



Terms and Conditions of Purchase (Articles and Services)

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1. General: Interpretation

1.1 In these Conditions, the following definitions shall apply:

- 1.1.1. "**Articles**" means all items, goods, articles and similar, including information and software, which the Supplier is required under the Contract to supply or in connection with which it is required under the Contract to carry out any Service;
- 1.1.2. "**Commercially Sensitive Information**" means information comprising the information of a commercially sensitive nature relating to the Supplier, its intellectual property rights or its business or which the Supplier has indicated to UKNNL that, if disclosed by UKNNL, would cause the Supplier significant commercial disadvantage or material financial loss;
- 1.1.3. "**Commencement Date**" means the date on which the Supplier commences the Services pursuant to the Contract;
- 1.1.4. "**Conditions**" means these terms and conditions as amended from time to time in accordance with their provisions;
- 1.1.5. "**Contract**" means the contract entered into between the Parties which is comprised of these Conditions, the Purchase Order and (where relevant) the Special Conditions;
- 1.1.6. "**Data Protection Legislation**": all applicable data protection and privacy legislation in force from time to time in the UK including the UK GDPR; the Data Protection Act 2018 ("**DPA 2018**") (and regulations made thereunder); the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended and all other legislation and regulatory requirements in force from time to time which apply to a party relating to the use of personal data (including, without limitation, the privacy of electronic communications); and the guidance and codes of practice issued by the Information Commissioner or other relevant regulatory authority and applicable to a party.
- 1.1.7. "**EIRs**" means the Environmental Information Regulations 2004 (SI 2004/3391) together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations;
- 1.1.8. "**Employment Liabilities**" means any costs, expenses, contributions, liabilities, claims, awards, demands, fines or penalties arising in connection with the contract of employment or alleged contract of employment of any Relevant Employee or in connection with the termination of any such contract or alleged contract together with any legal or professional costs and expenses arising in connection with the same;
- 1.1.9. "**FOIA**" means the Freedom of Information Act 2000, and any subordinate legislation made under the FOIA from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation;
- 1.1.10. "**Group Company**" means any subsidiary or holding company of UKNNL or the Supplier or of another subsidiary or holding company of UKNNL or the Supplier, as subsidiary and holding company are understood within section 1159 Companies Act 2006, but on the basis that the holding of not less than one quarter of voting rights shall be deemed to satisfy the condition in section 1159(1)(a);
- 1.1.11. "**Licensed Site**" shall mean the licensed nuclear site (subject to, inter alia, a nuclear site licence as required by the Nuclear Installations Act 1965 as amended) at which the Supplier may be required to perform the Services;
- 1.1.12. "**Mandatory Policies**" means Anti-slavery and Human Trafficking Policy, Corporate and Social Responsibility Policy, Anti-bribery and Anti-corruption Policy, Ethics Policy, Data and Privacy Policy copies of which are on UKNNL website, UKNNL's business



policies and codes listed in the Schedule (if any) or any other relevant policies, as amended from time to time.

- 1.1.13. **"Parties"** means the Supplier and UKNNL together and **"Party"** shall be interpreted accordingly;
- 1.1.14. **"PA 2023"** means the Procurement Act 2023;
- 1.1.15. **"Permitted Recipients"**: any third parties engaged by the Supplier to perform obligations in connection with the Contract which have been approved by UKNNL prior to any such engagement.
- 1.1.16. **"Price"** means the price exclusive of Value Added Tax payable to the Supplier by UKNNL under the Contract for the full and proper performance by the Supplier of its part of the Contract as determined under the provisions of the Contract;
- 1.1.17. **"Purchase Order"** shall mean UKNNL's written order for Services and/or Articles which references these Conditions and any attachment thereto;
- 1.1.18. **"Relevant Employee"** means any person who is or who has been employed or otherwise engaged in the provision, to any extent, of the Services or who alleges that they have been so employed or engaged at any time or who has been affected by the commencement or termination of the Contract or who alleges that they have been affected by the commencement or termination of the Contract whether employed by the Supplier or not including any contractors or sub-contractors;
- 1.1.19. **"Requests for Information"** means a request for information or an apparent request under the Code of Practice on Access to Government Information, FOIA or the EIRs;
- 1.1.20. **"Results"** shall mean any copyright work, design, data, databases, inventions and/or other resulting information (including computer software and software code) in any media (whether now known or hereinafter invented) arising directly or indirectly from the performance of the Contract;
- 1.1.21. **"Services"** shall mean the work and services to be performed, including any ancillary Articles or materials to be supplied, by the Supplier, more particularly identified in the Purchase Order and any documents referred to therein;
- 1.1.22. **"Shared Personal Data"**: personal data and special categories of personal data (as applicable) of UKNNL's staff including names, work telephone numbers, work email addresses, work correspondence address.
- 1.1.23. **"Special Conditions"** shall mean the special conditions (if any) referenced in the Purchase Order;
- 1.1.24. **"Supplier"** means the person who by the Contract undertakes to supply the Articles and/or to render the Services to UKNNL in accordance with the Contract and, where the Supplier is an individual or a partnership, the expression shall include the personal representatives of that individual or of the partners, as the case may be, and the expression shall also include any person to whom the benefit of the Contract may be assigned by the Supplier with the consent of UKNNL;
- 1.1.25. **"Supplier's Personnel"** shall mean employees of the Supplier, save as expressly provided otherwise in the Contract. All expressions such as **"workers"**, **"personnel"**, **"staff"** etc. in the Contract shall be deemed to be included with the definition of **"Supplier's Personnel"**;
- 1.1.26. **"Tooling"** means jigs, tools, moulds, dies, patterns and manufacturing gauges and similar used by the Supplier in providing the Articles and/or Services, other than those which are commonplace in the Supplier's industry sector;
- 1.1.27. **"TUPE"** means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended).



- 1.1.28. "UK GDPR" has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the DPA 2018.
- 1.1.29. "UKNNL's Procurement Representative" means the person authorised to act on behalf of UKNNL on matters relating to the Contract from time to time. The matters will include, but not be limited to, the management of reviews, commercial issues, and the management of key performance indicators;
- 1.1.30. "UKNNL" means United Kingdom National Nuclear Laboratory Limited with Company Number 03857752 whose registered office address is Chadwick House, Warrington Road, Birchwood Park, Warrington, WA3 6AE;
- 1.1.31. "UKNNL's Premises" means land or buildings (including temporary buildings) owned or occupied by UKNNL including those on a Licensed Site;
- 1.1.32. "UKNNL's Equipment" means plant, machinery or other equipment belonging to UKNNL including any Tooling or that has been issued to UKNNL in connection with the Contract.
- 1.1.33. "VAT" value added tax chargeable under the Value Added Tax Act 1994.
- 1.2 References to Appendices are to the appendices of this Contract.
- 1.3 In this Contract: (i) references to a "person" includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's legal and personal representatives, successors and permitted assigns; (ii) the masculine includes the feminine; (iii) the singular includes the plural, and vice versa; (iv) the headings to these Conditions and any Appendices shall not affect the interpretation thereof; (v) a reference to "writing" or "written" includes email but not fax, (vi) where the words "include(s)", "including" or "in particular" are used in this Contract, they are deemed to have the words "without limitation" following them, and (vii) where the context permits, the words "other" and "otherwise" are illustrative and shall not limit the sense of the words preceding them.
- 1.4 Any obligation in this Contract on a person not to do something includes an obligation not to agree, allow, permit or acquiesce in that thing being done.
- 1.5 A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.6 Condition and paragraph headings shall not affect the interpretation of these Conditions.
- 1.7 Any decision, act or thing which UKNNL is required or authorised to take or do under the Contract may be taken or done by any person authorised, either generally or specifically, by UKNNL to take or do that decision, act or thing.
- 2. General: Application and Variation of Terms**
- 2.1 Subject to any variation made in compliance with Condition 2.3, the Contract is the only basis upon which UKNNL is prepared to deal with the Supplier to the entire exclusion of all other terms or conditions. For the avoidance of doubt, the Contract shall exclude all terms and conditions of trade of the Supplier and any third party and all documents, samples and similar not agreed by UKNNL.
- 2.2 No terms or conditions endorsed upon, delivered with or contained in the Supplier's (or any sub-contractor's) quotation, acknowledgement or acceptance of order, specification or similar document shall form part of the Contract and the Supplier waives any right which it otherwise might have to rely on such terms and conditions.
- 2.3 The Contract may be amended by the agreement of both Parties with such agreement recorded in writing by duly authorised representatives of both Parties in accordance with Condition 38.6.
- 3. General: Purchase Orders**



- 3.1 Purchase Orders will be issued by UKNNL in respect of Services to be carried out and of Articles to be supplied. Purchase Orders shall (unless agreed otherwise in writing signed by UKNNL's duly authorised representative) be subject to these Conditions.
- 3.2 Any terms agreed by UKNNL and set out in the Purchase Order shall, to the extent that there is a conflict, take precedence over these Conditions and any other terms agreed by the Parties prior to the date of the Purchase Order.
- 3.3 The Supplier shall promptly sign and return the acknowledgment of order section relating to any Purchase Order issued by UKNNL. The Supplier agrees that if it does not respond to confirm or query the Contract within three (3) days from the date of issue, then the provisions of such Contract shall be deemed to apply between the Parties.

4. General: Alterations

- 4.1 UKNNL reserves the right to alter specifications, samples, patterns, plans, drawings or other documents from time to time. Such alterations shall take effect from the date and to the extent specified by UKNNL (after consultation, where appropriate, with the Supplier on the effect of such proposed alterations) and from that date onwards all Articles and Services shall be provided taking account of the said alterations.
- 4.2 Where any such alteration involves an alteration in the cost, delivery or lead time of Articles affected by the alterations described at Condition 4.1, such revision of the Price or of the time for delivery of those Articles shall be made as may be reasonably appropriate. Save as aforesaid, the Contract shall remain unaltered.
- 4.3 The Supplier shall be responsible for any discrepancies, errors, or omissions in the drawings and other particulars furnished by it irrespective of whether reviewed or commented on by UKNNL. Any such "review" or "comments" by UKNNL from time to time shall, unless expressly indicated otherwise in writing, merely indicate the approval by UKNNL for the Supplier to proceed to the next stage of delivery and shall not be deemed to transfer any risk to UKNNL regarding the suitability or fitness for purpose of the relevant submitted materials.

