

SCHEDULE 14
CONTRACTORS ON DEPLOYED OPERATIONS

1 CONDO

1.1 This Schedule 14 and Defence Standard (Def Stan) 05-129 (Issue 5) shall become effective when a requirement under the Contract requires the Contractor or its Subcontractors or both, to Deploy to undertake tasks at Expected Work Locations in a CONDO Applicable Area (CAA) identified in CONDO Form 2.

1.2 If there is any conflict between the terms of this Schedule 14 and Def Stan 05-129 (Issue 5), the terms of this Schedule 14 shall prevail.

1.3 The terms of Paragraphs 1.13, 1.14 and 1.15 of this Paragraph 1 shall take precedence over Clause 41.1. The terms of Paragraphs 1.18, 1.19 and 1.20 of this Paragraph 1 shall take precedence over Clause 41.11. The terms of Paragraphs 1.22, 1.23 and 1.24 of this Condition shall take precedence over Clause 41.10.

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1.5 In this Schedule 14 the term "procure" shall be interpreted as requiring the Contractor to use all reasonable efforts to cause the occurrence of the event or outcome concerned, provided that the Contractor shall remain responsible to the Authority to the full extent of its obligation in relation to that event or outcome if that event or occurrence does not occur.

Authority to Deploy

1.6 The Contractor shall not and shall procure that the Contractor's Employees, its Subcontractors and the Subcontractor's Employees do not move into or within the CAA in connection with the performance of the Contract until the Contractor has:

1.6.1 provided the Authority with all required information for the completion of Part 3 of CONDO Form 1 and CONDO Form 2, as provided in Def Stan 05-129 (Issue 5);

1.6.2 received the Authority's Authority to Deploy in CONDO Form 2, issued as provided in Def Stan 05-129 (Issue 5);

1.6.3 confirmed that the Contractor's Employees and Subcontractor's Employees have completed the CONDO related training specified by the Authority;

1.6.4 confirmed that the Contractor's Employees and Subcontractor's Employees are medically and dentally fit to Deploy and to undertake the tasks to which they are assigned, including being properly immunised;

1.6.5 provided the Authority with Form T-SL-DES01, completed as provided in Def Stan 05-129 (Issue 5), and, on the receipt by the Contractor of a signed Form T-SL-DES01, confirmed that it has notified the Contractor's Employees and Subcontractor's Employees of their status as civilians subject to service discipline and their respective nominated Commanding Officer in the CAA;

1.6.6 received confirmation that the Contractor's Employees and Subcontractor's Employees have been security cleared to the levels stated in the Contract for the particular tasks;

1.6.7 confirmed receipt of an appropriate identity card or TCN card issued by the Authority in respect of each individual listed in CONDO Form 2; and

1.6.8 confirmed that it has undertaken appropriate risk assessments in relation to the Expected Work Locations and the Expected Modes of Transport, which support the Deployment.

The Authority's Right to Withhold, Withdraw, Move and Remove

1.7 The Authority may at any time and from time to time for any operational reason which the Authority in its absolute discretion shall determine:

1.7.1 withhold or withdraw Authority to Deploy;

1.7.2 move or require the removal of the Contractor or a Subcontractor from its current location to a location determined to be appropriate by the Authority in discharging its responsibility under Paragraph **Error! Reference source not found.**;

1.7.3 move or require the removal of any of the Contractor's Employees, Subcontractors' Employees or LRWs from their current location to a location determined to be appropriate by the Authority in discharging its responsibility under Paragraph **Error! Reference source not found.** or in response to the Contractor's Employees, Subcontractor's Employees, or LRWs not acting in accordance with Paragraph 1.31. The Contractor shall, as soon as reasonably practicable, move or remove any Contractor's Employee, Subcontractor's Employee or LRW whom the Authority requires to be moved or removed.

1.8 Where practicable and subject to operational constraints, the Authority shall inform the Contractor of its intentions prior to moving the Contractor's Employees, the Subcontractor's Employees and LRWs in accordance with Paragraph 1.7. Where the Authority moves the Contractor's Employees, the Subcontractor's Employees and LRWs in accordance with Paragraph 1.7 without informing the Contractor, the Authority shall, as soon as reasonably practicable within operational constraints, notify the Contractor of the location to which the Contractor's Employees, the Subcontractor's Employees and LRWs have been moved.

