

NR1(MT)

NR1(MT)

**Network Rail Framework Contract
for
Goods and/or Non Construction Services**

**Contract Title:
Supply of Aluminothermic Welding Materials and Associated Equipment**

Contract No: ecm_49122

CONTENTS

Form of Agreement

Contract Data

Contract Specific Conditions

Conditions

Schedule 1 Specification

Schedule 2 Charges

Schedule 3 Corporate Social Responsibility

Schedule 4 Contract Requirements HSEA Conditions

Schedule 5 Supply Chain Visibility

Schedule 6 Process for Issuing Contract Orders

Schedule 7 Business Continuity and Disaster Recovery

Schedule 8 Financial Difficulties

FORM OF AGREEMENT

The Contract is between:

NETWORK RAIL INFRASTRUCTURE LIMITED a company registered in England and Wales under number 02904587 whose registered office is at Waterloo General Office, London, SE1 8SW (“the Buyer”)

AND

PANDROL LIMITED a company registered in England and Wales under number 00521438 whose registered office is at Bonemill Lane, Gateford Road, Worksop, Nottinghamshire, S81 7AX (“the Supplier”)

who agree:

1 General

- 1.1 The Contract is a framework agreement and is entered into in consideration of the payment of the sum of £1 by the Buyer to the Supplier (receipt of which the Supplier acknowledges). The Supplier shall provide such of the Deliverables as described in Schedule 1 (Specification) as ordered by the Buyer from time to time pursuant to a Contract Order in accordance with the provisions of the Contract (if any).
- 1.2 The Buyer shall pay the Supplier in consideration of the provision of the Deliverables the Charges at the times and in the manner prescribed by the Contract.
- 1.3 The following documents shall form and be read and construed as part of the Contract, and in the case of any ambiguity or discrepancy shall have the following order of priority:
 - 1.3.1 Form of Agreement
 - 1.3.2 Contract Specific Conditions
 - 1.3.3 Contract Data
 - 1.3.4 Conditions
 - 1.3.5 Contract Orders (if any) and Schedules (each of equal precedence)

2 Contract Duration

- 2.1 The Contract takes effect on the Start Date and ends on the Expiry Date or earlier if terminated under Clause 14 of the Conditions or if required by Law.
- 2.2 The Buyer can extend the Contract for the Extension Period by giving the Supplier written notice before the Contract expires as specified in the Contract Data.

NR1(MT)

Signed for and on behalf of:

THE SUPPLIER

Name:		Signature:	
Position:			

THE BUYER

Name:		Signature:	
Position:			

The Contract is dated and delivered on: *insert date on which the last party signs*

For agreements executed using the DocuSign electronic signature process, the digital certification for the signatures of both Parties and date of execution can be found at the end of the contract documentation.

CONTRACT DATA

(Note: Relevant clause numbers are shown in brackets)

1. Buyer's Authorised Representative (Clause 1):

Name:		
Role:		
Address:		
Email:		

2. Supplier's Authorised Representative (Clause 1):

Name:		
Role:		
Address:		
Email:		

3. Key Supplier Staff (Clause 7.5):

Name:	Role:	Email:

4. Contract duration (Clause 13):

Start Date (Form of Agreement, clause 2.1):	Date of Contract execution.
Expiry Date (Form of Agreement, clause 2.1):	31/10/2029
Extension Period (Form of Agreement, clause 2) (if applicable):	4 Years
Notice period for an Extension if applicable (Form of Agreement, clause 2) (if applicable):	3 months

NR1(MT)

5. Liability (Clause 15):

Total Aggregate Liability (Clause 15.1)	
Total Aggregate Liability of the Supplier specifically for indemnities given under Clauses 9, 10.3, 11.10 11.9or 18.22.4 (Clause15.4)	

6. Insurances (Clause 17):

Public Liability Insurance (Clause 17):		
Professional Indemnity Insurance (Clause 17):		
Product Liability Insurance (Clause 17)		

7. Addresses for notices (Clause 29):

	Buyer	Supplier
Notices (Clause 29.3):	Buyer's Authorised Representative's address as above	Supplier's Authorised Representative's address as above
Notices relating to legal proceedings (Clause 29.4):	Company Secretary Network Rail Registered address as stated in Form of Agreement With a copy to: 1. notices@networkrail.co.uk ; and 2. The Buyer's Authorised Representative by email	Supplier's Authorised Representative's address as above

8. Performance Security (Clause 33):

Parent Company Guarantee (Clause 33.1):	Not applicable
---	----------------

NR1(MT)

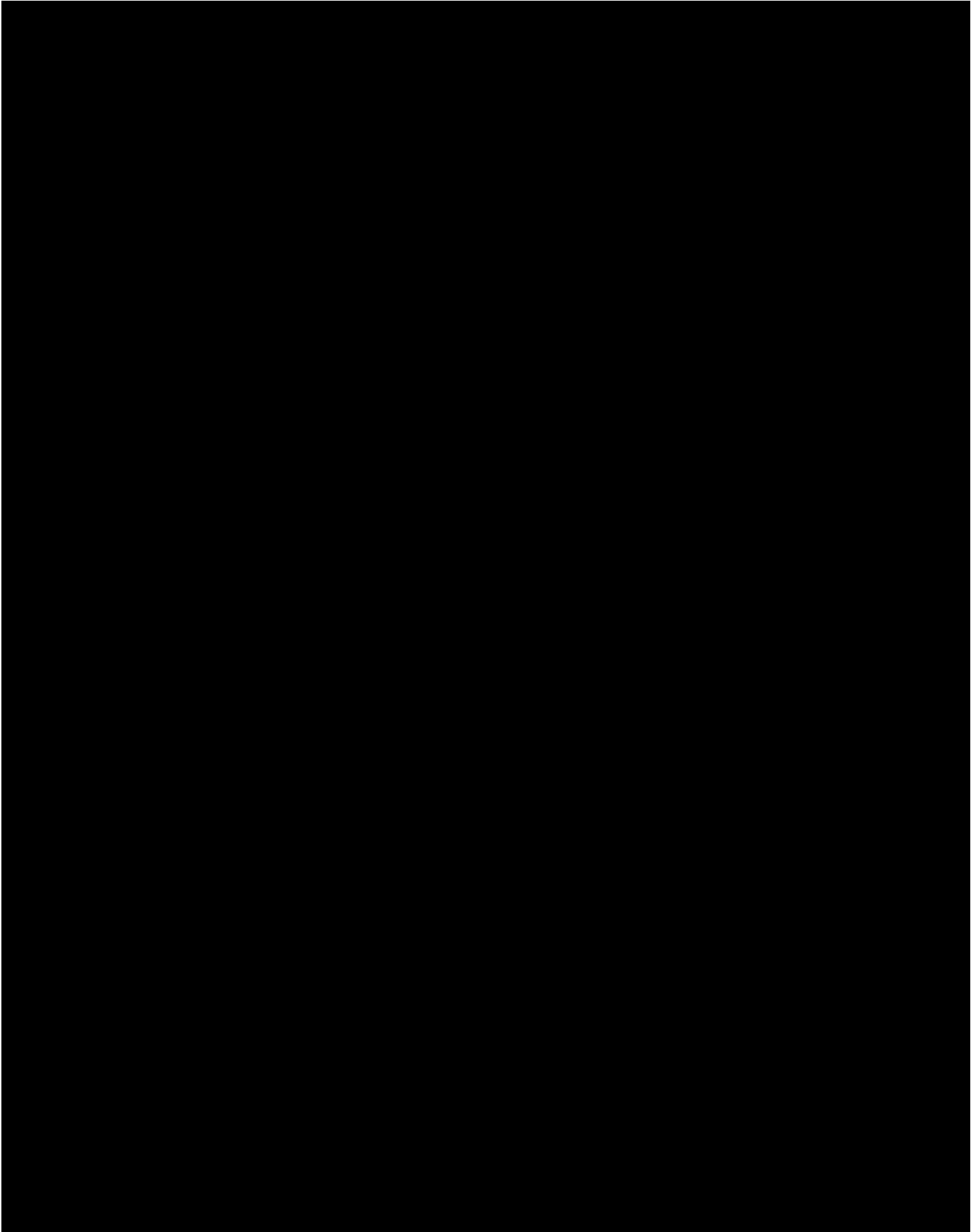
9. Volume of Deliverables Committed to (Clause 35.3):

Nil

10. IR35 (Schedule 3 Corporate Social Responsibility) - Where the intermediaries legislation applies the Buyer deems that ITEPA 2003 Part 2 Ch10 s61M 1(d) applies to services carried out under the Contract (within IR35) as follows:

Does not apply

CONTRACT SPECIFIC CONDITIONS



NR1(MT)

NR1(MT)



CONDITIONS

Contents

1. Definitions used in the contract	2
2. How the contract works	14
3. What needs to be delivered	14
4. Pricing and payments	16
5. The Buyer's obligations to the Supplier	17
6. Record keeping and reporting	17
7. Supplier staff	18
8. Supply chain	19
9. TUPE	21
10. Rights and protection	22
11. Intellectual Property Rights (IPRs)	23
12. Rectifying issues	24
13. Contract duration	24
14. Ending the contract	24
15. How much you can be held responsible for?	27
16. Obeying the law	28
17. Insurance	28
18. Data protection	29
19. What you must keep confidential	32
20. When you can share information	33
21. Invalid parts of the contract	34
22. No other terms apply	34
23. Other people's rights in the Contract	34
24. Circumstances beyond your control	34
25. Relationships created by the contract	34
26. Giving up contract rights	35
27. Transferring responsibilities	35
28. Changing the contract	35
29. How to communicate about the contract	36
30. Health, safety and environment	36
31. Further Assurances	36
32. Resolving disputes	37
33. Performance Security	37
34. Dealing with claims	37
35. Contract Orders	38
36. Exclusions	38
37. Which law applies	39

1. Definitions used in the contract

- 1.1 In the Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in this Clause 1 (Definitions used in the Contract) or the relevant Schedule in which that capitalised expression appears.
- 1.2 If a capitalised expression does not have an interpretation in the Contract, it shall, in the first instance, be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise, it shall be interpreted in accordance with the dictionary meaning.
- 1.3 In the Contract, unless the context otherwise requires:
- 1.3.1 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;
 - 1.3.2 a reference to any Law includes a reference to that Law as modified, amended, extended, consolidated, replaced or re-enacted from time to time (including as a consequence of the Retained EU Law (Revocation and Reform) Act 2023) before or after the date of the Contract and any prior or subsequent legislation under it;
 - 1.3.3 the words "**including**", "**other**", "**in particular**", "**for example**" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "**without limitation**";
 - 1.3.4 references to "**Clauses**" and "**Schedules**" are, unless otherwise provided, references to the clauses and schedules of these Conditions and the Contract Specific Conditions and references in any Schedule to parts, Paragraphs, Annexes and tables are, unless otherwise provided, references to the parts, Paragraphs, annexes and tables of the Schedule in which these references appear;
 - 1.3.5 references to "**Paragraphs**" are, unless otherwise provided, references to the paragraph of the appropriate Schedules unless otherwise provided; and
 - 1.3.6 a reference to a document (including the Contract) is to that document as varied, amended, novated, ratified or replaced from time to time.
- 1.4 In the Contract, unless the context otherwise requires, the following words shall have the following meanings:

"Affiliates"	in relation to a body corporate, any other entity which directly or indirectly controls, is controlled by, or is under direct or indirect common control of that body corporate from time to time, as control is defined in Section 450 of the Corporation Tax Act 2010;
"Audit"	the Buyer's right to: (a) verify the accuracy of the Charges and any other amounts payable by the Buyer under the Contract (including proposed or actual variations to them in accordance with the Contract); (b) verify the Supplier's and each Subcontractor's compliance with the applicable Law; (c) identify or investigate any actual or suspected breach of any provision of the Contract;

	(d) carry out the Buyer's internal and statutory audits and to prepare, examine and/or certify the Buyer's annual and interim reports and accounts; or (e) enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Buyer has used its resources;
"Break Point"	the date(s) as specified in the Contract Data (if applicable);
"Buyer Assets"	the Buyer's infrastructure, data, software, materials, assets, equipment or other property owned by and/or licensed or leased to the Buyer and which is or may be used in connection with the provision of the Deliverables which remain the property of the Buyer throughout the term of the Contract;
"Buyer's Authorised Representative"	the representative appointed by the Buyer from time to time in relation to the Contract initially identified in the Contract Data and whom may further delegate duties to assistants;
"Buyer Cause"	any breach of the obligations of the Buyer or any other default, act, omission, negligence or statement of the Buyer, of its employees, servants, agents in connection with or in relation to the subject-matter of the Contract and in respect of which the Buyer is liable to the Supplier;
"Buyer Data"	any (a) data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media; (b) Personal Data for which the Buyer is a Controller; or (c) meta-data relating to categories of data referred to in (a) or (b) that: i) is supplied to the Supplier by or on behalf of the Buyer; or ii) that the Supplier is required to generate, Process, Handle, store or transmit under the Contract;
"Buyer Existing IPR"	any and all IPR that are owned by or licensed to the Buyer and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise);
"Buyer Premises"	premises owned, controlled or occupied by the Buyer which are made available for use by the Supplier or its Subcontractors for the provision of the Deliverables (or any of them);
"Buyer's Confidential Information"	(a) all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments,

	property rights, trade secrets, Know-How and IPR of the Buyer (including all Buyer Existing IPR and New IPR); (b) any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has come) to the Buyer's attention or into the Buyer's possession in connection with the Contract; and information derived from any of the above;
"Buyer Materials"	has the meaning given to this term in Clause 3.2.4;
"Charges"	the prices (exclusive of any applicable VAT) payable to the Supplier by the Buyer under the Contract, as set out in Schedule 2 (Charges) or as otherwise specified in the Contract Order, for the full and proper performance by the Supplier of its obligations under the Contract, less any deductions provided for under the Contract;
"Claim"	any claim in respect of which the Buyer is entitled to indemnification by the Supplier under the Contract;
"Conditions"	the Buyer's terms and conditions which apply to and comprise one part of the Contract set out in the document called "Conditions";
"Confidential Information"	means any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, Know-How, personnel and suppliers of the Buyer or the Supplier, including IPRs, together with information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential (excluding Transparency Information (if applicable));
"Contract"	the contract between the Buyer and the Supplier, which consists of the terms set out and referred to in the: (a) Form of Agreement; (b) Contract Data; (c) Contract Specific Conditions; (d) Conditions; and (e) Schedules and, unless expressly stated otherwise, includes all Contract Orders;
"Contract Data"	the document outlining the crucial information required for the Contract;
"Contract Order"	any order issued to the Supplier by the Buyer pursuant to Clause 35 in respect of any of the Goods and/or Services, in the form provided for in Schedule 6 (Process for Issuing Contract Orders);
"Contract Specific Conditions"	any additional terms and conditions which apply to and comprise one part of the Contract set out in the document called "Contract Specific Conditions";

“Contract Period”	the term of the Contract from the Start Date until the Expiry Date, as such period may be extended or terminated earlier in accordance with the terms and conditions of the Contract;
“Crown Body”	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the Welsh Government), including government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
“Data Loss Event”	any event that results, or may result, in unauthorised access to Personal Data held by the Supplier under the Contract, and/or actual or potential loss and/or destruction of Personal Data in breach of the Contract, including any Personal Data Breach;
“Data Protection Impact Assessment”	an assessment by the Controller of the impact of the envisaged Processing on the protection of Personal Data;
“Data Protection Legislation”	all applicable laws relating to data protection, the processing of personal data, privacy and/or electronic communications in force from time to time; and references to “Controller” , “Data Subjects” , “Data Protection Officer” , “Joint Controllers” , “Personal Data” , “Personal Data Breach” , “Process” , “Processor” and “Processing” have the meanings set out in and will be interpreted in accordance with such laws;
“Data Subject Request”	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data;
“Default”	any breach of the obligations of the Supplier (including abandonment of the Contract in breach of its terms) or any other default (including Material Default), act, omission, negligence or statement of the Supplier, of its Subcontractors or any Supplier Staff howsoever arising in connection with or in relation to the subject-matter of the Contract and in respect of which the Supplier is liable to the Buyer;
“Defect”	any of the following: (a) any error, damage or defect in the manufacturing of a Deliverable; or (b) any error or failure of code within the Software (if applicable and as defined in the ICT Services Schedule where such Schedule is used) which causes a Deliverable to malfunction or to produce unintelligible or incorrect results; or (c) any failure of any Deliverable to provide the performance, features and functionality specified in the requirements of the Buyer or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from passing any Test (if applicable and as defined in the Implementation Plan

	& Testing Schedule where such Schedule is used) required under the Contract; or (d) any failure of any Deliverable to operate in conjunction with or interface with any other Deliverable in order to provide the performance, features and functionality specified in the requirements of the Buyer or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from passing any Test (if applicable and as defined in the Implementation Plan & Testing Schedule where such Schedule is used) required under the Contract;
“Deliverables”	Goods, Services or software that may be ordered and/or developed under the Contract including the Documentation (in accordance with the process set out under Clause 35);
“Delivery”	delivery of the relevant Deliverable or Milestone in accordance with the terms of the Contract as confirmed and accepted by the Buyer by either (a) confirmation in writing to the Supplier; or (b) where the Implementation Plan and Testing Schedule is used, issue by the Buyer of a Satisfaction Certificate (as defined in the Schedule). “Deliver” and “Delivered” shall be construed accordingly;
“Delivery Date”	the date by which the Deliverables must be delivered to the Buyer, as specified in the Contract Data or, where applicable, the Implementation Plan;
“Dispute Resolution Procedure”	the dispute resolution procedure set out in Clause 32 (Resolving disputes);
“Documentation”	descriptions of the Services, technical specifications, manuals, process definitions and procedures, system environment descriptions and all such other documentation (whether in hardcopy or electronic form) as is required to be supplied by the Supplier to the Buyer under the Contract as: (a) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Buyer to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide the Deliverables (b) is required by the Supplier in order to provide the Deliverables; and/or (c) has been or shall be generated for the purpose of providing the Deliverables;
“EIR”	the Environmental Information Regulations 2004;
“Electronic Invoice Standard”	in relation to an electronic invoice means a form that: (a) complies with the standard for electronic invoicing approved and issued by the British Standards Institution in the document numbered BS EN 16931-1:2017 (Electronic invoicing - Part 1: Semantic data model of the core elements of an electronic invoice); and