5. General: Health, Safety and Welfare

- 5.1 In providing the Services or in fulfilling any obligation under the terms hereof the Supplier shall ensure compliance with both good industry practice and all relevant statutory requirements, whether or not such requirements are binding upon UKNNL, and obtain all permits required by statute, rules, regulations, Licensed Site or other UKNNL site requirements.
- 5.2 The Supplier shall:
 - 5.2.1 assure, and demonstrate to, UKNNL that it has adequate safety procedures to carry out the Services, particularly with reference to the requirements of legislation and Licensed Site regulations;
 - 5.2.2 assure and demonstrate to UKNNL that its employees possess adequate training and experience of the above procedures, and are aware of potential hazards;
 - 5.2.3 notify UKNNL as soon as it becomes aware of any health and safety hazards or issues which arise in relation to the Services;
 - 5.2.4 submit a copy of its company safety policy, together with the appropriate organogram showing assigned responsibilities; and
 - 5.2.5 obtain the approval of UKNNL's safety department and UKNNL's relevant business unit prior to the appointment of any safety advisor.

6. Services: Provision of Services

- 6.1 The Supplier shall be entitled to be paid only for such Services as shall be the subject of a Purchase Order placed pursuant to the provisions of Condition 3.



- 6.2 The Supplier shall obtain its own information on all matters affecting the execution of the Services and the prices tendered for the Services and accordingly shall be deemed to have satisfied itself as regards (i) the means of communication with UKNNL, (ii) access to the Licensed Site, (iii) the conditions under which the Services may be carried out, (iv) the supply of, and conditions affecting labour, (v) anything issued or otherwise furnished in connection with the Contract by UKNNL, (vi) all the equipment, materials, consumables and plant (other than the property of UKNNL) to be used by the Supplier in the provision of the Services, and (vii) the accuracy of any and all documents and information supplied to it by UKNNL.
- 6.3 The Supplier shall, within the Price:
- 6.3.1 attend meetings which UKNNL's Procurement Representative shall arrange (at mutually convenient times and places);
- 6.3.2 attend a formal Contract review with UKNNL's Procurement Representative which shall include a review of actual hours worked against those contracted for, to agree a reconciliation (if any) of the sums due or to be credited arising therefrom; and
- 6.3.3 furnish technical reports to UKNNL's Procurement Representative in such form as may be reasonably required by it reporting progress of the Services, at intervals to be decided by UKNNL's Procurement Representative; and
- 6.3.4 provide upon request, supply chain spend data (direct and indirect) with SME's
- 6.4 As regards staffing matters, the Supplier shall:
- 6.4.1 maintain the agreed levels of staff (and no charge will be payable for the maintenance of such levels);
- 6.4.2 submit such particulars as UKNNL may require, including the proposed grade, in connection with the Supplier's Personnel allocated to work under the Contract and any subsequent replacements or additions, and the consent of UKNNL's Procurement Representative shall be required before engagement is effected;
- 6.4.3 not, without the prior consent in writing of UKNNL, allocate any person to work under the Contract who, during any part of the twelve months prior to the date of such proposed allocation, was employed by UKNNL on work which UKNNL considers was closely connected with the subject matter of the Contract; and
- 6.4.4 give UKNNL not less than twenty-one (21) days' notice of the name and details of any former employee of UKNNL who it wishes to allocate to work under the Contract seeking UKNNL's approval and UKNNL shall endeavour to respond in writing within fourteen (14) days of such notice approving, or otherwise, the proposed allocation. If no response is forthcoming from UKNNL by the date of the proposed allocation the personnel shall not commence work under the Contract.
- 6.5 A decision by the Supplier to implement a promotion must be notified in advance in writing to UKNNL, enabling UKNNL to decide whether that member of the Supplier's Personnel shall continue to work under the Contract. Notification of the decision is to be confirmed in writing by UKNNL before any implementation by the Supplier.
- 6.6 The Supplier shall carry out the Services as directed by, and to the satisfaction of, UKNNL's Procurement Representative who may request the Supplier to cease to employ in connection with the Contract any person whose continued employment in connection therewith is, in the sole discretion of UKNNL's Procurement Representative, undesirable.

7. Services: Supplier's Responsibilities

- 7.1 The Supplier shall:
- 7.1.1 ensure that a high level of skill, care and diligence is exercised when providing the Services and that the Services are provided in accordance with generally recognised



- commercial practices and standards in the Supplier's industry sector for similar services;
- 7.1.2 ensure that the Services will conform with the terms of the Purchase Order and all specifications and descriptions provided by the Supplier to, and accepted by, UKNNL;
- 7.1.3 ensure that the Services are provided in accordance with all applicable legislation from time to time in force, and the Supplier will inform UKNNL as soon as it becomes aware of any changes in that legislation;
- 7.1.4 operate a Quality Assurance system to British Standard Number EN ISO 9001 series "**Quality Systems**" or its equivalent for the Services provided under the Contract unless otherwise authorised by UKNNL's Procurement Representative;
- 7.1.5 on UKNNL's request, provide evidence of current certification to EN ISO 9001 series to UKNNL or its equivalent; and
- 7.1.6 correct, at its own expense, all errors, discrepancies or omissions arising from the documentation prepared by it or any sub-contractor (whether or not they have been approved by UKNNL), and all errors, omissions or defects in the performance of the Services (provided that such errors, discrepancies or omissions do not arise from inaccurate information or particulars furnished to it either in writing by UKNNL, or as confirmed by agreed formal minutes of meetings between the Supplier and UKNNL).
- 7.2 Subject to Condition 7.4 the time for delivery of the Services (including meeting interim deadlines and milestones) is of the essence.
- 7.3 The Supplier shall provide all vehicles, materials, consumables, labour, plant, tools and equipment necessary for the provision and completion of the Services in accordance with the terms and conditions hereof and all Appendices hereto and it shall maintain all such materials, consumables, plant tools and equipment in good and serviceable condition. Such materials and consumables (until completion of the Services), plant, tools and equipment shall be entirely at the Supplier's risk and UKNNL shall have no liability for any loss or damage to any materials, consumables, plant, tools and equipment save to the extent that the Supplier is able to demonstrate that such loss or damage was caused or contributed to by the negligence or default of UKNNL. The Supplier shall make full provision for all transport and labour, etc. for delivering, unloading, handling into storage, handling into final position of any materials or equipment required to provide the Services.
- 7.4 If the performance of the Services is delayed by reason of any act or default of UKNNL or any other circumstance which is beyond the reasonable control of the Supplier, the time for delivery shall be extended by such period as may be reasonable provided that:
- 7.4.1 the Supplier shall, immediately upon becoming aware that any such delay has been or is likely to be caused, give notice in writing to UKNNL specifying therein the circumstances causing or likely to cause the delay and the actual or estimated extent of the delay caused or likely to be caused thereby;
- 7.4.2 the Supplier shall not be entitled to any extension of time if it could reasonably be expected to have foreseen at the date of the Contract that a delay would, or was likely to, occur;
- 7.4.3 it shall be the duty of the Supplier at all times to use its best endeavours to prevent any delay being caused and to minimise any such delay as may be caused and to do all that may reasonably be required, to the satisfaction of UKNNL to effect performance of the Services; and
- 7.4.4 the Supplier shall not be entitled to an extension of time to the extent that such delay is attributable to any negligence, default or improper conduct on its part.
- 7.5 Notwithstanding the provisions of Condition 28, in performing its obligations under the Contract, the Supplier shall:



- 7.5.1 comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015;
 - 7.5.2 have and maintain throughout the term of the Contract its own policies and procedures to ensure its compliance;
 - 7.5.3 not engage in any activity, practice or conduct that would constitute an offence under sections 1, 2 or 4, of the Modern Slavery Act 2015 if such activity, practice or conduct were carried out in the UK; and
 - 7.5.4 require that each of its sub-contractors and suppliers shall comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015.
- 7.6 UKNNL may terminate the Contract with immediate effect by giving written notice to the Supplier if the Supplier commits a breach of Condition 7.5.

8. Services: Suspension

- 8.1 Without prejudice to any other right under the Contract, including any rights of termination, UKNNL shall have the power to suspend the Services or any part thereof at any time by giving written notice to the Supplier.
- 8.2 If the Services, or any part thereof, are suspended by UKNNL, UKNNL will be responsible for any reasonable costs incurred by the Supplier (which shall not extend to (i) any loss of profit; or (ii) any indirect, special or consequential losses) as a result of such suspension providing that the Supplier takes all immediate and reasonable steps to:
- 8.2.1 suspend all capital and recurring cost commitments;
 - 8.2.2 suspend all contracts with sub-contractors on the best possible terms to UKNNL's satisfaction;
 - 8.2.3 temporarily reduce labour and equipment costs as necessary through redeployment as appropriate to the satisfaction of UKNNL; and
 - 8.2.4 take all reasonable steps to mitigate the costs consequent upon the suspension.
- 8.3 Under Condition 8 the Supplier shall prepare and submit to UKNNL within twenty-eight (28) days of the date of issue of the notice, a fully itemised and costed list of all reasonable losses incurred by the Supplier as a result of such suspension.
- 8.4 UKNNL shall not be liable to pay under the provisions of Condition 8.2 any sum which, when taken together with any sums paid or due or becoming due to the Supplier under the Contract, exceeds such total sum as would have been payable under the Contract if the Services, or any part thereof, had not been suspended and had been completed in accordance with the requirements of the Contract.
- 8.5 UKNNL may at any time authorise resumption of the suspended Service, or part thereof, by notifying the Supplier of the Services to be resumed and the effective date of withdrawal of the suspension. Services shall be promptly resumed by the Supplier in accordance with such notice.

9. Services: Remedies

- 9.1 Upon the Supplier suspecting that it may be unable to meet any completion or delivery date stipulated by (or agreed with) UKNNL's Procurement Representative it shall immediately advise UKNNL's Procurement Representative of the earliest date by which completion can be guaranteed.
- 9.2 Without prejudice to any other right or remedy which UKNNL may have (including pursuant to Condition 23), if any Services are not supplied in accordance with the Contract, including any



agreed timescales, UKNNL shall be entitled to avail itself of any one or more of the following remedies at its discretion (without prejudice to any other rights it may have):

- 9.2.1 cancel the Purchase Order, in whole or in part, without liability to the Supplier;
 - 9.2.2 refuse to accept any subsequent performance of the Services which the Supplier attempts to make;
 - 9.2.3 purchase substitute services from elsewhere;
 - 9.2.4 hold the Supplier accountable for any loss and additional costs incurred; and
 - 9.2.5 have all sums previously paid by UKNNL to the Supplier under the Contract refunded by the Supplier.
- 9.3 To the extent expressly included within the Special Conditions, if the Supplier fails to meet any completion or delivery date stipulated in the Special Conditions then:
- 9.3.1 the Supplier shall pay to UKNNL on demand (as and by way of liquidated damages for any loss or damage sustained by UKNNL for such a delay) such sums as are further detailed in the Special Conditions;
 - 9.3.2 UKNNL may, after giving written notice to the Supplier, at its entire discretion deduct such liquidated damages payable from any monies due to the Supplier under the Contract and/or recover all or any part thereof as a debt then instantly due and payable by the Supplier;
 - 9.3.3 UKNNL shall notify the Supplier if it considers that it is entitled to liquidated damages in accordance with Condition 9.3; and
 - 9.3.4 where a sum is stated in the Special Conditions to be payable as liquidated damages, the Supplier:
 - 9.3.4.1 agrees that the sum is fair and reasonable in all the circumstances and represents a genuine pre-estimate of the loss that UKNNL will suffer as a result of the breach of the Contract giving rise to its payment;
 - 9.3.4.2 agrees that, in respect of any one or more breaches of the Contract giving rise to payment of the sum (unless otherwise agreed in writing by the Parties) UKNNL may, without prejudice to its other rights, bring an action against the Supplier for unliquidated damages. However, on doing so, UKNNL shall be treated as having released Supplier from its obligation to pay liquidated damages in respect of the breach concerned.