1.9 The Authority shall not be obliged to give reasons for taking any action in accordance with Paragraph 1.7 but may, in its sole discretion, indicate its reasons.

1.10 Notwithstanding the provisions of Paragraph 1.9, in the event that the Contractor is involved in any employment claim or dispute arising in connection with any action taken by the Authority under Paragraph 1.7, the Authority shall, where reasonably practicable, provide to the Contractor any relevant information that the Contractor may reasonably request for the purpose of addressing any such claim or dispute, except any such information the provision of which would be contrary to the interests of national security, in breach of a confidentiality or contractual obligation of the Authority, contrary to a statutory requirement or Government policy or as otherwise reasonably specified by the Authority.

The Authority's Right to Move Between Expected Work Locations

1.11 The Authority may at any time and from time to time move the Contractor's Employees, the Subcontractor's Employees and LRWs between Expected Work Locations using the Expected Modes of Transport to undertake the tasks specified in the Contract. Where the Authority moves the Contractor's Employees, the Subcontractor's Employees and LRWs between Expected Work Locations for periods of longer than 24 hours, the Authority shall, where practicable and where this has been requested by the Contractor, inform the Contractor prior to moving the Contractor's Employees, the Subcontractor's Employees and LRWs or, where this is not practicable or has not been requested by the Contractor, as soon as reasonably practicable within operational constraints.

The Authority's Right to Move to New Work Locations which are not Expected Work Locations

1.12 The Authority may at any time require the movement of the Contractor's Employees, the Subcontractor's Employees and LRWs to new work locations which are not Expected Work Locations to undertake the tasks specified in the Contract. Where the Authority requires the Contractor's Employees, the Subcontractor's Employees and LRWs to move to undertake tasks at new work locations which are not Expected Work Locations, the Authority shall request the Contractor's prior written approval of the movement, such approval not to be unreasonably withheld. The Contractor shall provide such approval or the reasons for declining to provide such approval within 72 hours of the Authority's request or within such other time period as is specified in the Contract. When a new work location is agreed, the Contract shall be amended to add that new work location to the list of Expected Work Locations and to make any associated adjustments to the Contract that may be required.

Provision of Life Support Facilities

1.13 The Contractor shall provide living accommodation, laundry facilities, feeding, potable water, transport and fuel for the Contractor's Employees unless otherwise agreed with the Authority in the Contract.

1.14 The Authority shall provide, where available, access for the Contractor's Employees and Subcontractor's Employees to any existing facilities for personal welfare, communications, entertainment and recreation, which are provided for the use of military personnel, unless otherwise agreed with the Contractor in the Contract.

1.15 The Contractor shall pay any specified charges for the use of the facilities specified in Paragraphs 1.13 and 1.14.

1.16 The Authority may, at its discretion, provide chaplaincy services to the Contractor's Employees and Subcontractor's Employees without charge where such services are available.

1.17 The Authority shall provide an operational specific medical warning notice(s) to the Contractor prior to the Contractor, the Contractor's Employees, its Subcontractors and the Subcontractor's Employees being Deployed, providing, where appropriate, information supplementing that provided by the Foreign and Commonwealth Office, on medical issues specific to the CAA.

1.18 The Contractor shall ensure that the Contractor's Employees, and shall procure that the Subcontractor's Employees, are medically fit and dentally fit to Deploy and to undertake the tasks to which they are assigned, including, taking into account any notices issued under Paragraph 1.17, being appropriately immunised.

1.19 Unless otherwise specified by the Authority in the Contract and where medical facilities exist, the Authority shall provide to the Contractor's Employees and Subcontractor's Employees, free of charge, medical treatment and emergency dental treatment, equivalent to that provided to military personnel whilst Deployed.

