authority Related Party plans to bring Hazardous Materials on to the Premises or otherwise store or use Hazardous Materials at the Premises in quantities or concentrations which would require an Environmental Permit or which is governed by Environmental Law. Such notification shall include relevant details of the nature, amounts and use of Hazardous Materials, and give details of the operations in which the materials are proposed to be used and the location in which they are proposed to be stored, a copy of any applicable Environmental Permit or details of all terms and conditions relevant to the activities of the Contractor should also be provided. The Contractor shall have no liability to the Authority in respect of any breach of the Contract to the extent that such breach is due to a failure by the Authority to comply with this Condition 12.9.
- 12.10 If either Party is prosecuted as a consequence of any: Contamination, Contractor Caused Contamination or Pre-Existing Contamination; and subsequently fined as a result then the Party that is convicted shall pay such fines. For the avoidance of doubt payment of such fines shall not be included in any caps on liability as set out at Condition 45 (*Limitations on Liability*).
- 12.11 [REDACTED – Under FOIA Section 43, Commercial interests].
- 12.12 [REDACTED – Under FOIA Section 43, Commercial interests].
- 12.13 To the extent that the Contractor suffers or incurs any Contractor's Environmental Loss in respect of:
- (a) Pre-Existing Contamination; and/or
 - (b) Contamination; and/or
 - (c) any errors, omissions or inaccuracies in the details provided by the Authority to the Contractor referred to in Condition 12.9,

the Contractor shall be entitled to claim and receive damages from the Authority in respect of such Contractor's Environmental Loss to the extent that:

- (i) the Contractor's Environmental Loss was the result of one of the circumstances set out in Conditions 12.13(a) to 12.13(c); and
- (ii) the Contractor's Environmental Loss could not be reasonably be expected to be avoided or mitigated by the Contractor (provided that the Contractor would not be required to remediate any Pre-Existing Contamination or Contamination in order to avoid Contractor's Environmental Loss).

12.14 If the Authority disagrees that any of the circumstances set out in Condition 12.13 has occurred (or disputes the consequences of such a circumstance), or that the Contractor is entitled to any damages under that Condition, or the Parties cannot agree the extent of any damages under the provisions of that Condition, then the Parties shall follow the escalation process set out in Condition 58 (*Escalation Process*).

12.15 Notwithstanding Condition 55 (*Consequences of Termination*), the provisions of Conditions 12.4, 12.11, 12.12 and 12.13 shall apply for a period of 4 years following the completion of the Contractor's activities under the Contract.

Compliance with the Montreal Protocol

12.16 The Contractor shall be responsible for ensuring that all operations carried out by the Contractor and its Sub-Contractors pursuant to the Contract shall at all times comply with the Authority's policy on the supply of information about substances referred to in the Montreal Protocol as such policy is set out in Schedule 11 (*Montreal Protocol*).

13 OBSOLESCENCE

Obsolescence Strategy

13.1 The Authority shall have ownership of the obsolescence strategy.

13.2 The obsolescence strategy will be reviewed by the Authority during the Contract Period and the Authority may update the obsolescence strategy from time to time as required.

13.3 Prior to the Authority making any changes to the obsolescence strategy which will impact the Obsolescence Management Plan, the Parties shall discuss the necessary changes. Any changes that impact on the Contractor's costs or ability to execute the Obsolescence Management Plan shall be made in accordance with the contract change procedures detailed within Schedule 14 (*Contract Change Procedure*).

Obsolescence Management Process

13.4 The Parties shall adhere to the principles and processes detailed within Appendix A to Schedule 3 (*Statement of Work*).

- 13.5 Where the Contractor enters into a Sub-Contract for the provision of Articles and/or the repair and/or maintenance of Articles, the Contractor shall use reasonable endeavours to include a term in such Sub-Contract providing that where the Sub-Contractor is or becomes aware of an obsolescence risk, such risk is notified to the Contractor as soon as practicable, together with proposed mitigation actions.

14 EMERGENT TASKS

- 14.1 In addition to the Contract tasks detailed in Schedule 3 (*Statement of Work*), the Contractor may be authorised by the Authority to undertake Emergent Tasks Item 2 (Emergent Tasks) of the Schedule of Requirements, as described below in this Condition 14. That notwithstanding, the Contractor shall make every reasonable effort to absorb such Emergent Tasks within its contracted resources without penalty to its contracted output, taking advantage of slack periods and the normal fluctuations of requirements. Where the Contractor can demonstrate that Emergent Tasks require the commitment of resources over and above that required to meet its existing obligations, such Emergent Tasks shall be authorised by the Authority in accordance with this Condition.
- 14.2 All pricing in respect of Emergent Tasks shall be based on the Contractor's latest published rates. Any amendments to the Contractor's published rates shall be supplied to the Authority within 5 Working Days of being updated. All payment shall be agreed in accordance with the appropriate provisions of Condition 27 (*Payment*).
- 14.3 All additional tasks over and above the scope of Item 1 (Core Service) and Item 3 (Procurement of TMk1 (RAFAT) Out of Scope Items) shall be categorised as Item 2 (Emergent Tasks).
- 14.4 The Contractor shall, within ten (10) Working Days of receipt of Part A of the Approved Authority Emergent Tasking Form, provide the Authority with an estimate for the number of labour hours forecast to be spent in preparing and delivering to the Authority the Part B response.
- 14.5 All Item 2 (Emergent Tasks) shall be authorised by the Authority in accordance with the following provisions:
- (a) The Contractor shall seek, and where appropriate the Authority shall give, approval to undertake Item 2 (Emergent Tasks) using the Emergent Tasking Form set out at Annex 2 (Emergent Tasking Form) of Schedule 14 (*Contract Change Procedure*). Each Emergent Tasking Form shall be identified by a discrete serial number in a sequential series together with the Contract Number. The first such serial number shall be 702540454/001. These numbers shall be quoted in all associated correspondence and documentation including claims for payment.
 - (b) Only the Authority shall be entitled to raise a Part A of an Emergent Tasking Form. Upon receipt of a completed Part A of the Emergent Tasking Form, the Contractor shall prepare and submit to the Authority the Emergent Tasking Form with Part B completed, using the Contractor's latest published rates provided in accordance with Condition 14.2 above. The Contractor shall also provide the Authority on request with such necessary supporting data as the Authority may reasonably require to verify any aspect of the Part B submission. In the event the Authority

wishes to proceed with the activity, it shall authorise the Emergent Tasking Form using Part C and raise a CP&F purchase order. An Emergent Task shall not be deemed authorised until the CP&F purchase order has been raised.

- (c) The Authority's liability to the Contractor under Item 2 (Emergent Tasks) of the Schedule of Requirements in respect of work authorised under this Condition 14 shall be limited as set out in Condition 27 (*Payment*). Moreover, the Authority shall not be liable for costs, losses and expenses incurred by the Contractor in respect of an Item 2 (Emergent Task) in excess of the price shown in Part B of the Emergent Tasking Form, authorised by the Authority. Nevertheless, if at any time the Contractor considers that an Item 2 (Emergent Task) cannot be completed within the price shown in Part B of the relevant Emergent Tasking Form, it shall at the earliest practicable opportunity inform the Authority and at the same time provide an explanation of the circumstances and a revised estimate to completion. Where the Authority agrees to an increased price, the appropriate Emergent Tasking Form shall be amended accordingly.
 - (d) For Item 2 (Emergent Tasks), unless exceptionally and expressly agreed in writing by the Authority, the Contractor shall not undertake any Item 2 (Emergent Tasks) until such time as the Authority has provided formal authorisation using the Part C of the relevant Emergent Tasking Form.
 - (e) The Authority shall provide, free of charge and within the requested period of time, all GFA mutually agreed for each Item 2 (Emergent Task) in accordance with the relevant provisions of Conditions 17 to 22 (inclusive). An Authority Dependency Failure shall be managed in accordance with Condition 23 (*Authority Dependency Failure*).
 - (f) The Contractor shall create and maintain an Emergent Task Register of all Item 2 (Emergent Tasks) Approved by the Authority under the Contract.
- 14.6 A list of the Item 2 (Emergent Tasks) Approved under the Contract is set out at Schedule 17 (*List of Approved Emergent Tasks*). This Schedule shall be updated annually by Administrative Change in accordance with Schedule 14 (*Contract Change Procedure*).
- 14.7 Any change to an Approved Emergent Task shall be mutually agreed between the Parties and the Emergent Task Form shall be updated accordingly.
- 14.8 Both Parties acknowledge that the process for Item 2 (Emergent Tasks) can be improved and shall:
- (a) work together to produce an improvement plan within nine (9) Months of the Commencement Date; and
 - (b) endeavour to implement any proposed changes within twelve (12) Months of the Commencement Date.

15 HAWK TMK1 (RAFAT)

- 15.1 The Contractor shall provide all TMk1 (RAFAT) items listed within Annex A (Baseline) of Schedule 16 (*TMk1 Materiel Scope*) in accordance with Item 1 of the Schedule of Requirements.
- 15.2 The Contractor shall provide all TMk1 (RAFAT) items listed within Annex B (Additional) of Schedule 16 (*TMk1 Materiel Scope*) in accordance with Item 3 of the Schedule of Requirements.
- 15.3 During the Contract Period, the Authority may request the Contractor to provision TMk1 (RAFAT) out-of-scope items that are not listed in Schedule 16 (*TMk1 Materiel Scope*), which shall be funded by the Authority in accordance with Item 3 of the Schedule of Requirements.
- 15.4 Upon receipt of the Authority's request to provision a TMk1 (RAFAT) out-of-scope item, the Contractor shall use reasonable endeavours to provision the quantity of TMk1 (RAFAT) out-of-scope items requested by the Authority and within the requested timescales.
- 15.5 If the Contractor is able, in accordance with Condition 15.4, to provision the TMk1 (RAFAT) out-of-scope item, then the Contractor shall submit to the Authority a proposal to provision such TMk1 (RAFAT) out-of-scope item from the applicable Sub-Contractor.
- 15.6 The Authority shall promptly review the TMk1 (RAFAT) out-of-scope item proposal and shall confirm its Approval or rejection to the Contractor as soon as practicable.
- 15.7 If the Authority Approves the TMk1 (RAFAT) out-of-scope item proposal within the stated validity period and the proposal has not withdrawn by the Contractor for any other reason prior to the Authority's authorisation, then the Contractor shall provision the TMk1 (RAFAT) out-of-scope item.
- 15.8 Unless and until the Authority authorises the TMk1 (RAFAT) out-of-scope proposal in accordance with Condition 15.7, the TMk1 (RAFAT) out-of-scope item shall continue to be deemed as GFE for the purposes of Condition 19.1.
- 15.9 For the avoidance of doubt, nothing in this Condition 15 shall result in an amendment to Annex A (Baseline) of Schedule 16 (*TMk1 Materiel Scope*).
- 15.10 Within two (2) Months of the anniversary of the Commencement Date, the Contractor will assess whether any TMk1 (RAFAT) out-of-scope items provisioned within the previous Contract Year, in accordance with Condition 15.5, can be considered by the Parties for addition to Annex B (Additional) of Schedule 16 (*TMk1 Materiel Scope*).
- 15.11 For those TMk1 (RAFAT) out-of-scope items identified for consideration in accordance with Condition 15.10, the Contractor shall provide a TMk1 (RAFAT) out-of-scope items proposal to the Authority for the Contractor to provision sufficient stock of the TMk1 (RAFAT) out-of-scope items for the remainder of the Contract Period. For the avoidance of doubt, whilst the Contractor shall endeavour to estimate the required quantity of TMk1 (RAFAT) out-of-scope items for the

remainder of the Contract Period, the provision of any additional TMk1 (RAFAT) out-of-scope items, over and above such estimate, shall continue to be funded by the Authority in accordance with Item 3 of the Schedule of Requirements.

- 15.12 The Authority shall promptly review the TMk1 (RAFAT) out-of-scope items proposal and shall confirm its Approval or rejection to the Contractor as soon as practicable.
- 15.13 If the Authority Approves the TMk1 (RAFAT) out-of-scope items proposal within the stated validity period and the proposal has not been withdrawn by the Contractor for any other reason prior to the Authority's Approval, then the Contractor shall provision the TMk1 (RAFAT) out-of-scope items and the Parties shall amend Annex B (Additional) of Schedule 16 (*TMk1 Materiel Scope*) to include such TMk1 (RAFAT) out-of-scope items.

16 WORKING AT RISK

- 16.1 Subject to Condition 39 (Health and Safety At Work), Condition 12 (Environmental Protections) and any steps taken by the Contractor pending a Contract Change to mitigate against a Force Majeure Event, Pandemic or a Change in Law:
- (a) Working at Risk is strictly prohibited under this Contract. If the Contractor is found to have been Working at Risk, then such work shall be deemed to have been undertaken against Item 1 of the Schedule of Requirement of this Contract and the Contractor will be liable for all work undertaken and/or all related costs incurred; and
- (b) the Authority shall not have any liability for any costs incurred by the Contractor (or any related party) when Working at Risk.

SECTION C – GOVERNMENT FURNISHED ASSETS AND AUTHORITY DEPENDENCY FAILURE

17 DEFCONS

- 17.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 601 (Edn 04/14) - *Redundant Material*;

Note 1: For the purposes of DEFCON 601, the Contractor shall be deemed to act as the undisclosed agent of the Authority.

Note 2: Reference to DEFCON 501 shall be replaced with reference to Condition 1.3(h) of this Contract.

- (b) DEFCON 608 (Edn 07/21) - *Access and Facilities to be provided by the Contractor*;
- (c) DEFCON 611 (Edn 02/16) – *Issued Property*;

Note: At Paragraph 8, where it states that the Contractor shall be responsible for all loss or damage thereto, for the purposes of this Contract, this shall be interpreted as loss or damage to the extent that it is caused by or contributed to by the Contractor.

- (d) DEFCON 649 (Edn 12/16) – *Vesting*; and
- (e) DEFCON 694 (Edn 07/21) – *Accounting for Property of the Authority*.

Note 1: For the purposes of DEFCON 694, the Contractor must report all NATO Stock Numbers and commercial part numbers against codified assets. The Contractor shall only use commercial part numbers alone to populate the key data fields in the Public Store Account record where the asset is not codified.

Note 2: Reference to DEFCON 503 shall be replaced with reference to Schedule 14 (*Contract Change Procedure*).

