

CUSTOMER CONTRACT REQUIREMENTS
United Kingdom Chinook Through Life Customer Support
CUSTOMER CONTRACT CHC/087

CUSTOMER CONTRACT REQUIREMENTS

The following customer contract requirements apply to this contract to the extent indicated below.

1. DEFCONs The following contract clauses are incorporated by reference from the United Kingdom (UK) Defence Contract Conditions (DEFCONs) which may be accessed on the UK Ministry of Defence (MOD) web site and apply to the extent indicated. In all of the following clauses, "Contractor" and "Offeror" mean Seller. "Contract" shall mean this contract. "Prime Contract" shall mean the contract between Buyer and the UK Ministry of Defence. "Sub-contract" shall mean any contract placed by Seller or lower-tier sub-contractors under this contract.

68 Supply Of Data For Hazardous Articles, Materials And Substances (NOV 2014). This clause applies only if this contract involves the delivery of, or requires interaction with, hazardous substances. Information furnished under this clause shall be submitted by Seller to Buyer.

76 Contractor's Personnel at Government Establishments (DEC 2006). Applicable if Seller will access UK Government establishments during the term of this Contract.

129 Packaging (For Articles Other Than Munitions) (MAR 2014). This clause is applicable only if Seller will direct ship to the Authority.

520 Corrupt Gifts And Payments Of Commission (JUL 2011). In paragraph 4 delete "DEFCON 614" and replace with "the Default clause of this contract".

528 Overseas Expenditure, Import and Export Licences (MAY 2012). The Appendix to this DEFCON is incorporated into this contract. As used therein, Buyer is the First Party and Seller is the Second Party.

532B Protection Of Personal Data (Where Personal Data is being processed on behalf of the Authority) (JUN 2014). This clause applies only if Seller is processing Personal Data on behalf of the Authority.

607 Radio Transmissions (MAY 2008). This clause applies if Seller will be required to make radio transmissions in the UK in connection with testing and developing electronic equipment.

608 Access and Facilities to be Provided by the Contractor (OCT 1998). This clause applies if Seller is identified in Prime Contract. The term "Authority" means Buyer and Authority.

624 Use Of Asbestos (NOV 2013). This clause applies if Seller will be furnishing parts or material under this Contract, or if Seller will be providing services which utilize asbestos.

638 Flights Liability And Indemnity (MAR 2014). All communications with the Authority shall be made through Buyer.

644 Marking Of Articles (JUN 2013).

654 Government Reciprocal Audit Arrangements (OCT 1998).

656 Break (MAR 2006). "Authority" shall mean "Buyer". The period of notice shall be that period specified in Buyer's contract with the U.K. The indemnity referred to in paragraph (c) shall apply to the extent Buyer is indemnified by its customer in connection

with this Contract.

661 War Risk Indemnity (OCT 2014). All communications with the Authority shall be made through Buyer.

697 Contractors On Deployed Operations (JUL 2013). This clause shall apply when a requirement under the Contract requires the Seller or its Subcontractors or both, to Deploy to undertake tasks at Expected Work Locations in a CONDO Applicable Area (CAA). All communications with the Authority shall be made through Buyer.

2. Prime Contract Special Provisions The following prime contract special provisions apply to this purchase order

1. The following clause applies if the contract is undefinitized, non-competitive, cost incentive fee or cost reimbursable contracts, and is anticipated to exceed \$1.4 M.

1.1 The Seller shall furnish such particulars of costs in connection with the Contract as may be reasonably required by the Authority to permit the same to be verified by the Authority's Representative (in the form of the appropriate US Government Audit Agency for US contracts or UK Government audit agency for UK contracts as appropriate), by inspection of its books, accounts and other documents and records.

1.2 Subject to the maximum amount, if any, stated to be payable under the Contract and the Authority through its Representative being satisfied either from an inspection of the costs of the Seller, or otherwise that allocable and allowable charges have been made for:

1.2.1 Direct labour, constituting a direct charge to the work to be performed under the Contract, including work in respect of the provision of special jigs and tools;

1.2.2 Materials, bought-out parts and Sub-contracted work including such costs in respect of the provision of special jigs and tools;

1.2.3 Travel costs constituting a direct charge to the work to be performed under the Contract;

1.2.4 Other allowable Direct Costs.

1.2.5 Overhead and administration charges appropriate to the Sub-contract.

1.2.6 A sum for profit to be agreed in accordance with the Government Profit Formula published in the Report on General or Annual Review of the Profit Formula for Non-competitive Contracts by the Review Board for Government Contracts in the case of UK Sub-contractors.

1.3 For the purposes of this clause any requests for information from or access to facilities of US Sellers made by the Authority or its Representative shall be made via Buyer.

2. The following clause applies if the contract is non-competitive, other than fixed price and is anticipated to exceed \$1.4 M.

2.1 Fair and reasonable prices shall be paid to the Seller in respect of the Articles to be supplied or Services performed under this Contract, such prices to be agreed as soon as practicable by agreement between Buyer and the Seller.

2.2 In the event of delay in agreeing prices, fair and reasonable provisional prices shall be agreed between Buyer and the Seller and Buyer reserves the right, with the agreement of the Seller, to alter from time to time the provisional prices so agreed. Buyer shall pay to the Seller the amount by which any sum payable on the basis of the prices finally agreed exceeds any sum paid on the basis of the provisional prices and the Seller shall pay to Buyer the amount by which any sum paid on the basis of provisional prices exceeds the sum payable on the basis of prices finally agreed. In the event of any alteration of the provisional prices similar provisions for payment and repayment shall apply.

2.3 The Seller shall, at all times before prices for the Articles to be supplied or Services to be performed under this Contract have been finally agreed:

2.3.1 Maintain a record of such particulars of the costs of production of the Articles or performance of the Services (including, for example, details of times taken and of wage rates paid) as may be available from its normal accounting procedures and of such further particulars of those costs as the Authority through its Representative, may from time to time reasonably require (including particulars of the costs of production or performance of such substantial parts of any of the Articles or Services as the Authority through its Representative may specify in

any such requirement) as being necessary for the purpose of determining such costs with reasonable accuracy

2.4 Provided that the terms of sub-Clause 1.3.1 shall not apply in respect of any costs of production of the Articles or performance of the Services incurred before the date on which the requirement detailed in Clause 1.3.1 is made:

2.4.1 When requested by the Authority through its Representative, furnish a summary of any of the costs mentioned in sub-Clause 1.3.1. above in such form and detail as the Authority may reasonably require;

2.4.2 Afford such facilities as the Authority may reasonably require for its Representatives to visit the Seller's premises and examine:

2.4.2.1 Any or all of the processes involved in the manufacture of the Articles or performance of the Services in order to estimate the costs; and

2.4.2.2 The records maintained as identified above; and

2.4.3 Maintain and on request furnish to the Authority through its Representative such particulars for the manufacture of the said Articles or performance of the said Services as the Authority may reasonably require. Such particulars shall on request by the Authority through its Representative be confirmed or brought up to date in any respect which might significantly affect the costs of production of the Articles or performance of the Services.

2.5 For the purpose of determining the cost of production of the Articles to be supplied or the Services to be performed under the main contract, the Seller shall, at all times before prices for those Articles or Services have been finally agreed (whether before or after the prices for the articles to be supplied or the services to be performed under this Contract have been finally agreed), afford such facilities as the Authority may reasonably require for its Representatives to visit the Seller's premises and examine any or all of the processes involved in, and the plans for, the manufacture of the last-mentioned articles or performance of the last-mentioned services.

2.6 In this Clause, the expression "the main contract" means the Partnering Agreement between the Authority and Buyer in connection with which, or for the purposes of which, this subcontract has been made.

2.7 For the purposes of this clause, any requests for information from or access to facilities of US Sellers made by the Authority or its Representative shall be made via Buyer.

3. The following clause applies if the contract is fixed price, non-competitive, and is anticipated to exceed \$1.4 M.

3.1 For the purpose of determining the costs of production of the Articles to be supplied or the Services to be performed under the main contract, the Seller shall, at all times before prices for those Articles or Services have been finally agreed, afford such facilities as the Authority through its Representative for its Representatives to visit the Seller's premises and examine any or all of the processes involved in, and the plans for, the manufacture of the articles to be supplied or the performance of the Services under this Contract.

3.2 In this Clause, the expression "the main contract" means the Partnering Agreement between the Authority and Buyer in connection with which, or for the purposes of which, this Contract has been made.

3.3 For the purposes of this clause any requests for information from or access to facilities of US Sellers made by the Authority or its Representative shall be made via Buyer.

4. The following clause applies if the contract is non-competitive and is anticipated to exceed \$1.4 M.

4.1 The Seller shall, at all times during the course of the Contract a period of two years after final payment of all sums due under the Contract or for a period of three years after the final delivery or completion of performance under the Contract, whichever period expires sooner, maintain:

4.1.1 In accordance with its normal procedures, a record of:

4.1.1.1 The manufacturing facilities and production plans employed for the supply of the Service and/or Articles under this Contract; and

4.1.1.2 The costs incurred by it in the execution of this Contract (including, for example, details of times taken and wage rates paid); and

4.1.2 A record of such further particulars of the costs of production of the said Articles or performance of the said Services as the Authority through its Representative may from time to time reasonably require (including particulars of the costs of production or performance of such substantial parts of any of the Articles or Services as the

Authority may specify in any such requirement) as being necessary for the purpose of determining such costs with reasonable accuracy.

4.1.3 Provided that the terms of this Clause shall not apply in respect of any costs of production of the Articles or performance of the Services incurred before the date on which the requirement is made.

4.2 At any time after prices in respect of the Articles or Services have been finally agreed and after delivery or performance under the Contract is substantially complete but within the period during which 1.1 above applies the Seller shall, when requested by the Authority through its Representative:

4.2.1 Furnish a summary of any of the costs mentioned in this clause in such form and detail as the Authority may reasonably require; and

4.2.2 Afford such facilities as the Authority may reasonably require for its Representatives to visit the Seller's premises and examine the records maintained under that Clause.

4.3 For the purposes of this clause, any requests for information from or access to facilities of US Sellers made by the Authority or its Representative shall be made via Buyer.

5. Montreal Protocol Substances

5.1 The Seller shall identify which (if any) substances listed in Schedule F (Montreal Protocol Substances) are contained in any item or used in connection with any Service to be provided by the Seller in terms of this Contract.

5.2 The Seller shall provide a list within 15 days ARO:

5.2.1 All Montreal Protocol Substances (adopting the nomenclature used in Schedule F (Montreal Protocol Substances)) to be used in the execution of the Contract;

5.2.2 The quantity of any such Montreal Protocol Substance; and

5.2.3 Where such Montreal Protocol Substances shall be used or contained.

5.3 If appropriate, the Seller shall provide confirmation of a 'Nil Return'.

5.4 If at any time during the period of this Contract the Seller changes its use of any Montreal Protocol Substances, the Contractor shall forthwith provide to the Authority an amended version of the information provided above.

6. Intellectual Property Rights - Rights in Data

6.1 The definitions in this clause shall have the following meanings:

Management Information shall mean information used, generated or acquired by or for Seller in or in relation to fulfilment of the Contract, including financial, administrative and personnel management records, schemes and methods and computer software (including the source code thereof).

Results shall mean the technical information resulting from the Work, including any data, reports, drawings, computer software and associated documentation, specifications, designs, or other material generated or acquired or inventions made in the course of such Work.

Work shall mean anything made done or produced in performance of this Contract.

6.2 Data Rights

6.2.1 Seller shall provide such technical and other data, hereinafter referred to as "Data" which may be required by the Authority or Buyer in accordance with the Terms and Conditions of this Contract.