1.20 Where the Contractor's Employees or Sub Contractor's Employees have been Deployed in breach of Paragraph **Error! Reference source not found.** the Authority reserves the right to:

1.20.1 charge the Contractor reasonable and proper charges for the provision of medical or dental treatment; or

1.20.2 move or require the removal of any such Contractor's Employees or Subcontractor's Employees following the exercise of its right under Paragraph 1.7.1.

1.21 The Authority shall provide, free of charge, first-aid treatment to LRWs whilst they are at an Expected Work Location or travelling between Expected Work Locations, in support of the Contract.

1.22 With regard to medical evacuation:

1.22.1 the Contractor shall be responsible for the medical evacuation of both the Contractor's Employees and Subcontractor's Employees unless otherwise notified by the Authority;

1.22.2 where it is not safe or practicable for the Contractor to discharge its responsibilities under Paragraph 1.22.1, the Authority shall, where reasonably practicable, move Contractor's Employees and Subcontractor's Employees to a safe area from which the Contractor is able to take over the medical evacuation of the Contractor's Employees or Subcontractor's Employees, on either a repayment basis or, at the Authority's discretion, free of charge.

1.23 With regard to repatriation:

1.23.1 the Contractor shall be responsible for the repatriation of deceased Contractor's Employees and deceased Subcontractor's Employees unless otherwise notified by the Authority;

1.23.2 where it is not safe or practicable for the Contractor to discharge his responsibilities under Paragraph 1.23.1., the Authority shall, where reasonably practicable, move deceased Contractor's Employees and deceased Subcontractor's Employees to a safe area from which the Contractor is able to take over the repatriation of deceased Contractor's Employees and deceased Subcontractor's Employees, on either a repayment basis or, at the Authority's discretion, free of charge.

1.24 The Authority may provide, at its discretion, subject to compliance with the processes set out in Def Stan 01-129 (Issue 5), personal cheque encashment facilities to those of the Contractor's Employees and Subcontractor's Employees who are Deployed, but not to LRWs, where such facilities are available to military personnel.

The Contractor's Obligations

Risk Assessments

1.25 The Contractor shall carry out risk assessments for all Expected Work Locations in the CAA and for the Expected Modes of Transport to and between Expected Work Locations, as set out in the Contract, and, as far as is practicable, shall maintain their currency during the term of any Deployment. The Authority shall provide information in support of such risk assessments as far as it is able.

1.26 Where:

1.26.1 the Contractor's risk assessment demonstrates that the safety environment at an Expected Work Location within the CAA or in respect of the Expected Modes of Transport to and between the Expected Work Locations provides justification either not to Deploy the Contractor's Employees and Subcontractor's Employees or to withdraw the Contractor's Employees, Subcontractor's Employees and LRWs from an existing Deployment; or

1.26.2 the Contractor does not have sufficient information to undertake a proper risk assessment;

the Contractor may decline to provide personnel for a task or withdraw them from an existing Deployment in accordance with Paragraph 1.27.

Right to Withdraw

1.27 If the Contractor's risk assessment demonstrates the circumstances set out in Paragraph 1.26.1, or the Contractor does not have sufficient information to undertake a proper risk assessment in accordance with Paragraph 1.26.2

1.27.1 the Contractor shall inform the Authority at the earliest opportunity

1.27.2 whilst the Contractor is considering whether or not to Deploy the Contractor's Employees and Subcontractor's Employees, or to withdraw the Contractor's Employees, Subcontractor's Employees and LRWs, the Contractor shall keep the Authority informed of the Contractor's intentions by means of regular updates;

1.27.3 the Contractor shall consult with the Authority to ensure that there is an informed exchange of information and to discuss the Contractor's concerns. The Contractor shall consider as part of its ongoing risk assessment any additional information provided by the Authority which may become available. If the Authority considers that any withdrawal required by the Contractor cannot be carried out safely, the Authority will inform the Contractor at the earliest opportunity;

1.27.4 if, following such consultation, discussion and further consideration, the Contractor decides that the safety environment is such that the Contractor's Employees and Subcontractor's Employees will not be Deployed or the Contractor's Employees, Subcontractor's Employees and LRWs will be withdrawn, the Contractor shall notify the Authority of its decision without delay.