18 PROVISION OF GOVERNMENT FURNISHED ASSETS (GFA)

- 18.1 On the Commencement Date for the purposes of the work to be undertaken against this Contract, the Authority shall provide to the Contractor, free of charge, the Government Furnished Assets as described in Schedule 23 (*Government Furnished Assets*) and as set out in any Emergent Tasking Forms for the Contract Period.
- 18.2 For the Contract Period, the Contractor shall act with due care and diligence in respect of all GFA and shall ensure that all GFA is used in the most efficient manner, avoiding waste where reasonably practicable.
- 18.3 During the Contract Period, the Contractor may seek additional GFA in support of the Contract and the Contractor shall submit a written request to the Authority GFA Manager for the additional GFA. The written request shall set out:
 - (a) what GFA is required;
 - (b) the reasons for the request; and
 - (c) any timescales in which it is to be provided.
- 18.4 Subject to Condition 18.3, the Authority (acting reasonably) will consider the Contractor's request however the Authority shall have no obligation to supply any additional GFA requested by the Contractor.
- 18.5 The Parties shall review Schedule 23 (*Government Furnished Assets*) as a minimum annually on the anniversary of each Commencement Date and shall (following agreement) amend the GFA list as appropriate.

19 PROVISION OF GOVERNMENT FURNISHED EQUIPMENT (GFE)

- 19.1 On the Commencement Date and for the duration of the Contract the Authority shall provide to the Contractor, free of charge, the GFE listed in Appendix 3 of Schedule 23 (*Government Furnished Assets*) as updated from time to time and as set out in any Emergent Tasking Forms.
- 19.2 The GFE provided in accordance with Condition 19.1 is provided solely for use in connection with this Contract.
- 19.3 Any GFE quantities stated within Appendix 3 of Schedule 23 (*Government Furnished Assets*) are for Authority planning purposes only. The Authority accepts the risk that the Contractor may require further quantities than those stated, and such additional quantities shall also be deemed as GFE once the requirement is agreed by both Parties.
- 19.4 The Parties acknowledge that any GFE tagged as 'Unsupported' within Appendix 3 of Schedule 23 (*Government Furnished Assets*) may not have an immediate solution should the applicable GFE require replacement. The Parties shall work together to identify a solution to provide alternative GFE and the Authority shall provide such alternative GFE as soon as practicable once the requirement is agreed by both Parties.
- 19.5 Unless otherwise agreed with the Authority, any GFE contained within Appendix 3 of Schedule 23 (*Government Furnished Assets*) that constitute aircraft spares that could be utilised for both the TMk1 (RAFAT) and TMk2 Aircraft shall only be requested by the Contractor for the purposes of TMk1 (RAFAT).
- 19.6 Subject to DEFCON 611 (*Issued Property*), the Contractor shall be responsible for the GFE for the Contract Period as detailed at Appendix 3 of Schedule 23 (*Government Furnished Assets*), and shall use and maintain the GFE in accordance with the relevant maintenance policies (where available), giving due regard and special consideration to any weather and environmental considerations.
- 19.7 The Authority shall provide, free of charge and within the requested period of time, TMk1 (RAFAT) GFE as requested from time to time by the Contractor, excluding those parts listed within Schedule 16 (*TMk1 Materiel Scope*). For the avoidance of doubt, whilst the Contractor shall endeavour to populate Appendix 3 of Schedule 23 (*Government Furnished Assets*) with all known GFE requirements at the time of the Commencement Date, any parts required for TMk1 (RAFAT) and not listed within Schedule 16 (*TMk1 Materiel Scope*) shall be deemed GFE for the purposes of Condition 19.1.
- 19.8 If an out-of-scope item is already managed by another Authority platform and that Authority platform is the majority user, the out-of-scope item shall be added to Schedule 23 (*Government Furnished Assets*).

20 PROVISION OF GOVERNMENT FURNISHED FACILITIES (GFF)

- 20.1 On the Commencement Date (unless as set out in Schedule 23 (*Government Furnished Assets*)) and for the duration of the Contract, the Authority shall provide to the Contractor, free of charge,

the GFF listed in Appendix 5 of Schedule 23 (*Government Furnished Assets*) as updated from time to time and as set out in any Emergent Tasking Forms.

- 20.2 GFF shall be provided in a fit for purpose condition for the purposes of the Contract. Where the Contractor believes (acting reasonably) that the GFF is not fit for purpose, then the Parties shall meet to discuss and agree any appropriate Authority remedial actions.
- 20.3 Immediately prior to occupation of the GFF, the Contractor must agree with the Authority or the Authority's Representative an inventory detailing the condition of the GFF.
- 20.4 The Contractor shall have use of the Premises as licensee and must vacate the Premises upon the earlier of:
- (a) the Expiry Date; or
 - (b) the Termination Date.
- 20.5 The Contractor's occupation and use of the GFF is subject to Condition 24 (*Authority Sites*).

Use of GFF

- 20.6 Subject to any Approval for the Contractor to use GFF for any other purposes than as set out in this Contract, the GFF provided under Condition 20.1 must be used by the Contractor or any Employee, agent or Sub-Contractor of the Contractor solely for the purposes of the Contract.
- 20.7 The Contractor must not display any external advertisement, sign or notice of any description unless:
- (a) the Authority has provided prior Approval; or
 - (b) the display of such advertisement, sign, or notice is required by law.

Alterations by the Authority

- 20.8 The Authority may make any alteration or addition to the GFF, provided it has given 3 Months' notice to the Contractor.
- 20.9 If and to the extent that such alteration or addition made under Condition 20.8 adversely affects the ability of the Contractor to perform any of its obligations under the Contract, the Contractor shall notify the Authority within five (5) Working Days of the notice under Condition 20.8.
- 20.10 Where the Contractor has complied with its obligations in Condition 20.9, and if and to the extent that such alteration or addition made under Condition 20.8 still adversely affects the ability of the Contractor to perform any of its obligations under the Contract, the Contractor shall be entitled to relief from the Authority's rights under Condition 23 (*Authority Dependency Failure*).

Condition

- 20.11 The Contractor must keep the Premises in a tidy condition at all times, including the inside and internal window surfaces of buildings and Facilities. The Contractor shall also not obstruct any drains, gullies and manholes.
- 20.12 Maintenance, cleaning and repair of the Premises provided for the use of the Contractor shall be performed by the Authority within reasonable timescales and shall be without charge to the Contractor.
- 20.13 The Contractor shall appoint building custodians who are responsible for monitoring the condition of the Premises and initiating requests for maintenance and repair without delay.

21 GOVERNMENT FURNISHED INFORMATION (GFI)

- 21.1 On the Commencement Date and for the Contract Period the Authority shall provide to the Contractor free of charge, the GFI set out in Appendix 6 of Schedule 23 (*Government Furnished Assets*) as updated from time to time and as set out in any Emergent Tasking Forms.
- 21.2 The GFI provided in accordance with Condition 21.1 is provided solely for use in connection with this Contract.

22 GOVERNMENT FURNISHED RESOURCES AND SERVICES (GFR&S)

- 22.1 On the Commencement Date and for the Contract Period, the Authority shall provide, free of charge, to the Contractor the resources and services set out Appendix 4 of Schedule 23 (*Government Furnished Assets*) and as set out in any Emergent Tasking Forms.
- 22.2 The resources and services provided in accordance with Condition 22.1 are provided solely for the purposes of this Contract set out in Condition 2.
- 22.3 For those resources and services set out in Appendix 4 of Schedule 23 (*Government Furnished Assets*), the Contractor shall request provision of such resources and services from the Authority and give all such information as the Authority may reasonably require to deliver the requested service.
- (a) In making any such request, the Contractor shall provide reasonable notice to the Authority to allow such request to be met in a timely fashion.
- (b) If the Contractor fails to provide such information and/or such reasonable notice, the Authority shall nonetheless use its reasonable endeavours to provide the required resources and services in the time requested by the Contractor.
- (c) The Authority will not be liable for any adverse impact on the Contractor's performance which may result from the late or non-availability of such resources and services due to the Contractor failing to provide such information and/or such reasonable notice.

23 AUTHORITY DEPENDENCY FAILURE

- 23.1 For the Contract Period, the Authority shall endeavour to ensure the continued availability to the Contractor of the GFA listed in Schedule 23 (*Government Furnished Assets*) and as set out in any agreed Emergent Tasking Forms.
- 23.2 In the event of an Authority Dependency Failure, the Contractor shall use reasonable endeavours to continue to perform the Contract (subject to any change agreed with the Authority), and shall, at all times, take reasonable measures to avoid or limit the consequence of such failure.
- 23.3 To assist the Contractor in its planning, the Authority shall notify the Contractor in writing as soon as practicable upon becoming aware that there is, will be or is likely to be an Authority Dependency Failure.
- 23.4 Excluding where the Contractor has been notified of an actual or anticipated Authority Dependency Failure pursuant to Condition 23.3, the Contractor shall notify the Authority within five (5) Working Days of the Contractor becoming aware that any item of GFA not being available to it. Where the Contractor is aware of a work around solution, the Contractor shall include this in its notification.
- 23.5 Pursuant to Condition 23.3 or 23.4, where an evidenced GFE failure for Support Equipment is identified, then the Authority shall have thirty (30) Calendar Days to correct the failure during which time such failure shall not be deemed to be an Authority Dependency Failure.
- 23.6 Pursuant to Condition 23.5, where the GFE failure is outside of the Contractor's control and/or where legislative, legal or safety reasons cause an immediate cease to the operation of a type of Support Equipment without forewarning, then relief may be sought in accordance with Condition 23.7, without waiting time, through the next Weekly Sentencing Meeting.
- 23.7 Subject to Conditions 23.5 and 23.6, if the Authority subsequently fails to provide or replace the element of GFA within a reasonable time of receipt of the notice submitted under either Condition 23.3 or Condition 23.4 (such period of time as agreed between the Parties acting reasonably), then the Contractor shall give written notice setting out:
- (a) full details of the Authority Dependency Failure, specifying what Services are directly affected or are likely to be directly affected; and
 - (b) any KPIs and/or KRIs whose scores may be adversely affected.
- 23.8 The Authority shall consider a notice provided to it under Condition 23.7 and discuss with the Contractor (both Parties acting in good faith) the impact of the Authority Dependency Failure.
- 23.9 Following discussions between the Parties in accordance with Condition 23.8, the Authority shall:
- (a) take action to remedy the Authority Dependency Failure; and/or

- (b) request that the Contractor provide assistance in remedying the Authority Dependency Failure.
- 23.10 If the Authority requests the Contractor's assistance in remedying the Authority Dependency Failure pursuant to Condition 23.9(b), the Authority shall request such assistance in accordance with Schedule 14 (*Contract Change Procedure*). The Contractor shall use reasonable endeavours to provide such assistance, within the required timescales, once authorised in accordance with Schedule 14 (*Contract Change Procedure*).
- 23.11 If the Authority requests the Contractor's assistance in remedying the Authority Dependency Failure pursuant to Condition 23.9(b) otherwise than in accordance with Schedule 14 (*Contract Change Procedure*), then in any event, the Contractor shall be reimbursed any additional costs reasonably incurred (and demonstrated as having been incurred) in providing such assistance, in accordance with the SSCR.
- 23.12 Provided that the Contractor has complied with Condition 23.4 (where relevant) and 23.7 and to the extent that an Authority Dependency Failure is the direct cause of the Contractor being unable to provide all or part of the Services in accordance with this Contract then, from the date on which the Authority Dependency Failure is adversely affecting all or part of the Services until such time as the Authority Dependency Failure no longer prevents or inhibits the Contractor from performing such Services, the Contractor shall be entitled to:
- (a) an extension of time for performing its obligations under the Contract; and/or
- (b) relief from KPIs and/or KRIs and any claims for contractual breach,
- provided always that the Contractor has used reasonable endeavours both to mitigate the effects of the Authority Dependency Failure and to facilitate the continued performance of such of its obligations under this Contract as may still be possible wholly or in part.
- 23.13 Where vehicles owned by the Authority are provided for the use of the Contractor for its sole use in connection with this Contract on Government Establishments or public roads, the Contractor shall ensure that it has adequate insurance provision to cover for third party risks, including death or bodily injury or damage to property, as well as the appropriate insurance to cover personal death or injury benefit to the Contractor's own personnel.

24 AUTHORITY SITES

Contractor's Rights over Authority Sites

- 24.1 During the Contract Period, the Authority shall afford the following rights to the Contractor and the Contractor Related Parties solely for the purpose of the provision of the Contractor Deliverables:
- (a) a non-exclusive licence to enter and remain upon those parts of the Authority Sites that the Contractor and/or any Contractor Related Party requires access to;

- (b) such non-exclusive rights of access to and egress from the Authority Sites as are necessary for the Contractor and/or Contractor Related Parties to perform their obligations and exercise their rights under the Contract or their relevant contracts and in particular for the purposes of providing the Contractor Deliverables, provided that such routes may be varied by the Authority to such alternative routes as the Authority may reasonably specify from time to time if such variation does not have a material adverse effect on the provision of the Contractor Deliverables; and
- (c) use of services and utilities including water, waste water, gas, electricity, telephone and other services serving the Authority Sites as specified in this Contract, provided that:
 - (i) the rights shall not in any circumstances entitle the Contractor or any Contractor Related Party to exclusive occupancy or exclusive possession of any part of the Authority Sites (save as may be required by the Contractor and Approved by the Authority in order to comply with relevant health and safety legislation) on a temporary basis; and
 - (ii) the Contractor and the Contractor Related Parties do not cause any material disruption to the operations or activities carried out by the Authority on or at the Authority Sites.

Contractor's Conduct on Authority Sites

- 24.2 The Contractor shall, and/or shall procure, that in providing the Contractor Deliverables at the Authority Sites it and/or any Contractor Related Party shall:
- (a) not act or omit to act in any way which shall give rise to a right for any person to obtain title to or any right or interest over an Authority Site or any part of it (save in accordance with the terms of the Contract);
 - (b) not use or occupy the Authority Sites for any purpose other than the provision of the Contractor Deliverables;
 - (c) not deposit or manufacture on the Authority Sites any materials which are not required for the provision of the Contractor Deliverables;
 - (d) not store materials or park vehicles in the immediate external vicinity of the boundaries of the Authority Sites other than for reasonable periods necessary for loading and unloading; and
 - (e) not without the Approval of the Authority's Representative erect any temporary structure.

SECTION D – DELIVERY AND ACCEPTANCE

25 DEFCONS

- 25.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 5J (Edn 8/11/16) – *Unique Identifiers*;
- (b) DEFCON 23 (Edn 06/21) – *Special Jigs, Tooling and Test Equipment*;
- (c) DEFCON 129 (Edn 07/21) – *Packaging (For Articles Other Than Munitions)*;

Note 1: Reference to DEFCON 503 shall be replaced with reference to Schedule 14 (*Contract Change Procedure*).

