



Ministry  
of Defence



# **Schedule W EXIT MANAGEMENT**

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**1 OBLIGATIONS DURING THE TERM TO FACILITATE EXIT**

1.1 During the Term the Contractor shall:

1.1.1 create and maintain a register of all:

1.1.1.1 Assets, detailing:

1.1.1.1.1 asset type and quantity held; and

1.1.1.1.2 condition and physical location.

1.1.2 at all times keep the registers up to date, in particular in the event that Assets, Sub-Contracts or other relevant agreements are added to or removed from the Services.

**2 OBLIGATIONS TO ASSIST ON RE-TENDERING OF SERVICES**

2.1 On reasonable notice at any point during the Term, the Contractor shall provide to the Authority and/or its potential Replacement Contractors (subject to the potential Replacement Contractors entering into reasonable written confidentiality undertakings), the following material and information in order to facilitate the preparation by the Authority of any invitation to tender and/or to facilitate any potential Replacement Contractors undertaking due diligence:

2.1.1 an inventory of then-current stock levels of Assets held by the Contractor;

2.1.2 such other material and information as the Authority shall reasonably require,

(together, the "**Exit Information**").

2.2 The Contractor acknowledges that the Authority may disclose the Contractor's Sensitive Information to an actual or prospective Replacement Contractor or any third party whom the Authority is considering engaging to the extent that such disclosure is necessary in connection with such engagement (except that the Authority may not under this paragraph 2.2 disclose any Contractor's Sensitive Information which is information relating to the Contractor's or its Sub-Contractors' prices or costs).

2.3 Following the provision of Exit Information pursuant to paragraph 2.2, the Contractor shall:

2.3.1 notify the Authority within 5 Business Days of any material change to the Exit Information which may adversely impact upon the potential transfer and/or continuance of any Services and shall consult with the Authority regarding such proposed material changes; and

2.3.2 provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and in any event within 10 Business Days of a request in writing from the Authority.

2.4 The Exit Information shall be accurate and complete in all material respects and the level of detail to be provided by the Contractor shall be such as would be reasonably necessary to enable a third party to:

2.4.1 prepare an informed offer for those Services; and

2.4.2 not be disadvantaged in any subsequent procurement process compared to the Contractor (if the Contractor is invited to participate).

### 3 OBLIGATIONS DURING THE EXIT ASSISTANCE PERIOD

3.1 During the Exit Assistance Period, the Contractor shall provide the Exit Services to the Authority at no additional cost to the Authority.

### 4 EXIT SERVICES

#### Notification of Requirements for Exit Services

4.1 The Authority shall be entitled to require the provision of Exit Services at any time during the Contract Period by giving written notice to the Contractor (an "**Exit Assistance Notice**") at least four (4) Months prior to the Initial Expiry Date, the expiry of any Extension Period or the End Date (as applicable), or as soon as reasonably practicable (but in any event, not later than one (1) Month) following the service by either Party of a Termination Notice. The Exit Assistance Notice shall specify:

4.1.1 the date from which Exit Services are required;

4.1.2 the scope and nature of the Exit Services required; and

4.1.3 the period during which it is anticipated that the Exit Services will be required, which shall continue no longer than twelve (12) Months after the Initial Expiry Date or expiry of any Extension Period or earlier termination of this Contract.

4.2 The Authority shall have:

4.2.1 an option to extend the Exit Assistance Period beyond the period specified in the Exit Assistance Notice provided that such extension shall not extend the Exit Assistance Period beyond the date which is twelve (12) Months after the Initial Expiry Date or expiry of any Extension Period or earlier termination of this Contract, provided that it shall notify the Contractor of such extension no later than 20 Business Days' prior to the date on which the provision of Exit Services is otherwise due to expire; and

4.2.2 the right to terminate its requirement for Exit Services by serving the Contractor with not less than 20 Business Days' written notice.