Personnel

1.28 The Contractor shall provide to the Authority all information necessary for the completion of Part 3 of CONDO Form 1 and CONDO Form 2 and shall provide to the Authority duly completed CONDO Form 4A, CONDO Form 4B and Form T-SL-DES01 (as provided in Def Stan 05-129 (Issue 5)) no later than 48 hours prior to the Contractor being Deployed.

1.29 The Contractor shall provide to the Authority a duly completed CONDO Form 3 (as provided in Def Stan 05-129 (Issue 5)) by the fifth day of each month once Deployed and shall keep an accurate record of the details provided to the Authority.

1.30 If the Contractor becomes aware that any of the Contractor's Employees, Subcontractor's Employees or LRWs has died, suffered a serious accident, suffered injury, become a prisoner of war or been taken hostage, the Contractor shall ensure that the Authority and the next of kin of the Contractor's Employee or LRW concerned, and procure that the next of kin of the Subcontractor's Employee or LRW concerned, are informed as quickly as possible.

Conduct

1.31 The Contractor shall require the Contractor's Employees, Subcontractor's Employees and LRWs to act in a responsible manner and shall require the Contractor's Employees, Subcontractor's Employees and LRWs to make themselves aware of and comply with the Local Military Commander's orders, instructions, regulations and procedures.

1.32 The Contractor shall, as far as it is able and based on the information available to it:

1.32.1 inform the Contractor's Employees and procure that the Subcontractor informs the Subcontractor's Employees, prior to them being Deployed, of their status whilst they are Deployed;

1.32.2 inform the Contractor's LRWs and procure that the Subcontractor informs the Subcontractor's LRWs of their status whilst they are at an Expected Work Location or travelling between Expected Work Locations in support of the Contract;

1.32.3 provide updates in relation to their respective status as appropriate.

1.33 The Contractor shall ensure that the Contractor's Employees, and shall procure that the Subcontractor's Employees and LRWs are aware that they may at any time be subject to a search of their person, property or vehicles and require their co-operation in relation to any such search.

1.34 The Contractor shall require the Contractor's Employees and Subcontractor's Employees to report to the Authority's nominated CAA entry and exit points respectively on arrival and departure from the CAA and, during the Deployment, to any reporting point within the CAA nominated by the Authority.

1.35 The Contractor shall ensure that the Contractor's Employees and shall procure that the Subcontractor's Employees and LRWs report to the Authority's nominated briefing centre as specified by the Authority for operational briefings as required by the Authority.

1.36 If the Authority, in its absolute discretion, restricts the movement, within the CAA, of the Contractor, the Contractor's Employees, the Subcontractor, the Subcontractor's Employees and LRWs, the Contractor shall inform the Contractor's Employees, the Subcontractor, the Subcontractor's Employees and LRWs as soon as practicable and require the Contractor's Employees, the Subcontractor, the Subcontractor's Employees and LRWs to comply with any such restriction.

1.37 The Contractor shall ensure that the Contractor's Employees, shall procure that the Subcontractor's Employees whilst they are Deployed and shall ensure that LRWs at any time whilst they are at an Expected Work Location or travelling between Expected Work Locations, do not carry Arms.

Clothing, Equipment and Transport

1.38 The Contractor shall, during the Deployment, ensure that the Contractor's Employees and shall procure that the Subcontractor's Employees and LRWs have appropriate equipment and clothing for the climate and the tasks which the Contractor is contracted to undertake.

1.39 The Contractor shall ensure that the Contractor's Employees and shall procure that the Subcontractor's Employees and LRWs do not wear clothing, including company livery, which detracts from their civilian status. The Contractor shall ensure that the Contractor's Employees and shall procure that the Subcontractor's Employees avoid the use of vehicles, equipment and property that could be confused with military vehicles, equipment and property, other than those issued to the Contractor by the Authority for the purposes of the Contract or as otherwise directed by the Local Military Commander.