Note 2: For the purposes of DEFCON 129 clause 20, “contracted record in accordance with DEFCON 609” shall be replaced with “retained for a period of five (5) years following delivery of the Article(s) to the Authority.”

- (d) DEFCON 129J (Edn 18/11/16) – *The Use Of The Electronic Business Delivery Form*;
- (e) DEFCON 130 (Edn 09/21) – *Packaging for Explosives*;

Note: Reference to DEFCON 691 shall be removed.

- (f) DEFCON 507 (Edn 07/21) – *Delivery*;
- (g) DEFCON 524 (Edn 02/20) – *Rejection*;

Note: Reference to DEFCON 530A shall be removed.

- (h) DEFCON 524A (Edn 02/20) – *Counterfeit Material*;

Note: For the avoidance of doubt, DEFCON 524A does not apply to any GFE parts that have been procured by the Authority.

- (i) DEFCON 525 (Edn 10/98) – *Acceptance*;

Note: For the purposes of Clause 1(a) of DEFCON 525, the period shall be within thirty (30) days of delivery to the Authority.

- (j) DEFCON 528 (Edn 07/21) – *Import/Export*;

Note 1: Reference to DEFCON 514 shall be replaced with reference to Condition 53.1(a) and 55.6 of this Contract.

Note 2: Reference to DEFCON 503 shall be replaced with reference to Schedule 14 (*Contract Change Procedure*).

Note 3: Reference to DEFCON 656A shall be removed.

- (k) DEFCON 602A (Edn 12/17) – *Quality Assurance (With Deliverable Quality Plan)*;

- (l) DEFCON 612 (Edn 06/21) – *Loss or Damage to the Articles*;
- (m) DEFCON 621A (Edn 06/97) – *Transport (If The Authority Is Responsible For Transport)*;
- (n) DEFCON 621B (Edn 10/04) – *Transport (If Contractor Is Responsible For Transport)*;
- (o) DEFCON 624 (Edn 11/13) – *Use of Asbestos*;

Note: Reference to DEFCON 501 shall be replaced with reference to Schedule 1 (*Definitions and Acronyms*) of this Contract.

- (p) DEFCON 627 (Edn 12/10) – *Quality Assurance – Requirement For A Certificate Of Conformity*; and
- (q) DEFCON 644 (Edn 07/18) – *Marking Of Articles*.

25.2 For the avoidance of doubt, any Articles receipted by the Contractor become Issued Property at the point of receipt at the Government Establishment.

SECTION E – PRICE, PAYMENT, AND TAXATION

26 DEFCONS

26.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 127 (Edn 08/21) – *Price Fixing Condition for Contracts of Lesser Value*;
- (b) DEFCON 513 (Edn 07/21) – *Value Added Tax*;
- (c) DEFCON 522 (Edn 11/17) – *Payment and Recovery of Sums Due*;

Note: for the purposes of DEFCON 522, the Authority shall consider and verify an invoice within ten (10) Working Days of submission by the Contractor. If the Authority does not dispute the invoice and notify the Contractor within such time period, the invoice shall be deemed valid and undisputed.

- (d) DEFCON 534 (Edn 06/21) – *Subcontracting and Prompt Payment*;
- (e) DEFCON 670 (Edn 02/17) – *Tax Compliance*;
- (f) DEFCON 800 (Edn 12/14) – *Qualifying Defence Contract*; and
- (g) DEFCON 802 (Edn 12/14) – *QDC: Open Book on Sub-Contracts that are not Qualifying Sub Contracts*.

27 PAYMENT

- 27.1 For Item 1 (Core Service) of the Schedule of Requirements, the Authority shall pay to the Contractor the Monthly Service Fee in accordance with Schedule 12 (*Pricing and Payment*). The Contractor shall be entitled to claim the Monthly Service Fee following completion of the specified milestones detailed within Schedule 12 (*Pricing and Payment*), or as otherwise agreed between the Parties.
- 27.2 For Item 3 (Procurement of TMk1 (RAFAT) Out of Scope Items) of the Schedule of Requirements, the Authority shall pay to the Contractor the quarterly service payment, such amount to be based on actual costs incurred by the Contractor within the preceding three (3) Months. The Contractor shall be entitled to claim the quarterly service payment every three (3) Months, or as otherwise agreed between the Parties.
- 27.3 For Item 2 (Emergent Tasks), the Authority shall pay to the Contractor the payments in accordance with the Item 2 (Emergent Task) milestone payment plans. The Contractor shall be entitled to claim the Item 2 (Emergent Task) payments following completion of the specified milestones detailed within the Item 2 (Emergent Task) milestone payment plans, or as otherwise agreed between the Parties.
- 27.4 The cumulative total of the Item 1 (Core Service) Monthly Service Fees shall equate to the Target Price, which has been determined on the premise that the TAC will equal the TC.
- 27.5 Payments to be made by the Authority to the Contractor under Item 1 (Core Service) of the Schedule of Requirements shall be subject to the provisions of Condition 9 (*Performance Management and Key Performance Indicators*). Prior to submitting any invoices for payments, the Contractor shall adjust such invoices to take into account of any adjustments agreed at the previous Month's Joint Performance Review, under the provisions set out in Condition 9 (*Performance Management and Key Performance Indicators*).
- 27.6 Pursuant to Condition 27.5, the Authority shall provide or update the CP&F purchase order (as required) to take account of the agreed adjustments, within five (5) Working Days of the applicable Monthly Joint Performance Review.
- 27.7 Where Condition 28.8(d) (Application of Pilot Bonus to the Target Fee) applies, the Authority shall pay to the Contractor the Pilot Bonus within twenty (20) Working Days of the completion of the Annual Review process. Such payment shall be separate to, and have no impact on, the TCIF Mechanism.
- 27.8 The Contractor shall submit an invoice quarterly for the amount detailed at Condition 57.1 (*Authority Use of Contractor Procured Assets*) and the Authority shall pay such an amount to the Contractor within twenty (20) Working Days of invoice submission to the Authority.

28 RECONCILIATION PROCESS

- 28.1 For Item 1 (Core Service) the Parties shall carry out an annual review for each Contract Year in accordance with the annual reconciliation process set out in this Condition 28.

- 28.2 The Parties shall supply the following inputs for the Annual Review process, with all inputs to be based on data for the twelve (12) Months of the previous Contract Year:
- (a) actual flying hours;
 - (b) the Annual Flying Plan in accordance with Schedule 5 (*Fleet and Flying Plans*);
 - (c) promulgated labour rate, where available;
 - (d) performance of index for Material Escalation;
 - (e) performance of index for Maintenance Sub-contractor;
 - (f) performance of the KPIs and KRIs; and
 - (g) trained pilot output numbers (provided by the Authority).
- 28.3 The Contractor shall submit to the Authority the Annual Review Report within eight (8) weeks of the end of each Contract Year.
- 28.4 Annual Review shall be carried out annually within fourteen (14) weeks following each anniversary of the Commencement Date during the Contract Period, using the annual Interim Contract Report in accordance with Schedule 13 (*Governance*).
- 28.5 The outcome of each Annual Review shall result in an adjustment to:
- (a) the Target Cost;
 - (b) the Target Price;
 - (c) the Target Fee;
 - (d) the Upper Threshold;
 - (e) Schedule 12 (*Pricing and Payment*);
 - (f) any other Condition and/or Schedule to the Contract, as mutually agreed between the Parties and subject to Schedule 14 (*Contract Change Procedure*),
- in accordance with the Annual Review process set out at conditions 28.8.
- 28.6 Subject to Condition 28.8, all agreed figures shall be recorded in Appendix B (Cumulative Reconciled Costs) at Schedule 12 (*Pricing and Payment*) within twenty (20) Working Days of the conclusion of the Annual Review process for each Contract Year.

- 28.7 A Final Reconciliation will take place on the earlier of either expiry or termination of the Contract in accordance with the Conditions 29 (*TCIF Mechanism*) and [REDACTED – Under FOIA Section 43, Commercial interests].

Annual Review Process

- 28.8 For each annual reconciliation, the Contractor shall undertake the following steps for submission to the Authority and to be agreed as part of the Annual Programme Review.

Step 1 – Adjustment of the Target Cost and Target Fee

- (a) The Target Cost and Target Fee for the Contract shall be adjusted in accordance with:
- (i) Authority Agreed Rates (where available) in accordance with Conditions 28.9 and 28.10;
 - (ii) performance of index for Material Escalation in accordance with Conditions 28.11 to 28.13 and Conditions 28.20 to 28.24;
 - (iii) performance of index for Maintenance Sub-contractor in accordance with Condition 28.15 to 28.24; and
 - (iv) actual flying hours compared to the Annual Flying Plan in accordance with Conditions 28.25 to 28.26.

Step 2 – [REDACTED – Under FOIA Section 43, Commercial interests]

- (b) [REDACTED – Under FOIA Section 43, Commercial interests].

Step 3 – Sum of the Target Cost and Target Fee

- (c) The Target Price for the Contract shall be calculated by adding the adjusted Target Cost and Target Fee, calculated at Steps 1 and 2 (where applicable).

Step 4 – Application of Pilot Bonus to the Target Fee (only applicable to TMk2)

- (d) Where the Annual Enterprise Pilot Output Target is achieved for the previous Contract Year, [REDACTED – Under FOIA Section 43, Commercial interests] percent ([REDACTED – Under FOIA Section 43, Commercial interests]%) of the TMk2 adjusted Target Cost (adjusted in accordance with Condition 28.8(a) above) shall be paid to the Contractor by the Authority in accordance with Condition 27.7.

Labour Costs

- 28.9 Where Authority Agreed Rates are not available, the Contractor's latest provisional labour rates shall apply. When Authority Agreed Rates become available for any Contract Year, the labour costs used in the Target Cost calculation will be updated as necessary and the Target Price for

the relevant Contract Year will then be updated accordingly. Any adjustment will be applied to recorded spend and therefore based on the actual hours incurred.

- 28.10 In the event of a significant change to the Questionnaire of the Method of Allocation of Cost ("QMAC"), the Parties shall meet to consider whether, and if so in what respect, it is necessary to reprice the Contract in accordance with the SSCR.

Index for Material Escalation

- 28.11 The Target Cost at the Commencement Date for the Contract Period includes a material escalation rate of [REDACTED – Under FOIA Section 43, Commercial interests] percent ([REDACTED – Under FOIA Section 43, Commercial interests]%). Where index for Material Escalation is more or less than [REDACTED – Under FOIA Section 43, Commercial interests] percent ([REDACTED – Under FOIA Section 43, Commercial interests]%), the Target Cost and Target Fee shall be adjusted in accordance with Condition 28.13 and 28.14.
- 28.12 The Material Escalation index comparator table is set out at Schedule 18 (*Escalation*).
- 28.13 The Target Cost and Target Fee adjustment shall be calculated as follows:
- (a) the applicable element of the actual Allowable cost for the Contract Year ("Cost 1") shall be deescalated using Material Escalation index detailed at 28.20; and
 - (b) the figure calculated at 28.13(a) shall be re-escalated using Table 1 (the cumulative comparator table) of Schedule 18 (*Escalation*) ("Cost 2").
- 28.14 Cost 1 minus Cost 2 is the figure by which the Target Price shall be adjusted.

Index for Maintenance Sub-contractor

- 28.15 The Parties acknowledge that Conditions 28.18 to 28.19, 28.20(b) and Schedule 18 (*Escalation*) represent the intended process and applicable index for managing escalation costs with respect to the Maintenance Sub-contractor (the "**Process**"). Subject to the Contractor providing a copy of the relevant provisions of its agreement with the Maintenance Sub-contractor, the Parties shall discuss (and where possible agree) any necessary changes to the Process within six (6) Months of the Commencement Date, where there is a change:
- (a) of the Maintenance Sub-contractor; and/or
 - (b) (of a material nature) to the Contractor's agreement with the Maintenance Sub-contractor in relation to the content of Conditions 28.16 to 28.19 or to the index specified at Condition 28.20(b).
- 28.16 The Target Cost at the Commencement Date for the Contract Period includes a Maintenance Sub-contractor escalation rate of [REDACTED – Under FOIA Section 43, Commercial interests] percent ([REDACTED – Under FOIA Section 43, Commercial interests]%). From the first anniversary of the Commencement Date, where the index for the Maintenance Sub-contractor

has performed at more than [REDACTED – Under FOIA Section 43, Commercial interests] percent ([REDACTED – Under FOIA Section 43, Commercial interests]%) in the previous Contract Year, the Target Cost and Target Fee shall be adjusted in accordance with Condition 28.18 and 28.19.

- 28.17 The Maintenance Sub-contractor index comparator table is set out at Schedule 18 (*Escalation*).
- 28.18 The Target Cost and Target Fee adjustment shall be calculated as follows:
- (a) the applicable element of the Target Cost for the following Contract Year ("Cost 3") shall be deescalated using Maintenance Sub-contractor index detailed at 28.20; and
 - (b) the figure calculated at Condition 28.18(a) shall be re-escalated using Table 1 (the cumulative comparator table) of Schedule 18 (*Escalation*) ("Cost 4").
- 28.19 The Target Price shall be increased by the figure calculated by Cost 3 minus Cost 4 (where such figure is more than zero).

Indices

- 28.20 The Material Escalation index and Maintenance Sub-contractor index referred to in Conditions 28.13 and 28.18 above shall be as follows:
- (a) index for Material Escalation: the Parties shall review and agree the applicable index for Material Escalation within 6 Months of the Commencement Date with the agreed index also to be recorded within Table 1 of Schedule 18 (*Escalation*).
 - (b) index for Maintenance Sub-contractor: [REDACTED – Under FOIA Section 43, Commercial interests].
- 28.21 In the event that any material changes are made to the indices (e.g. a revised statistical base date) during the Contract Period and before agreement of the final Contract Price in accordance with **Error! Reference source not found.**, then the re-basing methodology outlined by the Office for National Statistics (ONS, the series providers) to match the original index to the new series shall be applied.
- 28.22 In the event the agreed index or indices cease to be published (e.g. because of a change in the Standard Industrial Classification) the Authority and the Contractor shall agree an appropriate replacement index or indices, which shall cover to the maximum extent possible the same economic activities as the original index or indices.
- 28.23 Notwithstanding the above, any extant indices agreed in the Contract shall continue to be used as long as they are available and subject to ONS revisions policy. Payments calculated using the extant indices during their currency shall not be amended retrospectively as a result of any change to the index or indices.

- 28.24 In the event that there are any significant changes to Schedule 3 (*Statement of Work*), or of any other factor having a material bearing on the operation of these provisions such as to cause a significant divergence from their intended purpose, the Parties may consider whether any change in this Condition 28 would be appropriate. Where an index is subsequently amended, the Authority and the Contractor shall agree a fair and reasonable adjustment to the Target Cost and Target Fee, as necessary.