6.3 Maintenance of Drawings, etc

6.3.1 During the continuance of the Contract and for the period during which the Authority or Buyer continues to operate the Aircraft, Seller shall maintain at least one complete set of the Data, i.e. drawings, specifications and manufacturing data relating to the Articles supplied or the Work performed (as the case may be) under the Contract. Drawings, specifications and manufacturing data will be maintained in accordance with DOD 1000B (28/10/77), or

later specification as mutually agreed by the Buyer and Seller.

6.3.2 The master set of any such drawings, specifications and manufacturing data maintained as provided by this Condition 6 may be altered by Seller before the expiration of the said period provided the configuration thereof representing the Aircraft in current service is maintained in accordance with the Configuration Control Document D352-10559-1 incorporated herein by reference and made a part hereof.

6.4 Supply of Copies

6.4.1 The Buyer shall be entitled from time to time, by notice in writing to Seller, to require Seller to supply to the Authority or Buyer (in addition to those supplied in accordance with previous Contracts) one or more complete sets or one or more parts of a complete set of such of the following relating to the Articles supplied in support of The Services under the Contract or of any parts of any such Articles or of any other Work performed under the Contract as may be specified in the notice:

6.5 Print Drawings;

6.5.1 Copies of specifications and/or manufacturing data except that software shall be provided in object code only unless such software is being provided as Unlimited Rights Data under the Contract or as otherwise agreed.

6.5.2 All prints and copies of specifications and data shall be supplied within the period specified in the said notice. A fair and reasonable price, based on the actual Work involved in their preparation, shall be paid to Seller by the Buyer for all prints and copies of specifications and manufacturing data supplied to the Buyer under the provisions of this Clause 6.5.2.

6.5.3 The right conferred by Clause 6.4.1 of this Condition 6 upon the Buyer to require Seller to supply prints and copies of specifications and manufacturing data as aforesaid shall be exercisable:

6.5.4 In relation to all drawings, specifications and manufacturing data to which Clause 6.2.1 applies, at any time before the expiration of the period during which the Authority or Buyer continues to operate the Aircraft; and

6.5.5 In relation to any of the said drawings, specifications and manufacturing data which are actually maintained by Seller after the expiration of the said period, so long as the same are so maintained.

6.5.6 The Buyer shall be entitled at any time to make copies of any prints, specifications or manufacturing data supplied under this Condition 6, as the Buyer may think fit and to use, in accordance with Clause 6.7, such prints, specifications and manufacturing data (or copies of them) pursuant to the licensing provisions of this Condition, in any UK Government department, establishment or depot and such use shall not, unless otherwise provided for in this Contract, extend to the use for tendering or manufacturing purposes.

6.6 Proprietary Data

6.6.1 Seller shall be permitted to apply appropriate restrictive legends (e.g. "Seller Proprietary") on any proprietary data delivered hereunder indicating that such data is proprietary to Seller or its parent company or a vendor or subcontractor. Without written authorisation from Seller, the Buyer shall not disclose any such properly legended proprietary data to any third parties, except to those United Kingdom Government Support Contractors which have entered into Proprietary Information Exchange Agreements (PIEAs) with Seller or its parent company to protect all such proprietary data, whether received from the UK Government, Buyer or Seller. Should Seller fail to execute a PIEA or fail to procure the execution of a PIEA by its parent company with any particular Support Contractor within 30 days of the Buyer's request to Seller to do so, then the Buyer may proceed with the disclosure of Proprietary Data to that Support Contractor without a PIEA provided the Buyer places the Support Contractor under a written agreement, with Seller or its parent company as third party beneficiaries of the agreement, not to further disclose such Data nor use such Data except for fulfilling its Contract. The Buyer may use such properly legended proprietary data only for support of the Aircraft and for only such of those Aircraft as are in the Buyer's possession, custody and control. If the Buyer makes copies of any such properly legended proprietary data, the Buyer shall carry forward any legends onto the copies. The Buyer shall honour such restrictions on disclosure and use, and other restrictions imposed under the Contract subject to the rights of the Buyer specified in this Condition 6, and the lawfully acquired rights of the Buyer arising other than by virtue of this Contract. The Buyer accepts no obligations or restrictions whatsoever in respect of any data delivered hereunder without such restrictive legends or in respect of any data which is in or enters the public domain, which is independently conceived by or on behalf of the Buyer or which is in or comes into the possession of the Buyer with lawful rights of use or disclosure. It is recognised that certain data that may be requested under Clause 6.4 may not be made available by individual subcontractors or vendors under any circumstances. In such event, Seller is required to furnish only the name of the subcontractor or vendor and the particular vendor or subcontractor part number and related information that is available to Seller provided that Seller has the right to provide the related information. However, Seller shall ensure that the proposed terms of any subcontract for any development Work under this Contract shall secure such rights in respect of Intellectual Property Rights under that subcontract as are necessary to meet Seller's obligations to the Buyer under this Contract. Seller shall obtain the Buyer's consent before placing any subcontract under which such rights cannot be secured.

6.7 Use of Data

Limited Rights Data shall comprise all proprietary Data wholly funded by the Seller and delivered under the Contract. "Unlimited Rights Data" shall comprise data the generation of which has been funded by the Authority or has otherwise lawfully acquired rights of use or disclosure.

6.7.1 Use by the Authority

6.7.1.1 The Authority may use Limited Rights Data for repair, maintenance and overhaul by and for the Authority only under the provisions of Clause 6.10.

6.7.1.2 Except as provided for under this Clause 6.7.1 and under Clauses 6.7.2.10 and 6.7.2.11 the Authority may not use Limited Rights Data for manufacture of parts normally recognised as spares parts.

6.7.1.3 Notwithstanding the foregoing, Seller hereby grants to the Authority and Buyer under the provisions of Clause 6.9 a world-wide, non-exclusive, royalty-free license to use Limited Rights Data for manufacture of parts but not for sale to a third party, should Seller be unwilling or unable to provide the parts in a reasonably timely manner either directly or through a licensee. The terms of such use shall be for the period of such Authority or Buyer inability to obtain parts from Seller or a licensee.

6.7.2 Use by other than the Authority

6.7.2.1 Except as provided for under this Clause 6.7.2 and under Clauses 6.7.2.10 and 6.7.2.11 and under the repair/maintenance and overhaul provisioning of Clause 6.10, no use is authorised of Limited Rights Data by a party outside the Authority.

6.7.2.2 If Seller is unwilling or unable to supply parts subject to Limited Rights Data in a reasonably timely manner, Seller hereby grants the Authority and Buyer under the provisions of Clause 6.9 permission to use the applicable Limited Rights Data on a world-wide, non-exclusive, irrevocable, royalty-free licence to have such parts manufactured on the Authority's behalf or otherwise supplied to it by an outside party. The term of such permission shall be for the period of Seller inability or until parts are available from a licensee of Seller. Any Contract with an outside party for the supply of such parts shall require compliance with restrictions substantially similar to those in Clause 6.5.7 and prohibit disclosure to any other party.

6.7.2.3 If Seller is unable to repair and overhaul parts in a reasonably timely manner, Seller, if requested by the Buyer, will negotiate in good faith to grant a licence for repair and overhaul on fair and reasonable terms to an outside party acceptable to the Buyer. Such licence shall also include, if required, post design support.

6.7.2.4 Unlimited Rights Data shall comprise the following except for such Data in respect of which the Buyer has no obligations or restrictions or has otherwise lawfully acquired rights of use or disclosure as contemplated in Clause 6.6.

6.7.2.5 All Data for which the Authority or Buyer has provided development funding including all Data produced during or generated as a necessary part of the performance of this Contract.

6.7.2.6 Form, fit and function Data, e.g. specification control drawings, catalogue sheets, envelope drawings, etc configuration, mating and attachment characteristics, necessary for the purpose of identifying sources, size, functional characteristics and performance requirements of end items and components thereof to which this Contract relates.

6.7.2.7 Manuals or instructional materials proposed or required to be delivered under this Contract or to the extent such rights are obtained under any subcontract for installation, operation, maintenance or training purposes.

6.7.2.8 All such Unlimited Rights Data shall be deliverable to the Buyer and Authority at the Buyer's or Authority's request.

6.7.2.9 The Authority and any other UK Government Department shall have the right, by itself or through its agents or contractors or others authorised by the Authority for any item, in any part of the world and without payment, to use Unlimited Rights Data with or without modification, for any purpose of the United Kingdom Government. Such rights shall apply notwithstanding the existence of any patents, copyright or like Intellectual Property Rights owned or controlled by Seller.

6.7.3 Vendor/Supplier Data

6.7.3.1 Seller shall endeavour to obtain for the Authority, vendor/supplier technical Data, as defined in Clause 6.4 as such Data relates to the Aircraft. Seller shall be considered as having met its obligations under this Contract by identifying to the Authority any vendor/supplier refusing to comply.

6.7.4 Simulator Data:

6.7.4.1 Notwithstanding the provisions of Clause 6.7.1 and 6.7.2, at the Buyer's request Seller will supply, at a fair and reasonable price (as defined in Clause 6.5.2 above), Data reasonably necessary for manufacturers skilled in the construction of flight simulator and training equipment to manufacture a simulator and/or training equipment to meet the Buyer's requirements under this Clause, said Data to be supplied to the Buyer or, at the Buyer's discretion, directly to the manufacturers. Such Data shall include Aircraft performance data, technical analysis data, acceptance/

test procedure data, and airframe data. The Buyer is hereby granted a royalty free licence to use and have used such Data for tendering and manufacturing purposes solely in order to meet its requirements as specified above.

6.7.4.2 The obligations of Seller to disclose Proprietary Data to third parties under these provisions shall not apply to the extent that Seller can demonstrate to the Authority that its commercial interests would be materially jeopardised by disclosure of data under this provision or by the provision of advice and assistance required by contractors under sub-contracts.

6.8 Access to and use of Database Information

6.8.1 Seller hereby grants the Authority a royalty-free license to copy and have copied all or any part of the Logistics Support Analysis Record Database ("the Database"), and any subsequent modification or improvement to the Database, and to circulate, use and have used by others the Database and the copies for any UK Government or NATO purpose including the following:

6.8.1.1 repair, maintenance and overhaul as defined in Clause 6.10;

6.8.1.2 preparing, modifying and re-writing Technical Publications such as handbooks, documents and Interactive Electronic Data Manuals which relate to Articles delivered in support of the Services under this and other Contracts between the Authority and Seller and regardless of whether such Technical Publications are recorded in printed, magnetic, electronic or other form;

6.8.1.3 copying, use and issuing to others any Technical Publication or part thereof whether prepared by the Authority in accordance with Clause 6.8.1.2 above or by Seller; and

6.8.1.4 defining requirements for the provisioning of and procuring spares and replacement parts, components, and ground support equipment for Articles delivered in support of the Services under this and other Contracts between the Authority and Seller provided that the Authority shall not without the prior written consent of Seller use the Database for the purpose of manufacturing Articles or parts or components thereof or authorising others to do so by virtue of the Authority's rights under this Clause 6.8 above.

6.10 Maintenance, Repair and Overhaul

6.10.1 For the purpose of this Clause the following terms shall have the meanings as defined in DEFCON 501 or as indicated below if no definition appears in DEFCON 501:

6.10.1.1 the term "Maintenance, Repair and Overhaul" shall, in relation to Articles, include the following activities:

6.10.1.1.1 work required to keep the Articles in an operable condition;

6.10.1.1.2 procedures and arrangements (including safety procedures) for removing the Articles from and re-installing them in an operational system, and for handling, storing, transporting, packaging and labelling the Articles;

6.10.1.1.3 inspection and testing of Articles or parts thereof to check calibration and performance and to detect and identify faults;

6.10.1.1.4 dismantling Articles for repair or modification;

6.10.1.1.5 reassembling Articles after repair, or incorporation of replacement or new parts;

6.10.1.1.6 testing and calibration of Articles or parts thereof prior to, during or after re-assembly and after reinstallation in an operational system;

6.10.1.1.7 reworking or reconditioning of existing Articles or parts thereof;

6.10.1.1.8 Post Design Service support of Articles; and

6.10.1.1.9 publication revisions in support of Articles.