1.40 The Contractor shall be responsible for the provision of transportation for the Contractor's Employees, Subcontractor's Employees and LRWs and their equipment to, from and within the CAA. Where the provision of such transportation by the Contractor is not commercially available or cost effective, the Authority may in its sole discretion, where reasonably practicable, offer assistance at a price to be agreed on a repayment basis, or at the Authority's discretion, free of charge.

1.41 Where the Authority has moved the Contractor's Employees, Subcontractor's Employees and LRWs:

1.41.1 Under Paragraph 1.7 in discharging its responsibility under Paragraph **Error! Reference source not found.** (but not where it has moved the Contractor's Employees, Subcontractor's Employees and LRWs as a result of them not acting in accordance with Paragraphs **Error! Reference source not found.** or 1.31); or

1.41.2 under Paragraphs 1.11 or 1.12;

the cost and provision of such transportation shall be borne by the Authority.

Health and Safety

1.42 The Contractor shall ensure that the Contractor's Employees, and shall procure that the Subcontractor's Employees and LRWs, as far as reasonably practicable, undertake all work in a manner comparable with the requirements of the UK's health, safety and environmental legislation, or in accordance with the equivalent requirements of the host nation where these are more stringent.

ID Cards

1.43 The Contractor shall ensure that all information, including that specified in Def Stan 05-129 (Issue 5), required for the issue of identity cards or TCN cards to those of the Contractor's Employees and Subcontractor's Employees who are authorised to Deploy is provided to the Authority in accordance with the processes set out in Def Stan 05- 129 (Issue 5)..

1.44 The Contractor shall inform the Contractor's Employees and Subcontractor's Employees that the Authority will issue to the Contractor the appropriate MOD identity card or TCN card for each of them.

1.45 The Contractor shall ensure that all information, including that specified in the Local Military Commander's orders, instructions, regulations and procedures, required for the issue of day security passes to the Contractor's and Subcontractor's LRWs, is provided to the Authority in accordance with the processes set out in the Local Military Commander's orders, instructions, regulations and procedures.

1.46 The Contractor shall identify those of the Contractor's Employees, Subcontractor's Employees and LRWs who are to be employed solely on medical, dental or spiritual welfare services to enable the Authority to issue separate identity cards and "Red Cross armlets" for those Contractor's Employees, Subcontractor's Employees and LRWs.

1.47 The Contractor shall be responsible for the safe-keeping of all identity cards, TCN cards and security passes issued to the Contractor's Employees, Subcontractor's Employees and LRWs and shall require the Contractor's Employees to wear and shall procure that the Sub-Contractor's Employees and LRWs wear those identity cards, TCN cards and security passes as instructed by the Local Military Commander. The Contractor shall inform the Contractor's Employees, Subcontractor's Employees and LRWs that any misuse, modification or misappropriation of their identity cards, TCN cards or security passes may result in action being taken by the Authority under Paragraph 1.7.

Training

1.48 The Contractor shall ensure that the Contractor's Employees, and shall procure that the Subcontractor's Employees and LRWs, are provided with the appropriate level of CONDO related training for each Deployment.

Public Relations

1.49 The Contractor shall not make any press statement or undertake any publicity, advertising or marketing campaigns, including for recruitment, specifically referring to the Contract without the prior written consent of the Authority

The Authority's Responsibilities

1.50 The Authority shall afford appropriate protection commensurate with the threat for the Contractor's Employees and Subcontractor's Employees and the Contractor's and Subcontractor's property whilst Deployed and for LRWs whilst they are at an Expected Work Location or travelling between Expected Work Locations in support of the Contract and take such steps as are reasonable to ensure their safety, including, if necessary, removing or evacuating them from the area under threat.

1.51 The Authority shall, where appropriate, issue to the Contractor personal protective equipment of a non-primary work related nature for the use of Contractor's Employees, Subcontractor's Employees and LRWs and provide instruction in the use of any such personal protective equipment.

1.52 The Authority shall, prior to the Contractor being Deployed and during the Deployment, provide the Contractor with appropriate OSI relevant to the Deployment, including the types of information identified within Def Stan 05-129 (Issue 5).