	(b) uses a syntax which is listed as a syntax that complies with that standard in the document numbered PD CEN/TS 16931-2:2017 (Electronic invoicing - Part 2: List of syntaxes that comply with EN 16931-1) approved and issued by the British Standards Institution;
“Employment Regulations”	the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced;
“Existing IPR”	Buyer Existing IPR and/or Supplier Existing IPR, as applicable in the context;
“Expiry Date”	the date of the end of the Contract as specified in the Contract Data, as may be extended by the Buyer under clause 2 of the Form of Agreement (if applicable);
“Extension Period”	such period or periods that the Contract may be extended up to a maximum of the number of years in total specified in the Contract Data (if applicable);
“Financial Distress Event”	has the meaning given to it in the Financial Difficulties Schedule where that Schedule is used;
“FOIA”	the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time together with any guidance and/or codes of practice issued by the UK information commissioner or relevant UK government department in relation to such legislation;
“Force Majeure Event”	any event, circumstance, matter or cause affecting the performance by either the Buyer or the Supplier of its obligations arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control which prevent or materially delay it from performing its obligations under the Contract and which is not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, but excluding: (i) any industrial dispute relating to the Supplier, the Supplier Staff (including any subsets of them) or any other failure in the Supplier or the Subcontractor’s supply chain; (ii) any event, occurrence, circumstance, matter or cause which is attributable to the wilful act, neglect or failure to take reasonable precautions against it by the Party concerned; and (iii) any failure or delay caused by a lack of funds;
“General Change in Law”	a change in Law which is not a Specific Change in Law;
“Goods”	goods to be supplied by the Supplier to the Buyer under the Contract as specified in Schedule 1 (Specification), the Contract Data and the Contract Order;
“Good Industry Practice”	at any time standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and

	care, diligence, prudence and foresight which would reasonably and ordinarily be expected at such time from a skilled and experienced person or body engaged within the relevant industry or business sector;
“Guarantor”	the person (if any) who has entered into a guarantee in the form prescribed by the Buyer in relation to the Contract;
“Handle”	any operation performed on data, whether or not by automated means, including collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of that data;
“Impact Assessment”	an assessment of the impact of a Variation request by the Buyer completed in good faith, including: (a) details of the impact of the proposed Variation on the Deliverables and the Supplier’s ability to meet its other obligations under the Contract; (b) details of the cost of implementing the proposed Variation; (c) details of the ongoing costs required by the proposed Variation when implemented, including any increase or decrease in the Charges (as applicable), any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party; (d) a timetable for the implementation, together with any proposals for the testing of the Variation; and (e) such other information as the Buyer may reasonably request in (or in response to) the Variation request;
“Implementation Plan”	the plan for provision of the Deliverables set out in the Implementation Plan and Testing Schedule where that Schedule is used or otherwise as agreed between the Supplier and the Buyer (if any);
“Independent Control”	where a Controller has provided Personal Data to another Party which is not a Processor or a Joint Controller because the recipient itself determines the purposes and means of Processing but does so separately from the Controller providing it with Personal Data and “Independent Controller” shall be construed accordingly;
“Insolvency Event”	in respect of a person: (a) that person is insolvent; or (b) an order is made or a resolution is passed for the winding up of the person (other than voluntarily for the purpose of solvent amalgamation or reconstruction); or (c) that person makes any composition or arrangement with its creditors; or (d) an administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or

	(e) an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given; or (f) any event analogous to those listed in limbs (a) to (e) (inclusive) occurs under the law of any other jurisdiction;
"Intellectual Property Rights" or "IPR"	(a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade marks, rights in internet domain names and website addresses and other rights in trade or business names, goodwill, designs, Know-How, trade secrets and other rights in Confidential Information; (b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and (c) all other rights having equivalent or similar effect in any country or jurisdiction;
"IPR Claim"	any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR (excluding COTS Software as defined in the ICT Services Schedule where such Schedule is used) used to provide the Deliverables or otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Buyer in the fulfilment of its obligations under the Contract;
"Joint Control"	where two or more Controllers jointly determine the purposes and means of Processing;
"Key Performance Indicators"	any key performance indicators applicable to the provision of the Deliverables under the Contract, which are included in the Performance Levels With Service Credits Schedule or Performance Levels Without Service Credits Schedule if used in the Contract;
"Key Supplier Staff"	the individuals (if any) identified as such in the Contract Data;
"Know-How"	all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Deliverables but excluding know-how already in the other Party's possession before the Start Date;
"Law"	any law and any legally binding rule, policy, guidance or recommendation issued by any governmental, statutory or regulatory body and any legally binding industry code of conduct or guideline, in each case which applies to one or each of the Parties or relates to the subject matter or performance of the Contract and which is in force from time to time;
"Losses"	all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort

	(including negligence), breach of statutory duty, misrepresentation or otherwise and " Loss " shall be interpreted accordingly;
"Material Default"	a single serious Default or a number of Defaults or repeated Defaults (whether of the same or different obligations and regardless of whether such Defaults are remedied);
"Milestone"	an event or task described in the Implementation Plan;
"New IPR"	(a) IPR in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of the Contract and updates and amendments of these items; and/or (b) IPR in or arising as a result of the performance of the Supplier's obligations under the Contract and all updates and amendments to the same; but shall not include the Supplier Existing IPR;
"Notifiable Default"	the Supplier commits a Material Default;
"Other Supplier"	any supplier to the Buyer (other than the Supplier) which is specified in the Contract Order from time to time;
"Party"	the Buyer or the Supplier and " Parties " shall mean both of them where the context permits;
"Processor Personnel"	all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Subprocessor engaged in the performance of its obligations under the Contract;
"Protective Measures"	technical and organisational measures designed to ensure compliance with obligations of the Parties arising under Data Protection Legislation including pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the such measures adopted by it;
"Recall"	a request by the Supplier to return Goods to the Supplier or the manufacturer after the discovery of safety issues or Defects (including defects in the IPR rights) that might endanger health or hinder performance;
"Rectification Plan"	the Supplier's plan (or revised plan) to rectify a Notifiable Default which shall include: (a) full details of the Notifiable Default that has occurred, including a root cause analysis; (b) the actual or anticipated effect of the Notifiable Default; and (c) the steps which the Supplier proposes to take to rectify the Notifiable Default (if applicable) and to prevent such Notifiable Default from recurring, including timescales for

	such steps and for the rectification of the Notifiable Default (where applicable);
"Rectification Plan Process"	the process set out in Clause 12;
"Replacement Deliverables"	any deliverables which are substantially similar to any of the Deliverables and which the Buyer receives in substitution for any of the Deliverables, whether those goods are provided by the Buyer internally and/or by any third party;
"Request For Information"	a request for information or an apparent request relating to the Contract for the provision of the Deliverables or an apparent request for such information under the FOIA or the EIRs;
"Required Insurances"	the insurances set out in the Contract Data;
"Restricted Transfer"	a transfer of Personal Data processed in connection with the Supplier's obligations under the Contract which is undergoing processing or which is intended to be processed after transfer, to a country or territory to which such transfer is prohibited or subject to any requirement to take additional steps to adequately protect the Personal Data for the transfer to be lawful under the Data Protection Legislation;
"Security Incident"	(a) the unlawful or unauthorised processing of Personal Data; or (b) any security incident affecting the Personal Data (including (without limitation) a personal data breach as defined in the Data Protection Legislation);
"Services"	services to be supplied by the Supplier to the Buyer under the Contract as specified in Schedule 1 (Specification), the Contract Data and the Contract Order;
"Sites"	any premises (including the Buyer Premises, the Supplier's premises or third party premises): (a) from, to or at which: (i) the Deliverables are (or are to be) provided; (ii) the Supplier manages, organises or otherwise directs the provision or the use of the Deliverables; (b) where ICT Services are being provided: (i) those premises at which any Supplier Equipment or any part of the Supplier System is located; (ii) any physical interface with the Buyer System takes place, "Buyer System" and "Supplier System" as defined in the ICT Services Schedule (if used);

"Specification"	the specification set out in Schedule 1 (Specification), as may, in relation to the Contract, be supplemented by the Contract Order;
"Specific Change in Law"	a change in Law that relates specifically to the business of the Buyer and which would not affect a comparable supply of Deliverables to another buyer where the effect of that Specific Change in Law on the Deliverables is not reasonably foreseeable at the Start Date;
"Start Date"	the date specified on the Contract Data;
"Sub-Contract"	any contract or agreement (or proposed contract or agreement), other than the Contract, pursuant to which a third party: (a) provides the Deliverables (or any part of them); (b) provides facilities or services necessary for the provision of the Deliverables (or any part of them); and/or (c) is responsible for the management, direction or control of the provision of the Deliverables (or any part of them);
"Subcontractor"	any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;
"Subprocessor"	any third party appointed to process Personal Data on behalf of the Processor related to the Contract;
"Supplier's Authorised Representative"	the representative appointed by the Supplier named in the Contract Data, or later defined in the Contract;
"Supplier Equipment"	the Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the Buyer) in the performance of its obligations under the Contract;
"Supplier Existing IPR"	any and all IPR that are owned by or licensed to the Supplier and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise) and any Intellectual Property Rights owned by a third party, in each case used by the Supplier in the provision of or otherwise incorporated in the Deliverables;
"Supplier Non-Performance"	where the Supplier has failed to: (a) where the Implementation Plan and Testing Schedule is used, Achieve a Milestone by its Milestone Date; (b) Deliver a Deliverable by its Delivery Date; (c) provide the Goods and/or Services in accordance with the Key Performance Indicators; and/or (d) comply with an obligation under the Contract;
"Supplier Staff"	any individual engaged, directly or indirectly, or employed by the Supplier and/or any Subcontractor in the management or performance of the Supplier's obligations under the Contract;

"Supplier's Confidential Information"	(a) any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Existing IPR) trade secrets, Know-How, and/or personnel of the Supplier; (b) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with the Contract; information derived from any of (a) and (b) above;
"Termination Notice"	a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate the Contract on a specified date and setting out the grounds for termination;
"Transparency Information"	(a) any information permitted or required to be published by the Procurement Act 2023, any regulations published under it, and any Procurement Policy Notes, subject to any exemptions set out in Sections 94 and 99 of the Procurement Act 2023, which shall be determined by the Buyer taking into account any commercially sensitive information; (b) any information about the Contract, including the content of the Contract requested and required to be disclosed under FOIA or the EIRs, and any changes to the Contract agreed from time to time, subject to any relevant exemptions, which shall be determined by the Buyer taking into account any commercially sensitive information; (c) any information which is published in accordance with guidance issued by His Majesty's Government, from time to time; and (d) any of the information that the Buyer is permitted or required to publish by the Procurement Act 2023, any regulations published under it and any Procurement Policy Notes, relating to the performance of the Supplier against any Key Performance Indicator and any information contained in any Performance Monitoring Reports (as that term is defined in Performance Levels Schedule (if used)), subject to any exemptions set out in Sections 94 and 99 of the Procurement Act 2023, or under the provisions of FOIA, which shall be determined by the Buyer taking into account any commercially sensitive information;
"Variation"	a variation to the Contract and/or any Contract Order;
"Variation Procedure"	the procedure set out in Clause 28 (Changing the contract);
"Warranty Period"	has the meaning given to this term in Clause 3.1.3; and

"Working Day"	any day other than a Saturday or Sunday or public holiday in England and Wales unless specified otherwise by the Parties in the Contract Data.
----------------------	--

2. How the contract works

- 2.1 The Supplier acknowledges it has all the information required to perform its obligations under the Contract before entering into it. When information is provided by the Buyer no warranty of its accuracy is given to the Supplier.
- 2.2 The Supplier acknowledges it has satisfied itself of all details relating to the Buyer's operating process and working methods and the Buyer's requirements for the Deliverables.
- 2.3 The Supplier warrants and represents that all statements made and documents submitted as part of the procurement of Deliverables are and remain true and accurate.

3. What needs to be delivered

3.1 All deliverables

- 3.1.1 The Supplier must in accordance with Good Industry Practice provide Deliverables:
 - a) that comply with the Specification and the Contract;
 - b) using its own policies, processes and internal quality control measures as long as they don't conflict with the Contract;
 - c) on the dates agreed; and
 - d) that comply with Law.
- 3.1.2 In performing its obligations under the Contract, the Supplier must comply and must ensure that its Subcontractors comply with the Buyer's security policies and procedures including:
 - a) NR/L1/SCT/002 Cyber security and resilience for digital systems; and
 - b) Supplier (Supply Chain) Security Policy.
- 3.1.3 The Supplier must provide Deliverables with a warranty of at least ninety days from Delivery against all obvious Defects or for such other period as specified in the Contract Order (the **"Warranty Period"**).
- 3.1.4 Except as expressly stated in the Contract and/or any Contract Order, all warranties and conditions implied by statute, common law or otherwise are hereby excluded to the extent permitted by Law.

3.2 Goods Clauses

- 3.2.1 All Goods delivered must be new, or as new if recycled, unused and of recent origin.
- 3.2.2 Where the Charges are calculated by reference to the weight of the Goods, payment will be made on the net weight of the Goods only.
- 3.2.3 The Supplier transfers ownership of, and title to, the Goods on payment for those Goods. Provided that this Clause 3.2.3 shall not apply where the Buyer supplies materials to be incorporated in the Goods, in which case Clause 3.2.4 shall apply.
- 3.2.4 If the Buyer supplies materials to be incorporated into the Goods (**"Buyer Materials"**), and without prejudice to the rights of Buyer to reject and require the replacement of the Goods by the Seller under this Clause 3.2, ownership of, and title to, the Buyer Materials shall remain at all times with the Buyer and on incorporation of the Buyer Materials into the Goods then ownership of, and title to, the Goods shall transfer to the Buyer and the provisions of Clause 3.2.5 shall apply.

- 3.2.5 No Goods, materials or other items referred to in Clause 3.2.4 or any Goods in respect of which payment has been made by the Buyer prior to Delivery, shall be, except in compliance with the Contract, removed from the Supplier's premises without the prior written consent of the Buyer. The Supplier shall set aside and separately identify and clearly mark such Goods, materials and other items as owned by the Buyer and, if required by the Buyer, shall display a notice with such items to the effect that they are the absolute property of the Buyer and may not be removed from the Supplier's premises without the prior written consent of the Buyer.
- 3.2.6 Risk in the Goods or part of the Goods transfers to the Buyer on Delivery of the Goods or part of such Goods (as the case may be) (notwithstanding that payment may have already been made and ownership passed to the Buyer), but remains with the Supplier if the Buyer notices damage following Delivery and lets the Supplier know within three Working Days of Delivery.
- 3.2.7 The Supplier warrants that it has full and unrestricted ownership of the Goods at the time of transfer of ownership.
- 3.2.8 The Supplier must deliver the Goods on the Delivery Date and to the delivery address specified in the Contract Order during the Buyer's working hours. Late Delivery of the Goods will be a Default of the Contract.
- 3.2.9 The Supplier must provide sufficient packaging for the Goods to reach the point of Delivery safely and undamaged.
- 3.2.10 All deliveries must have a delivery note attached that specifies the order number, type and quantity of Goods.
- 3.2.11 The Supplier must provide all tools, information and instructions the Buyer needs to make use of the Goods.
- 3.2.12 The Supplier shall be responsible for all reasonable costs incurred by the Buyer in respect of any Recall of the Goods and must give prompt notice to the Buyer of any actual or anticipated action about the Recall of the Goods.
- 3.2.13 The Buyer can cancel any order or part order of Goods which has not been Delivered and it will pay the Supplier's reasonable and proven costs already incurred on the cancelled order as long as the Supplier uses all reasonable endeavours to minimise these costs.
- 3.2.14 The Supplier must at its own cost repair, replace, refund or substitute (at the Buyer's option and request) any Goods that the Buyer rejects because they don't conform with Clause 3. If the Supplier doesn't do this it will pay the Buyer's reasonable costs including repair or re-supply by a third party.
- 3.2.15 Any Goods replaced or repaired under Clause 3.2.14 shall be subject to the full Warranty Period which shall run from the actual date of delivery of the Goods following their repair or replacement and Clause 3.2.14 shall apply for the full Warranty Period.
- 3.2.16 The Buyer will not be liable for any actions, claims or Losses incurred by the Supplier or any third party during Delivery or installation of the Goods unless and to the extent that it is caused by negligence or other wrongful act of the Buyer or its servant or agent. If the Buyer suffers or incurs any Loss or injury (whether fatal or otherwise) occurring in the course of Delivery or installation then the Supplier shall be responsible for any losses, charges, costs or expenses which arise as a result of or in connection with such Loss or injury where it is attributable to any act or omission of the Supplier or any of its Subcontractors or Supplier Staff.

3.3 Services Clauses

- 3.3.1 The Supplier must Deliver the Services in accordance with the Delivery Dates.

- 3.3.2 The Supplier must co-operate with the Buyer and Other Suppliers on all aspects connected with the Delivery of the Services and ensure that Supplier Staff comply with any reasonable instructions of the Buyer or Other Suppliers.
- 3.3.3 The Supplier must at its own risk and expense provide all Supplier Equipment required to Deliver the Services. Any equipment provided by the Buyer to the Supplier for supplying the Services remains the property of the Buyer and is to be returned to the Buyer on expiry or termination of the Contract.
- 3.3.4 The Supplier must allocate sufficient resources and appropriate expertise to the Contract.
- 3.3.5 The Supplier must take reasonable care to ensure performance does not disrupt the Buyer's operations, employees or other contractors.
- 3.3.6 All Services, and anything used to Deliver the Services, must be of good quality and free from Defects.
- 3.3.7 The Buyer is entitled to withhold payment for partially or undelivered Services, but doing so does not stop it from using its other rights under the Contract.
- 3.3.8 On completion of the Services, the Supplier is responsible for leaving the Buyer Premises in a clean, safe and tidy condition and making good any damage that it has caused to the Buyer Premises or Buyer Assets, other than fair wear and tear.

4. Pricing and payments

- 4.1 In exchange for the Deliverables, the Supplier must invoice the Buyer for the Charges as determined in accordance with Schedule 2 (Charges) or as otherwise specified in the Contract Order. Invoices shall be issued either on completion of Delivery of the Deliverables or as otherwise described in Schedule 2 (Charges) or as otherwise specified in the Contract Order.
- 4.2 All Charges:
 - 4.2.1 exclude VAT, which is payable on provision of a valid VAT invoice; and
 - 4.2.2 include all costs connected with the Supply of Deliverables.
- 4.3 The Buyer must pay the Supplier the Charges:
 - 4.3.1 before the end of the period of twenty-eight days beginning with the day on which an invoice is received by the Buyer in respect of the sum, subject to the invoice being verified by the Buyer as valid and undisputed; and
 - 4.3.2 in cleared funds to the Supplier's account as notified to the Buyer.
- 4.4 A Supplier invoice is only valid if it:
 - 4.4.1 includes the minimum required information set out in Section 68(9) of the Procurement Act 2023;
 - 4.4.2 includes all appropriate references including the Contract reference number and other details reasonably requested by the Buyer;
 - 4.4.3 includes a detailed breakdown of Delivered Deliverables and Milestone(s) (if any); and
 - 4.4.4 is addressed to "Network Rail, Accounts Payable, P.O. Box 4145, Manchester M60 7WZ" or, if no supporting documentation is attached, original computer-generated pdf invoices can be emailed to invoices@networkrail.co.uk.
- 4.5 Where any invoice does not conform to the Buyer's requirements set out in Clause 4.4, or the Buyer disputes the invoice, the Buyer shall notify the Supplier without undue delay.

- 4.6 The Buyer shall accept for processing any electronic invoice that complies with the Electronic Invoice Standard, provided that it is valid and undisputed.
- 4.7 Where any invoice does not conform to the Buyer's requirements set out in this Clause 4, the Buyer shall notify the Supplier without undue delay and the Supplier shall promptly issue a replacement invoice which shall comply with such requirements.
- 4.8 The Buyer may retain or set-off payment of any amount owed to it by the Supplier under the Contract, any Contract Orders or any other agreement between the Supplier and the Buyer if notice and reasons are provided.
- 4.9 The Supplier must ensure that all Subcontractors are paid, in full, before the end of the period of twenty-eight days beginning with the day on which an invoice is received by the Supplier, subject to the invoice being verified by the Supplier as valid and undisputed.
- 4.10 If the Supplier does not comply with Clause 4.9, the Buyer can publish the details of the late payment or non-payment.