6.10.2 The Authority shall, in respect of all information relating to matters to which this Clause 6.10 applies, have a free licence:

6.10.2.1 to copy the information and to circulate and use the information or any copy thereof for Maintenance, Repair and Overhaul of the Articles supplied in support of the Services under this Contract within any UK Government Department (which term includes the UK Armed Forces) provided that no part of the information nor any copy thereof shall, except with the written permission of Seller or pursuant to Clause

6.10.2.2, be made available to any third party; and

6.10.2.2 to issue the information or any part of the information or any copy of the information or any part

thereof to any Contractor or potential Contractor to the UK for the purpose only of use under a UK Government Contract, or preparing or tendering for a proposed UK Government Contract, for Maintenance, Repair and Overhaul of the Articles or of any operational system incorporating the Articles. The recipient Contractor or potential Contractor shall be placed under an obligation which restricts copying, disclosure and use of the information to the said purpose;

6.10.2.3 provided that, subject to the pre-existing rights of the Authority, where any part of the information to which the Clause applies has not been generated under this Contract and is properly marked to identify it as Proprietary, (information identified as such shall be treated as Seller proprietary Data for the purposes of this Clause) the Authority shall not, save in operational emergency, issue such information under Clause 6.10.2.2 without first informing Seller and allowing Seller thirty (30) days to negotiate a direct confidentiality agreement with the intended recipient. Should Seller fail to execute a direct confidentiality agreement within the said thirty day period with any particular intended recipient, then the Authority may proceed with the disclosure of the information to the recipient without such agreement provided the Authority places the recipient under its own written agreement, with Seller as a third party beneficiary of the agreement, not to further disclose such information or use such information except as permitted under Clause 6.10.2.2.

6.10.3 Seller shall, at the request of the Authority, supply to the Authority or to any selected Contractor with whom the Authority has placed a contract for Maintenance, Repair and Overhaul of the Articles, any or all of the information for Maintenance, Repair and Overhaul (including, but not limited to, drawings, material and process specifications, parts lists, test data and computer software) which is specified in the Contract or which Seller has in his possession or can obtain and has the right to supply, and this Clause shall apply to any of the information so supplied.

6.11 Copyright Clause

6.11.1 Seller shall ensure as far as possible that the copyright on any Work produced under this Contract shall vest in Buyer.

6.11.2 Seller agrees not to publish any such copyright Work without the consent in writing of the Buyer. The Buyer will not normally raise objection to publication of any of the copyright Work unless delay or limited publication only is considered to be necessary in the Buyer's interest. The Buyer will review periodically any restrictions on publication and will inform Seller as soon as the restriction can be removed.

6.11.3 The Buyer will have the right to a free licence to copy any Copyright Work produced or furnished by Seller under this Contract, the Copyright of which vests in Seller, and to circulate or use the copies for any UK Governmental purpose whatsoever, subject to the restrictions in Condition 6 of this Contract.

7. Intellectual Property Rights in Software

7.1 In the following clause, the following definitions and interpretations shall have the following meanings: Software shall mean all or any part of any:

Object Code (as defined);
Source Material (as defined);
associated user
documentation;

Deliverable Software shall mean the Software delivered or to be delivered by the Seller to the Buyer or Authority in accordance with the requirements of the Contract.

Object Code shall mean machine code executable by a data processing system;

Source Material shall mean that material, taken individually or in any combination thereof, which is:

'Source Code', a representation of Object Code in or readily translatable into a form suitable for human understanding and transformable into the Object Code; a representation or identification of the data processing system configuration, computer programs, procedures, rules and associated documentation used to generate the Object Code, but not generated by or for the Seller under the Contract, when in sufficient detail and suitable form, subject to Clause 7.3.1.3, to permit replication of such data processing system configuration, computer programs, procedures, rules and associated documentation independently of the Seller;

subject to Clause 7.3.1.3, and to the extent necessary to enable modification and testing of the Object Code independently of the Seller, documentation on the specification, design rules, design, testing, analysis, function, usage and capabilities of the Object Code.

to modify shall mean to change or alter whether by means of adaptation, translation, extension, reduction by means of merging with other material, or by any other means, and the words "modified" and "modification" shall be construed accordingly; the Relevant Period shall mean the currency of the Contract plus a period of six years from the completion of the Contract or such other period as the parties may agree. Completion of the Contract shall be deemed to occur on the date when all Work under the Contract is completed or the effort has been terminated under a termination of this Contract. The Seller shall endeavour to ensure that the Relevant Period in any sub-contract shall expire on the same date as that applicable under the Relevant Period definition above, but shall consult the Buyer if that is not achievable; IPR shall mean all patents, utility models, rights (limited and unlimited) in any design; The paragraph headings contained in this Condition shall not affect the interpretation thereof.

7.2 Ownership

7.2.1 The Seller shall use all reasonable endeavours to ensure that all IPR in any Software generated under the Contract shall be the property of and vest in the Buyer, subject to any pre-existing rights of the Crown or of third parties.

7.3 User Rights and Related Payments

7.3.1 The Seller grants to the Authority and Buyer to the extent that he has the right to do so, exercisable without further payment to the Seller beyond that stated in The Contract, the right:

7.3.1.1 to copy, modify and use any Deliverable Software for the services of the Authority, whether by themselves, their agents or their contractors;

7.3.1.2 where the generation of the Deliverable Software has been funded exclusively by the Authority or Buyer, to issue such Deliverable Software or copies of any Deliverable Software to any contractor or potential contractor to the United Kingdom Government for the purpose of use only in connection with a contract or the tendering for a proposed contract for a United Kingdom Government purpose. Where the generation of Deliverable Software has not been exclusively funded by the Authority or Buyer, the Seller and the Authority, through Buyer, may mutually agree different rights of use prior to the generation of the Deliverable Software.

7.3.1.3 The Seller shall notify the Buyer as soon as he becomes aware of any limitations as to the use of any Deliverable Software the IPR in which are owned by the Seller or a third party. The Seller shall also give to the Buyer full details of the provisions of such limitations and any associated cost as soon as he becomes aware of them.

7.3.1.4 Except as provided for by Clause 7.4.1.3, the Authority shall have a right to exercise any of the rights referred to at Clause 7.3.1 in respect of Deliverable Software notified to the Authority in accordance with Clause 7.3.1.3 the IPR in which are owned by the Seller, subject to fair and reasonable terms.

7.3.1.5 The Seller shall, if requested to do so by the Authority, endeavour to secure for the Authority those rights listed at Clause 7.3.1 in Deliverable Software notifiable to the Authority in accordance with Clause 7.3.1.3 the IPR in which are owned by a third party on terms and conditions to be agreed with or approved by the Authority.

7.3.1.6 Seller grants to the Authority the right to issue the Deliverable Software, in whole or in part, or a copy thereof, for information only, in pursuance of information exchange arrangements for defence purposes, provided that the recipient government is placed under an obligation not to use Deliverable Software so released for other than information purposes or to disclose it to a third party. Provided that, where the supply of Source Code is contemplated, and subject to any pre-existing rights of the Authority or Buyer, this Clause 7.3.1.6 shall only apply to the Work or any part of the Work or any copy of the Work or any part thereof if such Work or part thereof is generated under the Contract.

7.4 Subsequent Deliveries of Software

7.4.1 During the Relevant Period, the Seller shall at the request and to the requirements of the Buyer and to the extent he is able to do so in relation to third party software:

7.4.1.1 deliver further copies of the Deliverable Software to the Buyer.;

7.4.1.2 to issue any Deliverable Software or copies of any Deliverable Software to any contractor or potential contractor to the Buyer for the purpose of use only in connection with this contract.

7.4.1.4 The Seller shall retain for the Relevant Period a copy of such Software as is required for the performance of his obligations under this Contract.

7.4.1.5 If the Software generated under the Contract is subsequently modified by or on behalf of the Seller for the Buyer, the Software to be retained under Clause 7.4.1.4 shall be the latest modified version and any other version that may be specified by the Buyer no later than the time of delivery of the succeeding modified version.. The Seller shall additionally maintain sufficient records to enable the changes introduced by each such modification to be identified so

as to provide traceability back to the version originally accepted by or for the Buyer.

7.5 Notwithstanding the provisions of this Contract relating to the disclosure of the Deliverable Software, the Authority shall be entitled to disclose the Deliverable Software after notification in writing to the Seller by a Director of Contracts in person that he considers it to be in the national interest to do so. Save where the Authority considers the immediate disclosure is in the national interest, the Authority will endeavour to give the Seller a reasonable opportunity to make representations about such disclosure. However, the Authority's decision shall be final and conclusive. In making the disclosure in this circumstance the Authority shall place upon the recipient an obligation of confidence and a limitation of use.

7.6 Output

7.6.1 Subject to the rights of the Seller and third parties, the Authority shall have the right, free of charge, to use in any manner and for any purpose anything which has been produced by or for the Authority with the aid of any Deliverable Software PROVIDED THAT if the result so produced reproduces or discloses the whole or a significant part of any of the Software used or generated in the performance of this Contract then such shall be deemed to be Deliverable Software and subject to the provisions of the Contract. If, however, the material produced contains other information, the IPR in which are owned by the Seller or a third party and in which the Authority has no user rights, then the conditions under which that information has been made available to the Authority shall prevail in respect of such other information.

7.6.2 If Deliverable Software is required by the Authority under the Contract for the purpose of producing an output for incorporation in a data processing system, then, notwithstanding Clause 7.6.1 or any other provision of the Contract, the Authority shall have the right to use to have used, free of charge, such output for the services of the United Kingdom Government.

7.10 Liability and Indemnities

7.10.1 The Seller shall at all times indemnify and keep indemnified the Authority or any other United Kingdom Government Department in respect of all costs, claims, demands, damages, liabilities and expenses made against or incurred by the Authority or any other United Kingdom Government Department:

7.10.1.1 arising directly or indirectly from any actual or alleged infringement of Copyright or breach of confidence or IPR-related breach of contract as a result of the copying, modification, use, or possession of the deliverable software by or on behalf of the Authority or any other UK Government department or their respective agents or contractors;

7.10.2 In the event that any claim or legal action is made or taken against the Authority in respect of which the Authority is entitled to be indemnified in accordance with the provisions of Clause 7.10.1 above then:

7.10.2.1 the Authority shall promptly notify the Seller in writing of such costs, claims, demands, damages, liabilities and expenses of which it shall have notice and shall provide the Seller with such information regarding the claim as the Seller shall reasonably require PROVIDED THAT the Authority shall not be obliged to disclose any information the disclosure of which would prejudice any right or interest of the Crown;

7.10.2.2 unless there is a statutory obligation to do so, the Authority shall not make any statement which may be prejudicial to the settlement or defence of such claim without the prior written consent of the Seller;

7.10.2.3 when requested by the Seller the Authority shall allow the Seller at the Seller's expense to conduct all negotiations and litigation and shall give the Seller all reasonable assistance in connection therewith PROVIDED THAT:

7.10.2.3.1 the Seller shall have first given to the Authority an unconditional written admission of his liability to indemnify the Authority in accordance with the provisions of Clause 7.10.1;

7.10.2.3.2 at the request of the Authority the Seller shall keep the Authority fully informed about the conduct and progress of such negotiations and proceedings;

7.10.2.3.3 the Authority shall have the right to intervene or assume responsibility for the conduct of such proceedings or any consequent settlement thereof at any time PROVIDED THAT the Seller shall not be liable to indemnify the Authority under this Clause 7.10 against any liability or any part of any damages costs or expenses to the extent that such liability or part is incurred by the Authority by reason of any breach by the Authority or Clause 7.10.2.2, or by the Authority acting unreasonably either in the conduct of any negotiations or legal proceedings or in the making of any settlement in relation to any claim or demand.