#### 4.3 Exit Assistance Period

Throughout the Exit Assistance Period, the Contractor shall:

4.3.1 continue to provide the Services,

4.3.2 provide the Exit Services;

- 4.3.3 in addition to providing the Services and the Exit Services, provide to the Authority any reasonable assistance requested by the Authority to allow the Services to continue without interruption following the Partial Termination, termination or expiry of this Contract and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Authority and/or its Replacement Contractor;
- 4.3.4 provide the Services and the Exit Services at no detriment to the expected performance levels, save to the extent that the Parties agree otherwise in accordance with paragraph 4.4; and
- 4.4 If the Contractor demonstrates to the Authority's reasonable satisfaction that transition of the Services and provision of the Exit Services during the Exit Assistance Period will have a material, unavoidable adverse effect on the Contractor's ability to meet one or more particular Service Level(s), the Parties shall vary the relevant Service Level(s) and/or the applicable Service Credits to take account of such adverse effect.
- 4.5 **Exit Obligations**
- The Contractor shall provide the Exit Services in accordance with the principles set out in this Schedule W (Exit Management) or as otherwise agreed in writing between the Parties.
- 4.6 Upon termination or expiry (as the case may be) or at the end of the Exit Assistance Period (or earlier if this does not adversely affect the Contractor's performance of the Services and the Exit Services and its compliance with the other provisions of this Schedule) in respect of the Services that have been terminated, the Contractor shall:
- 4.6.1 cease to use the Authority Data;
- 4.6.2 erase from any computers, storage devices and storage media that are to be retained by the Contractor after the end of the Exit Assistance Period all Authority Data and promptly certify to the Authority that it has completed such deletion;
- 4.6.3 return to the Authority such of the following as is in the Contractor's possession or control:
- 4.6.3.1 all materials created by the Contractor under this Contract in which the IPRs are owned by the Authority;
- 4.6.3.2 any equipment which belongs to the Authority;
- 4.6.3.3 any items that have been on-charged to the Authority, such as Consumables;

4.6.4 ensure that all GFA, GFE, GFR and GFI is accounted for and returned to the Authority in a serviceable condition.

4.7 Except where this Contract provides otherwise, all licences, leases and authorisations granted by the Authority to the Contractor in relation to the terminated Services shall be terminated with effect from the end of the Exit Assistance Period.

## **5 ASSETS AND SUB-CONTRACTS**

5.1 Following expiry, notice of termination or Partial Termination of this Contract and during the Exit Assistance Period, the Contractor shall not, in respect of the terminated Services, without the Authority's prior written consent:

5.1.1 terminate, enter into or vary any Sub-Contract except to the extent that such change does not or will not affect the provision of Services or the Charges; or

5.1.2 (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Assets or acquire any new Assets.

## **6 CHARGES**

6.1 Except as otherwise expressly specified in this Agreement, the Contractor shall not make any charges for the services provided by the Contractor pursuant to this Schedule W (Exit Management) and the Authority shall not be obliged to pay for costs incurred by the Contractor in relation to its compliance with this Schedule W (Exit Management) including any activities mutually agreed between the Parties to carry on after the expiry of the Exit Assistance Period.

**ANNEX 1**

**SCOPE OF THE EXIT SERVICES**

- 1 The Exit Services to be provided by the Contractor shall include such of the following services as the Authority may specify:
  - 1.1 assisting in the execution of a parallel operation until the effective date of expiry or termination of this Contract until the end of the Exit Assistance Period or as otherwise specified by the Authority (provided that these Services shall end on a date no later than the end of the Exit Assistance Period);
  - 1.2 answering all reasonable questions from the Authority and/or the Replacement Contractor regarding the Services;
- 2 The information which the Contractor shall provide to the Authority and/or the Replacement Contractor pursuant to paragraph 1.2 of this Annex 1 shall include:
  - 2.1 information regarding any unresolved faults in progress at the commencement of the Exit Assistance Period as well as those expected to be in progress at the end of the Exit Assistance Period;

and such information shall be updated by the Contractor at the end of the Exit Assistance Period.