5. The Buyer's obligations to the Supplier

- 5.1 If Supplier Non-Performance arises from a Buyer Cause:
 - 5.1.1 the Buyer cannot terminate the Contract and/or any Contract Order under Clause 14.2.1;
 - 5.1.2 the Supplier is entitled to reasonable and proven additional expenses and to relief from liability and any deductions provided for under the Contract;
 - 5.1.3 the Supplier is entitled to additional time needed to make the Delivery.
- 5.2 Clause 5.1 only applies if the Supplier:
 - 5.2.1 gives notice to the Buyer of the Buyer Cause within ten Working Days of becoming aware;
 - 5.2.2 demonstrates that the Supplier Non-Performance would not have occurred but for the Buyer Cause; and
 - 5.2.3 mitigated the impact of the Buyer Cause, to the extent reasonably practicable.

6. Record keeping and reporting

- 6.1 The Supplier must ensure that suitably qualified representatives attend progress meetings with the Buyer and provide progress reports when specified in any Schedule and/or the Contract Order.
- 6.2 The Supplier must keep and maintain full and accurate records and accounts in respect of the Contract during the Contract Period and for seven years thereafter and in accordance with the Data Protection Legislation, including the records and accounts which the Buyer has a right to Audit.
- 6.3 If the Supplier becomes aware of an event that has occurred or is likely to occur in the future which will have a material effect on the Charges then the Supplier must notify the Buyer in writing as soon as practicable setting out the actual or anticipated effect of the event.
- 6.4 The Buyer or an auditor can Audit the Supplier.
- 6.5 The Supplier must allow the Buyer and/or any auditor appointed by the Buyer access to their premises and the Buyer will use reasonable endeavours to ensure that any such auditor will:
 - 6.5.1 comply with the Supplier's operating procedures; and

- 6.5.2 not unreasonably disrupt the Supplier or its provision of the Deliverables.
- 6.6 During an Audit, the Supplier must provide information to the Buyer and/or auditor appointed by the Buyer and must provide any reasonable co-operation requested, including access to:
 - 6.6.1 all information within the permitted scope of the Audit;
 - 6.6.2 any Sites, equipment and the Supplier's ICT system used in the performance of the Contract; and
 - 6.6.3 the Supplier Staff.
- 6.7 The Parties will bear their own costs when an Audit is undertaken unless the Audit identifies a Material Default by the Supplier, in which case the Supplier will repay the Buyer's reasonable costs in connection with the Audit.
- 6.8 The Supplier must comply with the Buyer's reasonable instructions following an Audit, including:
 - 6.8.1 correcting any identified Default; and
 - 6.8.2 repaying any Charges that the Buyer has overpaid.
- 6.9 If the Supplier is not providing any of the Deliverables, or is unable to provide them, it must immediately:
 - 6.9.1 tell the Buyer and give reasons;
 - 6.9.2 propose corrective action; and
 - 6.9.3 provide a deadline for completing the corrective action.
- 6.10 Except where an Audit is imposed on the Buyer by a regulatory body or where the Buyer has reasonable grounds for believing that the Supplier has not complied with its obligations under the Contract and/or any Contract Order(s), the Buyer may not conduct an Audit of the Supplier more than twice in any consecutive period of twelve months commencing on the Start Date or each anniversary thereof.

7. Supplier staff

- 7.1 The Supplier Staff involved in the performance of the Contract must:
 - 7.1.1 be appropriately trained and qualified;
 - 7.1.2 be vetted using Good Industry Practice and the security vetting procedure specified in Clause 7.7; and
 - 7.1.3 comply with all conduct requirements when on the Buyer's Premises.
- 7.2 Where the Buyer decides (acting reasonably) one of the Supplier's Staff is not suitable to work on the Contract, the Supplier must replace them with a suitably qualified alternative.
- 7.3 The Supplier must provide a list of Supplier Staff needing to access the Buyer's Premises and say why access is required.
- 7.4 The Supplier shall be responsible for all claims brought by any person employed or engaged by the Supplier caused by an act or omission of the Supplier or any Supplier Staff and shall be responsible for all costs and losses incurred by the Buyer in respect of these.
- 7.5 The Key Supplier Staff specified in the Contract Data shall carry out the Services and provide the Deliverables, performing the roles identified against their names in the Contract Data, unless otherwise agreed with the Buyer (whose agreement shall not be unreasonably withheld or delayed).
- 7.6 The Supplier shall:

- 7.6.1 notify the Buyer as soon as reasonably practicable of the absence of any Key Supplier Staff (other than for short-term sickness or holidays of two weeks or less, in which case the Supplier shall ensure appropriate temporary cover for their role);
 - 7.6.2 ensure that all arrangements for agreed changes in Key Supplier Staff provide adequate periods during which incoming and outgoing staff work together to transfer responsibilities and ensure that such change does not have an adverse impact on the provision of the Deliverables; and
 - 7.6.3 ensure that any replacement for Key Supplier Staff has a level of qualifications and experience appropriate to the relevant role and is fully competent to carry out the tasks assigned to the Key Supplier Staff that they have replaced.
- 7.7 The Supplier shall and shall procure that its Subcontractors shall comply with the security vetting procedures specified below:
- 7.7.1 the Supplier Staff have been subject to pre-employment screening required by Law. As a minimum this includes identity verification and UK right to work checks;
 - 7.7.2 to control risk to the railway associated with unsupervised access to sensitive information (OFFICIAL-SENSITIVE or above), Critical National Infrastructure sites and associated systems, certain Supplier Staff may be required to pass additional checks such as employment history check, confirmation of UK residency, disclosure of unspent convictions and National Security Vetting (NSV). Roles that require additional checks will be notified to the Supplier by the Buyer;
 - 7.7.3 the Supplier shall not and shall procure that its Subcontractors shall not use Supplier Staff who are unable to comply with Clauses 7.7.1 and 7.7.2.
 - 7.7.4 the Supplier shall ensure that the Supplier Staff:
 - a) that have access to Buyer's infrastructure and premises shall complete the Buyer's 'Railway Counter-Terrorism' training,
 - b) that are given a log in to the Buyer's corporate IT system shall complete the Buyer's 'Security on the Railway' training,
 both such training to be renewed biennially with training records kept by the Supplier for five years and shall be made available to the Buyer on request. The Buyer shall provide the training material at no additional cost to the Supplier.
- 7.8 The Buyer shall be responsible for all claims brought by any person employed or engaged by the Buyer caused by an act or omission of the Buyer or any of the Buyer's employees, agents, consultants and contractors.
- 7.9 The provisions of this Clause 7 are in addition to and not in substitution for the employment exit provisions of Clause 9.

8. Supply chain

- 8.1 At the Buyer's request, the Supplier must terminate any Sub-Contracts in any of the following events:
 - 8.1.1 the acts or omissions of the Subcontractor have caused or materially contributed to a right of termination under Clause 14.2; and/or
 - 8.1.2 the Subcontractor fails to comply with its obligations in respect of environmental, social or employment Law.
- 8.2 The Supplier is responsible for all acts and omissions of its Subcontractors and those employed or engaged by them as if they were its own.

- 8.3 The Supplier must ensure that it does not any time during the Contract Period enter into a Sub-contract with:
- 8.3.1 any supplier that is on the debarment list on the basis of a mandatory exclusion ground within the meaning of the Procurement Act 2023 and associated regulations; or
 - 8.3.2 any supplier that is on the debarment list on the basis of a discretionary exclusion ground within the meaning of the Procurement Act 2023 and associated regulations, unless the Supplier has obtained the Buyer's prior written consent to the appointment of the relevant proposed Subcontractor.
- 8.4 If a Subcontractor is to be appointed under the Contract and / or any Contract Order, then the Buyer may, in accordance with Section 72 of the Procurement Act 2023, require that the Supplier enters into a legally binding arrangement with the proposed Subcontractor within such reasonable period after the Start Date, as specified by the Buyer.
- 8.5 If the Supplier does not enter into a legally binding agreement in accordance with Clause 8.4 the Buyer may:
- 8.5.1 terminate the Contract and / or any Contract Order and the consequences of termination set out in Clauses 14.3.1b) to 14.3.1g) shall apply; or
 - 8.5.2 require the Supplier to enter into a legally binding agreement with an alternate Subcontractor.
- 8.6 Where Sub-Contracts in the Supplier's supply chain are entered into wholly or substantially for the purposes of performing or contributing to the performance of the whole of any part of the Contract and/or any Contract Order, the Supplier will take all reasonable endeavours to ensure that they all contain provisions that:
- 8.6.1 require that all Subcontractors are paid in accordance with the requirements specified under Clause 4.9 (and provide the rights for the Buyer set out in Clause 4.10), subject to the invoice being verified by the party making payment as valid and disputed; and
 - 8.6.2 require the party receiving goods or services under the contract to consider and verify invoices under that contract in a timely fashion and notify the Subcontractor without undue delay if it considers the invoice invalid or it disputes the invoice.
- 8.7 The Supplier must ensure that a term equivalent to Clause 8.6 is included in each Sub-Contract in its supply chain, such that each Subcontractor is obliged to include those terms in any of its own Sub-Contracts in the supply chain for the delivery of the Contract and/or any Contract Order. References to the "Supplier" and "Subcontractor", in Clause 8.4 are to be replaced with references to the respective Subcontractors who are parties to the relevant contract.
- 8.8 Prior to sub-contracting any of its obligations under the Contract and/or any Contract Order, the Supplier shall notify the Buyer in writing of:
- 8.8.1 the proposed Sub-contractor's name, registered office and company registration number;
 - 8.8.2 the scope of any Services to be provided by the proposed Sub-contractor; and
 - 8.8.3 any further information reasonably requested by the Buyer.
- 8.9 The Buyer may within 10 Working Days of receipt of the Supplier's notice issued pursuant to Clause 8.8 (or, if later, receipt of any further information requested pursuant to Clause 8.8.3), object to the appointment of the relevant Sub-contractor if it considers that the proposed Subcontractor is an excluded or excludable supplier within the meaning of the Procurement Act 2023 and any associated regulations, in which case, the Supplier shall not proceed with the proposed appointment.

9. TUPE

Notwithstanding anything to the contrary elsewhere in the Contract:

- 9.1 the Supplier shall be responsible for and shall indemnify and keep indemnified the Buyer and any supplier of Replacement Deliverables from and against all and any costs, claims, expenses, damages, demands, actions, losses and liabilities arising out of or in connection with any claim in respect of any person which arises or is alleged to arise by reason of the Supplier's failure to comply with its obligations and/or for failure to inform and consult under the Employment Regulations;
- 9.2 in the last twelve months prior to Expiry Date or after a notice of termination has been given, within twenty-eight days of the Buyer's request, the Supplier shall provide the Buyer with an anonymised list of all persons who are, who have been, or who may be at any time concerned with the Services or any part of them, specifying their ages, employer, job title, job description, basic salary, bonus and all other emoluments and benefits, period of continuous employment, the percentage of the time that they have worked on the Contract, details of any agreements entered into with employee representative bodies in relation to such persons, details of all training and competency courses attended and certificates or qualifications obtained, place of work, all relevant contractual and non-contractual termination or severance arrangements, notice periods, contractual holiday entitlements, copy of employment contract or applicable standard terms and employee handbook, immigrant status and right to work documentation, information on any disciplinary or grievance procedure taken against or by any person within the preceding two years, information about any tribunal claims in the preceding two years or whether there are reasonable grounds to believe a claim may be brought and such other requirements as the Buyer may reasonably require (altogether the "Employee Data"). The Buyer will, subject to compliance with any Data Protection Legislation, be permitted to disclose any information provided to it under this sub-Clause in summary and/or anonymised form to any person who has been invited to tender for the provision of the Services (or similar services) and to any supplier of Replacement Deliverables and their subcontractors. The Supplier warrants, for the benefit of the Buyer and any such replacement supplier or subcontractor, that the Employee Data shall be true and accurate in all material respects at the time of providing the information.
- 9.3 in the last twelve months prior to Expiry Date or after a notice of termination has been given, the Supplier shall (and shall procure that any Subcontractor shall) provide to the people engaged in the performance of the Contract, written contracts of employment or statements of terms of employment, in either case complying with the requirements of Section 1 of the Employment Rights Act 1996, and retain copies of such documents together with such other documentation and PAYE records as may reasonably be required by the Buyer ("Personnel Records") and shall (where the Employment Regulations is likely to apply) within twenty-eight days of the Buyer's request, whether during the Contract Period or thereafter, deliver up to the Buyer or to such person as the Buyer may nominate, the Employee Data, such copies of the Personnel Records as may be required by the Buyer and, to the extent not otherwise provided, any employee liability information pursuant to and in accordance with Regulation 11 of the Employment Regulations. The Buyer may communicate such information (prior to the end of the Contract Period in summary and/or anonymised form) to any person who has been invited to tender for the provision of the Services (or similar services) and to any supplier of Replacement Deliverables and their subcontractors. The Supplier warrants, for the benefit of the Buyer and any such replacement supplier or sub-contractor that all information provided pursuant to this Clause 9.3 shall be true and accurate in all material respects at the time of providing the information;
- 9.4 the Supplier shall not (and shall procure that any Subcontractor shall not) (where the Employment Regulations may potentially apply) in the last six months prior to Expiry Date

or after a notice of termination has been given, without the prior written permission of the Buyer:

- 9.4.1 vary or purport or promise to vary (in the employee's favour), the terms of the contract of employment of any person engaged wholly or principally in the execution of the Services;
 - 9.4.2 terminate or give notice to terminate the employment or engagement of any person engaged wholly or principally in the execution of the Services;
 - 9.4.3 deploy or assign any person to perform the Services who is not already doing so with the effect that the number of persons engaged wholly or principally in the execution of the Services increases;
 - 9.4.4 increase or reduce to any significant degree the proportion of working time spent on the Services by any person engaged wholly or principally in the execution of the Services; or
 - 9.4.5 introduce any new contractual or customary practice (including any payments on termination of employment) applicable to any person engaged wholly or principally in the execution of the Services;
 - 9.5 the Supplier shall not (and shall procure that any Subcontractor shall not) (where the Employment Regulations may potentially apply), without the prior written consent of the Buyer create or grant, or promise to create or grant, terms or conditions of employment for any new employee engaged wholly or principally in the execution of the Services if and to the extent that such terms or conditions are materially different to the terms or conditions of employment of equivalent or nearest equivalent existing employees (which themselves comply with Clause 9.4) at the date of commencement of employment of such new employee;
 - 9.6 the Supplier shall (and shall procure that any Subcontractor shall) (where the Employment Regulations may potentially apply) at all times comply with its information and consultation obligations under Regulation 13 of the Employment Regulations; and
 - 9.7 the Supplier shall indemnify and keep indemnified the Buyer and any supplier of Replacement Deliverables against all reasonable and foreseeable costs, claims, expenses, damages, demands, actions, losses and liabilities arising out of or in connection with:
 - 9.7.1 any act, default or omission of the Supplier or any Subcontractor in respect of any person who was or is employed or engaged by the Supplier or any Subcontractor;
 - 9.7.2 the employment or termination of employment of any person engaged wholly or principally in the execution of the Services up to and including termination or expiry of the Contract;
 - 9.7.3 any breach by the Supplier or any Subcontractor of its obligation to provide employee liability information to the Buyer or any successor supplier in accordance with Regulation 11 of the Employment Regulations; and/or
 - 9.7.4 any breach by the Supplier of Clauses 9.4, 9.5 and/or 9.6;
- and, despite anything else in the Contract, such a successor supplier can directly enforce the indemnity in its favour provided for by Clauses 9.1 and 9.7.

10. Rights and protection

- 10.1 The Supplier warrants and represents that:
 - 10.1.1 it has full capacity and authority to enter into and to perform the Contract which is entered into by its authorised representative;
 - 10.1.2 there are no known legal or regulatory actions or investigations before any court, administrative body or arbitration tribunal pending or threatened against it or its Affiliates that might affect its ability to perform the Contract;

- 10.1.3 all necessary rights, authorisations, licences and consents (including in relation to IPRs) are in place to enable the Supplier to perform its obligations under the Contract and for the Buyer to receive the Deliverables; and
- 10.1.4 it is not impacted by an Insolvency Event or (where applicable) a Financial Distress Event.
- 10.2 The warranties and representations in Clauses 2.3 and 10.1 are repeated each time the Supplier provides Deliverables under the Contract.
- 10.3 The Supplier indemnifies the Buyer for Losses incurred by it against each of the following:
 - 10.3.1 wilful misconduct of the Supplier, Subcontractor and Supplier Staff that impacts the Contract; and
 - 10.3.2 non-payment by the Supplier of any tax or national insurance.
- 10.4 If the Supplier becomes aware of a representation or warranty that becomes untrue or misleading, it must immediately notify the Buyer.
- 10.5 All third party warranties and indemnities covering the Deliverables must be assigned for the Buyer's benefit by the Supplier for free.
- 10.6 The description of any provision of the Contract as a warranty does not prevent the Buyer from exercising any termination right that it may have for Default of that provision by the Supplier.

11. Intellectual Property Rights (IPRs)

- 11.1 This Clause 11 shall apply in respect of Intellectual Property Rights, except that where either the IPR Schedule or the ICT Services Schedule is used the provisions of those Schedules with regard to Intellectual Property Rights shall replace Clauses 11.2 to 11.7.
- 11.2 Any New IPR created under the Contract is owned by the Supplier. The Supplier gives the Buyer a non-exclusive, perpetual, royalty-free, irrevocable, transferable, sub-licensable licence to use, copy and adapt the New IPR:
 - 11.2.1 to enable it to receive and use the Deliverables; and
 - 11.2.2 for any other purpose relating to the exercise of the Buyer's business or function.
- 11.3 Each Party keeps ownership of its own Existing IPR.
- 11.4 The Supplier gives (or procures for) the Buyer a non-exclusive, perpetual, royalty-free, irrevocable, transferable, sub-licensable licence to use, copy and adapt the Supplier Existing IPR to enable it to receive and use the Deliverables.
- 11.5 The termination or expiry of the Contract does not terminate the licences granted pursuant to Clauses 11.2 and 11.4.
- 11.6 The Buyer gives the Supplier a licence to use any of the Buyer Existing IPR as necessary for the purpose of fulfilling its obligations under the Contract during the Contract Period only.
- 11.7 Where either Party acquires, by operation of law, ownership of Intellectual Property Rights that is inconsistent with Clauses 11.2 and 11.3, it must assign in writing the Intellectual Property Rights concerned to the other Party on the other Party's request (whenever made).
- 11.8 Neither Party has the right to use the other Party's IPRs, including any use of the other Party's names, logos or trademarks, except as expressly granted under the Contract or as otherwise agreed in writing.
- 11.9 Except as expressly granted elsewhere under the Contract, neither Party acquires any right, title or interest in or to the IPR owned by the other Party or any third party.
- 11.10 If there is an IPR Claim, the Supplier indemnifies the Buyer against all losses, damages, costs or expenses (including professional fees and fines) incurred as a result.

- 11.11 If an IPR Claim is made or anticipated the Supplier must at its own expense and the Buyer's sole option, either:
- 11.11.1 obtain for the Buyer the rights set out in the Contract without infringing any third party IPR; or
 - 11.11.2 replace or modify the relevant item with substitutes that don't infringe IPR without adversely affecting the functionality or performance of the Deliverables.

12. Rectifying issues

- 12.1 If there is a Notifiable Default which:
- 12.1.1 the Supplier becomes aware of, the Supplier must notify the Buyer within three Working Days of the Supplier becoming aware of the Notifiable Default; or
 - 12.1.2 the Buyer becomes aware of, the Buyer may notify the Supplier in writing, and the Buyer may request (whether notified or not) that the Supplier provide a Rectification Plan within ten Working Days of the Buyer's request alongside any additional documentation that the Buyer requires.
- 12.2 When the Buyer receives a requested Rectification Plan it can either:
- 12.2.1 reject the Rectification Plan or revised Rectification Plan, giving reasons; or
 - 12.2.2 accept the Rectification Plan or revised Rectification Plan (without limiting its rights) in which case the Supplier must immediately start work on the actions in the Rectification Plan at its own cost.
- 12.3 Where the Rectification Plan or revised Rectification Plan is rejected, the Buyer:
- 12.3.1 will give reasonable grounds for its decision; and
 - 12.3.2 may request that the Supplier provides a revised Rectification Plan within five Working Days.