7.10.3 If at any time an allegation of infringement of Copyright or breach of confidence or breach of contract is made as a result of the copying, modification, use or possession of the Deliverable Software or any part thereof, the Seller may, with the agreement of the Authority and at the Seller's own expense, modify the Deliverable Software or any part thereof or replace the same with an item of equivalent functionality and performance so as to avoid infringement or breach.

7.10.4 Except as may be otherwise agreed, the foregoing provisions shall not apply in so far as any costs, claims, demands, damages, liabilities and expenses are in respect of:

7.10.4.1 any use of Deliverable Software not reasonably to be inferred from the specification requirements of the Authority;

7.10.4.2 the refusal by the Authority or such other United Kingdom Government Department to use to have used a modified or replacement item supplied pursuant to Clause 7.10.3;

7.10.4.3 the use of any Deliverable Software made after and in contravention of a judicial decision relating to such Deliverable Software.

7.10.5 The Seller shall have no liability in respect of any Deliverable Software modified by or on behalf of the Authority, other than Deliverable Software modified under the direction and control of the Seller himself. PROVIDED THAT the exclusion of liability contained in Clause 7.10.5 shall not apply in circumstances where the Seller would be liable under the terms of the Contract whether or not the Deliverable Software has been modified.

7.10.6 Where the Seller is not liable under the provisions of Clause 7.10.5, then the Authority shall indemnify and keep indemnified the Seller in respect of all costs, claims, demands, damages, liabilities and expenses made against or incurred by the Seller:

7.10.6.1 arising directly or indirectly from any actual or alleged infringement of Copyright or breach of confidence or IPR-related breach of contract;

7.10.6.2 as a result of the copying, modification, use or possession of any modified Deliverable Software by or on behalf of the Authority or any other United Kingdom Government Department or their respective agents or contractors, or by any government which received it in accordance with the provisions of Clause 7.3.1.6.

7.10.6.3 Where the Authority supplies or causes to be supplied Software to the Seller for use, or instructs the Seller to use Software, in the performance of the Contract and that Software was not previously supplied to the Authority by the Seller, then the Authority shall indemnify and keep indemnified the Seller in respect of all costs, claims, demands, damages, liabilities and expenses made against or incurred by the Seller:

7.10.6.3.1 arising directly or indirectly from any actual or alleged infringement of Copyright or breach of confidence or IPR-related breach of contract;

7.10.6.3.2 as a result of the copying, modification, use or possession of such Software by the Seller solely for the performance of the Contract.

7.10.7 In the event that any claim is made against the Seller in respect of which the Seller is entitled to be indemnified in accordance with the provisions of Clauses 7.10.6 and 7.10.6.2 above then:

7.10.7.1 the Seller shall promptly notify the Authority in writing of such costs, claims, demands, damages, liabilities and expenses of which he himself shall have notice and shall provide the Authority with such information regarding the claim as the Authority shall reasonably require;

7.10.7.2 the Seller shall not make any statement which may be prejudicial to the settlement or defence of such claim without the prior written consent of the Authority;

7.10.7.3 when requested by the Authority the Seller shall allow the Authority at the Authority's expense to conduct all negotiations and litigation and shall give the Authority all reasonable assistance in connection therewith PROVIDED THAT:

7.10.7.3.1 the Authority shall have first given to the Seller an unconditional written admission of its liability to indemnify the Seller in accordance with the provisions of Clauses 7.10.6 and 7.10.6.2;

7.10.7.3.2 at the request of the Seller the Authority shall keep the Seller fully informed about the conduct and progress of such negotiations and proceedings.

7.10.8 The foregoing states the entire liability of the Authority and Seller with respect to any actual or alleged infringement of Copyright or breach of confidence or IPR-related breach of contract arising from the copying, modification, use or possession of:

7.10.8.1. the Deliverable Software by or on behalf of the Authority or any other United Kingdom Government Department;

7.10.8.2 the Software referred to in Clause 7.10.6.2 by the Seller.

7.11 This Condition shall constitute an "agreement to the contrary" for the purposes of Section 48 of the Copyright, Design and Patents Act 1988.

8. Third Party Intellectual Property Rights (IPR) Commercial and Non-commercial Articles and Services

8.1 Notifications. As he becomes aware, the Seller shall promptly notify the Buyer of:

8.1.1 any invention or design the subject of Patent or Registered Design rights (or application therefor) owned by a third party which appears to be relevant to the performance of the Contract or to use by the Authority of anything required to be done or delivered under the Contract;

8.1.2 any restriction as to disclosure or use or obligation to make payments in respect of any other IPR (including technical information) required for the purposes of the Contract or subsequent use by the Authority of anything delivered

under the Contract and, where appropriate, the notification shall include such information as is required by Section 2 of the Defence Contracts Act 1958;

8.1.3 any allegation of infringement of IPR made against the Seller and which pertains to the performance of the Contract or subsequent use by the Authority of anything required to be done or delivered under the Contract. This Clause 8.1 does not apply in respect of Articles or Services normally available from the Seller as a commercial off the shelf (COTS) item or service.

8.2 If the information required under this Condition 8 has been notified previously, the Seller may meet his obligations by giving details of the previous notification.

8.3 Patents and Registered Designs in the UK COTS Articles or Services

8.3.1 In respect of any question arising (by way of an allegation made to the Authority, Buyer or Seller, or otherwise) that the manufacture or supply under the Contract of any Article or Service normally available from the Seller as a COTS item or service is an infringement of a United Kingdom Patent or Registered Design not owned or controlled by the Seller or the Authority, the Seller shall, subject to the agreement of the third party owning such Patent or Registered Design, be given exclusive conduct of any and all negotiations for the settlement of any claim or the conduct of any litigation arising out of such question. The Seller shall indemnify the Authority, its officers, agents and employees against any liability and cost arising from such allegation. This Clause will not apply if:

8.3.1.1 the Authority has not informed the Seller as soon as practicable of any suit or action alleging infringement and given the Seller such opportunity as is afforded by applicable laws, rules, or regulations to participate in its defence;

8.3.1.2 the Authority has made or makes an admission of any sort relevant to such question;

8.3.1.3 the Authority has entered or enters into any discussions on such question with any third party without the prior written agreement of the Seller;

8.3.1.4 the Authority has entered or enters into negotiations in respect of any relevant claim for compensation in respect of Crown Use under Section 55 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1977;

8.3.1.5 legal proceedings have been commenced against the Authority or the Seller in respect of Crown Use, but only to the extent of such Crown Use that has been properly authorised; or

8.3.1.6 the infringement results from compliance with specific written instructions of the Authority, its officers, agents or employees, directing a change in the supplies to be delivered or in the materials or equipment to be used, or directing a manner of performance of the contract not normally used by the Seller.

8.4 The indemnity in Clause 8.3 does not extend to use by the Authority of anything supplied under the Contract where that use was not reasonably foreseeable at the time of the Contract.

8.5 In the event that the Authority has entered into negotiation in respect of a claim for compensation, or legal proceedings in respect of the Crown Use have commenced, the Authority shall forthwith authorise the Seller for the purposes of performing the Contract (but not otherwise) to utilise a relevant invention or design in accordance with Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949 and to use any model, document or information relating to any such invention or design which may be required for that purpose.

8.6 Patents and Registered Designs in the UK - All other Articles or Services

8.6.1 If a relevant invention or design has been notified to the Authority by the Seller through Buyer prior to the date of the Contract, then unless it has been otherwise agreed, under the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949, the Seller is hereby authorised to utilise that invention or design, notwithstanding the fact that it is the subject of a United Kingdom Patent or United Kingdom Registered Design, for the purpose of performing the Contract.

8.6.2 If, under Clause 8.1, a relevant invention or design is notified to the Authority by the Seller after the date of Contract, then:

8.6.2.1 if the owner (or his exclusive licensee) takes, or threatens in writing to take, any relevant action against the Seller, the Authority shall issue to the Seller a written authorisation in accordance with the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949, and

8.6.2.2 in any event, unless the Seller and the Authority can agree an alternative course of action, the Authority shall not unreasonably delay the issue of a written authorisation in accordance with the provisions of Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949.

8.7 Patents, Utility Models and Registered Designs in the US

8.7.1 The Authority shall assume all liability and shall indemnify the Seller, its officers, agents and employees against liability, including the Sellers costs, as a result of infringement by the Seller or his suppliers of any Patent, Utility Model, Registered Design or like protection in the United States in the performance of the Contract when such infringement arises

from or is incurred by reason of the Seller following any specification, statement of work or instruction in the Contract or using, keeping or disposing of any item given by the Authority for the purpose of the Contract in accordance with the Contract.

8.7.2 The Seller shall assume all liability and shall indemnify the Authority, its officers, agents and employees against liability, including the Authority's costs, as a result of infringement by the Seller or his suppliers of any Patent, Utility Model, Registered Design or like protection in the United States in the performance of the Contract when such infringement arises from or is incurred otherwise than by reason of the Seller following any specification, statement of work or instruction in the Contract or using, keeping or disposing of any item given by the Authority for the purpose of the Contract in accordance with the Contract.

8.7.3 Royalties and Other Licence Fees. The Seller shall not be entitled to any reimbursement of any royalty, licence fee or similar expense incurred in respect of anything to be done under the Contract, where:

8.7.3.1 a relevant discharge has been given under Section 2 of the Defence Contracts Act 1958, or relevant authorisation in accordance with Sections 55 or 57 of the Patents Act 1977, Section 12 of the Registered Designs Act 1949 or Section 240 of the Copyright, Designs and Patents Act 1988 in respect of any Intellectual Property, or

8.7.3.2 any obligation to make payments for Intellectual Property has not been promptly notified to the Authority under Clause 8.1 of this Condition.

8.7.4 Where an authorisation is given by the Authority under Clause 8.5, Clause 8.6. or this Clause 8.7, to the extent permitted by Section 57 of the Patents Act 1977, Section 12 of the Registered Designs Act 1949 or Section 240 of the Copyright, Designs and Patents Act 1988, the Seller shall also be:

8.7.4.1 released from payment whether by way of royalties, licence fees or similar expenses in respect of the Seller's use of the relevant invention or design, or the use of any relevant model, document or information for the purpose of performing the Contract, and

8.7.4.2 authorised to use any model, document or information relating to any such invention or design which may be required for that purpose.

8.7.5 Copyright, Design Rights etc. The Seller shall assume all liability and indemnify the Authority and its officers, agents and employees against liability, including costs as a result of

8.7.5.1 infringement or alleged infringement by the Seller or his suppliers of any Copyright, Database Right, Design Right or the like protection in the United Kingdom and the United States in respect of any item to be supplied under the Contract or otherwise in the performance of the Contract;

8.7.5.2 misuse of any confidential information, trade secret or the like by the Seller in performing the Contract;

8.7.5.3 provision to the Authority of any information or material which the Seller does not have the right to provide for the purpose of the Contract.

8.7.6 The Authority shall assume all liability and indemnify the Seller, its officers, agents and employees against liability, including costs as a result of:

8.7.6.1 infringement or alleged infringement by the Seller or his suppliers of any Copyright, Database Right, Design Right or the like protection in the United Kingdom and the United States in respect of any item provided by the Authority for the purpose of the Contract but only to the extent that the item is used for the purpose of the Contract;

8.7.6.2 alleged misuse of any confidential information, trade secret or the like by the Seller as a result of use of information provided by the Authority for the purposes of the Contract, but only to the extent that the Seller's use of that information is for the purposes intended when it was disclosed by the Authority.

8.7.7 The above represents the total liability of each party to the other under the Contract in respect of any infringement or alleged infringement of Patent or other IPR owned by a third party.

8.7.8 Neither party shall be liable, one to the other, for any consequential loss or damage arising as a result, directly or indirectly, of a claim for infringement or alleged infringement of any Patent or other IPR owned by a third party.