10. Articles: Quality and Description

- 10.1 The Articles shall be of the best available design, of the best quality, materials and workmanship, be without fault and conform in all respects with the Purchase Order and any samples, patterns, specifications, plans, drawings or any other documents supplied or advised by UKNNL to the Supplier.
- 10.2 The Articles shall be manufactured in strict conformity with the descriptions, drawings and specifications issued in connection with the Contract and no variations shall be incorporated in the Articles unless prior authority in writing has been given by UKNNL's Procurement Representative. Except in so far as may otherwise be indicated by a sample, pattern, specification, plan, drawing or other document, the Articles shall be provided to a standard which meets or exceeds any relevant national or international quality standards or specification applicable at the date of the relevant Purchase Order, or otherwise shall be to the satisfaction of UKNNL.
- 10.3 Unless otherwise provided by the Contract, all containers (including packing cases, boxes, tins, drums and wrappings) supplied by the Supplier shall be considered as non-returnable, and their cost as having been included in the Price.



10.4 UKNNL's rights under these Conditions are in addition to the statutory conditions implied in favour of UKNNL by the Sale of Goods Act 1979 or equivalent.

10.5 If any of the Articles fail to comply with the provisions set out in Condition 10 UKNNL shall be entitled to avail itself of any one or more remedies listed in Condition 12.

11. Articles: Acceptance

11.1 Acceptance of an Article shall take place when UKNNL confirms acceptance of the Article in accordance with the procedure specified in the Contract or, if none is so specified, then UKNNL shall be deemed to have accepted an Article without prejudice to any other remedies, when any of the following events has occurred:

11.1.1 UKNNL has taken the Article into use and satisfactorily utilised all aspects of the Article;

11.1.2 UKNNL has not exercised its right of rejection of the Article under Condition 12 within any period specified for that purpose in the Contract; or

11.1.3 there being no period for exercising the right of rejection specified in the Contract, a reasonable time has elapsed since delivery of the Articles was effected in accordance with Condition 14.7 taking into account all relevant circumstances.

11.2 If an Article, or any part thereof, is not accepted by UKNNL then the Supplier shall, if so required by UKNNL, break down into scrap to the satisfaction of UKNNL such parts so that their design and function shall be unrecognisable.

12. Articles: Remedies

12.1 Without prejudice to any other right or remedy which UKNNL may have (including pursuant to Condition 23), if any Articles are not supplied in accordance with, or the Supplier fails to comply with any of the terms of the Contract, UKNNL shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Articles have been accepted by UKNNL:

12.1.1 to rescind the Purchase Order;

12.1.2 to reject the Articles (in whole or in part) and return them to the Supplier, at the risk and cost of the Supplier, on the basis that a full refund for the Articles so returned shall be paid forthwith by the Supplier;

12.1.3 at UKNNL's sole discretion, to give the Supplier the opportunity, at the Supplier's expense, either to remedy any defect in the Articles or to supply replacement Articles and carry out any other necessary work to ensure that the terms of the Contract are fulfilled;

12.1.4 to replace all or any of the Articles by purchasing or manufacturing other Articles of the same or similar description, or by allocating other Articles of the same or similar description in the possession or control of UKNNL to the purposes for which the Articles replaced are required (and there shall be recoverable from the Supplier the amount by which the aggregate of the cost of replacing Articles in this manner exceeds the amount which would have been payable to the Supplier in respect of all the Articles so replaced if they had been delivered in accordance with the Contract (PROVIDED THAT UKNNL will not seek to make such recovery in cases where the delay in executing the Contract is due to causes outside the Supplier's control));

12.1.5 to refuse to accept any further deliveries of the Articles (and UKNNL shall have no liability towards the Supplier as a result of such refusal);

12.1.6 to carry out at the Supplier's expense any work necessary to make the Articles comply with the Contract; or

12.1.7 to claim such damages as may have been sustained in consequence of the Supplier's breach or breaches of the Contract.



- 12.2 The acceptance by UKNNL of an Article or any part thereof which is subsequently discovered not to conform in every respect to the requirements of the Contract shall not constitute an obligation on the part of UKNNL to accept further similar Articles.
- 12.3 When, under Condition 12, UKNNL rejects any Article or consignment after delivery, the Supplier shall, subject to the provisions of Condition 12.5, at its own expense remove each and every rejected Article (which shall re-vest in the Supplier upon the giving of such notice) and shall do so within such period as is provided by the Contract, or if the Contract makes no such provision, within seven (7) days from receipt of notification of rejection. Any payment made by UKNNL in respect of the rejected Articles shall be promptly re-paid by the Supplier.
- 12.4 If the Supplier shall fail to remove the Articles or any of them in accordance with Condition 12.3, UKNNL may return the rejected Articles or any of them to the Supplier, at the Supplier's risk, and the full cost of carriage shall be recoverable from the Supplier.
- 12.5 If the Supplier considers itself aggrieved by a rejection under Condition 12, it may give UKNNL notice of objection. To be effective, such notice shall be given within seven (7) days of its receipt of notification of rejection and before removing the rejected Articles from UKNNL. The objection shall constitute a dispute between the Parties which if not otherwise resolved between the Parties within a reasonable time shall be dealt with in accordance with Condition 41. If the Supplier gives notice of objection the Articles shall not be removed until UKNNL directs.
- 12.6 If any of the Articles, whether completed or in course of production, is rejected on inspection by UKNNL the same shall, if UKNNL so requires, be marked in such a manner satisfactory to UKNNL as to ensure its subsequent identification as a rejected Article.
- 13. Articles: Ownership and Risk**
- 13.1 Subject to the following provisions of Condition 13:
- 13.1.1 each Article as it is constructed together with its component parts and equipment so far as incorporated therein; and
- 13.1.2 all materials and other things whatsoever which the Supplier shall acquire or allocate for incorporation in any of the Articles,
- shall vest in and become the absolute property of UKNNL, as from the earlier of payment for or acceptance of the same.
- 13.2 The Supplier if so required by the Contract shall at its own expense mark, or permit UKNNL's Procurement Representative to mark, all approved materials, Articles or parts thereof with such marks as UKNNL may choose. In the case of materials, Articles or parts thereof which cannot be so marked, the same shall, if required by the said representative, be packed in suitable packages or cases, each of which shall be sealed and shall have such mark as UKNNL may choose placed on the seals. UKNNL's ownership shall be noted in any of the Supplier's relevant books and records and in such other manner as UKNNL may direct.
- 13.3 Neither the Supplier, nor a sub-contractor, nor any other person shall have a lien on any Article, materials or things which have vested in UKNNL under Condition 13.1 for any sum due to the Supplier, sub-contractor or other person, and the Supplier shall take all such steps as may be reasonably necessary to ensure that the title of UKNNL, and the exclusion of any such lien, are brought to the notice of all sub-contractors and other persons dealing with any such Articles, materials or things.
- 13.4 In the event of the termination of the Contract by UKNNL, any Article which has not been accepted by UKNNL, and any materials or things which have not been incorporated in an Article which has been accepted, shall re-vest in the Supplier on the expiration of twenty-eight (28) days from the date on which such determination takes effect unless UKNNL shall have given the Supplier (before the expiration of such period) notice that UKNNL elects to retain the property in such Article, materials or things.



- 13.4.1 The Supplier shall hand over to UKNNL any Article, materials or things the property in which UKNNL has elected to retain under Condition 13.4, and if it shall fail to do so UKNNL may enter any premises of the Supplier and remove such Article, materials or things and recover the cost of so doing from the Supplier.
- 13.4.2 UKNNL shall pay a fair and reasonable price for any Article, materials or things the property in which UKNNL has elected to retain under Condition 13.4 and which are handed over to it by the Supplier or otherwise come into its possession.
- 13.4.3 Where any Article, materials or things in the possession or control of UKNNL and in the United Kingdom have re-vested in the Supplier in accordance with Condition 13.4 the Supplier shall bear the expense of resuming possession and control of them, from the place of delivery as specified in the Contract, and if they are on any of UKNNL's Premises it shall remove them from such premises within fourteen (14) days of their re-vesting.

14. Articles: Delivery

- 14.1 Save as permitted pursuant to Condition 14.10, time for delivery shall be of the essence.
- 14.2 The Supplier shall hand over the Articles to UKNNL, or the notified agent of UKNNL, at the time or times and at the place or places and in the manner specified in the Purchase Order or as otherwise stipulated by UKNNL.
- 14.3 The Supplier shall ensure that each delivery is accompanied by a delivery note which shows, among other things, the Purchase Order number, date of Purchase Order, number of packages and contents and, in the case of part delivery, the outstanding balance remaining to be delivered.
- 14.4 Unless otherwise stipulated by UKNNL in the Purchase Order, deliveries shall only be accepted by UKNNL within the normal business hours of the place of delivery.
- 14.5 When handing over the Articles in accordance with Condition 14, the Supplier shall:
 - 14.5.1 ensure that the Articles are properly packed and secured as may be stipulated in the Contract; and
 - 14.5.2 comply with any additional instructions which from time to time UKNNL may give with regard to the transportation of the Articles, provided that any extra cost necessarily incurred in so doing shall be borne by UKNNL as an addition to the Price.
- 14.6 When the Purchase Order, Contract or any order issued by UKNNL, specifies that the Articles shall be handed over ex-works or despatched in accordance with other recognised trade terms the Supplier shall hand over or despatch the Articles accordingly, consigning them to such destinations as UKNNL may require.
- 14.7 When the Articles are handed over in accordance with Condition 14.2, delivery of the Articles shall occur on their being so handed over. When the Articles are handed over or despatched in accordance with Condition 14.6, delivery of the Articles shall occur on their going into the possession of UKNNL or its agent.
- 14.8 Unless the Contract specifically otherwise provides, and subject to the provisions of Condition 11 when applicable, the property in the Articles passes from the Supplier to UKNNL upon delivery in accordance with Condition 14.7.
- 14.9 When, after delivery an Article is rejected under Condition 12, that Article shall for the purposes of the Contract be considered as not having been delivered under the Contract and the property in that Article shall return to the Supplier from UKNNL provided that this Condition 14.9 shall have effect only when the Supplier has received notice of rejection.
- 14.10 If delivery of the Articles is delayed by reason of any act or default of UKNNL or any other circumstance which is beyond the reasonable control of the Supplier, the time for delivery shall be extended by such period as may be reasonable PROVIDED THAT:



14.10.1 the Supplier shall, immediately upon becoming aware that any such delay has been or is likely to be caused, give notice in writing to UKNNL specifying therein the circumstances causing or likely to cause the delay and the actual or estimated extent of the delay caused or likely to be caused thereby;

14.10.2 the Supplier shall not be entitled to any extension of time if it could reasonably be expected to have foreseen at the date of the Contract that a delay would, or was likely to, occur;

14.10.3 it shall be the duty of the Supplier at all times to use its best endeavours to prevent any delay being caused and to minimise any such delay as may be caused and to do all that may reasonably be required, to the satisfaction of UKNNL to effect delivery of the Articles; and

14.10.4 the Supplier shall not be entitled to an extension of time to the extent that such delay is attributable to any negligence, default or improper conduct on its part.