13. Contract duration

Provisions related to duration of the Contract are set out in clause 2 of the Form of Agreement and in the Contract Data.

14. Ending the contract

14.1 Ending the contract without a reason

The Buyer has the right to terminate the Contract and/or any Contract Order(s) at any time without reason (and without liability, except as set out in Clause 14.3.2) by giving the Supplier not less than ninety days' prior notice and if it's terminated Clause 14.3.2 shall apply.

14.2 When the Buyer can end the Contract

- 14.2.1 If any of the following events happen, the Buyer has the right to immediately terminate the Contract and/or any Contract Order(s) by issuing a Termination Notice to the Supplier and the consequences of termination in Clause 14.3.1 shall apply:
- a) there's a Supplier Insolvency Event;
 - b) there's a Material Default that the Contract states is not capable of correction;
 - c) there's a Notifiable Default that, where capable of correction, is not corrected in line with an accepted Rectification Plan;
 - d) the Buyer rejects a Rectification Plan or the Supplier does not provide it within ten Working Days of the request;

- e) there's a Default (which is not a Material Default or a Notifiable Default covered under limbs b) or c) above respectively) that occurs and then continues to occur on one or more occasions within six months following the Buyer serving a warning notice on the Supplier that it may terminate for persistent breach of the Contract and/or any Contract Order(s);
 - f) there's a change of control (within the meaning of Section 450 of the Corporation Tax Act 2010) of the Supplier which isn't pre-approved by the Buyer in writing;
 - g) the Supplier fails to comply with its legal obligations in the fields of environmental, social or employment Law when providing the Deliverables;
 - h) in accordance with Section 78, and/or Section 79 (where applicable), of the Procurement Act 2023, and provided that the requirements of Section 78(7) of the Procurement Act 2023 have been met, where:
 - (A) the Buyer considers that the Contract and/or any Contract Order was awarded or modified in material breach of the Procurement Act 2023 or regulations made under it;
 - (B) the Supplier has, since the award of the Contract and/or any Contract Order become an excluded supplier or excludable supplier (including by reference to an associated person) as set out in Section 57 of the Procurement Act 2023 and provided that the conditions in Sections 78(8) (where applicable) of the Procurement Act 2023 have been met; and/or
 - (C) any Subcontractor has, since the award of the Contract and/or Contract Order become an excluded supplier or excludable supplier as set out in Section 57 of the Procurement Act 2023 and provided that the conditions in Section 78(3) to 78(8) of the Procurement Act 2023 have been met;
 - i) the Supplier fails to enter into a legally binding agreement with any Subcontractor in accordance with Section 72 of the Procurement Act 2023; and/or
 - j) where any Subcontractor has, since the award of the Contract and/or any Contract Order, become an excluded supplier or excludable supplier as defined in Section 57 of the Procurement Act 2023, provided that prior to exercising its right of termination under this Clause j) the Buyer:
 - (A) has notified the Supplier of its intention to terminate under this Clause, and why the Buyer has decided to terminate the Contract and/or the Contract Order (as applicable);
 - (B) has given the Supplier reasonable opportunity to make representations about whether this Clause applies and the Buyer's decision to terminate; and
 - (C) has given the Supplier a reasonable opportunity to end its Sub-Contract with the excluded or excludable supplier, and if necessary, find an alternative Subcontractor.
- 14.2.2 The Buyer also has the right to terminate the Contract and/or any Contract Order(s) in accordance with Clauses 8.5.1, 24.3 and 36.4 and the Buyer may also have rights to terminate the Contract and/or any Contract Order(s) pursuant to the Schedules.

14.3 What happens if the contract ends

- 14.3.1 Where the Buyer terminates the Contract and/or any Contract Order(s) under Clause 14.2.1 (excluding 14.2.1h)(A) or 36.4) or pursuant to any of the Schedules, all of the following apply:
- a) the Supplier is responsible for the Buyer's reasonable costs of procuring Replacement Deliverables for the rest of the Contract Period.
 - b) accumulated rights of the Parties are not affected.
 - c) the Supplier must promptly delete, or return to the Buyer the Buyer Data except where required to retain copies by Law or in accordance with regulations of professional bodies, other than Buyer Data (i) that is Personal Data in respect of which the Supplier is a Controller; and (ii) in respect of which the Supplier has rights to hold the Buyer Data independently of the Contract and/or any Contract Order;
 - d) the Supplier must promptly return any of the Buyer's property provided under the terminated Contract and/or any Contract Order(s).
 - e) the Supplier must, at no cost to the Buyer, provide reasonable co-operation in the handover and re-procurement (including to a replacement supplier).
 - f) the Supplier must repay to the Buyer all the Charges that it has been paid in advance for Deliverables that it has not provided as at the date of termination or expiry of the Contract and/or Contract Order(s).
 - g) any Clauses and Schedules which are expressly or by implication intended to continue shall survive the termination of the Contract and/or Contract Order(s).
- 14.3.2 If the Buyer terminates the Contract and/or any Contract Order(s) under Clause 14.1:
- a) the Buyer must promptly pay all outstanding Charges incurred to the Supplier;
 - b) the Buyer shall pay to the Supplier the costs that the Supplier has incurred directly as a result of the early termination of the Contract and/or Contract Order(s) (as applicable) not then completed which are unavoidable, reasonable and not capable of recovery as long as the Supplier provides a fully itemised and costed schedule with evidence and takes all reasonable steps to mitigate the same. The maximum value of this payment is limited to the total costs which would have been paid to the Supplier as part of the Charges if the Contract and/or Contract Order(s) (as applicable) had not been terminated; and
 - c) Clauses 14.3.1b) to 14.3.1g) apply.
- 14.3.3 If either Party terminates the Contract and/or any Contract Order(s) under Clause 24.3 or the Buyer terminates under Clause 14.2.1h)(A):
- a) each party must cover its own Losses; and
 - b) Clauses 14.3.1b) to 14.3.1g) apply.
- 14.3.4 Where either Party terminates the Contract as permitted in accordance with its terms, any Contract Order(s) under which Parties are performing their obligations at the time of termination of the Contract will continue for the remaining term of such Contract Order(s) and the Parties shall continue to perform their obligations in accordance with such Contract Order(s), unless expressly stated otherwise in the Termination Notice or notice of termination (as applicable). Where either Party terminates a Contract Order as permitted in accordance with the terms of the Contract this will only terminate the Contract Order to which the Termination Notice or notice of termination (as applicable) relates and the Contract and all other Contract Orders will continue in full force and effect.

14.4 When the Supplier can end the contract

- 14.4.1 The Supplier can issue a notice that payment has not been received on time if the Buyer does not pay an undisputed invoice on time. The Supplier can terminate the Contract and/or any Contract Order(s) if the Buyer fails to pay an undisputed invoiced sum within thirty days of the date of such notice.
- 14.4.2 The Supplier also has the right to terminate the Contract and/or any Contract Order(s) in accordance with Clauses 24.3 and 27.4.
- 14.4.3 If the Supplier terminates the Contract and/or any Contract Order(s) under Clause 14.4.1 or 27.4:
- a) the Buyer must promptly pay all outstanding Charges incurred to the Supplier;
 - b) the Buyer shall pay to the Supplier the costs that the Supplier has incurred directly as a result of the early termination of the Contract and/or the Contract Order(s) (as applicable) which are unavoidable, reasonable and not capable of recovery as long as the Supplier provides a fully itemised and costed schedule with evidence and takes all reasonable steps to mitigate the same. The maximum value of this payment is limited to the total sum payable to the Supplier if the Contract and/or the Contract Order(s) (as applicable) had not been terminated; and
 - c) Clauses 14.3.1c) to 14.3.1g) apply.

14.5 Partially ending and suspending the contract

- 14.5.1 Where the Buyer has the right to terminate the Contract and/or any Contract Order it can terminate or suspend (for any period), all or part of it. If the Buyer suspends the Contract and/or any Contract Order(s) it can provide the Deliverables itself or buy them from a third party.
- 14.5.2 The Buyer can only partially terminate or suspend the Contract and/or any Contract Order(s) if the remaining parts of the Contract and/or Contract Order(s) (as applicable) can still be used to effectively deliver the intended purpose.
- 14.5.3 The Parties must agree (in accordance with Clause 28) any necessary Variation required by this Clause 14.5, but the Supplier may not either:
- a) reject the Variation; or
 - b) increase the Charges, except where the right to partial termination is under Clause 14.1.
- 14.5.4 The Buyer can still use other rights available, or subsequently available to it if it acts on its rights under this Clause 14.5.

15. How much you can be held responsible for?

- 15.1 Except for liability as referred to in Clauses 15.3 and 15.4, each Party's total aggregate liability under the Contract (whether in tort, contract or otherwise) is as specified in the Contract Data.
- 15.2 Neither Party is liable to the other for:
- 15.2.1 any indirect or consequential Losses; and/or
 - 15.2.2 loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct, indirect or consequential).
- 15.3 In spite of Clause 15.1, neither Party limits or excludes any of the following:
- 15.3.1 its liability for death or personal injury caused by its negligence, or that of its employees, agents or Subcontractors;

- 15.3.2 its liability for bribery or fraud or fraudulent misrepresentation by it or its employees; and
- 15.3.3 any liability that cannot be excluded or limited by Law.
- 15.4 In spite of Clause 15.1, the Supplier's total aggregate liability under the Contract (whether in tort, contract or otherwise) for any indemnity given under Clauses 9, 10.3, 11.10 or 18.22.4 is as specified in the Contract Data.
- 15.5 The financial limits referred to in Clauses 15.1 and 15.4 are separate and any liability of the Supplier which falls within one of those clauses shall not be taken into account in assessing whether the financial limit in the other such clause has been reached.
- 15.6 The Supplier shall be liable to the Buyer in respect of all loss, damage, cost, expense, liability, claims and proceedings whatsoever in respect of:
 - 15.6.1 any personal injury to or death of any person; and
 - 15.6.2 any loss of or damage to any property;
 due to the acts, neglect, error, or omission by the Supplier or any of its employees, agents or representatives in the course of the provision of the Deliverables whilst on or around the Buyer's property or other site or premises relevant to the provision of the Deliverables.

16. Obeying the law

- 16.1 The Supplier shall comply with the provisions of Schedule 3 (Corporate Social Responsibility).
- 16.2 The Supplier shall comply with all Laws applicable to the Contract.

17. Insurance

- 17.1 **The insurance you need to have:**
 - 17.1.1 The Supplier shall maintain the insurances specified in the Contract Data.
 - 17.1.2 The insurances shall be:
 - a) maintained in accordance with Good Industry Practice;
 - b) (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent supplier in respect of risks insured in the international insurance market from time to time;
 - c) taken out and maintained with insurers of good financial standing and good repute in the international insurance market; and
 - d) maintained for at least six years after the Expiry Date.
- 17.2 **How to manage the insurance:**

The Supplier shall:

 - 17.2.1 take all reasonable risk management and risk control measures;
 - 17.2.2 promptly notify the insurers in writing of any relevant material fact of which the Supplier is or becomes aware; and
 - 17.2.3 not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the insurances.
- 17.3 **Evidence of insurance you must provide:**

The Supplier shall upon request from the Buyer provide evidence as soon as reasonably practicable, in a form of an insurance certificate, that the insurances are in force and effect and meet in full the requirements of this Clause.

18. Data protection

- 18.1 The Buyer is the Controller and the Supplier is the Processor for the purposes of the Data Protection Legislation unless stated otherwise in Annex 1 – Protection of Personal Data to Schedule 1 (Specification) or the applicable Contract Order.
- 18.2 The Supplier must process Personal Data and ensure the Supplier Staff process Personal Data in accordance with the Contract.
- 18.3 The Parties agree and acknowledge that if Annex 1 – Protection of Personal Data to Schedule 1 (Specification) is blank and the applicable Contract Order does not provide for the processing of personal data, then no Personal Data shall be processed under the Contract.
- 18.4 The Supplier must not remove any ownership or security notices in or relating to the Buyer Data.
- 18.5 The Supplier must ensure that any Supplier, Subcontractor and Subprocessor system (including any cloud services or end user devices used by the Supplier, Subcontractor and Subprocessor) holding any Buyer Data, including back-up data, is a secure system that complies with the requirements specified in the Specification and any other security requirements specified in the Contract, and otherwise as required by Data Protection Legislation.
- 18.6 If at any time the Supplier suspects or has reason to believe that the Buyer Data is corrupted, lost or sufficiently degraded so as to be unusable, then the Supplier must immediately notify the Buyer and suggest remedial action.
- 18.7 If the Buyer Data is any of (i) corrupted, (ii) lost or (iii) sufficiently degraded, in each case as a result of a Default, so as to be unusable the Buyer may either or both:
 - 18.7.1 tell the Supplier (at the Supplier's expense) to restore or get restored Buyer Data as soon as practical but no later than five Working Days from the date that the Buyer receives notice, or the Supplier finds out about the issue, whichever is earlier; and
 - 18.7.2 restore the Buyer Data itself or using a third party and shall be repaid by the Supplier any reasonable expenses incurred in doing so.
- 18.8 The Supplier:
 - 18.8.1 must, subject to security requirements specified in the Contract, provide the Buyer with copies of Buyer Data held by the Supplier or any Subcontractor in an agreed format (provided it is secure and readable) within ten Working Days of a written request;
 - 18.8.2 must have documented processes to guarantee prompt availability of Buyer Data if the Supplier stops trading; and
 - 18.8.3 must, subject to security requirements specified in the Contract, securely erase all Buyer Data held by the Supplier or a Subcontractor when asked to do so by the Buyer (and certify to the Buyer that it has done so) using a deletion method that ensures that even a determined expert using specialist techniques can recover only a small fraction of the data deleted, unless and to the extent required by Law to retain it, other than Buyer Data in respect of which the Supplier is a Controller, or the Supplier has rights to hold the Buyer Data independently of the Contract.
- 18.9 The Supplier must only process Personal Data if authorised to do so, and to the extent set out, in the Annex 1 – Protection of Personal Data to Schedule 1 (Specification) and the Contract Order by the Buyer. Any further written instructions relating to the processing of Personal Data are incorporated into Annex 1 - Protection of Personal Data to Schedule 1 (Specification) and/or the Contract Order (as applicable).

- 18.10 The Supplier must give all reasonable assistance to the Buyer in the preparation of any Data Protection Impact Assessment before starting any processing, including:
- 18.10.1 a systematic description of the expected processing and its purpose;
 - 18.10.2 the necessity and proportionality of the processing operations;
 - 18.10.3 the risks to the rights and freedoms of Data Subjects; and
 - 18.10.4 the intended measures to address the risks, including safeguards, security measures and mechanisms to protect Personal Data.
- 18.11 The Supplier must notify the Buyer as soon as reasonably practicable if it thinks the Buyer's instructions breach the Data Protection Legislation.
- 18.12 The Supplier must put in place appropriate Protective Measures to protect against a Data Loss Event which must be approved by the Buyer.
- 18.13 If lawful to notify the Buyer, the Supplier must notify it if the Supplier is required to process Personal Data by Law promptly and before processing it.
- 18.14 The Supplier must take all reasonable steps to ensure the reliability and integrity of any Supplier Staff who have access to the Personal Data and ensure that they:
- 18.14.1 are aware of and comply with the Supplier's duties under this Clause 18;
 - 18.14.2 are subject to appropriate confidentiality undertakings with the Supplier or any Subprocessor;
 - 18.14.3 are informed of the confidential nature of the Personal Data and do not provide any of the Personal Data to any third party unless directed in writing to do so by the Buyer or as otherwise allowed by the Contract; and
 - 18.14.4 have undergone adequate training in the use, care, protection and handling of Personal Data.
- 18.15 The Supplier must not make a Restricted Transfer unless all of the following are true:
- 18.15.1 it has obtained prior written consent of the Buyer;
 - 18.15.2 the Buyer has decided that there are appropriate safeguards in accordance with Data Protection Legislation;
 - 18.15.3 the Data Subject has enforceable rights and effective legal remedies when transferred;
 - 18.15.4 the Supplier meets its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred;
 - 18.15.5 where the Supplier is not bound by Data Protection Legislation it must use all reasonable endeavours to help the Buyer meet its own obligations under Data Protection Legislation;
 - 18.15.6 the Supplier complies with the Buyer's reasonable prior instructions about the processing of the Personal Data.
- 18.16 The Supplier must notify the Buyer immediately (including the provision of further information as details become available) if it:
- 18.16.1 receives a Data Subject Request (or purported Data Subject Request);
 - 18.16.2 receives a request to rectify, block or erase any Personal Data;
 - 18.16.3 receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
 - 18.16.4 receives any communication from the UK information commissioner or any other regulatory authority in connection with Personal Data processed under the Contract;

- 18.16.5 receives a request from any third party for disclosure of Personal Data where compliance with the request is required or claims to be required by Law;
- 18.16.6 becomes aware of a Data Loss Event.
- 18.17 The Supplier must provide the Buyer with all reasonable assistance in relation to any Party's obligations under Data Protection Legislation and any complaint, communication or request made under Clause 18.16 so as to enable compliance with the relevant timescales in Data Protection Legislation. This includes giving the Buyer:
 - 18.17.1 full details and copies of the complaint, communication or request;
 - 18.17.2 reasonably requested assistance so that it can comply with a Data Subject Request;
 - 18.17.3 any Personal Data it holds in relation to a Data Subject on request;
 - 18.17.4 assistance that it requests following any Data Loss Event;
 - 18.17.5 assistance that it requests relating to a consultation with, or request from, the UK information commissioner's office.
- 18.18 The Supplier must maintain full, accurate records and information to show it complies with this Clause 18.
- 18.19 Before allowing any Subprocessor to process any Personal Data, the Supplier must:
 - 18.19.1 notify the Buyer in writing of the intended Subprocessor and processing;
 - 18.19.2 obtain the written consent of the Buyer;
 - 18.19.3 enter into a written contract with the Subprocessor so that this Clause 18 applies to the Subprocessor;
 - 18.19.4 provide the Buyer with any information about the Subprocessor that the Buyer reasonably requires.
- 18.20 The Supplier remains fully liable for all acts or omissions of any Subprocessor.
- 18.21 The Parties agree to take account of any non-mandatory guidance issued by the UK information commissioner's Office.
- 18.22 The Supplier:
 - 18.22.1 must provide the Buyer with all Buyer Data in an agreed format (provided it is secure and readable) within ten Working Days of a written request;
 - 18.22.2 must have documented processes to guarantee prompt availability of Buyer Data if the Supplier stops trading;
 - 18.22.3 subject to the Specification, securely erase all Buyer Data held by the Supplier or a Subcontractor when asked to do so by the Buyer (and certify to the Buyer that it has done so) using a deletion method that ensures that even a determined expert using specialist techniques can recover only a small fraction of the data deleted, unless and to the extent required by Law to retain it, other than Buyer Data in respect of which the Supplier is a Controller or the Supplier has rights to hold the Buyer Data independently of the Contract; and
 - 18.22.4 indemnifies the Buyer against any and all Losses incurred if the Supplier breaches Clause 18 and any Data Protection Legislation.
- 18.23 Joint Controllers:
 - 18.23.1 Where the Parties include two or more Joint Controllers as identified in Annex 1 – Protection of Personal Data to Schedule 1 (Specification) and/or the applicable Contract Order, those Parties shall comply with the terms outlined in Annex 2 – Joint Controller Agreement to Schedule 1 (Specification) and the applicable Contract Order.