1.53 The Authority shall in accordance with Def Stan 05-129 (Issue 5) and prior to the Contractor being Deployed, issue:

1.53.1 a MOD Contractors Defence Identity Card for each of the Contractor's Employees and Subcontractor's Employees, who are UK nationals, except those identified under Paragraph 1.53.2, where an application has been correctly submitted and proof of appropriate security clearance has been provided.

1.53.2 a MOD FIdent 106 identity card and a "Red Cross armlet" for each of the Contractor's Employees and Subcontractor's Employees who are identified by the Contractor as being solely employed on medical, dental or spiritual welfare services.

1.53.3 a TCN card – for each of the Contractor's Employees and Subcontractor's Employees who are third country nationals where an application has been correctly submitted.

1.54 The Authority shall, subject to military regulations, issue:

1.54.1 an appropriate day security pass to each LRW, except those identified under Paragraph **Error! Reference source not found.**, under the arrangements of the Local Military Commander;

1.54.2 MOD FIdent 107 identity card and a "Red Cross armlet" to each LRW who is identified by the Contractor as being solely engaged on medical, dental or spiritual welfare services, under the arrangements of the Local Military Commander;

1.54.3 an appropriate security pass to each TCN under the arrangements of the Local Military Commander.

1.55 The Authority shall provide at the Authority's nominated briefing centre appropriate operational briefings free of charge to the Contractor's Employees, Subcontractor's Employees and LRWs as part of the initial reception process and thereafter as necessary.

1.56 The Authority shall make the Local Military Commander's orders, instructions, regulations and procedures available to the Contractor's representative in the CAA in such a manner as to facilitate compliance by the Contractor with its obligations in particular under Paragraphs 1.31, 1.36 and 1.45.

1.57 If the Authority becomes aware of any of the circumstances mentioned in Paragraph 1.30, where the Authority believes that the Contractor is not already so aware, the Authority shall advise the Contractor accordingly.

Subcontracts

1.58 If the Contractor enters into any Subcontract, the Contractor shall incorporate into any such Subcontract the terms set out in the Appendix to this Condition.

1.59 The Authority may enforce against a Subcontractor any provision conferring a benefit on the Authority contained in the Appendix to this Condition as incorporated into any Subcontract and neither the Contractor nor any Subcontractor shall be entitled to exclude such right of the Authority.

1.60 Subject always to the Subcontractor complying with the terms of the Appendix to this Condition, any Subcontractor having the Appendix to this Condition incorporated into its Subcontract may enforce against the Authority any provision of this Condition conferring a benefit upon it, and neither the Authority nor the Contractor shall be entitled to exclude such right of any such Subcontractor.

Performance of the Contract

1.61 The parties acknowledge that, if the Authority exercises its rights under Paragraphs 1.7 or 1.36 of this Condition, or the Contractor withdraws the Contractor's Employees, Subcontractor's Employees and LRWs in accordance with Paragraphs 1.26 and 1.27, the Contractor may be unable to perform certain or all of its obligations under the Contract in accordance with its terms, either in the manner or at the time intended or at all. Subject to Paragraph 1.62, to the extent that it can be established that the exercise of the Authority's rights under Paragraphs 1.7 or 1.36, or the withdrawal of the Contractor's Employees, Subcontractor's Employees and LRWs in accordance with Paragraphs 1.26 and 1.27 has directly caused:

1.61.1 the Contractor's non-performance of an obligation under the Contract; or

1.61.2 the Contractor's delay in performing an obligation under the Contract; or

1.61.3 a change in the Contractor's costs of performing its obligations under the Contract which is attributable to the exercise of those rights by the Authority or the withdrawal of the Contractor's Employees, Subcontractor's Employees and LRWs;

the Contractor shall be entitled to submit a claim:

1.61.3.1 for relief from performing that obligation;

1.61.3.2 to delay its performance of that obligation;

1.61.3.3 for a corresponding adjustment to the Contract in relation to price or delivery.