15. Articles: Loss of or Damage to the Articles, etc.

15.1 The Articles shall remain at the risk of the Supplier along with any materials, equipment, fittings or things acquired or allocated by it for incorporation therein until delivery has been effected in accordance with Condition 14 and the Supplier shall make good any loss of or damage to the Articles or any such materials, equipment, fittings or things however occasioned which may occur before such delivery.

15.2 The provisions of Condition 15.1 shall apply notwithstanding that the Articles concerned may have been inspected, vested or that ownership may have passed under the Contract.

15.3 Unless the Contract specifically otherwise provides, the Supplier is not responsible for the Articles after delivery unless, and to the extent, rejected by UKNNL.

16. General: Issued UKNNL's Equipment

16.1 UKNNL's Equipment issued and/or loaned to the Supplier shall only be used in the execution of the Contract and for no other purpose whatsoever save with the prior written approval of UKNNL's Procurement Representative.

16.2 UKNNL's Equipment shall be kept safe, secure and in the same condition it was received by the Supplier (save for fair wear and tear).

16.3 If in the course of performing the Services any of UKNNL's Equipment is removed from UKNNL's Premises and held in the care and possession of the Supplier or any sub-contractor appointed by the Supplier, then such UKNNL Property must be held solely for the purposes of the Contract and shall not be within the ownership or disposition of the Supplier or its sub-contractor. The Supplier must ensure that no lien, charge or other security interest is created over such of UKNNL's Equipment while in its possession or otherwise under its control.

16.4 The Supplier is fully responsible for the protection and care of any of UKNNL's Equipment whilst in its or its sub-contractor's care until the date of return delivery to UKNNL's Premises. All losses of or damage to any of UKNNL's Equipment prior to delivery to UKNNL's Premises shall promptly be made good by and at the sole cost of the Supplier.

17. General: UKNNL's Premises

17.1 The Supplier's attention is drawn to the fact that the provisions of the Official Secrets Acts 1911 to 1989 and the Nuclear Installations Acts 1965 and 1969 ("**the Acts**" for the purposes of Condition 17) require that access to UKNNL's Premises will only be granted to those issued with an appropriate site pass ("**the Pass**") and only for the purposes of the work for which that person is engaged.

17.2 The Parties hereby acknowledge that a Pass is issued on condition that the Supplier and the Supplier's Personnel shall comply with any conditions attaching to that Pass and all notices,



instructions and conditions relating to such of UKNNL's Premises to which the Pass provides access to (including a Licensed Site).

- 17.3 The Supplier will only supply UKNNL with personnel who have the right to work in the UK and, in particular, the Supplier shall comply with the Immigration Asylum and Nationality Act 2006 and other relevant UK legislation as well as any regulations or relevant codes of practice imposed on UKNNL by its regulator, Office for Nuclear Regulation ("**ONR**"), and which are notified to the Supplier by UKNNL.
- 17.4 The Supplier recognises that UKNNL is subject to regulation by ONR and that the nationality of the Supplier's Personnel may be subject to ONR approval. In such cases, the Supplier recognises that UKNNL's decision as to whether Supplier Personnel are admitted to any of UKNNL's Premises shall be final and conclusive.
- 17.5 The Parties acknowledge that it is a criminal offence under the Acts to gain or attempt to gain unauthorised access to the Licensed Site and any unauthorised retention of Licensed Site passes will be reported to the Civil Nuclear Constabulary for them to action as appropriate.
- 17.6 The Supplier shall not at any time take any photographs of any of UKNNL's Premises or of the Services or of any part thereof and shall take all reasonable steps to ensure that no such photograph shall at any time be taken or published or otherwise circulated by any member of the Supplier's Personnel, unless the Supplier or such person shall first have obtained the permission in writing of UKNNL's Procurement Representative.
- 17.7 The Supplier shall, where required by the terms of the Pass (whether such Pass is full, escorted or otherwise), require its staff to submit themselves for an annual medical examination (as required by the Ionising Radiation Regulations 1999) at the Supplier's expense, and the necessary radiological protection courses at the Supplier's expense for the Supplier's Personnel whose duties involve work within a radiological controlled or supervised area at a Licensed Site.
- 17.8 The decision of UKNNL as to whether any person is to be admitted to any of UKNNL's Premises, and as to whether the Supplier has furnished the information or taken the steps required of it by Condition 17, shall be final and conclusive. If UKNNL gives the Supplier notice that any of the Supplier's Personnel is not to be admitted to any of UKNNL's Premises the Supplier shall use its best endeavours to prevent them being admitted. If any of the Supplier's Personnel fail to obtain the necessary security clearance, the Supplier shall nominate such other person(s) as may be required as a replacement to be approved by UKNNL. It is the Supplier's responsibility to ensure that sufficient personnel obtain the security clearance necessary to enable the Supplier to fully discharge its obligations under the Contract. If the Supplier is unable to do so within a reasonable time then UKNNL may, without liability, immediately terminate the Contract by written notice.
- 17.9 Where the Services are to be performed on UKNNL's Premises (including Licenced Sites):
- 17.9.1 without prejudice to the provisions of Condition 6.4.2, the Supplier shall keep UKNNL's Procurement Representative informed as to the names and details of those engaged upon the Services and inform UKNNL forthwith of any employee who ceases to be engaged on the Services;
- 17.9.2 immediately after cessation of the Services or other work on UKNNL's Premises by a member of the Supplier's Personnel shall return any Pass to UKNNL;
- 17.9.3 UKNNL will grant to the Supplier reasonable right of access. However, the Supplier shall not use any of UKNNL's Premises for any purpose or activity other than the provision of the Services without UKNNL's prior approval and the Supplier undertakes that it shall vacate the same on completion, or earlier termination, of the Services (including the removal of any equipment and materials associated with the Contract); and



- 17.9.4 the Supplier shall take all reasonable measures and precautions necessary to take care of UKNNL's Premises and the areas in which the Services are being executed.
- 17.10 The Supplier shall bear the cost of complying with Condition 17. In the event of the Supplier's failure to return the Pass to the UKNNL in accordance with Condition 17.9.2 above the Supplier shall be liable to UKNNL to pay the sum of £200 per month, or such sum as shall be notified by the Site Licence holder to UKNNL whichever shall be the higher, for each month or part thereof for each Pass that has not been returned. Such sum shall be payable as a debt and reflects a genuine pre-estimate of the Parties of the cost to UKNNL in seeking return of the Pass and is not a penalty.
- 17.11 To the extent that the Supplier is required to perform any Services at UKNNL's Premises, then any access shall be at the discretion of UKNNL and subject always to compliance by the Supplier (and its staff and sub-contractors) with UKNNL's internal procedures. Any such access shall be non-exclusive and shall be shared with UKNNL and its contractors and any other authorised third parties (and for the avoidance of any doubt such access right given to the Supplier shall be a personal right only and shall not in any way confer a tenancy, any licence beyond such permission or a parting with possession to the Supplier by UKNNL.
- 17.12 Where the Services require the consumption of UKNNL's resources, the Supplier shall take all reasonable steps to minimise the usage of such resources wherever practicable to do so.
- 18. General: Tooling**
- 18.1 The Supplier shall:
- 18.1.1 source such Tooling as is required to enable the Articles and Services to be provided within the terms of the Contract and such provision is contemplated within the Price;
- 18.1.2 maintain the Tooling in good order;
- 18.1.3 on UKNNL's request, promptly allow UKNNL's Procurement Representative to inspect the Tooling;
- 18.1.4 use the Tooling exclusively for the provision of the Articles or the Services (as applicable); and
- 18.1.5 retain the Tooling safely and securely until receiving such written instructions for its disposal as may be given by UKNNL.
- 18.2 The Supplier shall maintain a complete register of Tooling, required for the production of the Articles or providing the Services and such register shall:
- 18.2.1 include particulars of any additions or alterations to the Tooling;
- 18.2.2 note UKNNL's interests in the Tooling;
- 18.2.3 record any transfer of the Tooling, giving full details of the transferee; and
- 18.2.4 be available at all reasonable times for inspection by UKNNL and its duly appointed auditor, who shall each be entitled to call for the prompt supply of a copy of the register.
- 18.3 Such register shall take formal effect for these purposes once signed on behalf of both Parties and shall only be deemed to have been duly updated upon the signature by both Parties of the updated version.
- 18.4 UKNNL reserves the right to require the Supplier to deliver the Tooling to such person and place as may be named by UKNNL, without further payment except in respect of such charges for packing and carriage (providing such charges are agreed in advance by UKNNL). On making such delivery the Supplier's liability in respect of maintenance of the Tooling will be terminated. This Condition 18.4 shall not, however, entitle UKNNL to require the Supplier to surrender the Tooling, to the prejudice of incomplete orders held by the Supplier for UKNNL.



19. General: Inspection and Records Audit

- 19.1 At any time prior to delivery of the Articles to UKNNL, UKNNL shall have the right to inspect and test the Articles and to satisfy itself that the Supplier is sufficiently equipped and capable of providing the Articles and Services in accordance with the Contract. The Supplier shall ensure, and where required shall procure from any relevant third parties, that such inspection can be made at all relevant places. Any such inspection shall not relieve the Supplier of any obligations under the Contract.
- 19.2 The Supplier shall maintain complete and accurate records of the time spent and materials used by the Supplier in providing the Services and/or Articles in such form as UKNNL shall approve. The Supplier shall allow UKNNL to inspect such records at all reasonable times on request.