8.7.9 A party against whom a claim is made or action brought, shall promptly notify the other Party in writing if such claim or action appears to relate to an infringement which is the subject of an indemnity or authorisation given under this Condition by such other Party. The notification shall include particulars of the demands, damages and liabilities claimed or made of which the notifying Party has notice.

8.7.10 The Party benefiting from the indemnity or authorisation shall allow the other Party, at its own expense, to conduct any negotiations for the settlement of the same, and any litigation that may arise therefrom and shall provide such information as the other Party may reasonably require.

8.7.11 Following a notification under Clause 8.7.9, the Party notified shall advise the other Party in writing within 30 days whether or not it is assuming conduct of the negotiations or litigation. In that case the Party against whom a claim is made or action brought shall not make any statement which might be prejudicial to the settlement or defence of such a claim without the written consent of the other Party.

8.7.12 The Party conducting negotiations for the settlement of a claim or any related litigation shall, if requested, keep the other Party fully informed of the conduct and progress of such negotiations.

8.7.13 If at any time a claim or allegation of infringement arises in respect of Copyright, Database Right, Design Right or breach of confidence as a result of the provision of any item by the Seller to the Authority for which the Seller has agreed above to indemnify the Authority, the Seller may at its own expense replace the item with an item of equivalent functionality and performance so as to avoid infringement or breach.

8.7.14 The Parties will co-operate with one another to mitigate any claim or damage, which may arise from use of third party IPR.

8.7.15 Sub-contracts. The Seller shall secure from any sub-contractor, the prompt notification to the Authority of the information required by Clause 8.1 of this Condition. In addition the Seller may pass the benefits and obligations of this Condition to his sub-contractors. In order to do so the Seller may act as the agent of the Authority in entering, on behalf of the Authority, an agreement passing the benefits and indemnities given by the Authority under this Condition. Any such benefits and indemnities will be subject always to Clauses 8.7.3, 8.7.4 and 8.7.7 as though the sub-contractor was the Seller. If any claim or action relevant to such benefit or indemnity arises, it shall be promptly notified to the Authority. The Seller is not authorised to enter into any substantive correspondence in such matter nor in any way to act on behalf of the Authority in such claim or action. Any arrangements between the Seller and sub-contractor to enable the Seller to underwrite his indemnities to the Authority under this Condition is a matter between the Seller and the sub-contractor.

8.7.16 For the purposes of this Clause, Commercial Off The Shelf (COTS) products shall be characterised by the following features:

8.7.16.1 They have been developed to support a commercial (i.e., non-military) market;

8.7.16.2 They are available for purchase without modification at the time of the Authority's request for purchase. In this Clause: design right has the meaning ascribed to it by Section 213 of the Copyright, Designs and Patents Act 1988; Crown Use in relation to a patent means the doing of anything by virtue of Sections 55 to 57 of the Patents Act 1977 which otherwise would be an infringement of the patent and in relation to a Registered Design has the meaning given in paragraph 2A(6) of the First Schedule to the Registered Designs Act 1949.

Patent shall mean legal protection of the right to exclude others from making, using or selling an invention. Intellectual Property Rights shall mean all patents, utility models, rights (registered and unregistered) in any design;

Applications for any of the foregoing; Copyright;

Confidential Information and trade secrets;

All rights and forms of protection of a similar nature to these or having equivalent effect any where in the world;

Nothing in this Condition 8 shall be taken as an authorisation or promise of an authorisation under Section 240 of the Copyright, Designs and Patents Act 1988.

8.8 Design/Patents, Etc Rights.

8.8.1 If this Contract includes design and development effort the Seller shall enter in to an agreement with the Authority, through Buyer, in the form set out in DEFFORM 177.

8.8.2 The Seller shall include in all Sub-Contracts or orders placed all relevant Clauses agreed with the Buyer and shall ensure that all Sub-Contracts are amended as necessary to include any amendments to the Contract in accordance with the Changes clause of this Contract.

8.9 Step-in Rights. In the event of:

8.9.1 Termination of the Contract, or

8.9.2 The Seller being unwilling or unable either to continue with the Contract or accept a follow-on agreement from the Authority for the continuing provision of the Services which are the subject of this, or

8.9.3 The Seller permanently discontinuing its business because of bankruptcy, receivership, dissolution, or other form of permanent business disruption and such business is not continued by a successor in interest to The Seller to whom the relevant Intellectual Property Rights have been transferred.

8.9.4 The Authority has the right to obtain from The Seller, or from the authorised trustees or receivers acting on behalf of The Seller, sufficient of The Seller's Management Information as to permit the Authority to continue the efficient operation of the Contract during the period until a replacement arrangement can be established by the Authority for the provision of Services which are subject to this Contract. The Authority shall have the right for the period of one calendar year from the date when the Management Information is received by the Authority, to use or have used the Management Information for this purpose.

8.10 Within 3 calendar months from the expiry of the period in Clause 17.9.4 above, the Authority shall return to The Seller or to the authorised trustees or receivers acting on behalf of The Seller as appropriate, the Management Information

received by the Authority and all copies e.g fax, email, soft copy etc, or certify its destruction thereto.

9. Packaging

9.1 All Articles are to be packaged in accordance with DEFCON 129 and to the following standards:

9.1.1 all material, which the Buyer specifies as requiring a Special to Type Container (STC) are to be supplied in the appropriate STC.

9.1.2 all items of equipment classified as P class items are to be supplied packaged to Def Stan 81-41 Military Standard Level J (NATO Level 2);

9.1.3 all items of equipment classified as L class are to be packaged to DefStan 81-41 Military Standard Level P (NATO Level 4);

9.1.4 all items of equipment classified as C class may be packaged to commercial standards, however, the items must be supplied with the quantity in each package meeting the Authoritys PPQ and DofQ.

9.2 The STC in which Articles are received shall, be utilised for re-delivery. If the STC is damaged on receipt, Seller shall make the necessary arrangements for the STC to be promptly repaired or replaced. For the avoidance of doubt, the management and maintenance of all STCs utilised under this Contract and supplied as GFE to Seller shall be the sole responsibility of Seller.

9.3 The management of, and policy for, the transfer of Components and spare parts shall be in accordance with JSP 336, Vol. 13 Supply Instructions for Air Environment. All items supplied by Seller shall include the following:

9.3.1 the correct NSN or a traceable manufacturers part number if the item is not NSN codified;

9.3.2 the appropriate identification and record cards as appropriate;

9.3.3 the packaging should detail the correct National Cage Code and Batch Number details.

10. Bespoke Software

10.1 Rights of use in any bespoke Software generated under this Contract shall be subject to Condition 16 (Intellectual Property Rights in Software).

10.2 Pre-Existing Proprietary Software

10.2.1 Seller shall use all reasonable endeavours to ensure that all pre existing proprietary Software of Sub- contractors that is deliverable Software under this Contract and utilised in the provision of the Service will be provided to the Buyer and Authority, where applicable, under this Contract subject to the terms and conditions contained in the Authority's standard Software Licence Agreement.. If an agreement already exists which is acceptable to the Authority (DE&S - D/IPR), then the terms of that licence may apply to this Contract, instead of the licence at Schedule L-(Software Licence Agreement). The Seller shall promptly notify the Authority should it be unable to secure Sub-contractor agreement to the Software License Agreement. Any proposed variation to the standard licence at Schedule L -(Software Licence Agreement) shall be identified at the earliest opportunity and may be subject to negotiation by IPRG, IPR13, Poplar 2A, #2218, Defence Equipment & Support, Abbey Wood, Bristol, BS34 8JH.

10.2.2 In every case Seller should note that the Software will be provided to the Authority either under this Contract or through a sub-contract. In the event of conflict between any provision, either explicit or implicit of the Contract or sub-contract and the Software Licence Agreement then the Contract or sub-contract shall take precedence for that provision.

10.2.3 Seller shall use all reasonable endeavours to ensure that it provides to the Authority written acceptance by each Software licensor of the Authority's preferred Software licence terms and conditions as specified in this Condition 10.

10.2.4 For the avoidance of doubt it shall be the responsibility of Seller to pay for the software licences. The software licence costs shall form part of the Contract price.

11. Transition to War

11.1 Seller shall continue to provide the Services in peacetime and during periods of crisis, tension, emergencies, surge, transition to war and during hostilities.

11.2 In the event of crisis, tensions, emergencies, surge or hostilities affecting the Services, any resulting changes shall be dealt with in accordance with the Force Majeure clause of this Contract.

12. Security

12.1 Seller shall manage security under the Contract in accordance with an agreed Security Plan (Security Plan).

12.2 The Buyer shall provide a copy of its customer's (The Authority) Security Aspects Letter, which shall define the UK OFFICIAL - SENSITIVE matter (RESTRICTED for UK material graded prior to 2 April 2014) that is furnished, or which is to be developed, under this Contract. The Seller shall mark all UK OFFICIAL - SENSITIVE documents which he originates or copies during the Contract in accordance with the Security Aspects Letter and this Condition 12. Both the Security Aspects Letter and the contents of this Condition 12 shall remain in force for the duration of the Contract.

12.3 The following security provisions detailed at Clauses 12.6 to 12.13 below shall apply to Seller its parent company and any US Sub-Contractors engaged for the purposes of fulfilling The Seller's obligations under this Contract.

12.4 DEFCON 659 shall apply to all UK Sub-contractors.

12.5 Should the Seller wish to engage Non-UK or Non-US Sub-Contractors to meet its obligations under this Contract, it shall immediately contact the Buyer, so that the appropriate security provisions to be included in such Sub-Contracts can be provided.

12.6 The provisions of this Condition 12 are based upon an agreement between the Government of the United Kingdom and the Government of the United States and shall apply to the extent that this agreement involves access to or possession of information to which a security classification of UK OFFICIAL-SENSITIVE or above has been assigned by the Government of the United Kingdom.

12.7 Security Conditions

12.7.1 Seller shall take all reasonable steps to make sure that all individuals employed on any work in connection with this Contract have notice that these provisions apply to them and shall continue so to apply after the completion or earlier termination of this Contract.

12.8 UK OFFICIAL-SENSITIVE information

12.8.1 The Seller shall protect UK OFFICIAL-SENSITIVE information provided to it or generated by it in accordance with the requirements detailed in this Condition 12 and any other conditions that may be specified by the Buyer. The Seller shall take all reasonable steps to prevent the loss or compromise of the information or from deliberate or opportunist attack.

12.8.2 All UK OFFICIAL-SENSITIVE material including documents, media and other material must be physically secured to prevent unauthorised access. When not in use UK OFFICIAL-SENSITIVE documents/ material shall be stored under lock and key. As a minimum UK OFFICIAL SENSITIVE documents/material shall be placed in a lockable room, cabinets, drawers or safe and the keys/combinations shall be subject to a level of control.

12.8.3 Disclosure of UK OFFICIAL-SENSITIVE information shall be strictly controlled in accordance with the "need to know" principle. Except with the written consent of the Buyer, The Seller shall not disclose the Contract or any provision thereof to any person other than to a person directly employed by Seller.

12.8.4 Except with the consent in writing of the Buyer, The Seller shall not make use of the Contract or any information issued or furnished by or on behalf of the Buyer otherwise than for the purpose of the Contract, and, save as provided for in this Condition 12 or elsewhere in this Contract, The Seller shall not make any Article or part thereof similar to the Articles for any other purpose.

12.8.5 Subject to any rights of third parties, nothing in this Condition 12 shall, restrict the Seller from using any specifications, plans, drawings and other documents generated outside of this Contract.

12.8.6 Any samples or patterns or any specifications, plans, drawings or any other documents issued by or on behalf of the Buyer for the purposes of the Contract remain the property of the Buyer or its customer (The Authority) and shall be returned on completion of the Contract or if so directed by the Authority destroyed.

12.9 Access

12.9.1 Access to UK OFFICIAL-SENSITIVE information shall be confined to those individuals who have a need-to-know and whose access is essential for the purpose of his or her duties.