Price Per Flying Hour

- 28.25 In the event that the Authority's actual flying hours in the previous Contract Year are greater, or less than, the Annual Flying Plan for the previous Contract Year as detailed within Schedule 5 (*Fleet and Flying Plans*), then for every one (1) flying hour flown above or below the Annual Flying Plan, up to a limit of [REDACTED – Under FOIA Section 43, Commercial interests] percent ([REDACTED – Under FOIA Section 43, Commercial interests]%) of the Annual Flying Plan, a PPFH adjustment shall be applied to the Target Price in accordance with Table 1 below.

Table 1

Aircraft	Price Per Flying Hour (ex VAT)
TMk2	£ [REDACTED – Under FOIA Section 43, Commercial interests]
TMk1 (RAFAT)	£ [REDACTED – Under FOIA Section 43, Commercial interests]

- 28.26 The PPFH mechanism can only be enacted once for each Contract Year, either with an advance notice of flying requirement changes or on a retrospective basis.
- 28.27 [REDACTED – Under FOIA Section 43, Commercial interests].

29 TCIF MECHANISM

- 29.1 [REDACTED – Under FOIA Section 43, Commercial interests].
- [REDACTED – Under FOIA Section 43, Commercial interests]
- 29.2 [REDACTED – Under FOIA Section 43, Commercial interests].
- 29.3 [REDACTED – Under FOIA Section 43, Commercial interests]
- 29.4 [REDACTED – Under FOIA Section 43, Commercial interests].

29.5 [REDACTED – Under FOIA Section 43, Commercial interests]

29.6 [REDACTED – Under FOIA Section 43, Commercial interests]

29.7 [REDACTED – Under FOIA Section 43, Commercial interests]

29.8 [REDACTED – Under FOIA Section 43, Commercial interests].

30 [REDACTED – UNDER FOIA SECTION 43, COMMERCIAL INTERESTS]

31 DISPUTED AMOUNTS

31.1 The Authority may withhold payment of any amount it believes, acting reasonably, the Contractor is not entitled to pursuant to the Contract ("**Disputed Amount**") pending agreement or determination of the Contractor's entitlement in relation to the Disputed Amount. The Authority shall notify the Contractor in writing of the reasons for withholding the Disputed Amount (together with supporting evidence) on or before the day on which the Disputed Amount would (but for this Condition 31.1) otherwise fall due.

31.2 The Authority shall pay any undisputed amounts on or before the day on which they fall due.

31.3 Within five (5) Working Days following receipt by the Contractor of any notice served by the Authority pursuant to Condition 31.1 (or such other notice regarding the existence of a Disputed Amount as may be served by the Authority pursuant to the Contract), the Contractor shall respond by notifying the Authority as to whether or not it agrees with the statements made in that notice and the grounds for such agreement or disagreement. If the Contractor indicates that it does agree, then, to the extent agreed, the Authority shall be entitled:

- (a) to retain on a permanent basis any such agreed amounts withheld pursuant to Condition 31.1; and
- (b) to reclaim from the Contractor the amount of any such agreed over-payment which may have been made to the Contractor, and reserves the right to claim interest on any such amount at the Prescribed Rate calculated on a daily basis and compounded quarterly from the date on which the over-payment was made until that amount has been paid in full.

31.4 If the Contractor responds pursuant to Condition 31.3 that it does not agree with all or any of the statements made in any notice served by the Authority pursuant to Condition 31.1 (or such other notice regarding the existence of a Disputed Amount as may be served by the Authority pursuant to the Contract), then the Parties shall follow the escalation process set out in Condition 58 (*Escalation Process*) to resolve the matter.

31.5 If the determination of any Dispute conducted pursuant to Condition 31.4 shows that:

- (a) the Authority has withheld any amount which the Contractor was entitled to be paid; or

- (b) the Contractor has claimed under Condition 27 (*Reconciliation Process*) any amount which it was not entitled to be paid,

the Authority shall pay such amount to the Contractor or the Contractor shall repay such amount to the Authority (as relevant) with interest (if applicable) in each case on that amount at the Prescribed Rate calculated on a daily basis and compounded quarterly from the date on which payment should have been made (in the case of a failure to pay by the Authority) or from the date on which the over payment was made (in the case of excessive claims by the Contractor) until all relevant monies have been paid in full.

SECTION F – CONTRACT GOVERNANCE

32 DEFCONS

- 32.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 604 (Edn 06/14) – *Progress Reports*;

Note: For the purposes of DEFCON 604, these reports shall be deemed to be those contained within Schedule 7 (*Contract Data Requirements List*).

- (b) DEFCON 605 (Edn 06/14) – *Financial Reports*;

Note: For the purposes of DEFCON 605, these reports shall be deemed to be those contained within Schedule 7 (*Contract Data Requirements List*).

- (c) DEFCON 678 (Edn 09/19) – *SME Spend Data Collection*; and

Note 1: For the avoidance of doubt, for the purposes of this DEFCON, "sub-contractors" shall mean "Tier 1 Sub-Contractors" as defined in Schedule 1 (*Definitions and Acronyms*) of this Contract.

Note 2: Reference to DEFCON 620 shall be replaced with reference to Schedule 14 (*Contract Change Procedure*).

- (d) DEFCON 801 (Edn 12/14) – *Amendments to Qualifying Defence Contracts – Consolidated Versions*.

Note: Reference to DEFCON 503 shall be replaced with reference to Schedule 14 (*Contract Change Procedure*).

33 GOVERNANCE

- 33.1 The Parties shall comply with the provisions of Schedule 13 (*Governance*) in relation to the management and governance of this Contract.

34 CONTRACT CHANGE

- 34.1 Any requirement for a Contract Change shall be subject to Schedule 14 (*Contract Change Procedure*).

Change in Law

- 34.2 In the event that a Change in Law affects either Party's ability to perform its obligations or causes, or would cause, the Contractor to incur additional costs in order to perform its obligations under this Contract, either Party shall be entitled to invoke the Contract Change Procedure in accordance with Schedule 14 (*Contract Change Procedure*).
- 34.3 For the avoidance of doubt the Contractor shall not be entitled to an amendment to the Target Price or any additional payment where such costs are or will be claimed as indirect costs in the Provisional Labour Rates and/or the Authority Agreed Rates.
- 34.4 The Contractor shall only be relieved of its obligations to supply the Services where, and to the extent that, a Change in Law conflicts with its obligations under this Contract, provided that such relief shall only apply to the affected part or parts of the Services.

35 RISK MANAGEMENT

- 35.1 The Contractor acknowledges that risk management undertaken in connection with the Contract will be conducted in accordance with the Risk Management Plan, and shall not affect the legal relationship between the Parties. The process of the Contractor's risk assessment including, without limitation, the identification of (or failure to identify):

- (a) any particular risks and their impacts; and
- (b) any risk reduction and/or mitigation measures, contingency plans and remedial plans,

shall be entirely without prejudice to the Authority's rights and obligations under the Contract. The risks identified by the Contractor in its Risk Register shall remain the risks of the Contractor and shall not be assumed by the Authority except to the extent that the Authority expressly and unequivocally accepts those risks under the Contract.

SECTION G – PERSONNEL

36 DEFCONS

- 36.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 76 (Edn 06/21) – *Contractor's Personnel at Government Establishments*;

Note 1:[REDACTED – Under FOIA Section 43, Commercial interests].

Note 2:[REDACTED – Under FOIA Section 43, Commercial interests].

- (b) DEFCON 516 (Edn 04/12) – *Equality*; and

- (c) DEFCON 550 (Edn 02/14) – *Child Labour and Employment Law*.

37 PERSONNEL

- 37.1 The Parties shall comply with the provisions of Schedule 15 (*Transfer Regulations*).
- 37.2 [REDACTED – Under FOIA Section 43, Commercial interests]
- 37.3 [REDACTED – Under FOIA Section 43, Commercial interests]
- 37.4 [REDACTED – Under FOIA Section 43, Commercial interests].

38 PERSONNEL SECURITY

- 38.1 The Contractor shall ensure that the Contractor's and Sub-Contractors' staff and Employees shall make themselves familiar with, and at all times shall conduct themselves in accordance with, station rules and regulations as issued from time to time by the Authority.
- 38.2 The Authority reserves the right to refuse access to, or remove anyone from the station who fails to comply with the station rules and regulations.
- 38.3 Should an Employee of the Contractor or a Sub-Contractor be reasonably refused access to, or be removed from the station for failure to comply with station rules and regulations, the Contractor shall not be relieved from its obligations to provide the Services in full.

Security Clearance

- 38.4 The Contractor shall be responsible for ensuring that each Employee is security cleared to the level required to undertake the role.

Admission to Authority Sites

- 38.5 The Contractor shall provide the Authority with details of such Employee and any other details the Authority may require together with details of the Authority Site to which access is required and the capacity in which such person is concerned with the provision of the Services.
- 38.6 The Authority shall issue a pass for all Employees who are security cleared to an appropriate level for the Authority Site pursuant to Condition 38.4 on or before such person is intended to enter onto an Authority Site in connection with the provision of the Services. Passes shall remain the property of the Authority and the Contractor shall ensure that passes shall be surrendered on demand or on termination or expiry of the Contract, except where may be otherwise agreed between the Parties.

- 38.7 A person not in possession of a pass who is required by the Contractor or any Sub-Contractor to attend an Authority Site to provide emergency reactive services shall be allowed temporary admission to the Authority Site if the Contractor shall, or shall secure that any Sub-Contractor shall, ensure that such individual is accompanied at all times whilst on the Authority Site by a member of the Contractor's or Sub-Contractor's staff who has been issued with a pass pursuant to Condition 38.6.
- 38.8 Whilst engaged at the Authority's Sites the Contractor shall, and shall procure that any Sub-Contractor shall, ensure that all Employees and other accompanied emergency reactive workers pursuant to Condition 38.7 comply with the Authority's policies relating to the conduct of staff and security arrangements.
- 38.9 Notwithstanding the provisions of Conditions 38.5 to 38.7 (inclusive), the Authority may refuse any person admission to an Authority Site or require the removal of any person from an Authority Site:
- (a) if such person is not in possession of a pass pursuant to Condition 38.6 or is not an accompanied emergency reactive worker pursuant to Condition 38.7;
 - (b) if such person, in the Authority's opinion, represents a risk to themselves or an Authority Related Party or property and the Authority has given written notice to the Contractor's Representative to this effect;
 - (c) if the Authority has reasonable grounds for considering that the presence or conduct of such person at the Authority Site is undesirable and the Authority has given written notice to the Contractor's Representative to this effect; and/or
 - (d) for any other reason.

The Authority's decision on any matter arising under this Condition 38.9 shall be final and conclusive.

- 38.10 If any person is refused admission to an Authority Site or is removed from an Authority Site pursuant to Condition 38.9(d), then the Authority shall give the Contractor such relief from its obligations in respect of those Services in which such person is or would have been engaged for a reasonable period to allow the Contractor or any Sub-Contractor to make alternative arrangements to replace the person whose admission has been refused or whose removal has been required.

39 HEALTH AND SAFETY AT WORK

- 39.1 The Contractor, its Employees, agents, and Sub-Contractors shall exercise a duty of care for themselves and for others and co-operate fully in establishing and maintaining safe and healthy working conditions. Nothing said in this Condition shall absolve the Contractor from any statutory Health and Safety obligation.

- 39.2 The Contractor's Health and Safety Representative shall be responsible for ensuring that the Contractor's Employees and the Authority are kept fully informed on Health and Safety matters related to the Contract, and the Parties shall maintain a dialogue to ensure that the other is informed, in writing, of any matter which affects Health and Safety performance.
- 39.3 The Contractor shall take into account any special considerations arising from the Government Establishment's Safety Plan when performing its operations.
- 39.4 Health and Safety policy statements shall be construed only as regards Health and Safety matters and shall not override any particulars of the Contract.
- 39.5 The Contractor's activities shall be open to full scrutiny by HSE, unless special exemptions are granted by the Authority. The Memorandum of Understanding (known as the "General Agreement") between the Authority and the HSE does not cover the activities of the Contractor.
- 39.6 The Contractor shall be responsible for all Health and Safety matters pertaining to its operation within the bound and provisions of the Contract and shall take all reasonable measures to ensure the safety, health and welfare of its Employees, agents, Sub-Contractors and others.
- 39.7 The Contractor shall integrate into the Government Establishment's health and safety organisation as required by the Authority and shall participate fully in such meetings, discussions and committees as the Authority may from time to time direct.
- 39.8 The Contractor shall draw to the attention of the Authority any procedures, practices or processes which it may wish to introduce and which may have a direct bearing on Health and Safety.

40 PROCEDURE FOR ACCIDENTS AND INCIDENTS OCCURRING ON GOVERNMENT PROPERTY

- 40.1 Accidents occurring during work in connection with the Contract at a Government Establishment shall be reported by the Contractor immediately by telephone to the Authority's Representative giving the following information:
- (a) the name of injured party;
 - (b) the date, time and place of accident;
 - (c) any injuries and the degree of severity;
 - (d) locations to which any injured personnel have been taken;
 - (e) a brief description of events leading to the accident; and
 - (f) any other such information as the Authority may reasonably request.

- 40.2 As soon as is practicable thereafter, the Contractor shall submit to the Authority a comprehensive written report of the accident.
- 40.3 Following an accident or incident, the Contractor shall make available to the Officer in Charge of an investigation all relevant information and Facilities, including access to its Employees for the purpose of immediate and detailed investigations. If requested, the Contractor shall undertake an investigation and submit a written report.

41 SUB-CONTRACTORS

- 41.1 The Contractor shall ensure that each Sub-Contract shall include (to the extent required):
- (a) the provisions set out in Appendix to DEFCON 659A (*Security measures to be included in relevant sub-contracts*);
 - (b) the provisions set out in Appendix to DEFCON 804 (*QDC: Confidentiality of Single Source Contract Regulations Information*);
 - (c) obligations no less onerous on the Sub-Contractor than those imposed on the Contractor under this Contract in respect of security requirements set out in DEFCON 660 (*Official-Sensitive Security Requirements*);
 - (d) the keeping of records for a minimum of six (6) years or two (2) years following completion of the Contract, whichever is earlier, in respect of the services being provided under the Qualifying Sub-Contract pursuant to Regulation 20(7) Single Source Contract Regulations 2014;
 - (e) and provisions enabling the Contractor to terminate the Key Sub-Contracts on notice periods which are no greater than those specified under Condition 53 (*Termination by the Authority*).
- 41.2 The Contractor shall flow down the relevant provisions of this Contract to those Sub-Contractors which have a direct contract with the Contractor ("**Tier 1 Sub-Contractors**"). The Contractor shall:
- (a) ensure that equivalent obligations are included in the Tier 1 Sub-Contractors' sub-contracts; and
 - (b) use reasonable endeavours to ensure that the subsequent sub-contractors flow down the relevant provisions to any of its sub-contracts, and includes an obligation on its sub-contractors to extend this Condition 41.2 to further levels of their sub-contractor.