20. General: Retention of Information

- 20.1 During the continuance of the Contract and for a period of not less than 7 years after the completion of the Contract, the Supplier shall maintain at its premises the drawings, specifications and manufacturing data relating to the work performed under the Contract (to the extent not passed to UKNNL).
- 20.2 UKNNL reserves the right to demand from the Supplier, as and when required, a complete set of drawings (in any format), including shop drawings if a requirement therefore is specified in the Contract, of the design or designs as accepted. Such drawings shall be fully dimensioned, shall state the permissible manufacturing tolerances, material, finish, etc., for each part and shall be supplied within a reasonable period from the date of demand. UKNNL may specify that such drawings be passed in digital format and in these circumstances they shall be passed in an industry standard format and on standard media. Where UKNNL notifies its need for drawings after issuing its Purchase Order, a fair and reasonable price will be paid for the drawings supplied after they have been delivered to and accepted by UKNNL, based on the actual work involved in the preparation of the drawings (if any). The drawings, if demanded, shall be to the reasonable satisfaction of UKNNL.

21. General: Pricing

- 21.1 UKNNL shall pay to the Supplier, in addition to the Price, a sum equal to the VAT properly chargeable on the value of the supply of Articles and Services provided in accordance with the Contract upon the receipt of a VAT invoice.
- 21.2 When the value of the work on any Purchase Order, issued on a reimbursable price basis approaches 70% of the annual liability of that Purchase Order or UKNNL's financial year ending 31 March, the Supplier shall immediately inform UKNNL's Procurement Representative (copying in UKNNL's Head of Procurement) in writing.
- 21.3 Subject to Condition 21.1, UKNNL shall not be liable to pay the Supplier any amount in excess of that detailed in the relevant Purchase Order(s). No sum in excess of those amounts shall be chargeable to the Contract without the prior written approval of UKNNL.
- 21.4 In circumstances whereby the Supplier's Personnel are required to work on UKNNL's Premises, invoices shall be accompanied by original time sheets signed by UKNNL's Procurement Representative.
- 21.5 Any rates shall be fixed for the duration of the Contract.
- 21.6 In the event of the Supplier's Personnel being requested by UKNNL's Procurement Representative to undertake a visit on behalf of UKNNL outwith the original scope of the Services, UKNNL will issue a Purchase Order therefore and travelling and subsistence expenses will be reimbursed to the Supplier in accordance with UKNNL's standard supplier rates (unless otherwise agreed in writing). UKNNL reserves the right to require the use of the most economic form of transport, which may involve the use of public transport. Where expenses are paid, the Supplier shall ensure a claim is only included to the extent it exceeds



(as regards time and distance) the Supplier's Personnel's usual commuting time and distance. The Supplier shall render its invoices in accordance with Condition 22 together with a copy of all travel and subsistence expenses claims detailing the expenses incurred.

22. General: Payment

- 22.1 Invoices in respect of any of the Articles or Services shall be rendered at the time and in the manner specified by UKNNL in the Purchase Order. Invoices which do not quote the Contract number or fail to show other information requested to facilitate payment will be returned to the Supplier without payment action.
- 22.2 The Supplier shall submit a valid invoice to UKNNL for payment within six (6) months of the completion of the Services or delivery of the Articles ("**Payment Period**"). The Supplier recognises that UKNNL operates its accounts on an annual budget and acknowledges that funding may not be available if the Supplier submits its invoice outside the Payment Period.
- 22.3 Subject to the Supplier's compliance with the Contract, the Supplier's validly presented invoices will be paid on the terms set out in the Purchase Order or if no such terms, invoices shall be paid within thirty (30) days of verifying that the relevant invoice is valid and undisputed and includes a valid purchase order number. UKNNL shall consider and verify (if applicable) all invoices submitted by the Supplier in a timely fashion. Where an invoice cannot be verified, UKNNL shall communicate the reason for such failure in a timely fashion.
- 22.4 In the event that a sum which is properly due to the Supplier in accordance with the provisions of Condition 22 is not paid within the agreed payment terms, the Supplier shall be entitled to simple interest thereon payable from the date the sum became due until payment is duly effected at the rate of 3% above the then prevailing base rate of National Westminster Bank Plc.
- 22.5 UKNNL may at any time or times, without notice to the Supplier, set off any liability of the Supplier to UKNNL against any liability of UKNNL to the Supplier, whether any such liability is present or future (whensoever arising), liquidated or unliquidated, and whether under this agreement or not. Any exercise by UKNNL of its rights under Condition 22 shall be without prejudice to any other rights or remedies available to it under this agreement or otherwise.

23. General: Termination

- 23.1 UKNNL shall have the right at any time and for any reason to terminate the Contract in whole or in part by giving the Supplier written notice whereupon all work on the Contract shall be discontinued and UKNNL shall pay to the Supplier fair and reasonable compensation for work-in-progress at the time of termination but such compensation shall not include (i) loss of anticipated profits or (ii) any consequential, special or indirect loss.
- 23.2 Without prejudice to any other rights or remedies of UKNNL, including pursuant to Condition 23.1, UKNNL shall be entitled to immediately terminate the Contract without liability on giving written notice in the event that the Supplier:
- 23.2.1 commits a material breach of any of the terms of the Contract and (if such a breach is remediable) fails to remedy that breach within twenty-one (21) days of the Supplier being notified in writing of the breach;
- 23.2.2 repeatedly breaches terms of the Contract in such a manner as to reasonably justify UKNNL's opinion that the Supplier's conduct is inconsistent with it having the intention or ability to give effect to the terms of the Contract; or
- 23.2.3 undergoes a change of control (within the meaning of section 1124 of the Corporation Tax Act 2010).
- 23.3 Where UKNNL has determined the Contract under Condition 23.2, it shall have the right to enter into a contract or contracts with another supplier or suppliers for the execution and completion of the Contract and to recover from the Supplier the cost paid by UKNNL for the



- work (or part thereof) which has not been satisfactorily remedied in accordance with Condition 23.2.
- 23.4 UKNNL shall have the right at any time by giving notice in writing to the Supplier to terminate the Contract forthwith without compensation if:
- 23.4.1 any distress, execution or other process is levied upon any of the assets of the Supplier;
- 23.4.2 the Supplier has a bankruptcy order made against it or makes an arrangement or composition with its creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Supplier or notice of intention to appoint an administrator is given by the Supplier or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986), or a resolution is passed or a petition presented to any court for the winding-up of the Supplier or for the granting of an administration order in respect of the Supplier, or any proceedings are commenced relating to the insolvency or possible insolvency of the Supplier;
- 23.4.3 the Supplier ceases or threatens to cease to carry on its business; or
- 23.4.4 the financial position of the Supplier deteriorates to such an extent that in the reasonable opinion of UKNNL the capability of the Supplier adequately to fulfil its obligations under the Contract has been placed in jeopardy.
- 23.5 Without prejudice to any other rights or remedies of UKNNL, including pursuant to Condition 23.1, UKNNL shall be entitled to immediately terminate the Contract without liability on giving written notice:
- 23.5.1 if the Contract should not have been entered into in view of a serious infringement of obligations under European Law declared by the Court of Justice of the European Union under Article 258 of the Treaty on the Functioning of the EU;
- 23.5.2 if the Supplier (or an associated person) was, at the time of contract award in respect of the Contract, (i) an "excluded supplier" within the meaning of Section 57 (1), PA 2023, or (ii) "excludable supplier" within the meaning of Section 57 (2) of the PA 2023, and should therefore have been excluded from the procurement procedure in respect of the Contract; or
- 23.5.3 if the Contract has been substantially amended to the extent that it falls within the meaning of "substantial modification" under Section 74(3), PA 2023 and requires a new procurement procedure.
- For the purposes of this clause: (i) "associated person" has the meaning given in Section 26(4), PA 2023 and (ii) "procurement" has the meaning given in Section 1(a), PA 2023.
- 23.6 The termination of the Contract, however arising, shall be without prejudice to the rights and duties of UKNNL accrued prior to termination. The conditions which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination.
- 23.7 Those provisions of the Contract which by their nature or implication (including in respect of any accrued rights and liabilities) are required to survive the termination or expiry of the Contract shall survive and continue in full force and effect along with any other provisions of the Contract necessary to give effect to them notwithstanding such termination or expiry and shall not be affected nor prejudiced by the completion of all or any of the Services.
- 23.8 On termination of the Contract for any reason, the Supplier shall immediately deliver to UKNNL:



- 23.8.1 all copies of information and data provided by UKNNL to the Supplier for the purposes of the Contract. The Supplier shall certify to UKNNL that it has not retained any copies of such information or data, except for one copy which the Supplier may use for audit purposes only and subject to the confidentiality obligations in Condition 34;
- 23.8.2 all specifications, programs (including source codes) and other documentation agreed to be supplied and existing at the date of such termination, whether or not then complete. All intellectual property rights (including rights of a similar nature) in such materials shall automatically pass to UKNNL (to the extent that they have not already done so by virtue of Condition 34, who shall be entitled to enter the premises of the Supplier to take possession of them; and
- 23.8.3 any UKNNL Property which is in the Supplier's custody.
- 23.9 If the Supplier fails to fulfil its obligations under Condition 23.8, then UKNNL may enter the Supplier's premises and take possession of any items which should have been returned under it. Until they have been returned or repossessed, the Supplier shall be solely responsible for their safe keeping.
- 24. General: Liability**
- 24.1 Notwithstanding anything else in the Contract, which includes these Conditions, neither Party excludes or limits its liability (i) for personal injury or death arising from its negligence; (ii) for fraud nor fraudulent misrepresentation; or (iii) to the extent such limitation or exclusion is not permitted by law.
- 24.2 Subject to the provisions of Condition 24, the Supplier shall be liable for and shall satisfy all claims relating to:
- 24.2.1 the death or injury of any servant of UKNNL (including any payment made under any statute, warrant, order, scheme, regulation, condition of service or other arrangement applicable to a servant of UKNNL making provision for continuance of pay or the payment of sick pay, or any allowance to or for the benefit of the servants of UKNNL or their families or dependants during or in respect of death, sickness, injury or disablement suffered by such servants);
- 24.2.2 the loss or damage to the property of any servant of UKNNL; and
- 24.2.3 the reinstatement or making good to the satisfaction of UKNNL, or (at the option of UKNNL) the payment of compensation to UKNNL, for any loss of or damage to any property of UKNNL
- arising out of or in any way in connection with the performance of the Supplier's obligations under the Contract provided always that:
- 24.2.4 the Supplier shall incur no liability under this Condition 24.2 if it is able to show that such death, injury, loss or damage was not attributable to the neglect or default of itself, its servants, agents, sub-contractors or the servants of any such sub-contractors; and
- 24.2.5 nothing in this Condition 24.2 shall relieve the Supplier of any liability to UKNNL arising elsewhere in the Contract.
- 24.3 The Supplier shall indemnify UKNNL in respect of all claims for death or injury to persons or loss of or damage to property arising out of or in any way in connection with the execution or purported execution of the Contract and caused otherwise than by the negligence of UKNNL, their servants or agents.
- 24.4 The expressions "**servant of UKNNL**" and "**servants of UKNNL**" include persons who are servants of UKNNL at the time when a personal injury or loss of property to which Condition 24 applies occurs, notwithstanding that they cease to be such before any payment in respect of the personal injury or loss of property is made, and where they have ceased to be such by reason of their deaths, include their personal representatives.