12.9.2 The Seller shall ensure that all individuals requiring access to UK OFFICIAL-SENSITIVE information have undergone basic recruitment checks. This should include establishing proof of identity; confirming that they satisfy all legal requirements for employment by the Seller; and verification of their employment record. Criminal record checks should also be undertaken where permissible under national/local laws and regulations. This is in keeping with the core principles set out in the UK Government (HMG) Baseline Personnel Security Standard (BPSS).

12.10 Hard Copy distribution of UK OFFICIAL-SENSITIVE Information

12.10.1 UK OFFICIAL-SENSITIVE documents shall be distributed, both within and outside the Seller's premises, in such a way as to make sure that no unauthorised person has access. It may be sent by ordinary post in a single envelope. The

words OFFICIAL-SENSITIVE must not appear on the outside of the envelope. The envelope should bear a stamp or marking that clearly indicates the full address of the office from which it was sent. Commercial couriers may also alternatively be used.

12.10.2 Advice on the distribution of UK OFFICIAL-SENSITIVE documents abroad or any other general advice including the distribution of UK OFFICIAL-SENSITIVE hardware shall be sought from the Buyer.

12.11 Electronic Communication and Telephony and Facsimile Services

12.11.1 UK OFFICIAL-SENSITIVE information shall normally be transmitted over the internet encrypted using a Foundation Grade or an equivalent product. Information about Foundation Grade products and the CESG Commercial Product Assurance scheme is available at: <http://www.cesg.gov.uk/servicecatalogue/Product-Assurance/Pages/Product-Assurance.aspx>. Exceptionally, in urgent cases, UK OFFICIAL- SENSITIVE information may be emailed unencrypted over the internet only where there is a strong business need to do so and only with the prior approval of the Authority.

12.11.2 UK OFFICIAL-SENSITIVE information shall only be sent when it is known that the recipient has been made aware of and can comply with the requirements of this Condition 12 and subject to any explicit limitations that the authority shall require. Such limitations including any regarding publication, further circulation or other handling instructions shall be clearly identified in the email sent with the material.

12.11.3 UK OFFICIAL-SENSITIVE information may be discussed on fixed and mobile telephones only where there is a strong business need to do so and only with the prior approval of the Buyer.

12.11.4 UK OFFICIAL-SENSITIVE information may be faxed only where there is a strong business need to do so and only with the prior approval of the Buyer.

12.11.5 Control of physical access to all hardware elements of the IT system. Identification and Authentication (ID&A) all systems shall have the following functionality:

12.12 Use of Information Systems

12.12.1 The detailed functions that must be provided by an IT system to satisfy the minimum requirements described below cannot be described here; it is for the implementers to identify possible means of attack and ensure proportionate security mitigations are applied to prevent a successful attack.

12.12.2 As a general rule, any communication path between an unauthorised user and the data can be used to carry out an attack on the system or be used to compromise or ex-filtrate data.

12.12.3 The following describes the minimum security requirements for processing and accessing UK OFFICIAL-SENSITIVE information on IT systems:

12.12.3.1 Physical access to all hardware elements of the IT system is to be strictly controlled. The principle of least privilege will be applied to System Administrators. Users of the IT System (Administrators should not conduct standard User functions using their privileged accounts).

12.12.3.2 Identification and Authentication (ID&A). All systems shall have the following functionality:

12.12.3.2.1 Up-to-date lists of authorised users;

12.12.3.2.2 Positive identification of all users at the start of each processing session. Passwords are part of most ID&A security measures. Passwords should be strong using an appropriate method to achieve this, for example including numeric and special characters (if permitted by the system) as well as alphabetic characters. All systems should have internal access controls to prevent unauthorised users from accessing or modifying the data.

12.12.3.2.3 Unless the Buyer authorises otherwise, UK OFFICIAL- SENSITIVE information shall be transmitted or accessed electronically (e.g. point to point computer links) via a public network like the Internet, using a Foundation Grade product or equivalent as described in Clause 12.12.1 above only.

12.12.3.2.4 Security relevant events fall into two categories, namely legitimate events and violations.

12.12.3.2.5 The following events shall always be recorded:

12.12.3.2.5.1 All log on attempts whether successful or failed.

12.12.3.2.5.2 Log off (including time out where applicable).

12.12.3.2.5.3 The creation, deletion or alteration of access rights and privileges.

12.12.3.2.5.4 The creation, deletion or alteration of passwords.

12.12.3.2.6 For each of the events listed above the following information is to be recorded:

12.12.3.2.6.1 Type of event;

12.12.3.2.6.2 User ID;

12.12.3.2.6.3 Date and time;

12.12.3.2.6.4 Device ID.

12.12.3.2.7 The accounting records shall have a facility to provide the System Manager with a hard copy of all or selected activity. There shall also be a facility for the records to be printed in an easily

readable form. All security records are to be inaccessible to users without a need to know. If the operating system is unable to provide this then the equipment shall be protected by physical means when not in use i.e. locked away or the hard drive removed and locked away.

12.12.3.2.8 Integrity & Availability. The following supporting measures shall be implemented:

12.12.3.2.8.1 Provide general protection against normally foreseeable accidents/mishaps and known recurrent problems (e.g. viruses and power supply variations);

12.12.3.2.8.2 Defined Business Contingency Plan;

12.12.3.2.8.3 Data backup with local storage;

12.12.3.2.8.4 Anti Virus Software (Implementation, with updates, of an acceptable industry standard Anti-virus software);

12.12.3.2.8.5 Operating systems, applications and firmware should be supported;

12.12.3.2.8.6 Patching of Operating Systems and Applications used shall be in line with the manufacturers recommended schedule. If patches cannot be applied an understanding of the resulting risk will be documented.

12.12.3.2.9 Logon Banners. Wherever possible, a Logon Banner shall be provided to summarise the requirements for access to a system which may be needed to institute legal action in case of any breach occurring.

12.12.3.2.9.1 A suggested format for the text depending on national legal requirements could be Unauthorised access to this computer system may constitute a criminal offence.

12.12.3.2.10 Unattended Terminals. Users are to be automatically logged off the system if their terminals have been inactive for some predetermined period of time, or systems must activate a password protected screen saver after 15 minutes of inactivity, to prevent an attacker making use of an unattended terminal.

12.12.3.2.11 Internet Connections. Computer systems shall not be connected direct to the Internet or untrusted systems unless protected by a firewall (a software based personal firewall is the minimum).

12.12.3.2.12 Disposal. Before IT storage media (e.g. disks) are disposed of, an erasure product shall be used to overwrite the data. This is a more thorough process than deletion of files, which does not remove the data.

12.13 Laptops

12.13.1 Laptops holding any UK OFFICIAL-SENSITIVE information are to be encrypted using a Foundation Grade product or equivalent as described in Clause 12.12.1 above.

12.13.2 Encrypted laptops and drives containing personal data are not to be taken outside of secure sites. For the avoidance of doubt the term drives includes all removable, recordable media (eg memory sticks, compact flash, recordable optical media (eg CDs and DVDs), floppy discs and external hard drives.

12.13.3 Any token, touch memory device or password(s) associated with the encryption package is to be kept separate from the machine whenever the machine is not in use, left unattended or in transit.

12.13.4 Portable CIS devices holding the Authorities data are not to be left unattended in any public location. They are not to be left unattended in any motor vehicles either in view or in the boot or luggage compartment at any time. When the vehicle is being driven the CIS is to be secured out of sight in the glove compartment, boot or luggage compartment as appropriate to deter opportunist theft.

12.14 Loss and Reporting Incidents

12.14.1 The Seller shall immediately report any loss or otherwise compromise of OFFICIAL-SENSITIVE information to the Buyer.

12.14.2 Any security incident involving OFFICIAL- SENSITIVE information shall be immediately reported to the Buyer by The Seller.

12.15 Sub-Contracts

12.15.1 The Seller may Sub-contract any elements of this Contract to Sub-contractors within its own country or the United Kingdom. When doing so Seller shall ensure that this clause is incorporated within the Sub- contract document. The prior approval of the Buyer shall be obtained should Seller wish to Sub-contract OFFICIAL-SENSITIVE elements of the Contract to any Sub-contractor. Form 1686 (F1686) of the Security Policy Framework Contractual Process chapter is to be used for seeking such approval. Form 1686 form can be found at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/229422/Contractual_process_-_v7.1_July_2014.pdf.

12.16 Destruction

12.16.1 As soon as no longer required UK OFFICIAL-SENSITIVE information/material shall be destroyed in such a way as to make reconstitution very difficult or impossible, for example, by burning, shredding or tearing into small pieces. Unwanted UK OFFICIAL-SENSITIVE information/material, which cannot be destroyed in such a way, shall be returned to

the Buyer.

12.17 Interpretation

12.17.1 Advice regarding the interpretation of the above requirements should be sought from the Authority.

12.18 Audit

12.18.1 Where considered necessary Seller shall provide evidence of compliance with this Condition 12 and/ or permit the inspection of Seller's processes and facilities by representatives of the relevant national security authorities or of the Authority or Buyer to ensure compliance with these requirements.

13. Confidentiality

13.1 This Condition 13 shall apply in addition to and notwithstanding DEFCON 531 or any other confidentiality Condition of the Contract.

13.2 For the purposes of this Condition 13 "Controlled Information" shall mean any information in any written or tangible form which has been or is disclosed to the Seller or its parent company by or on behalf of the Authority under or in connection with the Contract, and which is identified by the legend "Controlled Information" or other approved legend notified to the Seller including but not limited to UK Official-Sensitive Commercial. Controlled Information shall exclude information provided by oral communication.

13.3 Seller shall:

13.3.1 hold the Controlled Information and not use it other than for the purpose of discharging its obligations under the Contract;

13.3.2 not copy the Controlled Information except as strictly necessary for the purpose of discharging its obligations under the Contract;

13.3.3 not disclose the Controlled Information to any third party unless so authorised in writing beforehand by the Authority. The Authority agrees that Seller may disclose information as necessary to third party auditing/ accounting/tax and/or legal firms employed by Seller;

13.3.4 protect the Controlled Information diligently against unauthorised access and against loss; and,

13.3.5 act diligently to ensure that:

13.3.5.1 Controlled Information is disclosed to its employees only to the extent necessary for the purpose of discharging its obligations under the Contract;

13.3.5.2 Employees to whom Controlled Information is disclosed are made aware of and required to comply with the terms of this Condition.

13.4 Where Controlled Information is provided to Seller, it shall:

13.4.1 compile a register of that Controlled Information, which shall include explicit description of the Controlled Information, a record of the number of copies made and a record of all access to the Controlled Information including access to any copies of the Controlled Information;

13.4.2 maintain this register for the duration of the Contract and for two years following completion of the Contract;

13.4.3 make the register of access available to the Authority upon reasonable notice for inspection and audit for so long as it is required to be maintained under this Condition 13; and,

13.4.4 at the completion of the Contract, return to the Authority all original and duplicate copies of the Controlled Information, or else at the Authority's option destroy these copies and provide a certificate of destruction to the Authority.

13.5 This Condition 13 shall not diminish or extinguish any right of Seller to copy, use or disclose any other information to the extent that it can show:

13.5.1 that the information concerned was or has become published or publicly available for use without breach of any provision of the Contract or any other agreement between the parties;

13.5.2 that the information was already known to it (without restrictions on disclosure or use) prior to receiving it under or in connection with the Contract;

13.5.3 that the information concerned was lawfully provided by a third party without restriction on use or further disclosure; or

13.5.4 from its records, that the information was derived independently of the Controlled Information; to the extent that copying use or disclosure of this other information shall not disclose its relationship to any Controlled Information.