1.62 Notwithstanding the provisions of Paragraph 1.61, the Contractor shall not be entitled to be granted relief from performing an obligation under the Contract, or to delay its performance of an obligation, or to a corresponding adjustment to the Contract in relation to price or delivery, where and to the extent that the Contractor:

1.62.1 failed to comply with its obligations under Paragraphs **Error! Reference source not found.**, **Error! Reference source not found.**, 1.25, 1.31, 1.33, **Error! Reference source not found.**, 1.35, 1.36, 1.37, 1.38, 1.39, **Error! Reference source not found.**, 1.47 and 1.48 of this Condition and such failure gave rise to the exercise by the Authority of its rights under Paragraphs 1.7 or 1.36; or

1.62.2 invalidly exercised its right to withdraw under Paragraphs 1.26 and 1.27.

2 WAR RISK INDEMNITY

2.1 In this Paragraph:

2.1.1 the expression "War Risks" means risks in respect of which the Contractor's policy of insurance contains an exclusion or limitation upon claims applicable by reason of a War Risk Exclusion Clause;

2.1.2 the expression "War Risk Exclusion Clause" means a provision in the Contractor's policy of insurance excluding or limiting claims by the Contractor by reference to activities that include war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power and attempts at usurpation of power or activities of a similar nature;

2.1.3 the expression "Subcontractor" means a subcontractor at any level of subcontracting.

2.2 Notwithstanding any other provisions of the Contract, but subject to the provisions of this Condition, the Authority shall indemnify the Contractor in respect of the liabilities, losses, payments and damage described in Paragraphs 2.2.1 to 2.2.8 inclusive of this Paragraph, where and to the extent that such liabilities, losses, payments or damage are directly attributable to a War Risk and the involvement or requirement for the involvement, for the purpose of work under the Contract of any employees or property of the Contractor in circumstances to which the War Risk Exclusion Clause applies:

2.2.1 all liability in respect of claims and proceedings (including reasonable settlements thereof) made or brought against the Contractor by employees of the Contractor, their dependants, executors or administrators, in respect of death, injury, sickness, capture or detention of the Contractor's employees, or loss of or damage to employee's property, and against all costs and expenses reasonably incurred in respect of such claims and proceedings;

2.2.2 all liability in respect of claims and proceedings (including reasonable settlements thereof) made or brought against the Contractor by third parties (other than the Contractor's employees) arising from the acts or omissions of the Contractor's employees;

2.2.3 any loss of or damage to property of the Contractor, and the loss of use of such property, including any payment made in respect of the necessary hire of suitable property required for performing the contract or other activity dependent on such property pending the return, replacement or repair of such property, but excluding loss of profit;

2.2.4 any reasonable payment made to any employee or his dependants, executors or administrators ordinarily payable in respect of absence from work as a result of injury, sickness, capture or detention, or other reasonable allowance or compensation or gratuity where such payment was necessarily incurred by the Contractor for the purpose of enabling him to perform the Contract and the payment was not otherwise payable as of right or as a matter of discretion under any statutory provision or by reason of length of employment with the Contractor;

2.2.5 any reasonable payment made in respect of the hire or employment of suitable staff to replace employees absent from work as a result of injury, sickness, capture or detention, when such replacement staff are necessary for performing the Contract or other activity dependent on the availability of the absent employees, pending their return to work;

2.2.6 any payment made, where the Authority has not otherwise made provision (eg treatment or transportation provided without charge by the Authority), in respect of:

2.2.6.1 the reasonable costs of treatment of any employee properly prescribed by a qualified medical practitioner; or

2.2.6.2 reasonable medical repatriation costs; and

2.2.6.3 reasonable funeral and associated transportation costs;

where the Contractor has necessarily incurred a commitment to make such payment for the purpose of enabling him to perform the Contract, and the payment was not otherwise payable as of right or a matter of discretion under the pre-existing terms of the contract of employment of that employee, and that employee's condition would not have arisen by virtue of his employment at his normal place of work;

2.2.7 any loss of, or damage to, or loss of use of property of the Authority made available to the Contractor for the purpose of performing the Contract including any payment made in respect of the hire of suitable property necessary for performing the Contract or other activity dependent on such property pending the return, replacement and/or repair of such property but excluding loss of profit;

2.2.8 any additional payments reasonably incurred to maintain the insurance cover referred to in Paragraph 2.3.1 below and expressly required by reason of performance of the Contract.