18.24 Independent Controllers:

18.24.1 Where the Parties are acting as Independent Controllers as identified in Annex 1 – Protection of Personal Data to Schedule 1 (Specification) each Party shall:

- a) comply with its obligations under Data Protection Legislation;
- b) be responsible for dealing with and responding to Data Subject Requests, enquiries or complaints (including any request by a data subject to exercise their rights under Data Protection Legislation) it receives, unless otherwise agreed between the Parties;
- c) promptly notify the other Party in writing of each Security Incident of which it becomes aware relating to the Personal Data to the extent the Security Incident is likely to affect the other Party; and
- d) warrant that it is not subject to any restriction which would prevent or restrict it from disclosing or transferring Personal Data to the other Party in accordance with the terms of the Contract.

18.24.2 Without prejudice to sub-Clause 18.24.1a), each Party (the disclosing party) agrees that if it provides Personal Data to the other Party (the receiving party), it shall ensure that it has provided all necessary information to, and obtained all necessary consents from, the data subjects of the Personal Data, in each case to enable the disclosing party to disclose the Personal Data to the receiving party and for the receiving party to use that Personal Data for the Permitted Purposes, in each case in accordance with Data Protection Legislation.

18.24.3 In relation to the Personal Data it receives from the disclosing party, each Party shall:

- a) at all times process the Personal Data in a manner that ensures appropriate security of the Personal Data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical and organisational measures; and
- b) ensure that, at a minimum, the measures required under sub-Clause 18.24.3 a) meet the standard required by Data Protection Legislation.

18.24.4 If there is still also a controller-to-processor relationship under the Contract or any Contract Order, Clauses 18.1 to 18.22 shall apply to that relationship.

19. What you must keep confidential

19.1 Each Party must:

- 19.1.1 keep all Confidential Information it receives confidential and secure;
- 19.1.2 not disclose, use or exploit the disclosing party's Confidential Information without the disclosing party's prior written consent, except for the purposes anticipated under the Contract; and
- 19.1.3 immediately notify the disclosing party if it suspects unauthorised access, copying, use or disclosure of the Confidential Information.

19.2 In spite of Clause 19.1, a Party may disclose Confidential Information which it receives from the disclosing party in any of the following instances:

- 19.2.1 where disclosure is required by applicable Law, a regulatory body or a court with the relevant jurisdiction if the recipient party notifies the disclosing party of the full circumstances, the affected Confidential Information and extent of the disclosure;
- 19.2.2 if the recipient party already had the information without obligation of confidentiality before it was disclosed by the disclosing party;

- 19.2.3 if the information was given to it by a third party without obligation of confidentiality;
 - 19.2.4 if the information was in the public domain at the time of the disclosure;
 - 19.2.5 if the information was independently developed without access to the disclosing party's Confidential Information;
 - 19.2.6 on a confidential basis, to its auditors or for the purpose of regulatory requirements;
 - 19.2.7 on a confidential basis, to its professional advisers on a need-to-know basis; and
 - 19.2.8 to the UK's Serious Fraud Office where the recipient party has reasonable grounds to believe that the disclosing party is involved in activity that may be a criminal offence under the Bribery Act 2010.
- 19.3 The Supplier may disclose Confidential Information on a confidential basis to Supplier Staff on a need-to-know basis to allow the Supplier to meet its obligations under the Contract. The Supplier Staff shall remain responsible at all times for compliance with the confidentiality obligations set out in the Contract by the persons to whom disclosure has been made.
- 19.4 The Buyer may disclose Confidential Information in any of the following cases:
- 19.4.1 on a confidential basis to the employees, agents, consultants and contractors of the Buyer;
 - 19.4.2 on a confidential basis to any Crown Body, any successor body to a Crown Body or any company that the Buyer transfers or proposes to transfer all or any part of its business to;
 - 19.4.3 if the Buyer (acting reasonably) considers disclosure necessary or appropriate to carry out its public functions;
 - 19.4.4 where requested by Parliament;
 - 19.4.5 on a confidential basis to an actual or prospective supplier of Replacement Deliverables, such information as the Buyer shall reasonably require in order to facilitate the preparation by the Buyer of any invitation to tender and/or to facilitate any potential replacement suppliers preparing or submitting tenders or undertaking due diligence in respect of Replacement Deliverables, to the extent that such disclosure is necessary in connection therewith;
 - 19.4.6 under Clauses 4.9 and 20.
- 19.5 For the purposes of Clauses 19.2 to 19.4 references to disclosure on a confidential basis means disclosure under a confidentiality agreement or arrangement including terms broadly equivalent to those required in this Clause 19.
- 19.6 The Supplier must not make any press announcement or publicise the Contract or any part of it in any way, without the prior written consent of the Buyer and must use all reasonable endeavours to ensure that Supplier Staff do not either.
- 19.7 The Supplier acknowledges that Transparency Information and any information which is disclosed pursuant to Clause 20 is not Confidential Information.

20. When you can share information

- 20.1 The Supplier must tell the Buyer within forty-eight hours if it receives a Request For Information.
- 20.2 In accordance with a reasonable timetable and in any event within five Working Days of a request from the Buyer, the Supplier must give the Buyer full co-operation and information needed so the Buyer can comply with any Request for Information and publish the

Transparency Information, any such co-operation and/or information from the Supplier shall be provided at no additional cost.

- 20.3 To the extent that it is allowed and practical to do so, the Buyer will use reasonable endeavours to notify the Supplier of a Request for Information and may talk to the Supplier to help it decide whether to publish information under Clause 20.1, taking into account any agreed commercially sensitive information. However, the extent, content and format of the disclosure shall be decided by the Buyer, in its sole discretion .
- 20.4 The provisions of Clause 20 shall apply equally to the Buyer in respect of Requests for Information only when the Supplier is subject to FOIA and EIR.

21. Invalid parts of the contract

If any provision or part provision of the Contract is or becomes invalid, illegal or unenforceable for any reason, such provision or part-provision shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of the Contract.

22. No other terms apply

The provisions incorporated into the Contract are the entire agreement between the Parties. The Contract replaces all previous negotiations, arrangements, statements, understandings, course of dealings or agreements made between the Parties in relation to its subject matter whether written or oral. No other provisions apply and neither Party has entered into the Contract in reliance on any warranty, statement, promise or representation other than the ones set out in the Contract.

23. Other people's rights in the Contract

- 23.1 The provisions of Clause 4.9, 8.6, 8.7 and 9 and of the Exit Management Schedule (if used) confer benefits on persons named or identified in such provisions other than the Parties and are intended to be enforceable by such persons by virtue of the Contracts (Rights of Third Parties) Act 1999 ("CRTPA").
- 23.2 Subject to Clause 23.1, no third parties may use the CRTPA to enforce any term of the Contract unless stated (referring to CRTPA) in the Contract. This does not affect third party rights and remedies that exist independently from CRTPA.

24. Circumstances beyond your control

- 24.1 Any Party affected by a Force Majeure Event is excused from performing its obligations under the Contract while the inability to perform continues, if it both:
- 24.1.1 provides notice of the same to the other Party; and
 - 24.1.2 uses all reasonable measures practical to reduce the impact of the Force Majeure Event.
- 24.2 Any failure or delay by the Supplier to perform its obligations under the Contract that is due to a failure or delay by an agent, Subcontractor or supplier will only be considered a Force Majeure Event if that third party is itself prevented from complying with an obligation to the Supplier due to a Force Majeure Event.
- 24.3 Either party can partially or fully terminate the Contract and/or any Contract Order(s) if the provision of the Deliverables is materially affected by a Force Majeure Event which lasts for ninety days continuously.

25. Relationships created by the contract

The Contract does not create a partnership, joint venture or employment relationship. The Supplier must represent themselves accordingly and ensure others do so.

26. Giving up contract rights

A partial or full waiver or relaxation of the terms of the Contract is only valid if it is stated to be a waiver in writing to the other Party.

27. Transferring responsibilities

- 27.1 The Supplier cannot assign, novate or in any other way dispose of the Contract or any part of it without the Buyer's written consent (not to be unreasonably withheld or delayed).
- 27.2 The Buyer can assign, novate or transfer its Contract or any part of it to any Crown Body, public or private sector body which performs the functions of the Buyer.
- 27.3 When the Buyer uses its rights under Clause 27.2 the Supplier must enter into a novation agreement in the form that the Buyer reasonably specifies.
- 27.4 If the Contract is novated under Clause 27.2 to a private sector body ("**Transferee**") the Supplier has the right to terminate the Contract by issuing a Termination Notice to the Transferee if the Transferee is experiencing an Insolvency Event.
- 27.5 The Supplier remains responsible for all acts and omissions of the Supplier Staff as if they were its own.
- 27.6 If at any time the Buyer asks the Supplier for details about Subcontractors, the Supplier must provide details of Subcontractors at all levels of the supply chain including:
 - 27.6.1 their name;
 - 27.6.2 the scope of their appointment;
 - 27.6.3 the duration of their appointment;
 - 27.6.4 a copy of the Sub-Contract (with any information identified as commercially sensitive in accordance with such Sub-Contract redacted); and
 - 27.6.5 whether the Supplier considers that an exclusion ground within the meaning of the Procurement Act 2023 and any associated regulations does or may apply to the Subcontractor,

and comply with the requirements in Schedule 5 (Supply Chain Visibility).

28. Changing the contract

- 28.1 Either Party can request a Variation to the Contract which is only effective if agreed in writing and signed by both Parties (acting reasonably and without undue delay). The Supplier shall provide an Impact Assessment when requested by the Buyer which shall be calculated on the basis of the charges and rates specified in Schedule 2 (Charges) or as otherwise specified in the Contract Order.
- 28.2 If the Variation to the Contract cannot be agreed or resolved by the Parties in accordance with the provisions of this Clause 28, the Buyer can either:
 - 28.2.1 agree that the Contract continues without the Variation; or
 - 28.2.2 refer the dispute to be resolved using Clause 32 (Resolving Disputes).
- 28.3 The Buyer is not required to accept a Variation request made by the Supplier.
- 28.4 The Supplier may only reject a Variation requested by the Buyer if the Supplier:
 - 28.4.1 reasonably believes that the Variation would materially and adversely affect the risks to the health and safety of any person or that it would result in the Deliverables being provided in a way that infringes any Law; or
 - 28.4.2 demonstrates to the Buyer's reasonable satisfaction that the Variation is technically impossible to implement.

- 28.5 If there is a General Change in Law, the Supplier must bear the risk of the change and is not entitled to ask for an increase to the Charges.
- 28.6 If there is a Specific Change in Law or one is likely to happen during the Contract Period the Supplier must give the Buyer notice of the likely effects of the changes as soon as reasonably practical. They must also say if they think any Variation is needed either to the Deliverables, the Charges or the Contract and provide evidence:
- 28.6.1 of how it has affected the Supplier's costs; and
- 28.6.2 that the Supplier has kept costs as low as possible, including in Subcontractor costs.
- 28.7 Any change in the Charges or relief from the Supplier's obligations because of a Specific Change in Law must be implemented using Clauses 28.1 to 28.3.

29. How to communicate about the contract

- 29.1 All notices under the Contract shall be in writing and be served by e-mail unless it is not practicable to do so. An e-mail is effective at 9:00am on the first Working Day after sending unless an error message is received.
- 29.2 If it is not practicable for a notice to be served by e-mail in accordance with Clause 29.1, notices can be served by means of personal delivery or Prepaid, Royal Mail Signed For™ 1st Class or other prepaid, next Working Day service providing proof of delivery. If either of these options are used to serve a notice, such notices are considered effective on the Working Day of delivery as long as they're delivered before 5:00pm on a Working Day. Otherwise the notice is effective on the next Working Day.
- 29.3 Except as provided under Clause 29.4, notices must be sent to the Parties' contact and address or e-mail address in the Contract Data.
- 29.4 Service of legal proceedings or any documents in any legal action, arbitration or dispute resolution, must be served as specified in the Contract Data.

30. Health, safety and environment

- 30.1 The Supplier must perform its obligations meeting the requirements of:
- 30.1.1 the Contract Requirements HSEA Conditions in Schedule 4 (Contract Requirements HSEA Conditions);
- 30.1.2 all applicable Law regarding health, safety and the environment; and
- 30.1.3 the Buyer's current health and safety policies while at the Buyer's Premises, as made available to the Supplier from time to time.
- 30.2 Each Party must as soon as possible notify the other of any health and safety incidents or material hazards they're aware of at the Buyer Premises that relate to the performance of the Contract.
- 30.3 The Supplier must ensure that Supplier Staff are aware of the Buyer's requirements in respect to this Clause 30.

31. Further Assurances

Each Party will, at the request and cost of the other Party, do all things which may be reasonably necessary to give effect to the meaning of the Contract.

32. Resolving disputes

- 32.1 If there is a dispute, the Buyer's Authorised Representative and the Supplier's Authorised Representative will, within twenty-eight days of a written request from the other Party, meet in good faith to resolve the dispute by commercial negotiation.
- 32.2 If the Parties cannot resolve the dispute via commercial negotiation, they can attempt to settle it by mediation using the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure current at the time of the dispute. If the Parties cannot agree on a mediator, the mediator will be nominated by CEDR. If either Party does not wish to use, or continue to use mediation, or mediation does not resolve the dispute, the dispute must be resolved using Clauses 32.3 to 32.5.
- 32.3 Unless the Buyer refers the dispute to arbitration using Clause 32.4, the Parties irrevocably agree that the courts of England and Wales have the exclusive jurisdiction to:
- 32.3.1 determine the dispute;
 - 32.3.2 grant interim remedies; and
 - 32.3.3 grant any other provisional or protective relief.
- 32.4 The Supplier agrees that the Buyer has the exclusive right to refer any dispute to be finally resolved by arbitration under the London Court of International Arbitration Rules current at the time of the dispute. There will be only one arbitrator. The seat or legal place of the arbitration will be London and the proceedings will be in English.
- 32.5 The Buyer has the right to refer a dispute to arbitration even if the Supplier has started or has attempted to start court proceedings under Clause 32.3, unless the Buyer has agreed to the court proceedings or participated in them. Even if court proceedings have started, the Parties must do everything necessary to ensure that the court proceedings are stayed in favour of any arbitration proceedings if they are started under Clause 32.4.
- 32.6 The Supplier cannot suspend the performance of the Contract during any dispute.

33. Performance Security

- 33.1 Where specified in the Contract Data the Supplier shall deliver to the Buyer, on or prior to the execution of the Contract, a parent company guarantee in the form specified by the Buyer from the Supplier's ultimate holding company. For these purposes "ultimate holding company" shall mean the holding company (within the meaning of Sections 1159 and 1160 of the Companies Act 2006) of the Supplier which is not itself a subsidiary of another company.
- 33.2 The Supplier's compliance with this Clause shall be a condition precedent to any obligation on the part of the Buyer to make any payment that may otherwise be due under the Contract.

34. Dealing with claims

- 34.1 If the Buyer is notified of a Claim then it must notify the Supplier as soon as reasonably practicable and no later than ten Working Days from receipt of notification of the Claim .
- 34.2 At the Supplier's cost the Buyer must both:
- 34.2.1 allow the Supplier to conduct all negotiations and proceedings to do with a Claim; and
 - 34.2.2 give the Supplier reasonable assistance with the Claim if requested.
- 34.3 The Buyer must use all reasonable endeavours to minimise and mitigate any losses that it suffers because of the Claim.

35. Contract Orders

- 35.1 When the Buyer requires the Supplier to provide Deliverables pursuant to the Contract, it shall issue to the Supplier a single Contract Order or multiple Contract Orders (as applicable) in accordance with the process described in Schedule 6 (Process for Issuing Contract Orders) stating:
- 35.1.1 the deliverables to be provided pursuant to the Contract Order and the Other Suppliers applicable to such Contract Order;
 - 35.1.2 key dates for the provision of such deliverables;
 - 35.1.3 any updates required to Annex 1 – Protection of Personal Data to Schedule 1 (Specification) in respect of Personal Data to be processed pursuant to the Contract Order;
 - 35.1.4 the lump sum charges or other method of reimbursement for the provision of such deliverables calculated on a fair and reasonable basis having regard to the rates and prices included in Schedule 2 (Charges); and
 - 35.1.5 the method for calculating instalment payments in respect of such charges.
- 35.2 When all of the elements of the Contract Order have been accepted or agreed pursuant to Clause 35.1, it shall be final and binding on the Parties and:
- 35.2.1 the deliverables provided under that Contract Order shall form part of the Deliverables;
 - 35.2.2 the price shall form part of the Charges;
 - 35.2.3 Annex 1 – Protection of Personal Data to Schedule 1 (Specification) shall be updated accordingly; and
 - 35.2.4 the Supplier shall proceed to provide the Deliverables under that Contract Order and in accordance with the provisions of the Contract.
- 35.3 The Buyer does not warrant the volume of Deliverables to be instructed during the Contract Period except where otherwise stated in the Contract Data and/or the Contract Order. The Buyer reserves the right to procure any Deliverables described in the Contract from other contractors or using its own labour.

36. Exclusions

- 36.1 During the Contract Period the Supplier shall notify the Buyer as soon as reasonably practicable if:
- 36.1.1 the Supplier considers that an exclusion ground within the Procurement Act 2023 and any associated regulations applies to the Supplier, including where the Supplier is put on the debarment list or becomes an excluded or excludable supplier by virtue of any associated persons or subcontractors where information relating to such was provided under Section 28 of the Procurement Act 2023; and/or
 - 36.1.2 there are any changes to the Supplier's associated persons within the meaning of the Procurement Act 2023.
- 36.2 If the Supplier notifies the Buyer in accordance with Clause 36.1.1 then the Supplier must promptly provide any information the Buyer reasonably requests in relation to the notification, including information to support an assessment of whether the circumstances giving rise to the exclusion ground are continuing or likely to occur again.
- 36.3 If the Supplier notifies the Buyer in accordance with Clause 36.1.2 above then the Supplier must promptly provide any information reasonably requested by the Buyer in relation to

the change to the Supplier's associated persons, including any information set out in the Procurement Regulations 2024.

36.4 The Buyer may terminate the Contract and/or any Contract Order if:

36.4.1 the Supplier has failed to provide notification under Clause 36.1.1 as soon as reasonably practicable after the Supplier becomes aware that an exclusion ground within the Procurement Act 2023 and any associated regulations does or may apply to the Supplier;

36.4.2 the Supplier has failed to provide notification under Clause 36.1.2 as soon as reasonably practicable after the Supplier becoming aware of any changes to the Supplier's associated persons within the meaning of the Procurement Act 2023; and/or

36.4.3 any notification or information provided by the Supplier under Clauses 36.1, 36.2 and/or 36.3 is incomplete, inaccurate or misleading,

and the consequences of termination set out in Clause 14.3.1 shall apply.

36.5 Clause 36.4 is without prejudice to the Buyer's rights to terminate the Contract in accordance with Clause 14.2.1h).

37. Which law applies

The Contract and disputes arising out of, or connected to it, are governed by the laws of England and Wales.

Schedule 1 - Specification

1. Specification

- 1.1 The requirement of this Framework Agreement is to supply Aluminothermic Welding Materials and Associated Equipment (the Goods) in accordance with the requirements specified in the individual call off orders, items listed in Schedule 2 and in accordance with the requirements of the product specification detailed herewith.
- 1.2 Aluminothermic Welding Materials and Associated Equipment is to be provided in compliance with EN14730-1 and NR/L2/TRK/0032.