Schedule F

Montreal Protocol Substances

Group	Substance
<i>Group I</i>	
CFCl ₃	(CFC 11)
CF ₂ Cl ₂	(CFC 12)
C ₂ F ₃ Cl ₃	(CFC 113)
C ₂ F ₄ Cl ₂	(CFC 114)
C ₂ F ₅ Cl	(CFC 115)
<i>Group II</i>	
CF ₂ BrCl	(halon 1211)
CF ₃ Br	(halon 1301)
C ₂ F ₄ Br ₂	(halon 2402)

Group	Substance
<i>Group I</i>	
CF ₃ Cl	(CFC 13)
C ₂ FCl ₅	(CFC 111)
C ₂ F ₂ Cl ₄	(CFC 112)
C ₃ FCl ₇	(CFC 211)
C ₃ F ₂ Cl ₆	(CFC 212)
C ₃ F ₃ Cl ₅	(CFC 213)
C ₃ F ₄ Cl ₄	(CFC 214)
C ₃ F ₅ Cl ₃	(CFC 215)
C ₃ F ₆ Cl ₂	(CFC 216)
C ₃ F ₇ Cl	(CFC 217)
<i>Group II</i>	
CCl ₄	carbon tetrachloride
<i>Group III</i>	

$C_2H_3Cl_3^*$ 1,1,1-trichloroethane* (methyl chloroform)

* This formula does not refer to 1,1,2-trichloroethane.

Group	Substance	Number of isomers
<i>Group I</i>		
CHFC1 ₂	(HCFC 21)	1
CHF ₂ Cl	(HCFC 22)	1
CH ₂ FCl	(HCFC 31)	1
C ₂ HFCl ₄	(HCFC 121)	2
C ₂ HF ₂ Cl ₃	(HCFC 122)	3
C ₂ HF ₃ Cl ₂	(HCFC 123)	3
CHCl ₂ CF ₃	(HCFC 123)	-
C ₂ HF ₄ Cl	(HCFC 124)	2
CHFC1CF ₃	(HCFC 124)	-
C ₂ H ₂ FCl ₃	(HCFC 131)	3
C ₂ H ₂ F ₂ Cl ₂	(HCFC 132)	4
C ₂ H ₂ F ₃ Cl	(HCFC 133)	3
C ₂ H ₃ FCl ₂	(HCFC 141)	3
CH ₃ CFCl ₂	(HCFC 141b)	-
C ₂ H ₃ F ₂ Cl	(HCFC 142)	3
CH ₃ CF ₂ Cl	(HCFC 142b)	-
C ₂ H ₄ FCl	(HCFC 151)	2
C ₃ HFCl ₆	(HCFC 221)	5
C ₃ HF ₂ Cl ₅	(HCFC 222)	9
C ₃ HF ₃ Cl ₄	(HCFC 223)	12
C ₃ HF ₄ Cl ₃	(HCFC 224)	12
C ₃ HF ₅ Cl ₂	(HCFC 225)	9
CF ₃ CF ₂ CHCl ₂	(HCFC 225ca)	-
CF ₂ ClCF ₂ CHClF	(HCFC 225cb)	-
C ₃ HF ₆ Cl	(HCFC 226)	5
C ₃ H ₂ FCl ₅	(HCFC 231)	9
C ₃ H ₂ F ₂ Cl ₄	(HCFC 232)	16
C ₃ H ₂ F ₃ Cl ₃	(HCFC 233)	18
C ₃ H ₂ F ₄ Cl ₂	(HCFC 234)	16
C ₃ H ₂ F ₅ Cl	(HCFC 235)	9
C ₃ H ₃ FCl ₄	(HCFC 241)	12
C ₃ H ₃ F ₂ Cl ₃	(HCFC 242)	18
C ₃ H ₃ F ₃ Cl ₂	(HCFC 243)	18
C ₃ H ₃ F ₄ Cl	(HCFC 244)	12
C ₃ H ₄ FCl ₃	(HCFC 251)	12

C ₃ H ₄ F ₂ Cl ₂	(HCFC 252)	16
C ₃ H ₄ F ₃ Cl	(HCFC 253)	12
C ₃ H ₅ FCl ₂	(HCFC 261)	9
C ₃ H ₅ F ₂ Cl	(HCFC 262)	9
C ₃ H ₆ FCl	(HCFC 271)	5
Group	Substance	Number of isomers
<i>Group II</i>		
CHFBr ₂		1
CHF ₂ Br	(HBFC-22B1)	1
CH ₂ FBr		1
C ₂ HFBr ₄		2
C ₂ HF ₂ Br ₃		3
C ₂ HF ₃ Br ₂		3
C ₂ HF ₄ Br		2
C ₂ H ₂ FBr ₃		3
C ₂ H ₂ F ₂ Br ₂		4
C ₂ H ₂ F ₃ Br		3
C ₂ H ₃ FBr ₂		3
C ₂ H ₃ F ₂ Br		3
C ₂ H ₄ FBr		2
C ₃ HFBr ₆		5
C ₃ HF ₂ Br ₅		9
C ₃ HF ₃ Br ₄		12
C ₃ HF ₄ Br ₃		12
C ₃ HF ₅ Br ₂		9
C ₃ HF ₆ Br		5
C ₃ H ₂ FBr ₅		9
C ₃ H ₂ F ₂ Br ₄		16
C ₃ H ₂ F ₃ Br ₃		18
C ₃ H ₂ F ₄ Br ₂		16
C ₃ H ₂ F ₅ Br		8
C ₃ H ₃ FBr ₄		12
C ₃ H ₃ F ₂ Br ₃		18
C ₃ H ₃ F ₃ Br ₂		18
C ₃ H ₃ F ₄ Br		12
C ₃ H ₄ FBr ₃		12
C ₃ H ₄ F ₂ Br ₂		16
C ₃ H ₄ F ₃ Br		12

C ₃ H ₅ FBr ₂		9
C ₃ H ₅ F ₂ Br		9
C ₃ H ₆ FBr		5
<i>Group III</i>		
CH ₂ BrCl	bromochloromethane	1

Group	Substance
<i>Group I</i>	
CH ₃ Br	methyl bromide

Schedule G Design Rights and Patents .

MINISTRY OF DEFENCE

DESIGN RIGHTS AND PATENTS (SUB-CONTRACTOR'S AGREEMENT)

THIS AGREEMENT is made the [XX] day of [XX] 20[XX] BETWEEN [XX]
whose registered office is at

(hereinafter called "the Sub-Contractor") of the one part and THE SECRETARY OF STATE FOR DEFENCE (hereinafter called "the Secretary of State") of the other part

WHEREAS:

1. The Secretary of State has placed with (hereinafter called "the main contractor") a contract bearing the reference number (hereinafter called "the main contract") for the design and development of the effect of which is that the costs of such design and development (including the cost referable to any sub-contracts hereinafter referred to) will be substantially borne by the Secretary of State.
2. The main contractor contemplates that the design development and supply of certain components needed for performance of the main contract will be undertaken by various third parties in pursuance of sub-contracts made between them and the main contractor.
3. With a view to securing to the Secretary of State rights as regards inventions designs and other related matters in respect of any sub-contract the main contract provides that the main contractor shall not enter into any sub-contract for any component aforesaid without obtaining the prior approval of the Secretary of State.
4. The main contractor has now informed the Secretary of State that for the purpose of performing the main contract he wishes to place with the Sub-Contractor a sub-contract for the design and development of the items described in the First Schedule (hereinafter called "the sub-contracted items") and has requested the Secretary of State's approval of the sub- contract accordingly.
5. The Secretary of State has signified his willingness to approve the sub-contract on condition that in consideration of his giving approval the Sub-Contractor enters into a direct Agreement with the Secretary of State concerning the matters hereinafter appearing and the Sub-Contractor has signified his willingness to enter into such an agreement.

NOW THIS AGREEMENT made in consideration of the premises and of the rights and liabilities hereunder mutually granted and undertaken WITNESSETH AND IT IS HEREBY AGREED AND DECLARED as follows:

1. The Sub-Contractor and the Secretary of State hereby agree to be bound to each other by the provisions of the Conditions as set out in the Second Schedule hereto.

2. No extension alteration or variation in the terms of the sub-contract between the main contractor and the sub-contractor and no other agreement between the main contractor and the sub-contractor relating to the work to be done under the sub-contract or any modification now or hereafter made thereto shall prejudice the operation of this Agreement which shall in all respects apply to the sub-contract as so extended altered varied supplemented or modified as if such extension alteration variation supplementation or modification had been originally provided for in the sub-contract and the expression "the sub-contract items" shall have effect accordingly.

IN WITNESS whereof the parties hereto have set their hands the day and years first before written

Signed on behalf of the Sub-Contractor
(in capacity of [XX])

Signed on behalf of The Secretary of State for Defence

Schedule L Software License Agreement .

Agreement Reference 3X/S/XXX/XX

LICENCE AGREEMENT BETWEEN

THE SECRETARY OF STATE FOR DEFENCE

and

COMPANY

WHEREAS: -----COMPANY (hereinafter referred to as the LICENSOR) of

wishes to grant the Secretary of State for Defence (hereinafter referred to as the AUTHORITY) represented by the Directorate of Intellectual Property Rights, Defence Procurement Agency, Poplar 2A, MOD Abbey Wood #2218, Bristol BS34 8JH one or more distinct non-exclusive licences to use such computer software as may be specified in Schedules appended to this Agreement and signed by both the LICENSOR and the AUTHORITY on the terms and conditions jointly set out in this Agreement and the respective schedules.

IT IS AGREED THAT:

1. Definitions

- 1.1. "Licensed Software" means those computer programs listed in Part I of the Schedule together with any documentation and update programs furnished to the AUTHORITY by the LICENSOR in connection with those listed programs, and any portion of the foregoing.
- 1.2. "Use" (or to "use") in relation to the Licensed Software means copying it from a store unit or medium into equipment, running or processing it, operating upon it, all of the aforementioned either alone or with other programs, and producing copies where appropriate, in eye readable form.
- 1.3. "Designated Equipment" means that equipment in respect of which use of the Licensed Software is licensed. It shall be the equipment specified in Part II of the Schedule unless changed to alternative equipment in accordance with the provisions of Clauses 2.3 or 2.4 of this Agreement.
- 1.4. "Designated Site" means that site at which the Licensed Software is licensed. It shall be the site specified at Part III of the Schedule unless changed to an alternative site in accordance with the provisions of Clause 2.3 of this Agreement.

1.5. "Licence" means the rights granted by the LICENSOR to the AUTHORITY under Clause 2 of this Agreement in respect of the Licensed Software. Each Schedule, incorporating the conditions of this Agreement, constitutes a distinct Licence independent of any other Licence granted under this Agreement.

2. Licence Grant

2.1. The AUTHORITY may use the Licensed Software on the Designated Equipment at the Designated Site from the date of receipt of the Licensed Software by the AUTHORITY.

2.2. The AUTHORITY may allow contractors and sub-contractors of the AUTHORITY to use the Licensed Software on the Designated Equipment at the Designated Site on AUTHORITY contracts only, provided the said contractors and sub-contractors are bound by the conditions of this Agreement and the respective Schedule. The AUTHORITY shall not charge for such use.

2.3. The AUTHORITY may specify alternative Designated Equipment or an alternative Designated Site by notification to the LICENSOR, in which case Clause 2.1 shall apply only to the alternative Designated Equipment or Designated Site as notified. Provided always that in the event that the alternative Designated Equipment shall be equipment of a greater processing capacity or capability the LICENSOR may require the AUTHORITY to pay an additional fee being the difference between the fees shown in respect of use of the Licensed Software on the existing and alternative Designated Equipment respectively in the LICENSOR's price list current at the time when the AUTHORITY has specified the alternative Designated Equipment.

2.4. The AUTHORITY may use the Licensed Software on alternative equipment if the Designated Equipment is temporarily inoperative until the Designated Equipment is again operative without notification or additional payment to the LICENSOR.