- 24.5 Subject to Condition 24.1, UKNNL shall not be liable to the Supplier in respect of:
- 24.5.1 any pure economic loss, loss of profits, loss of business, depletion of goodwill or any similar loss; nor
- 24.5.2 any indirect, special or consequential loss costs, damages, charges or expenses ("**Losses**"),
- whether caused directly or indirectly by virtue of any tort (including negligence), breach of contract, breach of statutory or regulatory duty or howsoever caused or arising.
- 24.6 Subject to Condition 24.1, with the exception of UKNNL's liability to make payment in accordance with Condition 21 (Pricing), UKNNL's maximum liability to the Supplier for all and any sums which are or may become due from UKNNL to the Supplier (including pursuant to any indemnity) and for all and any claims arising out of or in any way connected with the Contract, whether in tort (including negligence), for breach of contract, for breach of statutory or regulatory duty or howsoever caused or arising, shall not in any event exceed a sum equal to the value of the Contract at the date the Supplier became aware (or should have reasonably become aware) of its claim (being the aggregate value of Purchase Orders raised pursuant to the Contract at that time).
- 24.7 Nothing in the Contract shall amount to an agreement by UKNNL or any UKNNL Group Company to incur liability under s12 (3A) of the Nuclear Installations Act 1965 (as amended).

25. General: Indemnity

- 25.1 The Supplier shall keep UKNNL and its Group Companies indemnified in full against all direct, indirect and consequential loss (all three of which terms include, without limitation, loss of profit, loss of business, depletion of goodwill and like loss), costs, damages, charges and expenses (including legal and other professional fees and expenses) awarded against or incurred or paid by UKNNL as a result of or in connection with:
- 25.1.1 any payments (whether compensatory, fines or otherwise) required to be made by UKNNL to a third party as a result of the Supplier failing to provide the Services or Articles in accordance with the Contract (including due to any late delivery);
- 25.1.2 save to the extent UKNNL is to be compensated pursuant to 25.1.1, any Articles or Services provided otherwise than in accordance with the Contract (whether relating to the time for delivery, quality or otherwise);
- 25.1.3 an infringement or alleged infringement of any intellectual property rights caused by the use, manufacture or supply of the Articles, use of the Results (or any part thereof) or the provision of the Services whether by UKNNL or by any of its sub-licensees, agents, contractors, sub-contractors or assignees; and
- 25.1.4 any claim made against UKNNL in respect of any liability, loss, damage, injury, cost or expense sustained by UKNNL's employees or agents or by any customer or third party to the extent that such liability, loss, damage, injury, cost or expense was caused by, relates to or arises from the Articles or Services as a consequence of a direct or indirect breach or negligent performance or failure or delay in performance of the terms of the Contract by the Supplier.
- 25.2 UKNNL shall endeavour to mitigate losses of the type described at Condition 25.1.
- 25.3 Each Party warrants that any design or written instructions provided by it shall not oblige the other to infringe any registered intellectual property rights in the performance of the Contract.

26. General: Insurance

- 26.1 The Supplier shall at its own cost effect and maintain with a reputable insurance company a policy or policies of insurance providing the minimum levels of cover as stipulated within the invitation to tender or request for quotation (the "**Required Insurances**"). The cover shall be in respect of all risks which may be incurred by the Supplier, arising out of the Supplier's



performance of the Contract, including death or personal injury, loss of or damage to property or any other loss. Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Supplier.

- 26.2 The Supplier shall give UKNNL, on request, copies of all insurance policies referred to in this Condition or a broker's verification of insurance to demonstrate that the Required Insurances are in place upon Contract award.
- 26.3 If, for whatever reason, the Supplier fails to give effect to and maintain the Required Insurances, UKNNL may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Supplier.
- 26.4 The terms of any insurance or the amount of cover shall not relieve the Supplier of any liabilities under the Contract.
- 26.5 The Supplier shall hold and maintain the Required Insurances for a minimum of 6 (six) years following the expiration or earlier termination of the Contract.

27. General: Intellectual Property Rights

- 27.1 For the avoidance of doubt it is confirmed that the ownership and rights of each Party in respect of Background IPR shall be unaffected by the Contract and each Party shall maintain absolute ownership of its Background IPR. "**Background IPR**" is defined as all IPR which exists prior to the Contract being effective or is created by either Party outside the Contract. "**IPR**" is defined as all intellectual property rights, including without limitation, patents, rights in know-how, trademarks, registered designs, models, unregistered design rights, unregistered trademarks and copyright (whether in drawings, plans, specifications, designs, computer software and otherwise), database rights, topography rights, any rights in any invention, discovery or process, and applications for and rights to apply for any of the foregoing, in each case in the United Kingdom and all other countries in the world.
- 27.2 The Results, all IPR therein and all documents and drawings prepared by the Supplier under the Contract (all referred to as "**Foreground IPR**") shall become the absolute property of UKNNL and accordingly:
- 27.2.1 the Supplier shall assign to UKNNL all its rights (including copyright), title and interest in any country of the world in and to any such Foreground IPR (or any part thereof), together with any extensions, renewals, reversions and revivals of such IPR (together with all its proprietary rights in the physical materials in or on which such Foreground IPR and/or Results are contained or embodied) free from any third party loan, charge or other encumbrance;
- 27.2.2 the Supplier shall ensure that all documents and drawings prepared by it for UKNNL, not already pre-printed to the effect that copyright belongs to the United Kingdom National Nuclear Laboratory Limited, bear the wording on the cover and first page "Copyright in this document (or drawing) belongs to the United Kingdom National Nuclear Laboratory Limited". Where the form of results prepared by the Supplier for UKNNL does not readily allow such a method of marking then they shall be similarly endorsed in the most suitable manner available;
- 27.2.3 the Supplier shall waive or use all reasonable endeavours to procure the waiver of (or if applicable hereby waives) any and all moral rights in the Results (or any part thereof) to which it or any sub-contractor may be entitled under the Copyright Designs and Patents Act 1988 or any similar or analogous law in any jurisdiction.
- 27.3 In the event that the Supplier sub-contracts the Contract or any part thereof pursuant to Condition 35, the Supplier warrants and represents to UKNNL that:
- 27.3.1 such sub-contract shall provide that UKNNL shall be the legal and beneficial owner of such part of the Results and Foreground IPR (or any part thereof) owned in any country of the world by any of its sub-contractors or any other third party commissioned by it to



produce materials on its behalf in connection with any work (and any such third party shall be deemed for the purposes of Condition 27 to be a sub-contractor), together with any extensions, renewals, reversions and revivals of any such IPR, (together with all its proprietary rights in the physical materials in or on which such IPR and/or Results are contained or embodied) free from any third party loan, charge or other encumbrance; and

- 27.3.2 it has not entered nor shall it enter without the prior written consent of UKNNL into any agreement or arrangement (whether or not legally enforceable) for the assignment or licensing or other use of the Results (or any part thereof) which would in any way prevent, restrict or otherwise inhibit UKNNL's ownership, use and exploitation of the Results and the Foreground IPR (or any part thereof).
- 27.4 UKNNL shall have the right, free of any payment to the Supplier, to use the Results (together with any Background IPR of the Supplier ("**Supplier Background IPR**") to the extent necessary to enable such use) for any purpose notwithstanding any IPR or other rights owned or controlled at any time by the Supplier.
- 27.5 UKNNL shall determine what if any patent or like protection shall be sought for any of the Results and/or the Foreground IPR and shall have the right to be granted such protection in its own name and at its own expense in any country. The Supplier shall use all reasonable endeavours to ensure that its employees and representatives shall give all assistance requested by UKNNL to enable it to seek and obtain such protection.
- 27.6 On completion of the Services, or upon the provision of the Articles, the Supplier shall transmit to UKNNL all drawings, specifications and other information and data necessary to enable the Results and/or Foreground IPR to be furnished to and used by UKNNL in accordance with the Contract. Such transmission shall be in an industry format on industry standard media.
- 27.7 Without prejudice to any requirement of the Supplier to furnish reports to UKNNL as specified in the Contract, the Supplier shall make a full report to UKNNL of the work done under the Contract and, insofar as is reasonable and the nature of the work requires, the Results, highlighting any patentable or otherwise protectable intellectual property.

28. General: Compliance with Laws

- 28.1 In performing its obligations under the Contract, the Supplier shall and shall procure that each member of its Group and each of its servants, agents, sub-contractors or the servants of any such sub-contractors shall comply with:
- 28.1.1 all applicable laws, statutes, regulations and codes from time to time in force including but not limited to:
- 28.1.1.1 the Official Secrets Acts 1911 to 1989;
 - 28.1.1.2 the Nuclear Installations Acts 1965 and 1969;
 - 28.1.1.3 section 11 of the Atomic Energy Act 1946; and
 - 28.1.1.4 section 182 of the Finance Act 1989; and
- 28.1.2 the Mandatory Policies.
- 28.2 UKNNL may terminate the Contract with immediate effect by giving written notice to the Supplier if the Supplier commits a breach of Condition 28.1.

29. General: Corrupt Gifts and Payments of Commission

- 29.1 The Supplier shall not, and shall procure that its directors, employees, agents, representatives, contractors or sub-contractors shall not, engage in any activity, practice or conduct which would constitute an offence under any anti-bribery and anti-corruption laws, regulations and codes, including but not limited to the Bribery Act 2010.



29.2 The Supplier shall have in place adequate procedures designed to prevent any person working for or engaged by the Supplier or any other third party in any way connected to the Contract, from engaging in any activity, practice or conduct which would infringe any anti-bribery and anti-corruption laws, regulations and codes, including but not limited to the Bribery Act 2010.

29.3 Breach of Condition 29.1 shall entitle UKNNL to terminate the Contract by written notice with immediate effect.

30. General: Freedom of information

30.1 The Supplier acknowledges that UKNNL is subject to the requirements of the FOIA and the EIRs. The Supplier shall:

30.1.1 provide all necessary assistance and cooperation as reasonably requested by UKNNL to enable UKNNL to comply with its obligations under the FOIA and EIRs;

30.1.2 transfer to UKNNL all Requests for Information relating to the Contract that it receives as soon as practicable and in any event within two (2) working days of receipt;

30.1.3 provide UKNNL with a copy of all Information belonging to UKNNL requested in the Request For Information which is in its possession or control in the form that UKNNL requires within five (5) working days (or such other period as UKNNL may reasonably specify) of UKNNL request for such Information; and

30.1.4 not respond directly to a Request For Information unless authorised in writing to do so by UKNNL.