All of the Buyer's Standards can be accessed free of charge via the following link:
[Network Rail Standards Portal \(msapproxy.net\)](https://msapproxy.net)
- 1.3 All Thermite-containing products must comply with the HSE's Authorisation No. 363 and Certificate of Exemption No1 as shown in Schedule 1, Appendix B and C unless otherwise agreed with the Buyer.
- 1.4 All Aluminothermic Welding Materials and Associated Equipment must either receive Product Acceptance or hold Historic Rights as defined in NR/L2/RSE/100 from the Buyer before they can be purchased.
- 1.5 Aluminothermic Welding Materials and Associated Equipment are used to join sections of rail together and to repair cut or damaged rails as part of the aluminothermic welding process.
- 1.6 No changes shall be made to the drawings or specifications without the prior written agreement of the Buyer and the Supplier. Any changes to product approved items need to be submitted and approved by the Product Acceptance team.
- 1.7 Items are to be manufactured in accordance with the Buyer's standards & specifications referenced in 1.2 to 1.4 and the Buyer's Parts and Drawings System (PADs) certificate received after Product Acceptance as associated with the unique identifying catalogue number referenced in the table of rates included in Schedule 2.
- 1.8 Schedule 2 details all currently approved Goods, however newly approved or approved revisions to the Goods may be varied into this contract in future with agreement by both Parties.
- 1.9 All Goods shall be supplied as specified in the individual purchase orders known as Blanket Releases in the format shown in Schedule 6, Appendix A.
- 1.10 Before delivery all Goods are to be marked with a unique reference to include:
 - a) Manufacturer name
 - b) Production batch number
 - c) PADS number

Schedule 1 - Specification

- 1.11 Where the Supplier is not the manufacturer of the goods or any part of the goods, the Supplier is wholly responsible for ensuring that all sub-suppliers comply with the requirements of this contract.

2. Product Acceptance

- 2.1 The Supplier is responsible for ensuring all material supplied are approved through the Buyer's product acceptance and that this acceptance is in place for all the products listed prior to supply. Guidance for Product Acceptance in line with Design for Reliability (DFR) can be found in NR Standard NR/L2/RSE/100.
- 2.2 Any goods that obtained Product Acceptance before 03/04/2017 shall maintain that acceptance. Any changes made to existing certificates or new applications must be made in line with NR Standard NR/L2/RSE/0005, Product Design for Reliability (DFR).
- 2.2.1 Training courses are available for DFR should they be required. The Supplier shall contact the Buyer's Authorised Representative to book a place.
- 2.2.2 Details of products which have the Buyer's Product Acceptance can be found in the Parts and Drawings System (PADS). Access to PADS can be arranged by Serco PADS Helpdesk: Tel. +44 (0) 1332 263584.
- 2.3 All costs associated with obtaining the Buyer's Product Acceptance shall be borne by the Supplier or manufacturer.
- 2.4 The Supplier warrants to supply any relevant Material Safety Data Sheets.

3. Packaging and Delivery

- 3.1 The supplier shall comply with the requirements of the Materials Delivery Charter, Appendix A of this schedule.
- 3.2 The Supplier shall ensure that the goods are adequately packaged to protect them from damage or degradation during transit and subsequent storage.
- 3.3 The Supplier shall use packaging which prevents ingress of UV rays to prevent degradation of the Goods.
- 3.4 The Supplier shall seek to use the most sustainable packaging solution with consideration to social, economic and environmental factors.
- 3.5 Proof of delivery will be provided by the Supplier as per Supporting Process for Invoice Payment Document (Schedule 6, Appendix B), or advance shipping notice.

4. Item Set-up for the Buyer's Procurement Catalogue

- 4.1 Unless the Buyer already has a clear and usable image, the Supplier shall provide images for all items to be supplied to enable them to be included in the Buyer's catalogue. The specification of the image shall be:

Schedule 1 - Specification

- a) Formatted as JPEG image
- b) File name of the item number without the '/' symbol
- c) No other items should be visible in the image

5. Stock Holding and Inventory

- 5.1 At the contract start up meeting the Supplier and the Buyer shall identify goods from the list in Schedule 2 which require stock to be held and maintained in the UK.
- 5.2 At the contract start up meeting the Supplier and the Buyer shall agree the quantity of the goods identified in 5.1 to for the stockholding.
- 5.3 The stocking requirement shall be maintained at the Supplier's cost and shall remain the property of the Supplier until consumed by the Buyer.
- 5.4 The Supplier shall reach the required stocking level by 3 months after agreement of the stocking requirement unless agreed otherwise in the contract start up meeting.
- 5.5 The required stocking level shall be reviewed at each business review and may change according to demand trends.

6. Stock Run Down

- 6.1 Unless otherwise notified by the Buyer, the Supplier may reduce the minimum stock level during the final six months of the Contract such that it reaches zero at the end of the Contract.
- 6.2 Should the Buyer require a minimum stock level to be sustained until the end of the Contract, written instructions and a Call-off Order shall be issued by the Buyer stating the quantity of Goods required.
 - 6.2.1 The stock shall be set aside and labelled as being the property of the Buyer.
 - 6.2.2 The Buyer shall pay for such items in accordance with the contract conditions.

7. Communication

- 7.1 All communication will be conducted in English.
- 7.2 The Supplier shall nominate a single point of contact to act as the focal point for all communication between themselves and the Buyer.
- 7.3 The Buyer shall nominate a single point of contact to act as the focal point for all communication between themselves and the Supplier. They shall, as a minimum, be copied into all relevant communication between the Supplier and any member of the Buyer's Organisation, whilst working in accordance with this Contract.

8. Start Up Meeting

- 8.1 At the earliest possible date after Contract award, the Buyer's Authorised Representative and Supplier's Authorised Representative shall convene a start-up meeting. This meeting shall be used to establish and clarify all details of control, administration, reporting and management of the Contract, to confirm lines of

Schedule 1 - Specification

communication, information flows, change control, payment processes and procedures. Additionally, the following will be agreed:

- a) The contract management pack, the tool we will use to manage the contract which includes OTIF failure reason codes
- b) Points of contact and escalation
- c) Future meeting dates and format
- d) Tools for measurement of performance
- e) Tools for price adjustment
- f) Mechanisms for payment
- g) A list of review meeting attendees and/or distribution list for review meeting agenda and minutes.

9. Review Meetings

- 9.1 The parties to this Contract shall meet to review the performance of each party, of their obligations under the Contract and any wider issues around the development of the Goods.
- 9.2 Review meetings are to be held a minimum of every 12 weeks following the start-up meeting, or at such other intervals as deemed necessary during the Contract.
- 9.3 The Buyer shall compile an agenda prior to each meeting containing the items suggested for inclusion by each party and shall circulate the agenda and any supporting documentation to the agreed list of attendees prior to the scheduled date of the meeting. The agenda shall include, but is not limited to the following items:
 - a) Any relevant Material Safety Data Sheets
 - b) Safety knowledge share
 - c) Sustainability
 - d) Quality performance
 - e) Performance against KPI's measures
 - f) Inventory planning and delivery
 - g) Commercial / finance
 - h) Continuous improvement opportunities/value stream mapping
 - i) Review Business Continuity & Disaster Recovery plan
- 9.4 The parties shall identify at each review meeting any failures by either party to comply with its obligations under the Contract and shall formulate a plan to remedy any such failures. Progress in implementing such plans shall be included on the agenda for the next scheduled review meeting.
- 9.5 The Buyer shall compile meeting minutes from each of the meetings in draft form and circulate to the Supplier for approval within seven (7) days from the date of the respective meeting.
- 9.6 The Supplier shall provide approval or additional comment on the meeting notes within seven (7) days of receipt. If no comment or approval is provided after 7 days, approval will be deemed to have been received.

Schedule 1 - Specification

10. Reports

- 10.1 At the end of the Buyer's Period, calendar available [here](#), the Supplier shall populate the relevant tabs in the Contract Management Pack and submit to the Buyer's Authorised Representative.
- 10.2 Contract Management Pack report shall be produced in a system or format required by the Buyer and shall contain all the necessary information.
- 10.3 Any errors or queries in the Contract Management Pack shall be investigated and rectified between the Parties and this shall be used to form the basis of discussions in Business Reviews.
- 10.4 The Supplier shall receive a periodic OTIF Failure Report from the Buyer and is required to populate the report with OTIF Failure Reason Codes, as agreed at the start-up meeting. The report shall be returned to the Buyer within 5 working days.

11. Key Performance Indicators

- 11.1 The Key Performance Indicators (KPIs) for this contract are detailed in the table below.
- 11.2 The Suppliers shall meet or exceed the required service levels for the Supplier KPIs when delivering the Goods. The KPI's will be calculated and measured at the intervals in which the KPI is managed e.g. quarter or period as per the contract management pack.
- 11.3 The performance of the Supplier will be reviewed periodically against the following KPI's;

	Key Reporting Area	KPI Title	KPI	Detailed Definition (what is being measured?)	Unit of Measure	Below Expected	Expected (Minimum Requirement)	Stretch	Excellence
1	Delivery	On-Time In Full (OTIF) - Goods	Goods delivered on time and in full to specified locations	The supplier delivers the requirements to the date agreed on the purchase order or by subsequent written agreement with the customer in all cases	Cumulative to-date	< 95% OTIF	Between 95% and 97% OTIF	Between 97% and 99% OTIF	> 99% OTIF
2	Environmental	Environmental incidents	Environmental incidents	Number of minor and major environmental incidents, over the life of the contract, as described here https://www.gov.uk/report-an-environmental-incident occurring annually at Supplier's facility or in transit to NR site	Annually	Any major and/or >3 minor environmental incidents	Nil major and between 2 and 3 minor and environmental incidents.	Nil major and 1 minor and nil major environmental incident	Nil environmental incidents
3	Health & Safety	Safety conversation	Safety conversation and Close Calls	The number of proactive interventions to prevent safety incidents occurring per 12 weeks	Per 12 weeks	0 Safety Conversations Held per period	1 Safety Conversation Per Period	3 Safety Conversations per period	5 safety conversations per period

Schedule 1 - Specification

4	Health & Safety	RIDDOR Occurrence	Fatality Weighted Index (FWI)	Supplier delivers contractual responsibility safely without harm to people or property	Last 13 Periods	>0.035	0.035	<0.035 to 0.005	0
5	Quality	Volume of defective and/or damaged goods on delivery	Volume of defective and/or damaged goods on delivery	The supplier delivers goods that are defect free and undamaged to the agreed delivery/collection point. Temperature check made periodically, data recorded cumulatively, final measure at close of contract as per Contract Management Pack	Cumulative to-date	<97% of goods are defective and/or damaged on delivery	97-99% of goods are not defective and/or damaged on delivery	>99% of goods are not defective and/or damaged on delivery	N/A
6	Social Responsibility	Social Responsibility Initiatives	Number of Social Responsibility Initiatives	The supplier's proactiveness in making their organisation more open and inclusive	Annually	0 Social Responsibility Initiatives	1 Social responsibility initiative	2 Social Responsibility Initiatives	3 Social Responsibility Initiatives

11.4 The Supplier shall provide data where required according to the contract management pack.

11.5 The following are examples of KPI measures found in the contract management pack:

11.5.1 **KPI 1** – On-Time In Full (OTIF) - Goods

11.5.3.1 KPI 1 shall be measured as the following worked example shows. OTIF is measured at line level

The Buyer's Period	Order lines with need by date in 4 week period	Order lines Delivered OTIF	Order lines failing OTIF	Fails attributable to Supplier	Adjusted OTIF measure
1	100	97	3	2	98%
2	150	120	30	27	82%
3	200	198	2	2	99%
4	200	195	5	4	98%

11.5.2 **KPI 2** – Environmental Incidents

Year	Quarter	Minor Incidents	Major Incidents
1	1		
	2		
	3		
	4		
2	1		
	2		
	3		

Schedule 1 - Specification

	4		
--	---	--	--

11.5.3 KPI 3 – Safety Conversations

Year	Period	Safety Conversations	Close Calls/Interventions	Safety Conversations 12 week	Close Calls/Interventions 12 week	Number of Employees	Activities per Employee
1	1	3	50	12	500	100	5.12
	2	4	150				
	3	5	300				
	4			0	0		#DIV/0!
	5						
	6						
	7			0	0		#DIV/0!
	8						
	9						
	10			0	0		#DIV/0!
	11						
	12						
2	1			0	0		#DIV/0!
	2						
	3						
	4			0	0		#DIV/0!
	5						
	6						
	7			0	0		#DIV/0!
	8						
	9						
	10			0	0		#DIV/0!
	11						
	12						
3	1			0	0		#DIV/0!
	2						
	3						
	4			0	0		#DIV/0!
	5						
	6						
	7			0	0		#DIV/0!
	8						
	9						
	10			0	0		#DIV/0!
	11						
	12						

11.5.4 KPI 4 – FWI

Year	Period	Fatalities	Specified Injury 7 day + lost time	Other injuries	Hours worked	FWI
1	1	0	0	0	1	1600
	2					0.625
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					

	Fatalities	Specified Injury 7 day + lost time	Other injuries	Hours worked	FWI	Performance Level
Year 1	0	0	0	1	1600	0.625
Year 2	0				0	#DIV/0!
Year 3	0				0	#DIV/0!

Performance	Function	Level
Below Expected	more than	0.035
Expected	equals	0.035
Stretch	between	<0.035 to 0.005
Excellence	equals	0

Schedule 1 - Specification

Year	Period	Major Riddor	Minor Riddor	Personal Accidents	Hours Worked	Lost Time
1	1					
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
	13					
	1					
	2					
	3					
	4					
	5					
	6					

	Hours Worked	Lost Time	LTIFR	Performance Level
Year 1	0	0	#DIV/0!	#DIV/0!
Year 2	0	0	#DIV/0!	#DIV/0!
Year 3	0	0	#DIV/0!	#DIV/0!

Performance	Function	Level
Below Expected	Less than	0.35
Expected	equals	0.35
Stretch	between	0.35 and 0.5
Excellence	equals	0

11.5.5 KPI 5 – Quality

Supplier to complete

VVVV

Year	Period	Qty Delivered	Qty affected by defects	% Goods without defects
1	1			#DIV/0!
	2			#DIV/0!
	3			#DIV/0!
	4			#DIV/0!
	5			#DIV/0!
	6			#DIV/0!
	7			#DIV/0!
	8			#DIV/0!
	9			#DIV/0!
	10			#DIV/0!
	11			#DIV/0!
	12			#DIV/0!
	13			#DIV/0!
	1			#DIV/0!
	2			#DIV/0!
	3			#DIV/0!

	Qty Delivered	Qty affected by defects	% Goods without defects
Year 1	0	0	#DIV/0!
Year 2	0	0	#DIV/0!
Year 3	0	0	#DIV/0!
Final	0	0	#DIV/0!

11.5.6 KPI 6 – Social Responsibility

Initiative	Benefit	Date Recorded

Performance	Level
Below Expected	0 initiatives per year
Expected	1 initiative per year
Stretch	2 initiatives per year
Excellence	3 initiatives per year

12. Failure to comply with KPI's

- 12.1 In the event that a Supplier doesn't meet the required service level for each KPI's set out in 11.3, this shall be deemed to be a KPI failure and the Supplier may be

Schedule 1 - Specification

asked to draft a plan to remedy the cause(s) of the KPI failure, which shall specify (at the minimum):

- 12.1.1 The reason(s) for and circumstances which caused the KPI failure;
- 12.1.2 The action the Supplier will take to rectify the cause(s) of the KPI failure;
- 12.1.3 Which of the Supplier's personnel will be involved in rectifying the cause(s) of the KPI failure; and
- 12.1.4 The timescales for implementing the rectification plan.
- 12.2 The Supplier shall provide the rectification plan to the Buyer's Authorised Representative as promptly as practicable but always within seven days of being asked.
- 12.3 As soon as practicable but in any event within seven days of receipt of the rectification plan by the Buyer's Authorised Representative, the parties shall meet to discuss the KPI failure and the rectification plan.
- 12.4 The Supplier shall take steps to rectify the KPI failure, either by implementing the rectification plan or as otherwise agreed with the Buyer's Authorised Representative.
- 12.5 In the event that the Supplier fails to meet any required service level in any two consecutive periods or any three periods in a period of 13 consecutive Periods this shall be deemed to be a "continuing KPI failure" and a material breach of the contract, then:
 - 12.5.1 The Buyer may give notice to the Supplier requiring the immediate suspension of the Supplier from current orders.
 - 12.5.2 The Supplier shall comply with the requirements of any such notice at its own cost.
 - 12.5.3 Any accepted order that the Supplier cannot supply following the application of 12.1.1 will be classified as a Supplier performance failure.
 - 12.5.4 Failure to remedy repetitive failures may constitute a breach of the Contract.
 - 12.5.5 All of the above shall be provided by email in a format to be agreed by both parties at the beginning of the Contract.

13. Exclusions from the KPI's

- 13.1 Any failure by the Supplier to meet the requirements of the KPI's shall be disregarded for the purposes of assessing the Supplier's compliance with the KPIs if and to the extent that:
 - 13.1.1 The failure was caused by circumstances beyond the control of the Supplier;
 - 13.1.2 The failure was caused by the Buyer or its contractors;
- 13.2 Any dispute between the parties as to whether a failure to meet the requirements of the KPI's falls within the provisions of clauses 12.1.1 and/or 12.1.2 shall be

Schedule 1 - Specification

determined in accordance with the dispute resolution procedure set out in clause 32 of this contract.



Supply Chain Operations Material Delivery Charter

QP02SOP31v2.1

Version #		Revision Date		Approval Date	Reason
1.2		06/01/2020		06/1/2020	New Revision
1.3		22/04/2020		22/04/2020	Llanwern removed and RDC information updated
1.4		20/05/2020		20/05/2020	RVFS and RDC site rules updated
1.5		06/08/2020		06/08/2020	RVFS Wheelpan delivery and CoC rules updated
1.6		09/09/2020		09/09/2020	Addition of QP32 SCO QMS references
1.7		03/11/2020		03/11/2020	Change to Dartford RDC Duty Phone number
1.8		19/07/2021		19/07/2021	Removal of Reference (s) to NDC, The Greater West Electrification Project (TGW) and Change of Address for Bristol RDC
1.9		10/02/2022		10/02/2022	Inclusion of "What 3 Words" location of Goods In Door for each RDC & RDC Manager Update
2.1		26/06/2024		26/06/2024	Addition of cable drum delivery requirements. Removal of RDC Managers names.