41.3 The Contractor shall:

- (a) promptly inform the Authority of any significant issues relating to the financial position of any of the Key Sub-Contractors;
- (b) promptly inform the Authority of any proposed or actual changes in Key Sub-Contractor; and
- (c) not terminate any Key Sub-Contract without informing the Authority.

SECTION H – INTELLECTUAL PROPERTY

42 DEFCONS

42.1 The following DEFCONS shall be incorporated into this Contract:

TMk1:

[REDACTED – Under FOIA Section 43, Commercial interests]

TMk2:

[REDACTED – Under FOIA Section 43, Commercial interests].

42.2 [REDACTED – Under FOIA Section 43, Commercial interests].

42.3 [REDACTED – Under FOIA Section 43, Commercial interests].

42.4 The Contractor shall not place any Sub-Contract which may reasonably be expected to create any intellectual property required under the Contract without the proposed Sub-Contractor concluding a direct agreement with the Authority in the form set out in DEFFORM 177 (06/21) (Design Rights and Patents Sub-Contractors Agreement).

SECTION I – SECURITY, DATA AND CONFIDENTIALITY

43 DEFCONS

43.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 21 (Edn 06/21) – *Retention of Records*;
- (b) DEFCON 68 (Edn 05/21) – *Supply of Data for Hazardous Articles*;

Note: Reference to DEFCON 514 shall be replaced with reference to Condition 53.1(a) and 55.6 of this Contract.

- (c) DEFCON 117 (Edn 07/21) – *Supply of Info for NATO Codification And Defence Inventory Introduction*;

Note: Reference to DEFCON 501 shall be replaced with reference to Schedule 1 (*Definitions and Acronyms*) of this Contract.

- (d) DEFCON 531 (Edn 09/21) – *Disclosure of Information*;

Note: Reference to DEFCON 501 shall be replaced with reference to Schedule 1 (*Definitions and Acronyms*) of this Contract.

- (e) DEFCON 532A (Edn 04/20) – *Protection of Personal Data*;

- (f) DEFCON 539 (Edn 01/22) – *Transparency*;

Note: For the purposes of DEFCON 539, references to DEFFORM 539A shall be amended to Schedule 20 (*Commercially Sensitive Information*).

- (g) DEFCON 609 (Edn 07/21) – *Contractor's Records*;

Note 1: For the purposes of DEFCON 609, Contractor records shall be the Deliverables contained within Schedule 7 (*Contract Data Requirements List*).

Note 2: For the purposes of DEFCON 609, Contractor records shall be retained for a period of five (5) years following delivery to the Authority.

- (h) DEFCON 658 (Edn 09/21) – *Cyber*;

Note 1: Reference to DEFCON 620 shall be replaced with reference to Schedule 14 (*Contract Change Procedure*).

Note 2: The Cyber Risk profile has been assessed as low.

- (i) DEFCON 659A (Edn 09/21) – *Security Measures*;

- (j) DEFCON 660 (Edn 12/15) – *Official-Sensitive Security Requirements*; and

- (k) DEFCON 804 (Edn 03/15) – *QDC: Confidentiality of Single Source Contract Regulations Information*.

SECTION J – LIABILITY, INDEMNITIES AND INSURANCE

44 DEFCONS

- 44.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 637 (Edn 05/17) – *Defect Investigation and Liability*;

Note: For the purposes of clause 1 of DEFCON 637, the Parties shall follow the F760 process (Mod Form 760 Fault/Defect Investigation).

- (b) DEFCON 638 (Edn 06/21) – *Flights Liability and Indemnity*;

Note 1: For the purposes of DEFCON 638, an "Authorised Flight" (Clause 1b.) shall mean:

- a) a flight or taxiing of an Aircraft where the transfer of custody of and responsibility for such Aircraft has taken place between the Authority and the Contractor in accordance with RA 2301 (1);
- b) an Engine Ground Run for which the Contractor holds a valid Engine Ground Running Certificate.

Note 2: Reference to DEFCON 656A shall be removed.

- (c) DEFCON 684 (Edn 01/04) – *Limitation upon Claims in respect of Aviation Products*.

45 LIMITATIONS ON LIABILITY

Unlimited liabilities

45.1 Neither Party limits its liability for:

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

45.2 The financial caps on the Contractor's liability set out in Condition 45.5 below shall not apply to the following:

[REDACTED – Under FOIA Section 43, Commercial interests].

45.3 The financial caps on the Authority's liability set out in Condition 45.6 below shall not apply to the following:

[REDACTED – Under FOIA Section 43, Commercial interests].

45.4 For the purposes of Conditions 45.2 and 45.3 and for the avoidance of doubt, the Parties agree that neither Party shall seek to recover from the other Party any sums paid in settlement of any fine levied by the Information Commissioner's Office or other relevant data protection authority, or compensation, damages or civil financial penalties which a Party is required to pay in connection with the breach by that Party of Data Protection Legislation.

Financial limits

45.5 Subject to Conditions 45.1, 45.2 and 45.4 and to the maximum extent permitted by Law:

- (a) throughout the Contract Period the Contractor's total liability in respect of losses that are caused by Breach of the Contractor shall in no event exceed:
- (i) in respect of DEFCON 76 (*Contractor's Personnel at Government Establishments*) [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£ [REDACTED – Under FOIA Section 43, Commercial interests]) in aggregate;
 - (ii) in respect of Contractor Default [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£[REDACTED – Under FOIA Section 43, Commercial interests]) in aggregate; and
 - (iii) in respect of DEFCON 611 (*Issued Property*) [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£[REDACTED – Under FOIA Section 43, Commercial interests]) in aggregate;
- (b) without limiting Condition 45.5(a) and subject always to Conditions 45.1, 45.2, and 45.5(c), the Contractor's total liability throughout the Contract Period 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 [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£[REDACTED – Under FOIA Section 43, Commercial interests]) in aggregate. [REDACTED – Under FOIA Section 43, Commercial interests].
- (c) If the Parties agree an extension to the Contract Period of more than three (3) Months, the limitation of the Contractor's total liability (in aggregate) set out in Conditions 45.5(a) and 45.5(b) above shall [REDACTED – Under FOIA Section 43, Commercial interests].
- 45.6 Subject to Conditions 45.1, 45.3, 45.4 and 45.7, 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 a sum [REDACTED – Under FOIA Section 43, Commercial interests].
- 45.7 Condition 45.6 shall not exclude or limit the Contractor's right under this Contract to claim for the Charges.
- Consequential loss**
- 45.8 Subject to Conditions 45.1, 45.3 and 45.9, 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:
- (a) indirect loss or damage;
 - (b) special loss or damage;

- (c) consequential loss or damage;
- (d) loss of profits (whether direct or indirect);
- (e) loss of turnover (whether direct or indirect);
- (f) loss of business opportunities (whether direct or indirect); or
- (g) 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.

- 45.9 Subject to the limits set out at Condition 45.5, the provisions of Condition 45.8 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 Contractor Default:

[REDACTED – Under FOIA Section 43, Commercial interests].

Invalidity

- 45.10 If any limitation or provision contained or expressly referred to in this Condition 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 45.

Third party claims or losses

- 45.11 [REDACTED – Under FOIA Section 43, Commercial interests].
- 45.12 Condition 45.11 shall not cover the Authority to the extent that a claim under it results from the Authority's negligence, default under this Contract or wilful misconduct.

No double recovery and Mitigation

- 45.13 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. The Parties shall be entitled to use (singly or together) such rights and remedies available to them so as to recover the full extent of any recoverable losses suffered or incurred.
- 45.14 The Party alleging or establishing a breach of, or requiring indemnification or making any other claim under this Contract shall be under a duty to use reasonable endeavours to mitigate any loss it may suffer or incur and such losses shall only be recoverable to the extent that they are reasonable and demonstrable.

46 CONTRACTOR INSURANCES

- 46.1 The Contractor shall, throughout the Contract Period, take out and maintain or procure the taking out and maintenance of the insurances necessary to discharge the Contractor's responsibilities and/or to satisfy any valid claims against the Contractor under the Contract.
- 46.2 Subject to Condition 45 above, where the Contractor is liable for loss of or irreparable damage to the Aircraft pursuant to DEFCON 76 (*Contractor's Personnel at Government Establishments*), then the Parties agree that Contractor shall pay the Authority the netbook value which shall be:
- (a) For TMk2, [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£[REDACTED – Under FOIA Section 43, Commercial interests]) per Aircraft, depreciated annually on the anniversary of the Commencement Date by [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£[REDACTED – Under FOIA Section 43, Commercial interests]); and
 - (b) For TMk1 (RAFAT), [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£[REDACTED – Under FOIA Section 43, Commercial interests]) per Aircraft, depreciated annually on the anniversary of the Commencement Date by [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£[REDACTED – Under FOIA Section 43, Commercial interests]).

Notification of Claims

- 46.3 The Contractor shall give the Authority's Representative notification within twenty (20) Working Days after any claim:
- (a) relating to any matter which, if adversely determined, might adversely affect the reputation of the Authority;
 - (b) relating to any matter having a high degree of public interest; and/or
 - (c) that includes or could involve, a Secret Matter as defined in DEFCON 659A (*Security Measures*),

on any of the insurance policies referred to in Condition 46.1 accompanied by full details of the incident giving rise to the claim.

General Provisions relating to Insurances

- 46.4 Neither failure to comply nor full compliance with the insurance provisions of the Contract shall limit or relieve the Contractor of its liabilities and obligations under the Contract.

SECTION K – REMEDIES AND RELIEF

47 RECTIFICATION PROCESS

- 47.1 If:

- (a) a Contractor Default occurs; and/or
- (b) the Contractor commits a Material KPI Failure,

then if the Contractor Default and/or Material KPI Failure is capable of remedy (each a **"Notifiable Default"**), then the Party that becomes aware of such Notifiable Default shall notify the other Party as soon as practicable but in any event within three (3) Working Days of becoming aware of the Notifiable Default, detailing the actual or anticipated effect of the Notifiable Default (**"Rectification Notice"**).

- 47.2 Unless the Notifiable Default also constitutes a Rectification Plan Failure, then the Authority will not be entitled to terminate this Contract in whole or in part on the grounds of the Notifiable Default without first following the Contractor Rectification Plan process set out below.

Submission of the draft Rectification Plan

- 47.3 The Contractor shall submit a draft Rectification Plan to the Authority for it to review as soon as possible and in any event within ten (10) Working Days (or such other period as may be agreed between the Parties) after the original notification pursuant to Condition 47.1.
- 47.4 The draft Rectification Plan shall set out:
- (a) full details of the Notifiable Default that has occurred, including a root cause analysis;
 - (b) the actual or anticipated effect of the Notifiable Default; and
 - (c) the steps which the Contractor proposes to take to rectify the Notifiable Default (if applicable) and to prevent such Notifiable Default from recurring, including timescales for such steps and for the rectification of the Notifiable Default (where applicable).
- 47.5 If the Contractor (acting reasonably) disputes a Notifiable Default, then the matter shall be referred immediately to escalation Monthly Joint Performance Review Meeting Chairpersons. If required, a meeting shall be convened as soon as reasonably practicable (or in any case within 5 Working Days of receipt of the Rectification Notice) for the Parties to discuss and agree any next steps and appropriate actions.

Agreement of the Rectification Plan

- 47.6 The Authority may reject the draft Rectification Plan by providing written notice, including details of the reasons for rejection, to the Contractor within five (5) Working Days of receipt of the draft Rectification Plan if, acting reasonably:
- (a) the Authority considers that completion of the draft Rectification Plan will not result in rectification of Notifiable Default; and/or
 - (b) the Notifiable Default will not be rectified within a reasonable period of time.

If no response is received from the Authority within five (5) Working Days of receipt of the draft Rectification Plan, then the draft Rectification Plan shall be deemed to be accepted by the Authority and the Contractor shall progress the actions detailed within the Rectification Plan promptly and pursuant to the dates outlined.

- 47.7 Where the Authority rejects the draft Rectification Plan, the matter shall be referred to the Monthly Joint Performance Review Meeting Chairpersons to discuss and agree, where possible, the final Rectification Plan within five (5) Working Days of the Authority's written notice.
- 47.8 If the Parties (acting reasonably) are still unable to agree the final Rectification Plan in accordance with Condition 47.7, then the matter shall be referred immediately to the Monthly Joint Business Review Meeting Chairpersons. If required, a meeting shall be convened as soon as reasonably practicable (or in any case within five (5) Working Days) for the Parties to discuss and agree any next steps and appropriate actions.
- 47.9 If the Authority Approves the Rectification Plan or it is deemed accepted pursuant to Condition 47.6, then the Authority may no longer terminate this Contract in whole or in part on the grounds of the relevant Notifiable Default (save in the event of a Rectification Plan Failure) and the Contractor shall progress the Rectification Plan promptly and pursuant to the dates outlined.
- 47.10 Following submission of the draft Rectification Plan (and only in circumstances where the costs are recoverable through Condition 29 (*TCIF Mechanism*)), the Contractor may (acting reasonably) commence rectification work activities, in advance of the formal Approval (or deemed acceptance pursuant to Condition 47.6) of the Rectification Plan.
- 47.11 If the Contractor rectifies the Notifiable Default (whether in accordance with the Rectification Plan or otherwise), the Rectification Notice will be deemed to be revoked and the Authority shall notify the Contractor that no further action is to be taken in relation to the relevant Notifiable Default.
- 47.12 If the Contractor fails to rectify the Notifiable Default pursuant to the Rectification Plan, then the Authority may (in its sole discretion) require the Contractor to deliver a final revised Rectification Plan in accordance with Conditions 47.3 and 47.4 above in which case the provisions of Conditions 47.6, 47.7, 47.8, 47.9 and 47.10 above shall apply.
- 47.13 The Contractor acknowledges that it shall use reasonable endeavours to rectify (where possible) any Notifiable Default.
- 47.14 Where:
- (a) the Contractor fails to submit a draft Rectification Plan within the specified timescales at Condition 47 (*Rectification Process*) provided that such Rectification Plan has not since been accepted or deemed accepted (pursuant to Condition 47.6) by the Authority; or
 - (b) the Parties fail to agree a Rectification Plan following escalation in accordance with Conditions 47.7 and 47.8 or, in any event, within twenty five (25) Working Days of the matter being referred

to Monthly Joint Business Review Meeting Chairpersons in accordance with Condition 47.8 (or such other period as agreed between the Parties, acting reasonably); or

- (c) the Contractor fails to rectify the Notifiable Default within the time periods specified within the Rectification Plan or such longer period as may be agreed with the Authority, acting reasonably;

(each a "**Rectification Plan Failure**"), the Authority may:

- (d) exercise its' Authority Step-In rights pursuant to Condition 49 (*Authority Step-In*); or
- (e) issue written notice to the Contractor to terminate this Contract in whole or part in accordance with Condition 53 (*Termination by the Authority*) (giving not less than six (6) Months' notice to terminate).