30.2 The Supplier acknowledges that UKNNL may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Supplier. UKNNL shall take reasonable steps to notify the Supplier of a Request For Information (in accordance with the Secretary of State's section 45 Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the FOIA) to the extent that it is permissible and reasonably practical for it to do so but (notwithstanding any other provision in the Contract) UKNNL shall be responsible for determining in its absolute discretion whether any Commercially Sensitive Information and/or any other information is exempt from disclosure in accordance with the FOIA and/or the EIRs.

30.3 Except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of the Contract is not Information which is confidential in nature and the Supplier hereby gives its consent for UKNNL to publish the Contract in its entirety to the general public (but with any information that is exempt from disclosure in accordance with the FOIA redacted) including any changes to the Contract agreed from time to time. UKNNL may consult with the Supplier to inform its decision regarding any redactions but shall have the final decision in its absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of the FOIA.

30.4 For the purpose of Condition 30, "**Information**" has the meaning given under section 84 of FOIA.

31. General: Data Protection

31.1 In this condition:

"appropriate technical and organisational measures", "controller", "criminal conviction data", "data controller", "data processor", "data subject", "personal data", "processing", "processor" and "special categories of personal data": as set out in the Data Protection Legislation in force at the time.

31.2 UKNNL has disclosed and will continue to disclose to the Supplier Shared Personal Data collected by UKNNL for the purposes of (as appropriate) (i) administer and provide the Services; (ii) request and receive the Services; (iii) compile, dispatch and manage the payment of invoices relating to the Services; (iv) manage the Contract and resolve any disputes relating



to it; (v) respond and/or raise general queries relating to the Services; and (vi) comply with regulatory obligations ("**Agreed Purposes**").

- 31.3 The Supplier shall comply with all the obligations imposed on a controller under the Data Protection Legislation, and any material breach of the Data Protection Legislation by the Supplier shall give grounds to UKNNL to terminate the Contract with immediate effect.
- 31.4 UKNNL shall ensure that it has all necessary notices and consents in place to enable lawful transfer of the Shared Personal Data to the Supplier for the Agreed Purposes.
- 31.5 The Supplier shall:
- 31.5.1 ensure that it has all necessary notices and consents in place to enable lawful transfer of the Shared Personal Data to the Permitted Recipients for the Agreed Purposes;
 - 31.5.2 process the Shared Personal Data only for the Agreed Purposes;
 - 31.5.3 not disclose or allow access to the Shared Personal Data to anyone other than the Permitted Recipients;
 - 31.5.4 ensure that its employees and others processing Shared Personal Data in the course of performing duties under the Contract are subject to obligations (including confidentiality obligations) to ensure compliance with the terms of the Contract;
 - 31.5.5 ensure that all Permitted Recipients are subject to written contractual obligations concerning the Shared Personal Data (including obligations of confidentiality) which are no less onerous than those imposed by the Contract;
 - 31.5.6 ensure that it has in place appropriate technical and organisational measures to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data;
 - 31.5.7 not transfer any personal data received from UKNNL outside the UK without UKNNL's consent and without putting in place such safeguards as UKNNL shall require;
 - 31.5.8 assist UKNNL in complying with all applicable requirements of the Data Protection Legislation. In particular, the Supplier shall:
 - 31.5.8.1 consult with UKNNL about any notices given to data subjects in relation to the Shared Personal Data;
 - 31.5.8.2 provide UKNNL with reasonable assistance in complying with any data subject request to enforce rights pursuant to Data Protection Legislation (including without limit Articles 15 to 21 of UK GDPR (subject access, etc.));
 - 31.5.8.3 not disclose or release any Shared Personal Data in response to a data subject request without first consulting UKNNL;
 - 31.5.8.4 assist UKNNL in ensuring compliance with its obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;
 - 31.5.8.5 notify UKNNL without undue delay on becoming aware of any breach of the Data Protection Legislation;
 - 31.5.8.6 at the written direction of UKNNL, delete or return Shared Personal Data and copies thereof to UKNNL on termination of the Contract unless required by law to store the personal data and require any Permitted Recipients to do the same;



- 31.5.8.7 use compatible technology for the processing of Shared Personal Data to ensure that there is no lack of accuracy resulting from personal data transfers;
 - 31.5.8.8 maintain complete and accurate records and information to demonstrate its compliance with this Condition and allow for audits by UKNNL or its designated auditor; and
 - 31.5.8.9 provide UKNNL with contact details of a responsible manager for all issues arising out of the Data Protection Legislation including, without limitation, the procedures to be followed in the event of a data security breach.
- 31.6 The Supplier agrees and warrants that it has in place all necessary notices and consents to enable lawful transfer of any personal data and special categories of personal data (as applicable) of the Supplier's Personnel to UKNNL for the Agreed Purposes.
- 31.7 The Supplier shall indemnify UKNNL against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by UKNNL arising out of or in connection with any breach of the Data Protection Legislation by the Supplier, the Permitted Recipients or their employees or agents.

32. General: Export Control Laws

The Parties acknowledge that any information provided or received under the Contract may be subject to government export control laws and regulations and each Party agrees that it will strictly comply with all applicable requirements under such laws and regulations. As such, each Party warrants and undertakes that it will not export or transfer by any means, electronic or otherwise, any information without complying in all respects with the applicable export control legislation, codes of conduct, the relevant export license(s), guidelines, notices and/or instructions in relation to any such export or transfer of information.

33. General: Security Measures and Provisions

- 33.1 The Supplier's attention is drawn to the provisions of the Official Secrets Acts 1911 to 1989, the provisions of the Atomic Energy Act 1946, the provisions of the Anti-Terrorism Crime and Security Act 2001, particularly section 79, which makes it an offence intentionally or recklessly to make a disclosure of information which might prejudice the security of a Licensed Site or of nuclear material where that material is held on such a site, or is being transported to or from such a site or is being carried on board a British ship and the Uranium Enrichment Technology (Prohibition on Disclosure) Regulations 2004, as appropriate.
- 33.2 The Supplier hereby acknowledges that if Sensitive Nuclear Information as defined by the Anti-terrorism Crime and Security Act 2001 (as amended) ("**SNI**") is in its possession at any time pursuant to the Contract, then it is fully responsible for ensuring that an appropriate level of security is applied for access to such SNI and it shall notify UKNNL if so required, of such level of security prior to entering into the Contract. The Supplier agrees to make any changes to such level of security as may be requested at any time by UKNNL or ONR.
- 33.3 Unless the Supplier has the written authority of UKNNL to do otherwise, neither the Supplier nor any of the Supplier's Personnel shall, either before or after the completion or termination of the Contract, do or permit to be done anything which it knows or ought reasonably to know may result in any SNI being disclosed to or acquired by a person in any of the following categories:
- 33.3.1 who does not hold the appropriate authority for access to the protected matter;
 - 33.3.2 in respect of whom UKNNL has notified the Supplier that the SNI shall not be disclosed to or acquired by that person;
 - 33.3.3 who is a not a member of the Supplier's Personnel;



- 33.3.4 who is a member of the Supplier's Personnel and has no need to know the information for the proper performance of the Contract.
- 33.4 Unless it has written permission of UKNNL to do otherwise, the Supplier and the Supplier's Personnel shall, both before and after the completion of termination of the Contract take all reasonable steps to ensure that no photograph of, or pertaining to, any SNI shall be taken and no copy of or extract from any SNI shall be made except to the extent necessary for the proper performance of the Contract.
- 33.5 The Supplier shall provide to UKNNL:
- 33.5.1 upon request, such records giving particulars of those members of the Supplier's Personnel who have had at any time, access to the SNI;
- 33.5.2 upon request, such information as UKNNL may from time to time require so as to be satisfied that the Supplier and the Supplier's Personnel are complying with their obligations under this Condition, including the measures taken or proposed by the Supplier so as to comply with its obligations and to prevent any breach of them; and
- 33.5.3 full particulars of any failure by the Supplier and the Supplier's Personnel to comply with their obligations relating to SNI arising under this Condition immediately upon such failure becoming apparent.
- 33.6 If at any time either before or after the completion or termination of the Contract, the Supplier or any member of the Supplier's Personnel discovers or suspects that an unauthorised person is seeking or has sought to obtain information directly or indirectly concerning any SNI, the Supplier shall forthwith inform UKNNL of the matter with full particulars thereof.
- 33.7 If the Supplier proposes to sub-contract any of the Services to a sub-contractor and such sub-contract will involve the disclosure of SNI to the sub-contractor, the Supplier shall submit for UKNNL's approval the name of the proposed sub-contractor, a statement of work to be carried out, the SNI that will be disclosed and any other details known to the Supplier which UKNNL shall require.
- 33.8 If UKNNL provides its consent to such sub-contract referred to in Condition 33.7 pursuant to Condition 35.2, the Supplier shall incorporate into such sub-contract the terms contained in this Condition and such further secrecy and security obligations as UKNNL shall direct. The Supplier shall further be bound by the provisions of Conditions 35.3 and 35.4.
- 33.9 If SNI is in the possession of the Supplier pursuant to the Contract, the Supplier hereby acknowledges that UKNNL and/or ONR has the right at any time to enter and inspect any premises used by the Supplier or any of its permitted sub-contractor which are in any way connected with the Contract and inspect any document or thing in any such premises, which is being used or made for the purposes of the Contract. UKNNL and/or ONR shall be entitled to all such information as they may reasonably require.
- 33.10 Upon termination of the Contract for any reason whatsoever, the Supplier shall immediately return to UKNNL (or, if UKNNL so requests by notice in writing, destroy), in accordance with UKNNL's instructions, all SNI in the Supplier's possession or control at the date of termination together with all copies of the same and shall certify in writing that it has done so. UKNNL and/or ONR shall have the right, by prior notice to the Supplier, to enter the Supplier's Premises at any time for the purpose only of removing any items of SNI.
- 34. General: Confidentiality**
- 34.1 Neither the Supplier nor the Supplier's Personnel shall disclose, advertise or publicise the existence of the Contract or any provision thereof or any specification, plan, drawing, pattern, sample, information or data (including any computer data and/or software package) issued or furnished by or on behalf of UKNNL in connection therewith or any of the Results produced under the Contract by the Supplier to any person other than a person employed or engaged by



the Supplier in the carrying out of the Contract or any sub-contractor, supplier or other person concerned with the same either before, during or after completion of the Contract SAVE:

- 34.1.1 with the prior consent in writing of UKNNL; or
 - 34.1.2 pursuant to a court order or a binding request from a regulatory (or other analogous) authority with jurisdiction PROVIDED THAT (to the extent it is permitted to do so) the Supplier gives all reasonable notice of such disclosure to UKNNL.
- 34.2 Any disclosure to any person permitted under Condition 34.1 shall (to the fullest extent possible) be made in confidence and, where pursuant to Condition 34.1.1, shall extend so far only as may be necessary for the purpose of the Contract.
- 34.3 The Supplier shall not make use of the Contract, Results or any specification or other thing mentioned in Condition 34.1 otherwise than for the purpose of the Contract, and, save as provided for in Condition 34.4, the Supplier shall not make any articles or part thereof similar to the Articles for any other purpose.
- 34.4 Subject to any rights of third parties, nothing in Condition 34 shall, however, constrain the uses for any purpose by the Supplier of any specifications, plans, drawings and other documents, the rights of which vest in it otherwise than as a result of work carried out under the Contract.
- 34.5 Any original or master specification, plan, drawing, pattern, sample, information or data (including any computer data and/or software package) mentioned in Condition 34.1 issued or furnished by or on behalf of UKNNL remains the property of UKNNL and must be returned to UKNNL on completion of the Contract. When no longer required, copies of documents to be destroyed and/or disposed of during the course of and at the termination of the Contract shall first be rendered indecipherable in a manner and by a method approved of by UKNNL.
- 34.6 For the avoidance of doubt, and subject to the other terms of the Contract, the terms of Condition 34 shall continue to apply notwithstanding termination of the Contract or any other cessation of any business relationship between the Parties.
- 35. General: Transfer, Sub-letting and Change of Ownership**
- 35.1 UKNNL may assign the Contract or any part of it to any person.
- 35.2 The Supplier shall not give, bargain, sell, assign, sub-contract, or otherwise dispose of the Contract or any part thereof or the benefit or advantage of the Contract or any part thereof without the previous consent in writing of UKNNL, provided that this shall not affect any right of the Supplier to assign, either absolutely or by way of charge, any monies due or to become due.
- 35.3 If UKNNL approves the Supplier appointing a sub-contractor to fulfil part of the Contract, the sub-contractor shall in all cases be bound by the Conditions of the Contract and the Supplier shall include provisions to this effect in any such sub-contract or order, including those set out in Condition 35.4.
- 35.4 The Supplier shall ensure that all sub-contracts (which in this condition 35 includes any contract in the Supplier's supply chain made wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of the Contract) contain provisions:
- 35.4.1 requiring the Supplier or other party receiving goods or services under the contract to consider and verify invoices under that contract in a timely fashion;
 - 35.4.2 that if the Supplier or other party fails to consider and verify an invoice in accordance with sub-paragraph 35.4.1, the invoice shall be regarded as valid and undisputed for the purpose of sub-paragraph 35.4.3 after a reasonable time has passed;
 - 35.4.3 requiring the Supplier or other party to pay any undisputed sums which are due from it to the sub-contractor within a specified period not exceeding thirty (30) days of verifying that the invoice is valid and undisputed; and



- 35.4.4 giving UKNNL a right to publish the Supplier's compliance with its obligation to pay undisputed invoices within the specified payment period; and
- 35.4.5 requiring the sub-contractor to include a condition to the same effect as this condition 35.4 in any contracts it enters into wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of the Contract.
- 35.5 Notwithstanding any other provision in the Contract, if the Supplier notifies UKNNL that the Supplier has failed to pay a sub-contractor's undisputed invoice within thirty (30) days of receipt, or UKNNL otherwise discovers the same, UKNNL shall be entitled to publish the details of the late or non-payment (including on government websites and in the press).
- 35.6 The Supplier shall be responsible for the actions and omissions of any sub-contractor who may carry out any work in connection with the Contract. For the purposes of the Contract any act, default or omission on the part of such person in relation to such work shall be deemed to be an act, default or omission (as the case may be) on the part of the Supplier.
- 35.7 The Supplier shall give notice in writing to UKNNL of any proposed take-over, merger, reconstruction, or other change in ownership or control of the Supplier or of any holding company (as defined in section 1159 Companies Act 2006). Upon receipt of such notice UKNNL may at its absolute discretion immediately terminate the Contract and should it choose so to do it shall give instructions for delivery of all equipment, documents, drawings or other information arising out of or provided for the purposes of the Contract. And such termination shall be without prejudice to the rights of either party under the Contract accrued prior to the date of termination.
- 36. General: Entirety of Contract**
- 36.1 The Contract contains the entire agreement and understanding between the Parties hereto with respect to the subject matter hereof and replaces all prior agreements and understandings relating to the said subject matter. No statements or representations made by either party have been relied upon by the other in entering into the Contract.
- 36.2 Except as otherwise provided by the Contract, all remedies available to either Party for breach of the Contract are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 37. General: Force Majeure**
- UKNNL reserves the right to defer the date of delivery of the Articles or performance of the Services, or payment, or to cancel the Contract, or reduce the volume of the Articles or the scope of the Services ordered if it is prevented from, or delayed in, the carrying on of its business due to circumstances beyond the reasonable control of UKNNL including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials.
- 38. General: Various**
- 38.1 Each right or remedy of UKNNL under the Contract is without prejudice to any other right or remedy of UKNNL whether under the Contract or not.
- 38.2 If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.
- 38.3 Failure or delay by UKNNL in enforcing or partially enforcing any provision of the Contract shall not be construed as a waiver of any of its rights under the Contract.



- 38.4 Any waiver by UKNNL of any breach of, or any default under, any provision of the Contract by the Supplier shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of the Contract.
- 38.5 The Parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person that is not a party to it, other than by ONR.
- 38.6 The Parties may agree to rescind or vary the Contract (and any documents entered into pursuant to or in connection with it).
- 38.7 Each Party shall do and execute, or arrange and procure for the doing and executing of, any act and/or document reasonably requested of it by any other party to implement and give full effect to the terms of the Contract.

39. General: Notices

- 39.1 Any notice or other communication given to a Party under or in connection with the Contract shall be in writing (in the case of the Supplier, marked for the attention of UKNNL's Procurement Representative) and shall be (a) delivered by hand or by pre-paid first-class post or recorded delivery at its registered office (if a company) or its principal place of business (in any other case); or (b) sent by email to (i) in the case of the Supplier, the email address of UKNNL's Procurement Representative and the UKNNL project manager for the Contract; or (ii) in the case of UKNNL, the Supplier's email address supplied in correspondence relating to the Contract.
- 39.2 Any notice or communication shall be deemed to have been received (a) if delivered by hand, on signature of a delivery receipt; or (b) if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second business day after posting (c) if sent by email, on the day of transmission.
- 39.3 Condition 39 does not apply to the service of any proceedings or other documents in any legal action (which shall be governed by the Civil Procedure Rules) or, where applicable, any arbitration or other method of dispute resolution.

40. General: Early Warnings

- 40.1 The Supplier shall notify UKNNL as soon as it becomes aware of any matter which could:
- 40.1.1 interfere with the timing of the Supplier's provision of the Articles and/or performance of the Services;
- 40.1.2 otherwise affect the provision of the Articles and/or performance of the Services.
- 40.2 The Parties shall cooperate in making and considering proposals for how the effect of any matter notified pursuant to Condition 40.1 can be avoided or reduced and in deciding and recording actions to be taken.
- 40.3 The Supplier shall have due regard in provision of the Articles and/or the performance of the Services to UKNNL's budget and requirements, to the extent the Supplier is aware of such matters. If the Supplier becomes aware of circumstances which may prevent UKNNL from using the Articles or the Services in accordance with its budget or programme, the Supplier shall inform UKNNL without delay.

41. General: Disputes

- 41.1 A matter or thing which is stated to be a decision of UKNNL, UKNNL's Procurement Representative or a representative of UKNNL under the Contract shall be conclusively made accordingly but any other dispute shall be referred under the dispute resolution procedure set out in the remainder of Condition 41.
- 41.2 Save as provided for at Condition 41.1, if any dispute arises in connection with the Contract then directors, or other senior representatives of the Parties with authority to settle the dispute,



will, within fourteen (14) days of a written request from one Party to the other, meet in a good faith effort to resolve the dispute.

41.3 If the dispute is not resolved at that meeting, the Parties will attempt to settle it by mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the Parties, the mediator will be nominated by CEDR. To initiate the mediation a Party must give notice in writing ("**ADR notice**") to the other Party to the dispute requesting mediation. A copy of the request should be sent to CEDR Solve. The mediation will start not later than thirty-five (35) days after the date of the ADR notice.

41.4 No Party may commence any court proceedings in relation to any dispute arising out of the Contract until they have attempted, in good faith, to settle it by mediation and that mediation has been terminated **SAVE THAT** a Party may seek interim relief by way of court proceedings.

42. General: Staff Transfers

42.1 The Supplier shall indemnify and keep indemnified UKNNL and any Group Company against all Employment Liabilities incurred in connection with or as a result of any constructive dismissal claim or any claim under regulation 4(9) of TUPE arising out of any changes proposed by the Supplier in relation to the contract of employment or working conditions of a Relevant Employee or any employee of UKNNL in connection with the Parties entering into the Contract or proposing to enter into the Contract.

42.2 The Parties agree that they do not intend that TUPE will apply as a result of the termination of the Contract nor that any Relevant Employee will transfer to the employment of UKNNL or any Group Company pursuant to TUPE or otherwise.

42.3 If any Relevant Employee asserts that their employment or engagement should be transferred by operation of law to UKNNL or any Group Company, UKNNL shall be entitled to terminate such employment or engagement immediately.

42.4 The Supplier shall indemnify UKNNL and/or any Group Company on a continuing basis against all Employment Liabilities incurred by or awarded against UKNNL or any Group Company in connection with or as a consequence of any claim, action or proceeding which arises or is alleged to arise or is made against UKNNL or any Group Company in relation to or as a result of:

42.4.1 the employment or engagement or alleged employment or engagement or termination of employment of any Relevant Employee following the Commencement Date; and

42.4.2 in connection with any contract of employment or alleged contract of employment between UKNNL or any Group Company and any Relevant Employee or its termination in accordance with Condition 42.3 following the Commencement Date; and

42.4.3 any failure or alleged failure on the part of UKNNL or the Supplier or any other person for the purposes of Regulations 11, 13 and/or 14 of TUPE.

43. General: Performance Bonds

Where required by the Special Conditions, the Supplier shall enter into a Performance Bond or similar guarantee, in such form as shall be acceptable to UKNNL, on or prior to the Contract Commencement Date.

44. General: Procurement Process

The Supplier warrants and represents to UKNNL that all written statements and representations in any written submissions made by the Supplier as part of the procurement process, including without limitation its response to the standard selection questionnaire (or equivalent) and invitation to tender (or equivalent) (if applicable), its tender and any other documents submitted remain true and accurate except to the extent that such statements and representations have been superseded or varied by the Contract or to the extent that the Supplier has otherwise disclosed to UKNNL in writing prior to the date of the Contract.



45. General: Law and Jurisdiction

The Contract shall be considered as a contract made in England subject to English Law and the Parties agree to subject themselves to the non-exclusive jurisdiction of the English courts.