CONTENTS

- 1. Introduction**
 - 1.1 Definitions
 - 1.2 Obligations
- 2. Orders and Deliveries**
 - 2.1 Purchase Orders
 - 2.2 Delivery and Invoice Addresses
 - 2.2.1 Delivery to RDC
 - 2.2.2 Direct to Site Delivery
 - 2.2.3 Invoices
- 3. RDC Delivery Timeslots**
 - 3.1 Inbound Delivery Scheduling & Management
 - 3.2 Hazardous Material
 - 3.3 Route Services - Supply Chain Operations responsibilities
- 4. Delivery Notes/Advice Notes**
 - 4.1 Delivery/Advice Notes Content
 - 4.2 Paperwork - for Courier deliveries
 - 4.3 'Signed Unchecked' at Supplier premises or at a NR Regional Distribution Centre
 - 4.4 Proof of Delivery for Couriers
 - 4.5 Special Notes
- 5. Calibration Certificates & Certificates of Conformity**
- 6. Pallets, Cable Drums and Delivery Requirements**
 - 6.1 Pallets
 - 6.2 Standard Pallets
 - 6.3 Pallet Capacities
 - 6.4 Pallet Exchange
 - 6.5 Cable Drums
 - 6.6 Additional Delivery Requirements
- 7. Health, Safety and Environment**
 - 7.1 Sustainability
- 8. Delivery Concerns**
 - 8.1 Escalation
- 9. Appendices**
 - 9.1 Appendix 1 – Basingstoke RDC
 - 9.2 Appendix 2 – Cambridge RDC
 - 9.3 Appendix 3 – Coventry RDC
 - 9.4 Appendix 4 – Glasgow RDC
 - 9.5 Appendix 5 – Dartford RDC
 - 9.6 Appendix 6 – Leeds RDC
 - 9.7 Appendix 7 – Newcastle RDC
 - 9.8 Appendix 8 – Bristol RDC
 - 9.9 Appendix 9 – Warrington RDC
 - 9.10 Appendix 10 – Fleet Spares (RFVS)

1. Introduction

The purpose of this Material Delivery Charter is to inform suppliers to Network Rail of our expectations and requirements for the delivery of materials to Network Rail Warehouse facilities and direct to site (DTS). It seeks to clearly identify each specific element of the delivery process, explain the principles, and highlight the desired method of implementation. It also seeks to ensure that all deliveries are carried out in a safe and sustainable way.

Network Rail and its partner suppliers are committed to continuously improving our process and methods, seeking to eliminate all unnecessary waste and cost. We expect our suppliers to actively contribute to this process. It is therefore inevitable that the contents of this manual will be revised and updated from time to time. All amendments will be distributed upon a new revision being completed.

Achieving excellence in all key areas of the logistics performance is a fundamental aspect of the partnership.

1.1 Definitions

NR	Network Rail
RFVS	Rail Fleet Vehicle Spares
RDC	Regional Distribution Centre
PO	Purchase Order
RHPC	Road Haulage Planning Centre
MSDS	Material Safety Data Sheet
POD	Proof of Delivery (Signed Haulier/Courier Manifest)
NFFP	Not Fit for Purpose
HIAB	Vehicle Mounted Crane (Brand Name)
MHE	Manual Handling Equipment
FLT	Fork Lift Truck
DTS	Direct To Site deliveries

1.2 Obligations

The 'Route Services – Supply Chain Operations' – Material Delivery Charter requires a close working relationship between Network Rail, its partners and the Supplier and, as such, will result in the sharing of both risk and opportunities. This in turn imposes the following obligations on both parties:

- Supply of relevant, timely and accurate information.
- Supply of required goods at the agreed time, complying with all current standards.
- Adherence to required procedures and practices.
- Provision of adequate, trained resource to ensure procedures are understood and implemented.
- Clear and structured communication to the other party of any problems/issues that may result in targets/deliveries not being achieved.
- Continuous improvements in all areas to resolve issues and meet increasingly challenging market requirements for improved quality, delivery, sustainability and cost.

- Ensuring availability of all relevant technical specifications and information.
- Sharing best practice methodology.
- Mutual respect of confidential information.

2. Orders and Deliveries

2.1 Purchase Orders

Purchase Orders will be issued by Network Rail and will carry a reference commencing “**NN**” or “**NR**” followed by six or seven digits and the respective release against that Purchase Order.

E.g.:	NN123456-1	1 st Order release
	NN123456-2	2 nd Order release
	NR123456-1	1 st Order release
	NR123456-2	2 nd Order release

NB: Purchase Orders raised for Rail Fleet Vehicle Spares (RFVS) will not include the NN or NR prefix, or the order release reference.

2.2 Delivery and Invoice Addresses

2.2.1 Delivery to RDC

NB: All deliveries should be made to the address as instructed by the purchase order, unless stated otherwise.

Booking In telephone numbers and Delivery Addresses for the Regional Distribution Centres are contained in the appendices, at the end of this document.

2.2.2 Direct to Site Delivery

There are two types of Direct to Site (DTS) deliveries.

- Supplier delivery direct to Customer site address.
- RHPC delivery direct to the Customer site address at Supplier request.

NB: Where instructed, and only when instructed, a DTS order may be delivered to an RDC address, despite showing a customer address on the purchase order.

Network Rail reserves the right to request Proof of Delivery (POD) for DTS orders at any time. Delivery concerns relating to DTS orders will be managed via our Customer Help Desk. The concern will then be managed in line with the process described in section 8.

2.2.3 Invoice

Invoices must always quote the Purchase Order Number, Line and Subline Number, Catalogue Number and Qty. These should then be submitted to:

Network Rail
Accounts Payable
PO Box 4145
Manchester
M60 7ZW

3. RDC Delivery Timeslots

Route Services – Supply Chain Operations operates a pre-advice and delivery timeslot process which reduces vehicle waiting time, and ensures appropriate manpower is available to unload vehicles.

3.1 Inbound Delivery Scheduling & Management

Inbound deliveries are managed according to two categories.

1. **Courier** type deliveries, loose boxed deliveries, (up to and including 20 parcels) where manual handling equipment is not required to unload. These deliveries do not require a booking reference; they will be unloaded on a 1 in, 1 out basis via a 'virtual', courier specific queuing system. If delivery is for more than 20 parcels, a booking should be made using the booking line.
2. **Palletised** deliveries will require a booking reference. **NB:** Bookings can be made by calling the RDC contact number (see appendices for details) during office hours, 72 hours prior to the delivery date.

NOTE: We do not unload pallets from fixed side doors such as vans with side doors. This is especially pertinent to Courier vehicles carrying pallets. Loads must be easily accessible via side curtains, the rear door or be able to be carried by delivery personnel.

Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable);
- Date delivery is required.
- Number of Pallets.

A timeslot and booking reference will be issued for delivery. Please see the appendices at the end of this document for the delivery timeslots at each site. Only emergency deliveries, agreed in advance, will be accepted outside of these hours. Late deliveries will be unloaded only if it is possible to do so.

Where a supplier delivers frequently to an RDC, 'Open Delivery' can be authorised to remove the need to book in each time. Open Delivery is available between the hours of 06:00 and 16:30. Please contact your Contract Manager to discuss this option.

NB: All deliveries should be made in line with the due delivery date detailed on the purchase order. Early deliveries cause as much disruption and inefficiency as late deliveries. For this reason, early deliveries may be refused, and suppliers asked to re-deliver to the agreed delivery date and time.

The maximum number of days to which a supplier can deliver in advance of the PO due date is 14 working days unless prior agreement is made. All Suppliers must adhere to the booking in process and the allocated delivery slot as issued by Route Services – Supply Chain Operations.

Benefits include:

- More effective and efficient use of Route Services – Supply Chain Operations and Supplier's resources.
- Delivery process is hastened.
- Provides opportunity for pallet control; and
- Route Services – Supply Chain Operations has visibility of product arriving within 24-hour period.

3.2 Hazardous Material

Hazardous materials must be clearly marked and segregated from other products in the consignment as required by law and accompanied by MSDS paperwork.

3.3 Route Services - Supply Chain Operations responsibilities

Route Services - Supply Chain Operations aims to:

- Confirm the Delivery timeslot and input information into timeslot delivery database to manage its resources.
- Unload vehicles quickly and efficiently once on site.
- Reduce the number of non-conformance reports and therefore enhance customer service.
- Pay a supplier in line with the agreed terms and conditions.

4. Delivery Notes/Advice Notes

The Delivery/Advice Note **must always** accompany deliveries and should be presented by the Driver when he arrives. It is important that all copies are legible, and any subsequent amendments must be clear and signed by the Supplier's representative.

4.1 Delivery/Advice Notes Content

- Supplier Name and Address.
- Supplier Advice Note Number.
- Product description.
- Network Rail Purchase Order Number and Release Number (where applicable).
- Network Rail Line Number and Subline Number (Shipment Number).
- Network Rail Catalogue Number.
- Quantity.
- Total number of Pallets / Cartons.

- Serial Numbers if Applicable.
- Name of Haulier and Despatch Date.
- Haulier / Carrier Consignment Number.
- Network Rail RDC delivery Address; or
- Customer's Site delivery address.

The Delivery/Advice Note must be visible and on the outside of the consignment. If the paperwork is not located on the outside of the consignment, or if the requisition number is not recognised, the delivery will be refused. If there is more than one package per consignment, then each box must be numbered sequentially.

4.2 Paperwork - Courier deliveries

For Courier deliveries, the relevant paperwork must be available on the outside of the package(s), or the delivery will be refused.

Courier companies will not commonly allow for packages to be opened until they have been signed for. NR's service provider will not sign for any package(s) until the paperwork has been checked.

4.3 'Signed Unchecked' at Supplier premises or at a NR Distribution Centre

Some deliveries (or Supplier Collections via road haulage) are signed as 'unchecked'. NR's service provider reserves the right to security check any delivery, at any time. For deliveries that have been signed as 'unchecked', Route Services – Supply Chain Operations reserves the right to make a claim against short deliveries or damaged/incorrect goods within a "reasonable" timeframe (approximately 3 working days from the time of delivery).

4.4 Proof of Delivery for Couriers

The Proof of Delivery (POD) is not a confirmation of goods received in full. A receipting signature is only for the number of boxes or pallets delivered, not their contents. As expressed above, NR's service provider reserves the right to make a claim against short deliveries or damaged/incorrect goods within a reasonable time frame.

In the event of a delivery concern, NR's service provider will inform the supplier within 24 hours of the delivery and the supplier must respond to/action the issue highlighted within two working days of this notification. The resolution should be completed within 5 (five) working days.

4.5 Special Notes

It is expected that Suppliers will provide the following information where applicable to their deliveries.

- Any special handling requirements (e.g., hazardous/flammable).
- Shelf-life information (e.g. manufacturing date/expiry date).

5. Calibration Certificates & Certificates of Conformity

Calibration Certificates and Certificates of Conformity are applicable when material has been requested to be supplied with such documentation by Route Services – Supply Chain Operations via the ordering process.

Suppliers who are supplying items with a calibration certificate or certificate of conformity must attach a certificate to the item supplied, not included solely with the delivery paperwork. Suppliers must state clearly on the box that the calibration certificate is located inside. Certificates must be supplied for each individual item. Only with authorisation from Network Rail, will certificates of conformity containing multiple serial numbers for the same product/ catalogue number be accepted.

Network Rail reserves the right to request electronic copies of the certificates by email with the provision of an NR catalogue number, serial number, or purchase order number. The Supplier is required to provide a copy of the certificate within 48 hours of the request from NR.

6. Pallets, Cable Drums and Delivery Requirements

6.1 Pallets

Route Services – Supply Chain Operations is committed to achieving speedy receipt and booking in of product from Suppliers. Benefits to the Supplier include:

- Timely payment of invoices.
- Reduced unloading time for vehicles.
- Reduction of hidden administration costs and wasted effort.
- A leaner supply chain, leading to enhanced customer satisfaction.

To achieve this, we require our suppliers to conform to the following delivery criteria. Pallets must be:

- Fit for purpose and structurally sound.
- Clean and in good repair.
- Safe for mechanical handling.
- Fully slatted.

NB: If more than one part is to be delivered on mixed pallets, the parts must be physically segregated and identified with the correct Network Rail Catalogue number and Network Rail Purchase Order number.

6.2 Standard Pallets

Our Suppliers are required to use standard pallets, illustrated as follows:

1200mm x 1000mm (Standard) pallets will be accepted without hindrance, as will Euro Sized Pallets when deliveries are received from abroad or where a separate agreement is in

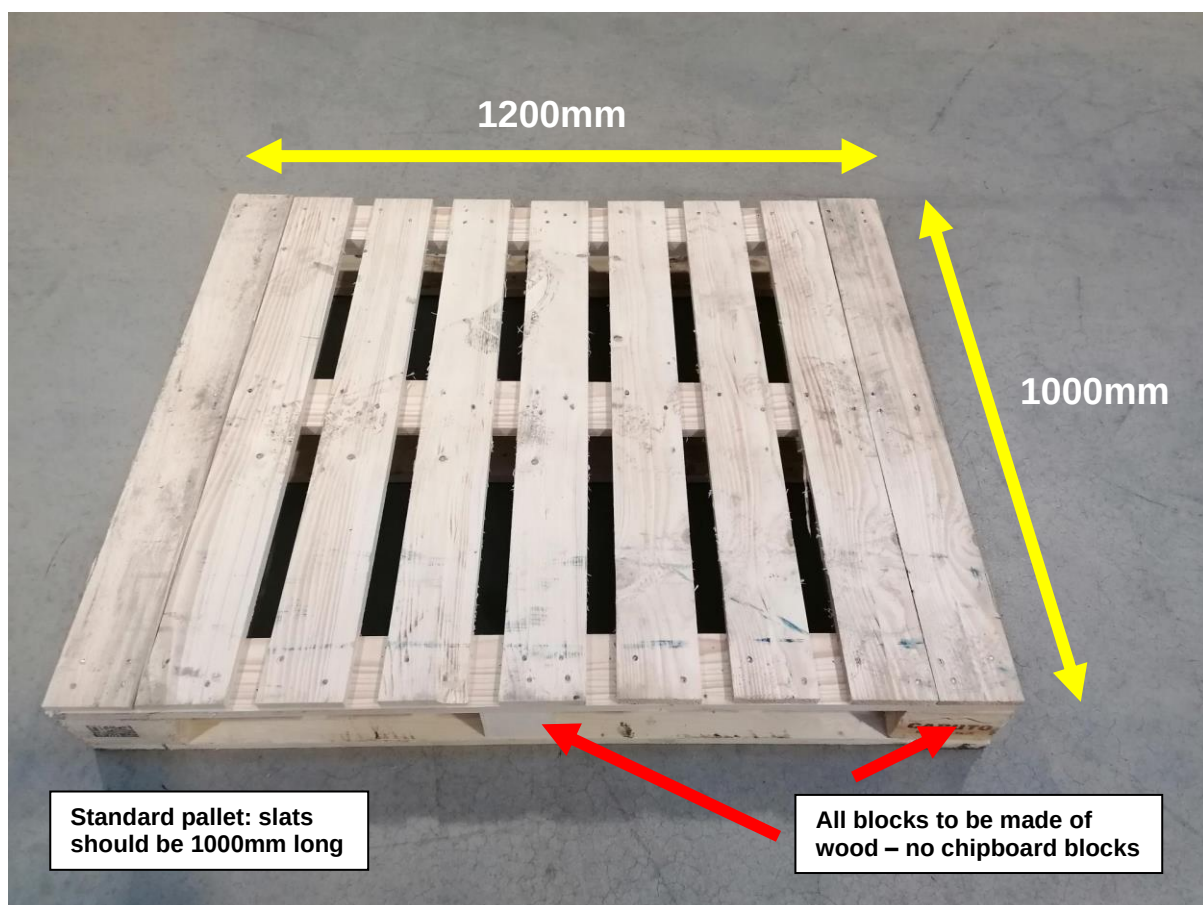
place. If, however, oversized goods are to be delivered on oversized pallets, dispensation can be made providing prior notification is given when booking in the delivery.

- **Only standard Flat 4-way bottom pallets – highlighted in red (fig 1.1 below) will be accepted – not three-legged pallets.**
- The standard of the pallet shall be the same standard as an **English Chep ‘Blues’**.
- It is accepted that oversized goods may require over-sized pallets, this should be checked with NR’s service provider before making a booking.
- It is accepted that oversized goods may on occasions overhang a standard pallet. In these circumstances the goods should be adequately protected and not be liable to bending, bowing or breaking due to the overhang; however, as expressed, oversized pallets can be accepted with prior notification to Goods In and is the preferred method for delivering oversized goods.
- Slaving (supporting Not Fit for Purpose (NFFP)) or broken pallets by placing another pallet underneath) is not an acceptable way of making a delivery, and the delivery will be rejected.

6.3 Pallet Capacities

Pallet weights must not exceed 1200kg each.

The maximum pallet height permissible, including packaging, is 1600mm (160cm) unless prior dispensation is given when booking in.



Standard Flat 4-way Pallet (1200mm X 1000mm)

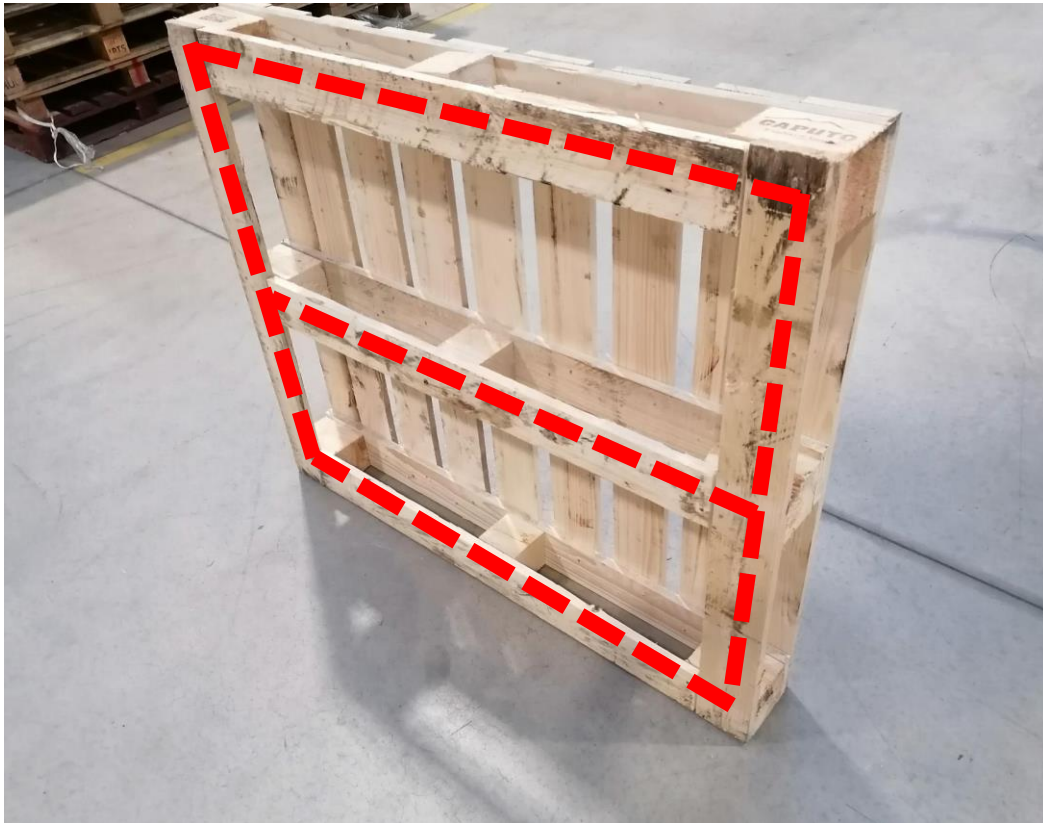


Fig 1.1 – Standard Flat 4-way Pallet

The slats on the top of the standard pallet should be 1000mm as shown in the first picture. This gives strength to the pallet when being lifted by slings or HIAB cranes. Slats should not run along the long edge of the pallet.

6.4 Pallet Exchange

Please note that it is not Network Rail's policy to exchange pallets on a one-to-one basis. All pallets are deemed part of the delivery and will not be returned or replaced.

6.5 Cable Drums

To ensure safe handling of cable drums through an RDC, we are only able to accept cable drums with a maximum diameter of 1.8m. All cable drums that are greater than 1.8m in diameter will need to be delivered direct to site (DTS). *See point 2.2.2.*

All cable drums will need to be delivered on the rim and NOT on the flat side. Cable drums can be delivered on standard size pallets if they are secured using banding straps.