48 AUTHORITY BREACH PROCESS

- 48.1 If there is a material Breach by the Authority, then the Party that becomes aware of such material Breach shall notify the other Party as soon as practicable but in any event within three (3) Working Days of becoming aware of it, detailing the actual or anticipated effect of the material Breach.
- 48.2 Following such notification in accordance with Condition 48.1, then the Authority shall submit a recovery plan to the Contractor including the following details:
 - (a) full details and the actual or anticipated effect of the material Breach that has occurred;
 - (b) the steps which the Authority proposes to take to rectify the material Breach (if applicable) and to prevent such material Breach from recurring; and/or
 - (c) the timescales for such steps and for the rectification of the material Breach (where applicable).
- 48.3 Following submission of the recovery plan to the Contractor, the Authority shall start work on its actions as soon as reasonably practicable.
- 48.4 If the Authority's progress against the recovery plan is insufficient, then the Parties shall discuss at the next Monthly Joint Business Review.
- 48.5 The Authority acknowledges that it shall use reasonable endeavours to rectify (where possible) any Breach.

49 AUTHORITY STEP-IN

- 49.1 If the Authority reasonably believes that it needs to take action in connection with the provision of the Services:
 - (a) because a serious risk exists to the health or safety of persons or property or to the environment;

- (b) because a Rectification Plan Failure has occurred; and/or
- (c) to discharge a statutory or regulatory duty,

then the Authority shall be entitled to take action in accordance with Conditions 49.2 to 49.5 below.

49.2 If Condition 49.1 applies and the Authority wishes to take action, the Authority shall notify the Contractor in writing of the following:

- (a) the action it wishes to take;
- (b) the reason for such action;
- (c) the date it wishes to commence such action;
- (d) the time period which it believes will be necessary for such action; and
- (e) to the extent practicable, the effect on the Contractor and its obligation to provide the Services during the period such action is being taken.

49.3 Following service of such notice, the Authority shall take such action as notified under Conditions 49.2 above and any consequential additional action as it reasonably believes is necessary (together, the **"Required Action"**) and the Contractor shall give all reasonable assistance to the Authority while it is taking such Required Action. The Authority shall provide the Contractor with notice of completion of the Required Action and shall use reasonable endeavours to provide such advance notice, as is reasonably practicable, of its anticipated completion.

49.4 Where the Required Action has been taken otherwise than as a result of a Breach by the Contractor, the Authority shall undertake the Required Action in accordance with Good Industry Practice.

49.5 If the Contractor is not in Breach of any of its obligations under the Contract, then for so long as and to the extent that the Required Action is taken and this prevents, hinders or delays the Contractor from providing any of the Services:

- (a) the Contractor shall not be in Breach of this Contract, nor liable for any failure to perform, partial performance or delay in performance of any of its obligations under this Contract to the extent that such failure, partial performance or delay was caused or contributed to by the Required Action;
- (b) in respect of the period in which the Authority is taking the Required Action and provided that the Contractor provides the Authority with reasonable assistance, the payment due from the Authority to the Contractor shall equal the amount the Contractor would receive if it were satisfying all its obligations and providing the Services affected by the Required Action in full over that period;

- (c) the Contractor shall be entitled to claim the costs in relation to any activities that the Contractor is required to perform in support of the Required Action the Authority undertakes, in accordance with the SSCR.

49.6 If the Required Action is taken as a result of a Breach of the obligations of the Contractor under the Contract, then for so long as and to the extent that the Required Action is taken, and this prevents the Contractor from providing any of the Services:

- (a) the Contractor shall be relieved of its obligations to provide the affected Services; and
- (b) in respect of the period in which the Authority is taking the Required Action, the payment due from the Authority to the Contractor shall equal the amount the Contractor would receive if it were satisfying all its obligations and providing the Services affected by the Required Action in full over that period, less an amount equal to all the Authority's costs of operation in taking the Required Action.

Right of Inspection

49.7 The Authority, including the Authority's Representative, shall have, at all reasonable times and upon giving reasonable notice, the right (but not so as to delay or impede the provision of the Services) to inspect:

- (a) the state and progress of the provision of the Services (and to ascertain whether they are being properly provided); and/or
- (b) the operation and maintenance of any aspect of the Contractor's operation, including those of any Contractor Related Parties, and to monitor compliance by the Contractor with its obligations under the Contract.

Inspection of Facilities

49.8 The Authority, including the Authority's Representative, shall have the right at all reasonable times and on reasonable notice to enter upon any property used by the Contractor and/or a Contractor Related Party for the purposes of general inspection and of attending any test or investigation being carried out in respect of the provision of Services.

Contractor's Reasonable Assistance

49.9 For the purposes of Conditions 49.7 and 49.8, the Contractor shall procure that satisfactory Facilities are made available, and that reasonable assistance is given, to the Authority, including the Authority's Representative.

Health and Safety Requirements

49.10 In exercising its rights under Conditions 49.7 and/or 49.8, the Authority, including the Authority's Representative, shall at all times comply with all relevant health and safety procedures and any reasonable directions with regard to safety that may be issued by or on behalf of the Contractor.

Damage

- 49.11 If the Authority, including the Authority's Representative, causes material damage to any property belonging to the Contractor, including any Contractor Related Party, in exercising its rights under Conditions 49.7 and 49.8, then the Authority shall be liable to the Contractor (or the affected Contractor Related Party) for the reasonable costs directly caused by such damage.

Termination

- 49.12 Where the Authority has exercised its Authority Step In rights as a result of a Rectification Plan Failure, and such action has not rectified the Notifiable Default (in the Authority's sole discretion), the Authority shall be able to terminate the Contract in accordance with Condition 47.14(e) (Rectification Process).

50 FORCE MAJEURE

- 50.1 The Contractor shall not be in breach of this Contract, nor liable for late performance, partial performance or non-performance of any of its obligations under this Contract, if such delay, partial performance or non-performance result from a Force Majeure Event.
- 50.2 The Contractor shall immediately notify the Authority in writing on the occurrence of a Force Majeure Event, including details of the Force Majeure Event, its effect on the Contractor's obligations under this Contract, and the actions proposed to mitigate its effect.
- 50.3 As soon as practicable following such notification, the Parties shall consult with each other in good faith and use all reasonable endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and facilitate the continued performance of the Contract. During the subsistence of the Force Majeure Event, the Parties shall meet with each other weekly to provide updates on the Force Majeure Event and, where necessary, shall use all reasonable endeavours to agree any changes to such terms.
- 50.4 Subject to Condition 50.5 below, and to the extent that such delay, partial performance or non-performance is as a direct result of the Force Majeure Event, the Contractor shall be entitled to an appropriate period of:
- (a) extension of time for performing; and/or
 - (b) relief from other contractual consequences of late, partial or non-performance of such obligations,

provided always that the Contractor has used all reasonable endeavours and at all times takes such steps in accordance with Good Industry Practice, both to mitigate the effects of the Force Majeure Event, and to facilitate the continued performance of its obligations under this Contract.

- 50.5 Where a Force Majeure Event has occurred, the Contractor shall:

- (a) be entitled to continue to receive payment in accordance with Condition 27 (*Payment*);
 - (b) collect and separately record the costs and/or savings to the Contractor and Sub-Contractors associated with the impact of the Force Majeure Event to enable such costs and/or savings to be used in any payment calculations (as necessary), after cessation of the Force Majeure Event. In determining the costs and/or savings to be taken into account with respect to the Force Majeure Event:
 - (i) no profit shall be applied to these costs;
 - (ii) such costs must be reasonably and properly incurred, having regard to the circumstances of the Force Majeure Event and to the Contractor's obligation to mitigate the effects of such Force Majeure Event;
 - (iii) such costs must be incurred as a direct consequence of the Force Majeure Event; and
 - (iv) such costs and/or savings shall be calculated in accordance with the AAR Criteria.
- 50.6 The Parties shall discuss any additional reasonable costs incurred or to be incurred as a direct result of a Force Majeure Event and, where necessary and acting reasonably, shall agree an Item 2 (Emergent Task) as appropriate. No profits shall be applied to these costs.
- 50.7 Nothing in this Condition 50 (*Force Majeure*) shall however affect any entitlement of the Authority to make deductions pursuant to Condition 9 (*Performance Management and Key Performance Indicators*) in the period during which the Force Majeure Event subsists where such failure is not as a result of the Force Majeure Event.
- 50.8 Where the Force Majeure Event affects a part or parts of the Services, the provisions of Conditions 50.4 and 50.5 shall only apply to such affected part or parts.
- 50.9 The Contractor shall notify the Authority as soon as practicable after the Force Majeure Event ceases or no longer causes the Contractor to be unable to comply with its obligations under the Contract. Following such notification the Contract shall continue to be performed on the terms existing immediately prior to the occurrence of the Force Majeure Event and Conditions 50.4 and 50.5 shall no longer apply.
- 50.10 The maximum extension of time granted and/or relief from other contractual consequences under Condition 50.4 shall be limited to the later of:
- (a) the date upon which the Contract is terminated in accordance with Condition 50.12; or
 - (b) the earlier of the date the Force Majeure Event ceases or the date the Force Majeure Event no longer causes the Contractor to be unable to comply with its obligations under the Contract.

50.11 The Parties (acting reasonably) may agree further extensions of time and/or relief from other contractual consequences as necessary.

50.12 If the Force Majeure Event continues for a period of one-hundred and twenty (120) Working Days or more from the date of notice given under Condition 50.2, either Party may, on giving written notice to the other Party terminate this Contract in whole or in part, on giving one-hundred and twenty (120) Working Days' notice (or such other period as may be agreed between the Parties).

51 [REDACTED – UNDER FOIA SECTION 43, COMMERCIAL INTERESTS]

51.1 [REDACTED – Under FOIA Section 43, Commercial interests].

51.2 [REDACTED – Under FOIA Section 43, Commercial interests].

51.3 [REDACTED – Under FOIA Section 43, Commercial interests].

51.4 [REDACTED – Under FOIA Section 43, Commercial interests]

51.5 [REDACTED – Under FOIA Section 43, Commercial interests]

51.6 [REDACTED – Under FOIA Section 43, Commercial interests]

51.7 [REDACTED – Under FOIA Section 43, Commercial interests]

51.8 [REDACTED – Under FOIA Section 43, Commercial interests].

SECTION L – TERMINATION AND EXIT MANAGEMENT

52 DEFCONS

52.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 656B (Edn 08/16) – *Authority Termination for Convenience* – provided that the notice period will be amended from thirty (30) days to six (6) Months;
- (b) DEFCON 515 (Edn 06/21) – *Bankruptcy and Insolvency*;
- (c) DEFCON 518 (Edn 02/17) – *Transfer*; and
- (d) DEFCON 625 (Edn 06/21) – *Co-operation on Expiry of Contract*.

53 TERMINATION BY THE AUTHORITY

53.1 The Contractor acknowledges that the Authority may terminate this Contract in whole or in part by issuing a Termination Notice to the Contractor:

- (a) subject to Condition 47 (*Rectification Process*), in the event of a Contractor Default;
- (b) for convenience at any time pursuant to DEFCON 656B (Termination for Convenience);
- (c) in accordance with Condition 50 (*Force Majeure*);
- (d) in accordance with Condition **Error! Reference source not found.** (*Pandemic: Extension of Time and Relief from Performance*);
- (e) in accordance with DEFCON 515 (*Bankruptcy and Insolvency*);
- (f) in accordance with DEFCON 520 (*Corrupt Gifts and Payments of Commission*);
- (g) in accordance with DEFCON 566 (*Change of Control of Contractor*);
- (h) in accordance with DEFCON 659A (*Security Measures*); and/or
- (i) in accordance with DEFCON 670 (*Tax Compliance*),

and this Contract shall terminate on the date specified in the Termination Notice.

53.2 Where the Authority terminates the Contract in part, the Parties shall comply with the Change Control Procedure.

54 TERMINATION BY THE CONTRACTOR

54.1 The Contractor may, by issuing a Termination Notice to the Authority, terminate this Contract:

- (a) in accordance with Condition 50 (*Force Majeure*); and/or
- (b) if the Authority fails to pay an undisputed sum due to the Contractor under this Contract which in aggregate exceeds [REDACTED – Under FOIA Section 43, Commercial interests] pounds (£[REDACTED – Under FOIA Section 43, Commercial interests]) and such amount remains outstanding forty (40) Working Days after the receipt by the Authority of a notice of non-payment from the Contractor.

55 CONSEQUENCES OF TERMINATION OR EXPIRY

55.1 The provisions of Condition 1 (*Interpretation*), Condition 12 (Environmental Protections), Condition 42 (*Intellectual Property DEFCONs*), DEFCON 532A (*Protection of Personal Data*), DEFCON 539 (*Transparency*), DEFCON 658 (*Cyber*), DEFCON 659A (*Security Measures*), DEFCON 660 (*Official-Sensitive Security Requirements*), DEFCON 804 (*QDC: Confidentiality*)

of Single Source Contract Regulations Information), Section E (Price, Payment and Taxation) DEFCONs and Conditions, Condition 45 (*Limitations on Liability*), Condition 46 (*Insurance*), Condition 55 (*Consequences of Termination*), DEFCON 526 (*Notices*), DEFCON 527 (*Waiver*), DEFCON 529 (*Governing Law and Jurisdiction*), DEFCON 530 (*Dispute Resolution and Escalation*), DEFCON 537 (*Rights of Third Parties*), DEFCON 638 (*Severability*), Condition 60 (*Conduct of Claims*), Condition 61 (*Relationship of the Parties*), and Condition 62 (*Entire Agreement*), and Schedules 1 (*Definitions and Acronyms*), 12 (*Pricing and Payment*), 15 (*Transfer Regulations*), 9 (*Security Aspects Letter*), 21 (*Exit Management*) and 20 (*Commercially Sensitive Information (DEFFORM 539A)*) shall survive the termination or expiry of this Contract.