2.5. Notwithstanding the above, the AUTHORITY may copy the Licensed Software to create copies in eye and machine-readable form for the use of operating personnel and security purposes only.

3. Delivery and Acceptance

3.1. The LICENSOR shall deliver the Licensed Software at a time and to a place agreed with the AUTHORITY.

3.2. The LICENSOR or the AUTHORITY as mutually agreed shall install each program of the Licensed Software on the Designated Equipment and test it against acceptance tests agreed in advance between the LICENSOR and the AUTHORITY.

3.3. The AUTHORITY within the acceptance period specified in Part IV of the Schedule only (which period starts on receipt of the Licensed Software by the AUTHORITY) may reject the Licensed Software if a program of the Licensed Software fails an agreed acceptance test. The AUTHORITY shall be deemed to have accepted the Licensed Software if it has not been validly rejected before the expiry of the acceptance period or on successful completion of all the agreed acceptance tests.

3.4. The AUTHORITY shall return promptly the Licensed Software at the request of the LICENSOR if it has been rejected and the Licence therefor shall terminate.

3.5. The AUTHORITY and the LICENSOR may mutually agree to extend the acceptance period for any Licensed Software.

4. Payment

4.1. The LICENSOR will invoice the AUTHORITY for the agreed licence fees in Part V of the Schedule on or after receipt by the AUTHORITY of the Licensed Software.

4.2. The AUTHORITY shall discharge the invoice upon acceptance of the Licensed Software in accordance with Clause 3.3.

5. Confidentiality

5.1. The AUTHORITY shall not provide or otherwise make available the Licensed Software, including but not limited to flow charts, logic diagrams and source code in any form, to any person who is not an employee of the AUTHORITY, an employee of the LICENSOR, or an employee of an AUTHORITY contractor or sub-contractor permitted to use the Licensed Software by virtue of Clause 2.2 without the prior written consent of the LICENSOR.

5.2. The AUTHORITY shall seek to ensure that any person to whom the Licensed Software is made available is made aware of and shall comply with these obligations as to confidentiality and other relevant conditions of this Agreement and the Schedule.

5.3. The LICENSOR shall keep confidential all information relating to, arising from or in pursuance of the AUTHORITY's use and application of the Licensed Software and shall not disclose any such information to a third party without the prior written approval of the AUTHORITY.

6. Intellectual Property Rights Actions

6.1. The LICENSOR certifies its right either as owner or licensee as shown in the Schedule to provide the Licensed Software to the AUTHORITY on the terms and conditions of this Agreement and the Schedule.

6.2. The LICENSOR shall, subject to Clause 6.4, at its own expense deal with, settle and defend as appropriate any enquiry, claim or action brought against the AUTHORITY to the extent that it is based on an allegation that any possession or use of the Licensed Software permitted by this Agreement and the Schedule makes use of any Intellectual Property Right owned by a third party, including patent, registered design, trademark and copyright, and including any claim for breach of confidence or other agreement.

6.3. In the event of any such enquiry, claim or action or if in the LICENSOR's reasonable opinion such claim or action is likely to be made, the LICENSOR shall promptly use its all reasonable endeavours to:

6.3.1. establish or secure the AUTHORITY's right to continue using the Licensed Software: or, failing to do so,

6.3.2. to avoid such enquiry, claim or action by, and after consultation with the AUTHORITY as to how to minimise the AUTHORITY's loss of use of the Licensed Software, replacing or modifying the Licensed Software without significant change to the specification of the Licensed Software all at the LICENSOR's expense, including installation and testing.

6.4. Each party undertakes to notify and consult the other promptly in the event of any enquiry, claim or action brought or likely to be brought against them which relates to the Licensed Software. The AUTHORITY, at its option and expense and after consultation with the LICENSOR, may deal with, settle and defend any such enquiry, claim or action, either on its own or jointly with the LICENSOR.

6.5. In the event of the LICENSOR being unable to satisfy the requirements of Clauses 6.3.1 and 6.3.2, the LICENSOR may terminate the Licence relating to the Licensed Software upon not less than three months written notice unless a lesser period is determined by any court order, and the LICENSOR shall make a refund of the full licence fee to the AUTHORITY.

6.6. The LICENSOR shall have no liability for any enquiry, claim or action as aforesaid if it arises solely by reason of:

6.6.1. use of other than the unaltered Licensed Software furnished by the LICENSOR: or

6.6.2. use or combination of the Licensed Software with material not supplied by the LICENSOR for use with the Licensed Software: or the refusal by the AUTHORITY to accept replacement or modified software offered in accordance with Clause 6.3.2. above.

7. Warranty

7.1. LICENSOR warrants that discrepancies between Licensed Software and the specification current at the time of delivery reported by the AUTHORITY during the warranty period stated in Part VI of the Schedule will be corrected by LICENSOR without unreasonable delay and without payment by the AUTHORITY. The LICENSOR undertakes to notify the AUTHORITY of corrections to errors notified to LICENSOR by other LICENSEES during the above warranty period and to make copies of the corrected Licensed Software available to the AUTHORITY free of charge.

8. Liability

8.1. The AUTHORITY acknowledges and agrees that LICENSOR shall have no liability to the AUTHORITY for any consequential damages or losses which might arise by reason of use of the Licensed Software by or for the AUTHORITY.

8.2. The total of the LICENSOR's liabilities under or in connection with this Agreement (whether arising from contract, negligence or howsoever) is limited in respect of each event or series of connected events to the value of one million pounds sterling provided that no

limitation shall apply in respect of liability for death of or injury to persons arising from the LICENSOR's negligence, as defined by the Unfair Contract Terms Act 1977, and no limitation shall apply in respect of any liability arising under the provisions of Clause 6.2.

9. Termination of the Licence

9.1. The Licence to use Licensed Software shall continue until the AUTHORITY terminates the Licence by written notification to the LICENSOR.

9.2. The AUTHORITY shall within thirty days of termination, through its all reasonable endeavours and to the best of its knowledge, return or destroy, at the LICENSOR's option, all originals and destroy all copies of the Licensed Software including partial copies and modifications except that the AUTHORITY may on prior written authorisation from the LICENSOR retain one copy for archival purposes only. The AUTHORITY shall promptly certify in writing once it has so done.

9.3. In the event of the LICENSOR drawing the attention of the AUTHORITY to a breach of any condition of this Agreement and Schedule then:

9.3.1. where the breach is of a nature that cannot be remedied, the AUTHORITY undertakes to settle with the LICENSOR on fair and reasonable terms and to use its all reasonable endeavours to ensure that a further such breach does not occur, and

9.3.2. where the breach is capable of being remedied, the AUTHORITY shall use its all reasonable endeavours to remedy the breach.

9.4. Termination of a Licence is termination of the Schedule under which the Licensed Software is licensed and not termination of this Agreement per se.

10. Modified Software

10.1. The AUTHORITY may modify the Licensed Software to form modified software and merge such modified software into other materials to form a new work. Any portion of the Licensed Software included in a new work shall be used only on Designated Equipment and shall remain subject to all the conditions of this Agreement. Upon termination of the Licence to use the Licensed Software, the AUTHORITY shall take all reasonable steps to ensure that the modified software is completely removed from the new work and handled in accordance with Clause

9.2.

10.2. The LICENSOR has no liabilities or obligations with regard to any modified software or new work to the extent that the liability or obligation arises as a result of the modification or merging.

11. Copyright Notice

11.1. The AUTHORITY agrees to reproduce and include the LICENSOR's copyright notices and trade marks on any of the copies of the Licensed Software made as allowed by the Licence, including partial copies, and on any modified software formed in accordance with Clause 10.

12. Authority Derived Software

12.1. The AUTHORITY shall have all rights in any Derivative software generated or developed through use of the Licensed Software to the extent that it does not include any material proprietary to the LICENSOR or a third party. In particular, the AUTHORITY shall not be required to enter into any sub-licence or other Agreement with any purchaser, lessee or operator of AUTHORITY's system using any such Derivative Software and neither party shall have any liability or obligation to the other in respect of such Derivative software. Material proprietary to the LICENSOR or a third party and present in such Derivative software shall remain subject to the conditions of this Agreement and Schedule.

13. Output

13.1. The AUTHORITY may freely copy any output of the Licensed Software when used in accordance with LICENSOR - supplied documentation.

14. Disputes

14.1. Should any question, dispute or difference whatsoever arise between the AUTHORITY and LICENSOR in relation to or in connection with this Agreement, the Schedule or any Licence granted under it, the AUTHORITY or the LICENSOR may give notice to the other in writing of the existence of such a question, dispute or difference and both parties will attempt to reach a solution. If no mutually acceptable solution is found the AUTHORITY or the LICENSOR may give notice to the other in writing that the matter is to be referred to the arbitration of a person to be mutually agreed upon or, failing agreement on such a person within 14 days of receipt of such notice, of a person appointed by the President for the time being of the Chartered Institute of Patent Agents, in accordance with the Arbitration Act 1950 or any statutory modification or re-enactment thereof. The full costs of the arbitration shall be shared equally between the AUTHORITY and the LICENSOR.

15. Assignment

15.1. Neither the LICENSOR nor the AUTHORITY shall assign or otherwise transfer this Agreement and Schedule or any part thereof without the prior written consent of the other party which shall not be unreasonably withheld.

16. Discontinuance of Business

16.1. The AUTHORITY has the right to secure from the LICENSOR, or from the authorised trustees or receivers acting on behalf of the LICENSOR, in the event of the LICENSOR permanently ceasing to maintain the Licensed Software or the LICENSOR permanently discontinuing in business because of bankruptcy, receivership, dissolution, or other form of permanent business disruption and such business is not continued by a successor in interest to the LICENSOR to whom the benefits and obligations of this Agreement and any Licence granted under it have been assigned, such documentation including program source code as the AUTHORITY shall deem necessary for it to maintain and continue its normal use of the Licensed Software for the duration of the Licence but for no other purpose. Such documentation shall be held by the LICENSOR in trust for the AUTHORITY and be made available to the AUTHORITY without additional charge. The AUTHORITY shall have the right to use the documentation and to continue to use the Licensed Software on the same terms and conditions as set forth in this Agreement and Schedule and to use the said documentation in support of such continued use.

17. Severability

17.1. If any of the conditions of this Agreement or Schedule are invalid under any applicable statute or rule of law, they are to that extent deemed omitted and the remaining conditions of this Agreement and Schedule shall remain in full force and effect.

18. Waiver

18.1. Any delay, neglect of forbearance on the part of the AUTHORITY or the LICENSOR in enforcing against the other any condition of this Agreement and Schedule shall neither be nor be deemed to be a waiver of any right under this Agreement and shall not in any way act to prejudice any right under this Agreement.

19. Force-Majeur

19.1. Neither the LICENSOR nor the AUTHORITY shall be liable for failure to perform any of its obligations under this Agreement and Schedule if such failure results from circumstances beyond its reasonable control.

20. Construction

20.1. Headings have been included for convenience only and shall not be used in construing any condition of this Agreement and Schedule.

21. Law

21.1. This AGREEMENT and the Schedule shall be subject to and construed and interpreted in accordance with the Laws of England and shall be subject to the jurisdiction of the Courts of England.

FOR LICENSOR

FOR AUTHORITY

Signed Signed

Name Name

Appointment Appointment

Date Date

SCHEDULE No 1 TO LICENCE AGREEMENT No 3X/S/XXX/XX
PART I LICENSED PROGRAMS (Supplied as owner/licensee - please indicate)

PART II - DESIGNATED EQUIPMENT

PART III - DESIGNATED SITE

PART IV - ACCEPTANCE PERIOD

PART V - LICENCE FEES

PART VI - WARRANTY PERIOD

PART VII - SPECIAL CONDITIONS

The LICENSOR shall give special consideration to Safety Critical Software and the consequences of any failure.

FOR LICENSOR

FOR AUTHORITY

Signed Signed Name Name

Appointment Appointment

Date Date