

BOEING DEFENCE UNITED KINGDOM LIMITED

Future Through Life Customer Support (FTLCS)

Customer Contract: CHC/615

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1. GENERAL

1.1. For the purposes of the DEFCONs referenced within this document, the following shall apply:

1.1.1. The term “Customer” shall mean the “United Kingdom Ministry of Defence (UK MoD)”.

1.1.2. The term “Authority” shall mean Buyer unless it is clear from the context of the DEFCON that “Authority” must refer to the UK Secretary of State for Defence in order to effect the essential purpose of the DEFCON.

1.1.3. The term “Buyer” means Boeing Defence UK Limited acting as Prime Contractor to the Customer.

1.1.4. The term “Contractor” shall mean “Seller”.

1.1.5. The term "Contract" means this Contract.

1.1.6. The term "Sub-contract" means any contract placed by Seller or lower-tier sub-contractors under this Contract.

1.2. DEFCON 501 (Edn 05/17) "Definitions and Interpretations" shall apply to the extent that any of the DEFCONs included in the Contract contain any of the defined terms therein. The provisions of DEFCON 501 are in addition to any definitions included in the Contract. In the event of a conflict between a definition contained at DEFCON 501 and a definition contained elsewhere in the Contract, the definition in the Contract shall take precedence unless otherwise noted.

2. DEFENCE CONDITIONS (DEFCONS), DEFENCE FORMS (DEFFORMS) AND STANDARDS

2.1. The Customer has identified the following DEFCONS as being applicable for this requirement:

| DEFCON Number | DEFCON Edition | Title | Applicability |
|---------------|----------------|--|---|
| 23 | 08/09 | Special Jigs, Tooling and Test Equipment | Required when there is the provision for UK Government Furnished Assets. |
| 76 | 12/06 | Contractor's Personnel at Government Establishments | Required where a contractor is required to carry out work at a Government Establishments or HM Ships. |
| 117 | 10/13 | Supply Of Information For NATO Codification And Defence Inventory Introduction | Required where there is a potential requirement for NATO Codification information. |
| 603 | 10/04 | Aircraft Integration and Clearance Procedure | Required when there is are development flight trials of equipment. |
| 608 | 10/14 | Access and Facilities to be provided by the Contractor | Required when Customer may require access to Buyer or Seller premises. |

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|------|-------|--|--|
| 611 | 02/16 | Issued Property | Required when there will be Issued Property. |
| 638 | 12/16 | Flights Liability and Indemnity | Required when there are aircraft that are, or will become, the property of UK MoD. |
| 658 | 10/17 | Cyber | Required when the Cyber Risk Assessment is higher than “Not Applicable”. FOR INFO: the Cyber Risk Level of the Contract is Low as Defined in Def Stan 05-138. The Risk Assessment Reference number is RAR-SZKV75B6. |
| 659A | 02/17 | Security Measures | Required where deliverables are classified as SECRET or above. |
| 694 | 07/18 | Accounting For Property Of The Authority | Required when there is the issue of Customer property. |
| 703 | 08/13 | IPR Vesting in the Authority | Required when the UK MoD demand ownership of the results of fully funded work. NOTE: Applicable to UK specific air documentation. |

2.2. The Customer has identified the following DEFENCE FORMS (DEFFORMs) as being applicable for this requirement:

| DEFFORM Number | DEFFORM Edition | Title |
|----------------|-----------------|--|
| DEFFORM 177 | 03/80 | Design Rights and Patents (Sub-Contractor) Agreement |
| DEFFORM 539A | 08/13 | Tenderer’s Commercially Sensitive Information Form |
| DEFFORM 687C | 06/01 | Electronic Information Sharing Agreement (EISA) |

Should the Supplier be required to complete these forms, they will be notified by Buyer.

3. QUALIFYING DEFENCE CONTRACTS (QDC) AND QUALIFYING DEFENCE SUB-CONTRACTS (QSC)

3.1. The Customer has assessed that the Prime Contract will be a Qualifying Defence Contract subject to the provisions of the Defence Reform Act 2014 (DRA) and the Single Source Contract Regulations 2014 (SSCR). The DRA is primary legislation and the SSCR is secondary legislation, both can be accessed at www.legislation.gov.uk.

3.2. Regulations 20 and 21 of the SSCR require records to be kept in relation to a QDC and allow the Customer access to those records. This obligation also encompasses a period prior to Prime Contract award.