Exit Management

- 55.2 The Parties shall comply with the provisions of Schedule 21 (*Exit Management*) and any current Exit Plan in relation to orderly transition of the Services to the Authority or a Successor Contractor.
- 55.3 Following notice of termination or partial termination of this Contract, the Contractor shall not, in respect of the terminated Services, without the Authority's prior written consent:
- (i) terminate or vary any Key Sub-Contract except to the extent that such change does not or will not affect the provision of Services or the Contract Price; or
 - (ii) enter into any new Sub-Contracts except to the extent that such change does not or will not affect the provision of Services or the Contract Price; or
 - (iii) subject to normal maintenance requirements, make material modifications to, or dispose of, any existing GFA and Issued Property,

such written consent not to be unreasonably withheld or delayed.

Obligation to Mitigate

- 55.4 For the purposes of this Condition 55 (*Consequences of Termination or Expiry*) the Parties shall be under a duty to use reasonable endeavours to mitigate any costs and/or losses suffered and/or incurred and such losses and/or costs shall only be recoverable to the extent that they are reasonable and demonstrable.

Termination in accordance with DEFCONs

- 55.5 The Parties shall comply with its obligations in relation to the consequences of termination in the following DEFCONs:
- (a) DEFCON 656B (*Termination for Convenience*);
 - (b) DEFCON 515 (*Bankruptcy and Insolvency*);

- (c) DEFCON 520 (*Corrupt Gifts and Payments of Commission*);
- (d) DEFCON 566 (*Change of Control of Contractor*);
- (e) DEFCON 659A (*Security Measures*); and
- (f) DEFCON 670 (*Tax Compliance*).

For the avoidance of doubt, the Parties shall have no other right to compensation other than as specified in the DEFCON.

Termination for Contractor Default

- 55.6 Where the Authority has terminated the Contract under Condition 53.1(a) (*Termination by the Authority*) and subject always to the limitations and exclusions of liability in Condition 45 (*Limitations on Liability*), the Authority shall have the right to [REDACTED – Under FOIA Section 43, Commercial interests].
- 55.7 Where the Authority has terminated the Contract under Condition 53.1(a) (*Termination by the Authority*), the Contractor shall be entitled to be paid the following amounts:
- (a) any unpaid Charges which shall be due up to the date of termination; and
 - (b) Contract Exit Costs, and for the avoidance of doubt, the Contractor shall have no right to claim profit on any Contract Exit Costs.

Termination for Authority Failure to Pay an Undisputed Sum

- 55.8 Where the Contractor has terminated the Contract under Condition 54.1(b) (*Termination by the Contractor*), the Contractor shall be entitled to be paid the following amounts:
- (a) any unpaid Charges which shall be due up to the date of termination;
 - (b) Contract Exit Costs; and
 - (c) Compensation Payment.

Termination for Force Majeure and Pandemic

- 55.9 Where the Contract is terminated under Conditions 50.5 (*Force Majeure*) or 51.5 (*Pandemic*), the Contractor shall be entitled to be paid the following amounts:
- (a) any unpaid Charges which shall be due up to the date of termination;
 - (b) Contract Exit Costs; and
 - (c) Profit Share Payment.

SECTION M – MISCELLANEOUS AND GOVERNING LAW**56 DEFCONS**

56.1 The following DEFCONS shall be incorporated into this Contract:

- (a) DEFCON 82 (Edn 06/21) – *Special Procedure for Initial Spares*;

Note 1: DEFCON 82 shall only apply where the Parties mutually agree and identify as such within an Emergent Tasking Form that the Emergent Task shall be subject to this Condition.

Note 2: References to DEFFORM 82A and DEFFORM 82B shall be replaced with Emergent Tasking Form (Schedule 14 (*Contract Change Procedure*)).

- (b) DEFCON 126 (Edn 06/21) – *International Collaboration*;
- (c) DEFCON 520 (Edn 08/21) – *Corrupt Gifts and Payments of Commission*;
- (d) DEFCON 526 (Edn 08/02) – *Notices*;
- (e) DEFCON 527 (Edn 09/97) – *Waiver*;
- (f) DEFCON 529 (Edn 09/97) – *Governing Law and Jurisdiction*;
- (g) DEFCON 530 (Edn 12/14) – *Dispute Resolution and Escalation*;
- (h) DEFCON 537 (Edn 06/02) – *Rights of Third Parties*;

Note: References to DEFCON 529A and 530A shall be removed.

- (i) DEFCON 538 (Edn 06/02) – *Severability*;
- (j) DEFCON 566 (Edn 10/20) – *Change of Control of Contractor*, and

Note: For the purposes of DEFCON 566, the Contractor shall notify the Authority to the extent it has actual knowledge of a change in control of the Contractor (including any Key Sub-Contractors).

- (k) DEFCON 681 (Edn 06/02) – *Decoupling Clause – Subcontracting with the Crown*.

Note: For the purposes of DEFCON 681, notwithstanding the reference in line 1 to "any other contracts", the Condition only applies to sub-contracts with the Crown.

57 AUTHORITY USE OF CONTRACTOR PROCURED ASSETS

- 57.1 Where the Authority or the Authority's Representative authorises the use of Issued Property procured by the Contractor under this Contract or any previous contract with the Authority for Hawk In-Service Support other than for the purposes of this Contract, then the Authority shall pay to the Contractor the amount equal to the costs of replacing such Issued Property, plus the Contract Profit Rate, in accordance with Condition 27.8

58 ESCALATION PROCESS

- 58.1 Where there is a Dispute between the Parties, the relevant Party shall provide such information and evidence reasonably required by the other Party to understand such Dispute.
- 58.2 The Parties shall work together to resolve the Dispute as soon as reasonably practicable.
- 58.3 Where the Parties are unable to resolve the Dispute (acting reasonably), the matter shall be referred for escalation to the Monthly Joint Performance Review Chairpersons and, if the matter is not resolved, to the Monthly Joint Business Review Chairpersons. If required, a meeting shall be convened as soon as reasonably practicable for the Parties to discuss and agree any next steps and appropriate actions.
- 58.4 Where the Parties are unable to resolve the Dispute in accordance with Condition 58.3, and the Dispute does not constitute a Notifiable Default, the Parties shall follow the procedure in DEFCON 530 (*Dispute Resolution and Escalation*).

59 EMERGENCY PROCEDURES

- 59.1 The Contractor shall continue to provide the Services required in peace, during any state of emergency (whether or not involving hostilities), periods of tension, in transition to war and during hostilities. The Contractor shall provide all the Services throughout such period of the state of emergency, tension, transition to war or hostility unless directed otherwise by the Authority. The Authority shall advise the Contractor of any changes or additions to the Contract requirements and the provisions of Schedule 14 (*Contract Change Procedure*) shall apply, provided that the agreement or determination of any Contract Change pursuant to Schedule 14 (*Contract Change Procedure*) shall not relieve the Contractor of its obligation to comply with the Authority's directions under this Condition 59 in the period up to the agreement or determination of such Contract Change.

60 CONDUCT OF CLAIMS

- 60.1 Where under this Contract one Party (the "**Indemnified Party**") is indemnified by or claims reimbursement or repayment from the other Party (the "**Indemnifying Party**"), in relation to claims made by a third person against the Indemnified Party:
- (a) the Indemnified Party shall:

- (i) give notice in writing to the Indemnifying Party of any such claim as soon as reasonably practicable after receipt of the claim;
 - (ii) not make any admission that could be prejudicial to the defence or settlement of such claim without the Indemnifying Party's prior Approval; and
 - (iii) at the Indemnifying Party's cost, provide all reasonable cooperation, access and assistance for the purposes of such claim including giving the Indemnifying Party and its professional advisers access at reasonable times (on reasonable prior notice) to any relevant assets, accounts, documents and records within the power or control of the Indemnified Party, so as to enable the Indemnifying Party and its professional advisers to examine them and to take copies (at the Indemnifying Party's expense) for the purpose of assessing such claim; and
 - (iv) the Indemnified Party shall take such action as the Indemnifying Party may reasonably request to avoid, dispute, compromise or defend the relevant claim.
- (b) the Indemnifying Party shall:
- (i) keep the Indemnified Party fully informed and consult with, and take due and proper account of the interests of, the Indemnified Party on all substantive issues which arise in the conduct of the claim; and
 - (ii) not bring the name of the Indemnified Party into disrepute;
 - (iii) in respect of any claim which the Indemnified Party (acting reasonably) considers is likely to have an adverse impact on the general public perception of the Indemnified Party, the Indemnifying Party shall be entitled to take conduct of any defence, dispute, compromise or appeal only with the Indemnified Party's prior Approval; and
 - (iv) not pay or settle such a claim without the prior Approval of the Indemnified Party.

61 RELATIONSHIP OF THE PARTIES

- 61.1 Except as expressly provided otherwise in this Contract, nothing in this Contract, nor any actions taken by the Parties pursuant to this Contract, shall create a partnership, joint venture or relationship of employer and employee or principal and agent between the Parties, or authorise either Party to make representations or enter into any commitments for or on behalf of any other Party.

62 ENTIRE AGREEMENT

- 62.1 The Contract constitutes the entire agreement between the Parties relating to the subject matter of the Contract. The Contract supersedes all prior negotiations, representations, and undertakings, whether written or oral, except that this Condition 62.1 shall not exclude liability in respect of any fraud or fraudulent misrepresentation.

63 REPRESENTATIVES

References to Authority and Contractor

- 63.1 Except as provided otherwise under the Contract, any reference to the Authority and the Contractor in respect of:

- (a) the giving of consent;
- (b) the delivering of any notices; or
- (c) the doing of any other thing that may reasonably be undertaken by an individual acting on behalf of the relevant Party,

shall be deemed to be references to the Authority's Representatives and the Contractor's Representatives (respectively) in accordance with this Condition 63 (*Representatives*).

Contractor's Representatives

- 63.2 The Contractor's Representatives shall be those roles fulfilling the functions set out at Schedule 3 (*Statement of Work*).
- 63.3 The Contractor's Representatives shall have the appropriate training, skills and delegated authority to co-ordinate and ensure the Contractor's proper discharge of its obligations under the Contract.

Authority of Contractor's Representatives

- 63.4 Each of the Contractor's Representatives shall have full authority to act on behalf of the Contractor for those purposes for which that Contractor's Representative is appointed.
- 63.5 The Authority and the Authority's Representative shall be entitled to treat any act of the relevant Contractor's Representative in connection with those aspects of the Contract for which that Contractor's Representative is appointed as being expressly authorised by the Contractor (save where the Contractor has notified the Authority in writing that such authority has been revoked) and the Authority shall not be required to determine whether any express authority has in fact been given.

Appointment of Successor

- 63.6 The Contractor may terminate the appointment of any Contractor's Representative and shall appoint a successor, the identity of whom shall be made known to the Authority.

Authority's Representatives

- 63.7 The Authority's Representatives shall have the appropriate training, skills and delegated authority to co-ordinate and ensure the Authority's proper discharge of its obligations under the Contract.

Authority of Authority's Representatives

- 63.8 Each of the Authority's Representatives shall have full authority to act on behalf of the Authority for those purposes for which that Authority's Representative is appointed.
- 63.9 The Contractor and the Contractor's Representative shall be entitled to treat any act of the relevant Authority's Representative in connection with those aspects of the Contract for which that Authority's Representative is appointed as being expressly authorised by the Authority (save where the Authority has notified the Contractor in writing that such authority has been revoked) and the Contractor shall not be required to determine whether any express authority has in fact been given.

Appointment of Successor

- 63.10 The Authority may terminate the appointment of any Authority's Representative and shall appoint a successor, the identity of whom shall be made known to the Contractor.

This Contract has been entered into on the date stated at the beginning of it.

SIGNED BY)
for and on behalf of)
THE SECRETARY OF STATE FOR DEFENCE)

SIGNATURE

NAME

SIGNED BY)
for and on behalf of)
BAE SYSTEMS (OPERATIONS) LIMITED)

SIGNATURE

NAME

Schedule 1
Definitions and Acronyms



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 1 (Definitions and Acronyms) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 43, Commercial interests]

Schedule 2
Statement of Requirement



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 2 (Statement of Requirement) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

This Schedule 2 (Statement of Requirement) is for information purposes only and articulates the Authority's requirements. The Contractor shall be under no obligation to fulfil the requirements detailed herein save for as set out in Schedule 3 (Statement of Work). The Contractor's scope of work can be found within Schedule 3 (Statement of Work).