2.3 The Authority shall not indemnify the Contractor in respect of any claim, proceedings, cost, expense, payment, loss or damage which arises from:

2.3.1 any risks in respect of which the Contractor is insured;

2.3.2 any risks which, although uninsured, the Contractor could reasonably have been expected to have been able to insure;

2.3.3 malicious acts, acts of sabotage, strikes, riots, civil commotion or labour disturbances other than where such activities occur in support of or as a direct result of activities described in Paragraph 1 b) above;

2.3.4 performance of the Contract within the Territories listed at Paragraph 2.9 (Schedule 1) to this Paragraph 2;

2.3.5 wilful misconduct, lack of good faith, or negligence on the part of the Contractor, his officers, servants or agents;

2.3.6 the wilful disregard of instructions properly given to employees (including but not limited to officers, servants or agents) of the Contractor by the Authority (who for the purposes of this Condition shall include members of HM Armed Forces and members of any other Armed Forces with whom the Authority is acting in concert);

2.3.7 activities undertaken by the Contractor, his officers, servants or agents for purposes other than performance of the Contract except where those activities are in compliance with instructions properly given to employees of the Contractor by the Authority (who for the purposes of this Condition shall include members of HM Armed Forces and members of any other Armed Forces with whom the Authority is acting in concert);

2.3.8 use of any property of the Contractor, his officers, servants or agents for purposes other than performance of the Contract except where such use is in compliance with instructions properly given to employees of the Contractor by the Authority (who for the purposes of this Condition shall include members of HM Armed Forces and members of any other Armed Forces with whom the Authority is acting in concert);

2.3.9 activities undertaken by the Contractor, his officers, servants or agents which contravene any code of conduct or similar guidance issued by the Authority for the purposes of defining the Authority's reasonable expectations of the conduct of the Contractor, his officers, servants or agents in the theatre of operations; or

2.3.10 payments of any nature whatsoever to pension funds or schemes operated by or on behalf of the Contractor or any Subcontractor, or any fund or scheme relating to an individual officer, servant or agent of the Contractor, including but not limited to lump sum death benefit, pension payment, compensation payment or redundancy payment.

2.4 The Authority shall not indemnify the Contractor in respect of any claims, proceedings, costs, expense, payments, loss or damage for which the Contractor has made provision, other than for insurance cover, in the Contract Price (either as a direct charge, indirect charge or contingency).

2.5 The Authority shall not indemnify the Contractor where the Contractor and the Contractor's insurer under the Contractor's policy of insurance in respect of property or third party liability are connected persons. Any question whether the Contractor and its insurer are connected persons shall be determined in accordance with the provisions for determining such question that are set out in section 839 of the Income and Corporation Taxes Act 1988.

2.6 Subject to any Subcontractor of the Contractor observing and performing the terms of Paragraph 2.7, such Subcontractor shall be entitled to the benefit of and to enforce this Condition as if he were the Contractor.

2.7 It is a pre-condition to any liability of the Authority under this indemnity that the Contractor shall:

2.7.1 as soon as reasonably practicable notify the Authority of any occurrence, claim or proceedings that may be expected to give rise to liability of the Authority under this Paragraph 2;

2.7.2 provide evidence or proof of any claim, proceeding, cost, expense, loss or damage in the manner and form reasonably requested by the Authority; and

2.7.3 promptly furnish to the Authority copies of all pertinent papers received by the Contractor and which may reasonably be required by the Authority.

2.8 The Authority shall make available to the Contractor a copy of the relevant findings of any military Board of Inquiry into any matter which gives rise to a liability on the Authority under this Condition.

2.9 Schedule 1 to this Paragraph 2:

- 2.9.1 The European Union
- 2.9.2 Norway
- 2.9.3 USA
- 2.9.4 Canada
- 2.9.5 Australia
- 2.9.6 New Zealand
- 2.9.7 Other States except Turkey which are full members of NATO