3.3. Sections 28-30 of the DRA and Regulations 57-65 of the SSCR describe how any sub-contract that is placed may be a Qualifying Sub-Contract. Regulation 61 of the SSCR requires the assessment of whether any sub-contracts placed in connection with the Prime Contract will be QSCs, and to keep a records of those assessments. Where a sub-contract is assessed as being a QSC, the Customer and the Seller must be notified of this decision.

3.4. In accordance with the information at paragraphs 3.1 – 3.3. above, the following DEFCONs are incorporated by reference from the Customer and apply to the extent indicated:

| DEFCON Number | DEFCON Edition | Title | Applicability |
|----------------------|-----------------------|--|---|
| 800 | 12/14 | Qualifying Defence Contract | Include in any contract you assess to be a Qualifying Defence Contract valued at £5M and above. |
| 801 | 12/14 | Amendments to Qualifying Defence Contracts – Consolidated Versions | Include in any contract you assess to be a Qualifying Defence Contract. |
| 802 | 12/14 | Qualifying Defence Contracts: Open Book on sub-contracts that are not Qualifying Sub-contracts | Include in any contract you assess to be a Qualifying Defence Contract (QDC). |
| 804 | 03/15 | QDC: Confidentiality of SSCR Information | Include in any contract you assess to be a Qualifying Defence Contract (QDC), where applicable. |

4. STANDARDS

4.1. The Standards set out in the Contract Supplier Statement of Work shall apply.

5. INTELLECTUAL PROPERTY RIGHTS (IPR) AND PROVISIONS

5.1. For the avoidance of doubt, any Foreground IPR created under this contract will remain the property of Buyer.

6. SECURITY AND CLASSIFIED DATA

6.1. The contract is protected in line with the United Kingdom Government Security Classifications.

6.2. Seller is required to ensure that all employees engaged with work in connection with the contract are aware of the Official Secrets Acts 1911-1989, and if required, ensure that those employees sign a statement acknowledging that they are bound by those Acts.

6.3. Seller shall comply with all Customer security markings, and ensure that these are flowed to any sub-contractors.

6.4. Seller shall and will ensure that any sub-contractors used comply with the obligations as laid out in the European Union General Data Protection Regulations.

6.5. Seller shall ensure that any deliverables comply (where applicable) of the HMG Security Policy Framework as detailed in Joint Service Publication 440.

7. SUB-CONTRACTING AND CUSTOMER RIGHTS

7.1. Seller shall make available on request details of any sub-contracts placed in relation to the performance of this Contract, at no charge.

7.2. Seller shall ensure that all sub-contracts placed in support of this requirement are capable of being assigned and/or novated to the Customer without restriction.

7.3. For Sellers in the UK, the Seller shall ensure that any sub-contracts placed in support of this requirement shall be compliant with DEFCON 534.

7.4. Any proposed sub-contracts that will involve disclosure of SECRET or OFFICIAL-SENSITIVE – INFORMATION, must be approved by the Customer.

8. CRISIS SITUATIONS

8.1. Seller should be aware that Buyer may be required to provide the services detailed in the Contract in support of Customer determined crisis situations. This could require providing knowledge and expertise to Customer nominated 3rd parties. Seller would be required to support these situations.

8.2. Subject always to the provisions of UKGP Article 8 (Force Majeure), Seller shall continue to provide all deliverables in peacetime and during periods of war, crisis, tension and other emergencies (whether or not involving hostilities).

9. DEPLOYED OPERATIONS

9.1. Should Seller be required to directly support any deployed operations then DEFCON 661, DEFCON 697 (including the Appendix), and DEF-STAN 05-129 shall be applicable.

10. TERMINATION AND EXIT REQUIREMENTS

10.1. In the event of contract termination, Seller is required to provide support so as to enable a smooth transition to a new supplier or to the Customer.

11. PRECEDENCE

11.1. In the event of any discrepancy, inconsistency, divergence or anomaly arising between the provisions of this CCR, the order of precedence (save where expressly provided to the contrary) shall be as follows:

11.1.1. Narrative Terms and Conditions of this CCR;

11.1.2. DEFCONS;

11.1.3. Should either party become aware of any conflicts or inconsistencies between any of the documentation they shall immediately notify the other party accordingly.