No	Platform	Area	Requirement	BAE Systems HFS Compliance	Remarks
1	TMk1	Operational	BAES shall generate from depth, up to [REDACTED – Under FOIA Section 26, Defence] available flying hours per annum, to be flown by RAFAT. To enable this capability, the Additional Work proposals for RAFAT Forward support and Depth Maintenance Proposals will need to be contracted through Hawk Future Support.	Compliant	
2	TMk1	Operational	BAES shall provide spares for the authorised range and scaled RAFAT PEP(s) to support the users planned requirements. RAFAT will manage their PEP(s) in Forward.	Compliant	
3	TMk2	Operational	BAES shall deliver the Ascent Flying Plan required to deliver the Authority Flying Training Plan – Ascent and BAES shall work coherently to deliver the daily/weekly Flying Training Plan as the Training Service Partner (TSP - Ascent) and Aircraft Service Provider (ASP - BAES). This shall not be affected by known safety or capability modifications.	Compliant	
4	TMk2	Operational	BAE Systems shall provide forward support activities extending to support training deployments, detachments and stricken aircraft recovery, where required and within the prescribed limits of [REDACTED – Under FOIA Section 26, Defence] T2 detachments per year, [REDACTED – Under FOIA Section 26, Defence] UK & [REDACTED – Under FOIA Section 26, Defence] overseas, lasting for a period of up to	Compliant	

			[REDACTED – Under FOIA Section 26, Defence] weeks and involving no more than [REDACTED – Under FOIA Section 26, Defence] aircraft.		
5	Both	Solution Design	BAES shall identify efficiencies in the solution against current baseline that enable the reinvestment in Hawk capability and sustainability	Compliant	
6	Both	Solution Design	BAE Systems shall work with the Authority to refine and optimise the reporting structure and toolsets. Wherever possible, an optimised single management system (and structure) will be enacted to reduce duplication.	Compliant	
7	Both	Solution Design	BAES shall identify all GFA requirements and record them in Schedule 16 (e.g. Facilities, Services, Manpower). Items outside scope will be considered GFA unless dispositioned through the course of the Contract.	Compliant	
8	Both	Fleet Management / Operational	BAES shall propose and execute a Strategic Fleet Management Plan for Hawk TMk1 and Hawk TMk2 to ensure management of both fleets.	Compliant	
9	TMk1	Fleet Management	BAES shall manage and undertake the Black to Red conversions as part of the fleet depth management plan, which will be contracted through Hawk Future Support.	Compliant	
10	Both	Maintenance	BAE shall manage the depth activity and recommend optimum solutions for on and off-wing maintenance (including aircraft painting)	Compliant	
11	Both	Maintenance	BAES shall provide forward maintenance support for T2 and limited forward support to RAFAT,	Compliant	

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			which will be contracted as part of Hawk Future Support.		
12	Both	Maintenance	BAES shall provide training/flight safety days for AMO staff as per RA4806 ([REDACTED – Under FOIA Section 26, Defence] per year)	Compliant	
13	Both	Maintenance	BAES shall minimise cannibalisations.	Compliant	
14	Both	Supply Chain	BAES shall provide supply chain management to deliver operational requirements	Compliant	
15	Both	Supply Chain	BAES shall provide and execute an optimised inventory management plan	Compliant	
16	Both	Supply Chain	BAES shall procure and manage those 'commodity' items, which have been transferred from DE&S, as part of the contract to ensure delivery of the flying plan	Compliant	
17	TMk1	Supply Chain	BAES shall execute an agreed RTP programme, by either TAF or through HFS Core Service.	Compliant	
18	Both	Integrated Logistics Support	BAES shall produce and execute a Through Life Support Plan (TLSP)	Compliant	
19	Both	Integrated Logistics Support	BAES shall produce and execute a Draft Reliability and Maintainability Case iaw Def Stan 00-042 Pt3 and Reliability and Maintainability Plan iaw Def Stan 00-040	Compliant	
20	Both	Integrated Logistics Support	BAES shall produce an Obsolescence Report	Compliant	

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21	Both	Integrated Logistics Support	BAES shall produce a Support and Test Equipment (S&TE) Plan, in accordance with UK MOD ILS Policy and guidance, and then a periodic report to assure that the equipment contained has a suitable support solution.	Compliant	
22	Both	Integrated Logistics Support	BAES shall produce and execute a Configuration Management Plan (CMP)	Compliant	
23	Both	Integrated Logistics Support	BAES shall produce and maintain a Technical Documentation Management Plan	Compliant	
24	Both	Integrated Logistics Support	BAES shall produce a Disposal Plan, in conjunction with the Authority, recognising disposal of GFA assets is excluded from the Contracted SOW.	Compliant	
25	Both	Integrated Logistics Support	BAES shall deliver and maintain a Hawk Maintainer Training Package	Compliant	
26	Both	Integrated Logistics Support	BAES shall deliver a Human Factors Integration Plan to comply with Def Stan 00-251 Part 2 HFI Process Requirements (First Article Verification).	Compliant	
27	Both	Integrated Logistics Support	BAES shall produce and execute a Supply Support Plan	Compliant	
28	Both	Integrated Logistics Support	BAES shall produce and execute a Software Support Plan	Clarification Required	[REDACTED – Under FOIA Section 26, Defence]
29	Both	Integrated Logistics Support	BAES shall produce Codification Data Reports that comply with DEFCON 117	Compliant	
30	Both	Engineering (Safety, Quality & Environment)	BAES shall ensure compliance with MAA regulations applicable to the services provided.	Compliant	

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31	Both	Engineering (Safety, Quality & Environment)	BAE shall comply with the DGAPI 16 timeline for F760 completion	Compliant	
32	Both	Engineering (Safety, Quality & Environment)	BAES shall comply with COMPI14 timeline for F765 completion	Compliant	
33	Both	Engineering (Safety, Quality & Environment)	BAES shall provide support in accordance with MILCAM CAMES	Compliant	
34	Both	Engineering (Safety, Quality & Environment)	BAES shall provide a Quality Management System that manages all Hawk support according to RA's and other relevant policies	Compliant	
35	TMk1	Engineering (Safety, Quality & Environment)	BAES shall provided RAFAT PtM through CAMSS	Compliant	
36	Both	Engineering (Safety, Quality & Environment)	BAES shall provide a Technical Query Service	Compliant	
37	Both	Engineering (Safety, Quality & Environment)	BAE shall monitor, advise and recommend a strategy for the management of obsolescence issues	Compliant	
38	Both	Engineering (Safety, Quality & Environment)	BAES shall give access to Authority Quality Assurance, and engagement with, all BAES contracted entities	Compliant	

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39	Both	Engineering (Safety, Quality & Environment)	BAES shall work with the Authority on the methodology in which urgent safety modifications can be tasked into the Contractor to avoid excessive additional tasking.	Compliant	
40	Both	Engineering (Safety, Quality & Environment)	BAES shall work with CAMs to define optimum process to investigate DASORs solution	Compliant	
41	Both	Engineering (Safety, Quality & Environment)	BAES shall ensure there are regular updates to the Aircraft Document Set including digitisation.	Compliant	
42	Both	Information	BAES shall work with the Authority to support work Future Mission Support System via a Contract Change Notice.	Compliant	
43	TMk1	Training	BAE shall continue to provide training for RAFAT (TQA Courses, ADR, ECU Trg and Groundcrew training for aircrew)	Compliant	

Schedule 3
Statement of Work



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

**This is Schedule 3 (Statement of Work) referred to in the Hawk Integrated Support Solution
between the Secretary of State for Defence and BAE Systems (Operations) Ltd.**

[REDACTED – Under FOIA Section 26, Defence]

Schedule 4
Master Data Assumptions List



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Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 4 (Master Data Assumptions List) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 43, Commercial interests]

Schedule 5
Fleet and Flying Plans



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Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 5 (Fleet and Flying Plans) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd

[REDACTED – Under FOIA Section 26, Defence]

Schedule 6
Transformation Plan



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Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 6 (Transformation Plan) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 43, Commercial Interests]

Schedule 7
Contract Data Requirements List and Data Item Descriptions



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 7 (Contract Data Requirements List and Data Item Descriptions) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

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[REDACTED – Under FOIA Section 43, Commercial Interests]

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Schedule 8
Standards



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Hawk

Integrated Support Solution

CONTRACT NO.

702540454

**This is Schedule 8 (Standards) referred to in the Hawk Integrated Support Solution
between the Secretary of State for Defence and BAE Systems (Operations) Ltd.**

[REDACTED – Under FOIA Section 26, Defence]

Schedule 9
Security Aspects Letter



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 9 (Security Aspects Letter) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 26, Defence]

Schedule 10
KPI / KRI Profit Withholds



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 10 (KPI/KRI Profit Withholds) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

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SCHEDULE 10 TO
CONTRACT NO 702540454

[REDACTED – Under FOIA Section 43, Commercial interests]

OFFICIAL SENSITIVE - COMMERCIAL

Schedule 11
Montreal Protocol



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 11 (Montreal Protocol) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

MONTREAL PROTOCOL**1 MONTREAL PROTOCOL**

As a signatory to the Montreal Protocol on substances that deplete the ozone layer, Her Majesty's Government is committed to reduction of the production and consumption of those substances controlled under the Protocol. Therefore, Her Majesty's Government wishes to know whether the substances listed below have been used in the performance of the Contract. Accordingly, the Contractor shall, prior to commencing any work pursuant to this Contract, provide to the Authority a list specifying:

- (A) all substances listed below (adopting the nomenclature used therein) required in order to perform the Contract (including the packaging of any goods, whether or not specified in this Contract);
- (B) the quantity of each of the substances listed below which are required in order to perform the Contract; and
- (C) where in the Services (including, the packaging of goods) the substances listed below are contained; or
- (D) confirmation of a 'Nil Return' in respect of (A), (B) and (C) above.

2 MONTREAL PROTOCOL SUBSTANCES

CFCs Production of controlled CFCs has stopped.

CFC-11 (trichlorofluoromethane)	CFC-113 (trichlorotrifluoroethane)	CFC-213
CFC-12 (dichlorodifluoromethane)	CFC-114 (dichlorotetrafluoroethane)	CFC-214
CFC-13	CFC-115 (chloropentafluoroethane)	CFC-215
CFC-111	CFC-211	CFC-216
CFC-112	CFC-212	CFC-217

The above substances are also used in blends: e.g.

CFC-500 (CFC-12/HFC-152a)	CFC-502 (CFC-115/HCFC-22)
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Halons Production of controlled Halons has stopped.

Halon-1211	(bromochlorodifluoromethane – BCF)	Halon 2402
Halon-1301	(bromotrifluoromethane – BTM)	

HBFCs Production has stopped.

CHBr ₂	C ₂ H ₂ F ₄ Br	C ₂ H ₄ FBr	C ₃ H ₂ F ₆ Br	C ₃ H ₃ FBr ₄	C ₃ H ₄ F ₃ Br
CH ₂ FBr	C ₂ H ₂ FBr ₃	C ₃ H ₂ FBr ₆	C ₃ H ₂ FBr ₅	C ₃ H ₃ F ₂ Br ₃	C ₃ H ₅ FBr ₂
CH ₂ FBr	C ₂ H ₂ F ₂ Br ₂	C ₃ H ₂ F ₂ Br ₅	C ₃ H ₂ F ₂ Br ₄	C ₃ H ₃ F ₃ Br ₂	C ₃ H ₅ F ₂ Br
C ₂ H ₂ FBr ₄	C ₂ H ₂ F ₃ Br	C ₃ H ₂ F ₃ Br ₄	C ₃ H ₂ F ₃ Br ₃	C ₃ H ₃ F ₄ Br	C ₃ H ₆ FBr
C ₂ H ₂ F ₂ Br ₃	C ₂ H ₃ FBr ₂	C ₃ H ₂ F ₄ Br ₃	C ₃ H ₂ F ₄ Br ₂	C ₃ H ₄ FBr ₃	
C ₂ H ₂ F ₃ Br ₂	C ₂ H ₃ F ₂ Br	C ₃ H ₂ F ₅ Br ₂	C ₃ H ₂ F ₅ Br	C ₃ H ₄ F ₂ Br ₂	

HCFCs – Production to be run down and phased out by 2015. Certain use controls apply.

HCFC-21	HCFC-124	HCFC-142	HCFC-224	HCFC-232	HCFC-243	HCFC-262
HCFC-22	HCFC-131	HCFC-142b	HCFC-225	HCFC-233	HCFC-244	HCFC-271
HCFC-31	HCFC-132	HCFC-151	HCFC-225ca	HCFC-234	HCFC-251	
HCFC-121	HCFC-133	HCFC-221	HCFC-225cb	HCFC-235	HCFC-252	
HCFC-122	HCFC-141	HCFC-222	HCFC-226	HCFC-241	HCFC-253	
HCFC-123	HCFC-141b	HCFC-223	HCFC-231	HCFC-242	HCFC-261	

CARBON TETRACHLORIDE (CCl₄) – Production has stopped

1,1,1-TRICHLOROETHANE (C₂H₃Cl₃) – Production has stopped

METHYL BROMIDE (CH₃Br) – Production limits apply.

Note: Substances used in fire extinguishers are present in the aircraft and at MOBs. The substances used within the fire extinguishers are provided GFA.

Schedule 12
Pricing and Payment



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 12 (Pricing and Payment) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

OFFICIAL SENSITIVE - COMMERCIAL

SCHEDULE 12 TO
CONTRACT NO 702540454

[REDACTED – Under FOIA Section 43, Commercial Interests]

OFFICIAL SENSITIVE - COMMERCIAL

Schedule 13
Governance



MINISTRY OF DEFENCE

Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 13 (Governance) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

OFFICIAL SENSITIVE - COMMERCIAL

SCHEDULE 13 TO
CONTRACT NO 702540454

[REDACTED – Under FOIA Section 43, Commercial Interests]

OFFICIAL SENSITIVE - COMMERCIAL

Schedule 14
Contract Change Procedure



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Hawk

Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 14 (Contract Change Procedure) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 43, Commercial interests]

Schedule 15
Transfer Regulations



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702540454

This is Schedule 15 (Transfer Regulations) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 43, Commercial Interests]

Schedule 16
TMk1 Material Scope



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This is Schedule 16 (TMk1 Material Scope) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 26, Defence]

Schedule 17
List of Approved Emergent Tasks



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702540454

This is Schedule 17 (List of Approved Emergent Tasks) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

OFFICIAL SENSITIVE – COMMERCIAL

[REDACTED – Under FOIA Section 43, Commercial Interests]

OFFICIAL SENSITIVE – COMMERCIAL

Schedule 18

Escalation



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702540454

**This is Schedule 18 (Escalation) referred to in the Hawk Integrated Support Solution
between the Secretary of State for Defence and BAE Systems (Operations) Ltd.**

OFFICIAL SENSITIVE – COMMERCIAL

SCHEDULE 18 TO
CONTRACT NO 702540454

[REDACTED – Under FOIA Section 43, Commercial Interests]

OFFICIAL SENSITIVE – COMMERCIAL

Schedule 19
Contract Data Requirement



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This is Schedule 19 (Contract Data Requirement) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 43, Commercial Interests]

Schedule 20
Commercially Sensitive Information



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CONTRACT NO.

702540454

This is Schedule 20 (Commercially Sensitive Information) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

CONTRACTOR COMMERCIAL SENSITIVE INFORMATION

[REDACTED – Under FOIA Section 43, Commercial Interests]

Schedule 21
Exit Management



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CONTRACT NO.

702540454

This is Schedule 21 (Exit Management) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 43, Commercial Interests]

Schedule 22
Critical Support Equipment



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CONTRACT NO.

702540454

This is Schedule 22 (Critical Support Equipment) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

OFFICIAL SENSITIVE - COMMERCIAL

SCHEDULE 22 TO
CONTRACT NO 702540454

[REDACTED – Under FOIA Section 26, Defence]

OFFICIAL SENSITIVE - COMMERCIAL

Schedule 23
Government Furnished Assets



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Hawk
Integrated Support Solution

CONTRACT NO.

702540454

This is Schedule 23 (Government Furnished Assets) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

OFFICIAL SENSITIVE - COMMERCIAL

SCHEDULE 23 TO
CONTRACT NO 702540454

[REDACTED – Under FOIA Section 43, Commercial Interests]

OFFICIAL SENSITIVE - COMMERCIAL

Schedule 24
Enterprise Reverse Performance Indicators



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Integrated Support Solution

CONTRACT NO.

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This is Schedule 24 (Enterprise Reverse Performance Indicators) referred to in the Hawk Integrated Support Solution between the Secretary of State for Defence and BAE Systems (Operations) Ltd.

[REDACTED – Under FOIA Section 43, Commercial Interests]