Empty cable drums will be made available for collection from RDCs as and when they are recovered from customer sites. Network Rail will inform a supplier when there are empty drums to collect.

6.6 Additional Delivery Requirements

We do not allow the use of ropes to secure loads. Any deliveries found to be using ropes to secure loads will be refused. It is difficult to prove the load bearing capacity of ropes, with knots, sharp bends or water saturation reducing their effective strength. We will only allow ropes to be used for holding a sheet or tarpaulin in place.

7. Health, Safety and Environment

Network Rail is committed to the safety of employees, contractors, and visitors to our sites. To ensure that health and safety rules are adhered to, all visitors, contractors and suppliers' drivers are requested to comply with the following:

At any NR Regional Distribution Centre, drivers must acquaint themselves with the relevant site 'Briefing Card' provided to every visiting supplier vehicle. Drivers **MUST** read the Briefing Card before entering site, which stipulate the basic site rules.

For reference, please find copies of these Briefing Cards in the Appendix.

Appendix 1 –	Basingstoke RDC
Appendix 2 –	Cambridge RDC
Appendix 3 –	Coventry RDC
Appendix 4 –	Glasgow RDC
Appendix 5 –	Dartford RDC
Appendix 6 –	Leeds RDC
Appendix 7 –	Newcastle RDC
Appendix 8 –	Bristol RDC
Appendix 9 –	Warrington RDC
Appendix 10 –	Fleet Spares (RFVS)

The following general Health and Safety rules are applicable across all sites:

- Nobody under the age of 16 will be permitted on site, even as a passenger in the vehicle.
- Drivers must wear appropriate PPE for the distribution centre (please ensure your vehicle carries the necessary PPE).
- If Drivers exit their vehicles, drivers must always adhere to the yellow and black marked walkways in the delivery yard.
- All drivers must ensure their vehicle's hazard lights are switched on when the vehicle is in motion in the delivery yard.
- Switch off your ignition and hand keys to the Warehouse Operative who attends to you.
- The speed limit in the delivery yard is 5mph for all vehicle types.
- Drivers must remain in their vehicles until the vehicle has been 'chocked' in place.
- Drivers should wait in their vehicles until asked to unload; (NR's service provider will not unload any vehicle that is deemed to be unsafe).
- NR's service provider operates a 3-metre rule for man and machine. Therefore, all drivers must either remain in their cab, or, if a driver exits their vehicle, they must **ALWAYS** follow the black and yellow marked walkways.
- Drivers must not leave trip hazards around their vehicles, for example: straps, boxes, bars etc.

- If it is necessary for a driver to assist in the unloading of goods from a vehicle whilst working above ground level, an appropriate fall arrest system **MUST** be in place.
- If a box vehicle is used and unloads on dock doors, drivers must remove keys and hand them in to the Warehouse staff prior to unloading.
- NR's service provider will use MHE (Manual Handling Equipment) for the purposes of unloading. The service provider will not drag or slide pallets with ropes, slings, straps, etc.
- Smoking on site is only permitted in the designated smoking area.
- Use of mobile phones is only permitted inside vehicle cabs when the vehicle is stationary or within a "safe" area designated at the time of need by site management.
- In the event of visitors, contractors or suppliers' delivery drivers being on site at the time of a fire alarm, they are required to leave the building by the quickest route and report to the nearest assembly points where other warehousing contractor's personnel are gathering, making their presence known to the responsible manager.
- Visitors, contractors, or supplier's delivery drivers should not attempt to move any vehicle during a fire, unless specifically requested to do so by a member of the Fire or Security Services.

7.1 Sustainability

Network Rail is committed to making sure that everything we build, manage, service or develop leaves a lasting positive legacy for future generations, and keeps the impact on the environment and society at the forefront of all decisions.

We request all suppliers to consider the following:

- When making deliveries be aware of our neighbours, keeping noise to a minimum and being respectful. Reduce unnecessary engine idling to reduce noise and engine emissions.
- When planning deliveries, optimise loads and plan routes to maximise the efficiency of journeys.
- Strive to reduce packaging weight to reduce the amount of carbon emissions during haulage.
- Utilise a modern road fleet, with engines that meet the best available class for engine emissions.
- Do not over package items and strive to reuse packaging. Network Rail reserves the right to reject goods that are over-packaged.
- Focus on reducing the amount of single use plastic packaging.
- For pallets and cable drums, source these from sustainable timber sources, striving to only use timber from a certified sustainable timber scheme.

8. Delivery Concerns

NR's service provider will report delivery concerns to the Supplier as soon as reasonably possible and will aim to contact the supplier within 24 hours of the delivery. NR's service provider will record the delivery concern on the Central Concerns Log including the Root Cause Reason Code. Notes to validate the choice of code and details as to why the delivery concern has occurred, will also be recorded.

On receipt of the delivery concern the Supplier must respond to/action the fault within 2 (two) working days. The resolution should be completed within 5 (five) working days.

8.1 Escalation

NR's service provider will escalate a delivery concern after 5 (five) working days to the NR Supplier Queries Manager if it remains unresolved. The Supplier Queries Team will then contact the product supplier to resolve and to mitigate against any similar future delivery concerns from occurring.

Appendix 1 – Basingstoke RDC

Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

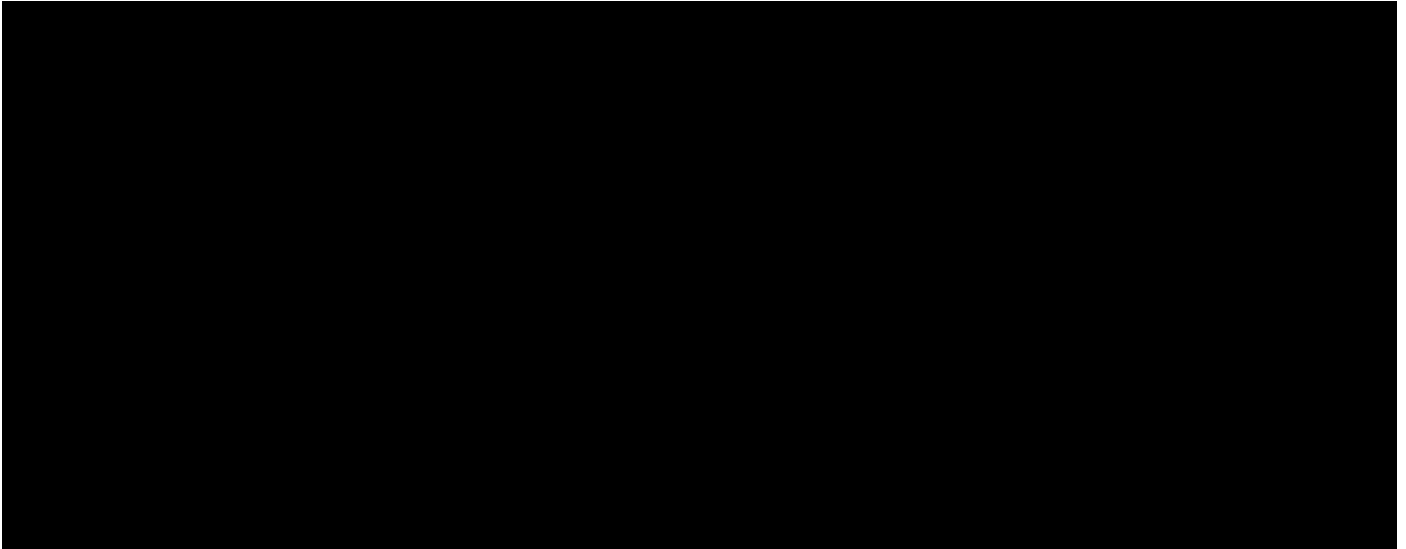
Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the keyboard. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise.
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles.
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 2 – Cambridge RDC



Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

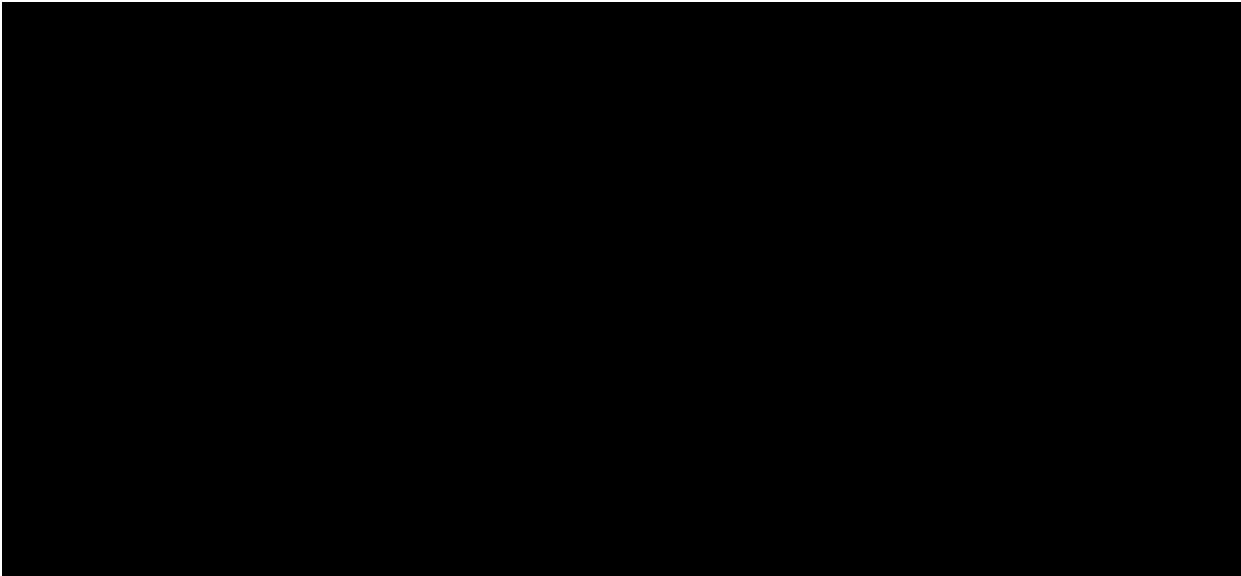
Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the key board. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise;
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles;
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 3 – Coventry RDC



Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

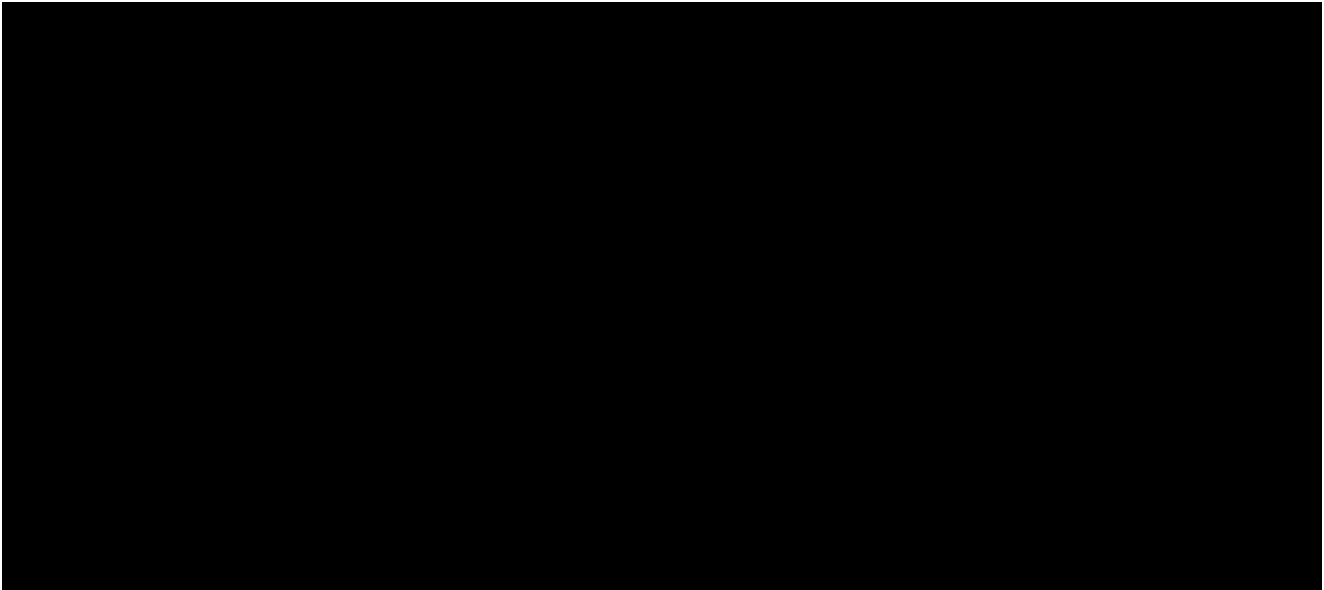
Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the keyboard. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise.
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles.
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 4 – Glasgow RDC



Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

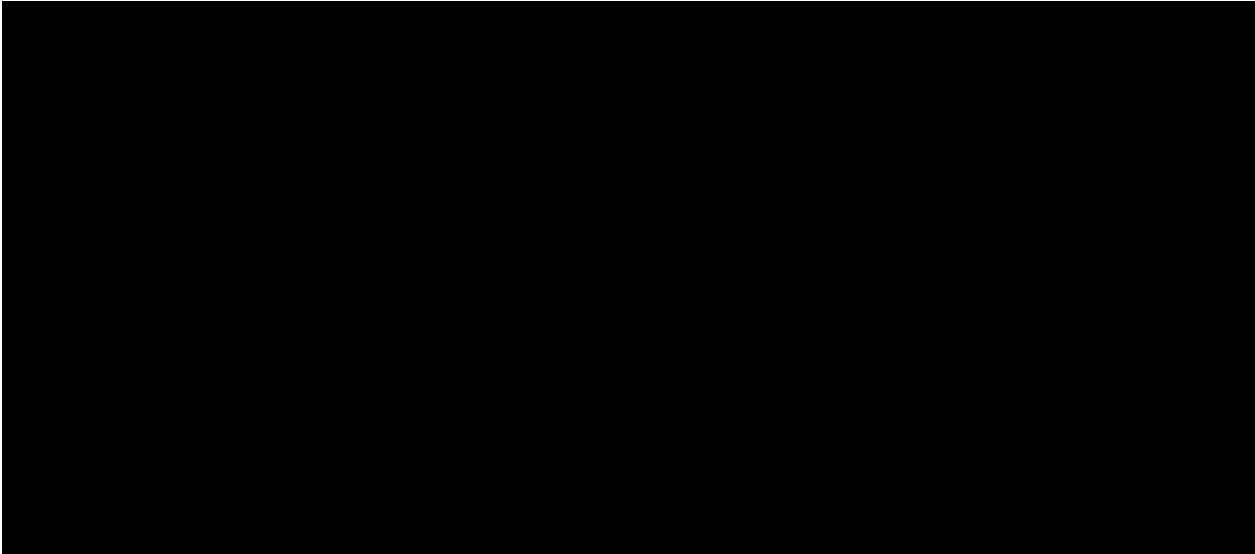
Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the keyboard. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise.
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles.
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 5 – Dartford RDC



Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

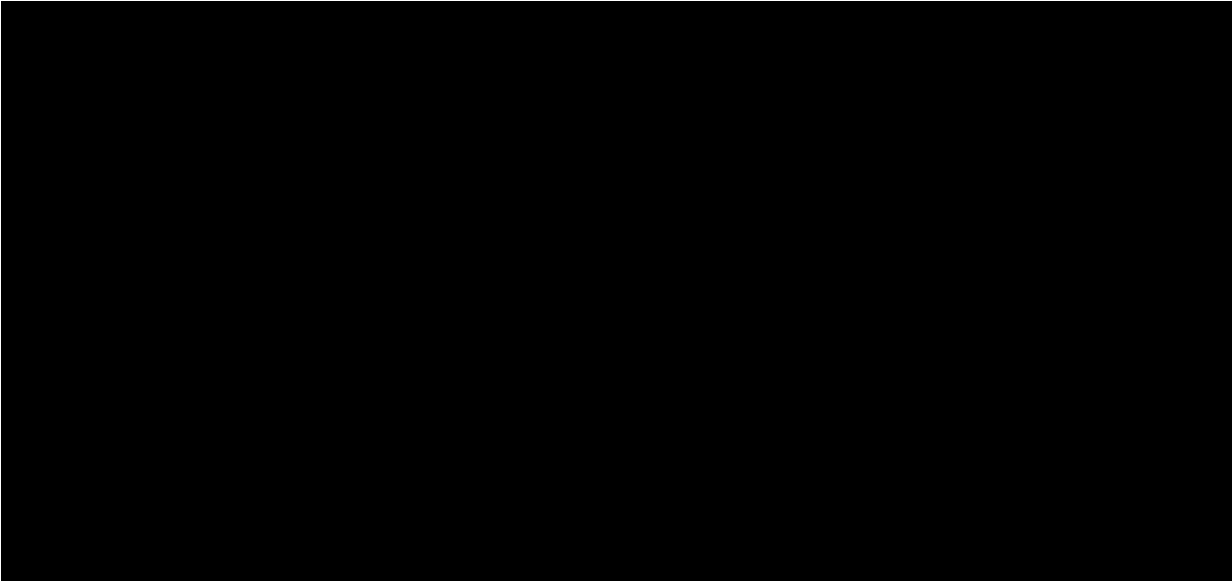
Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the keyboard. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise.
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles.
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 6 – Leeds RDC



Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

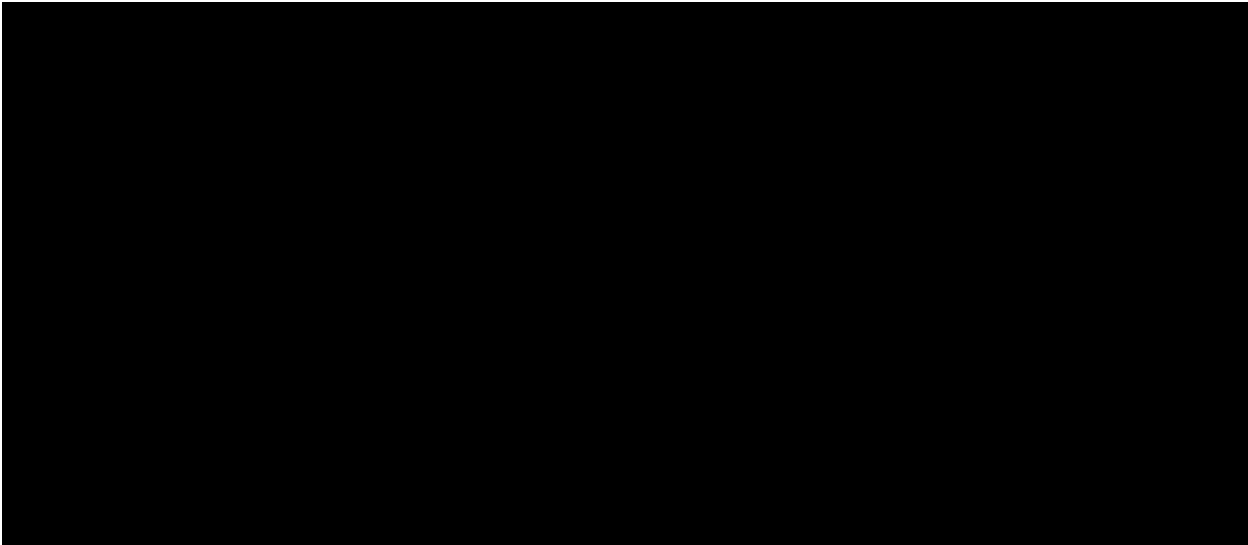
Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the keyboard. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise.
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles.
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 7 – Newcastle RDC



Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

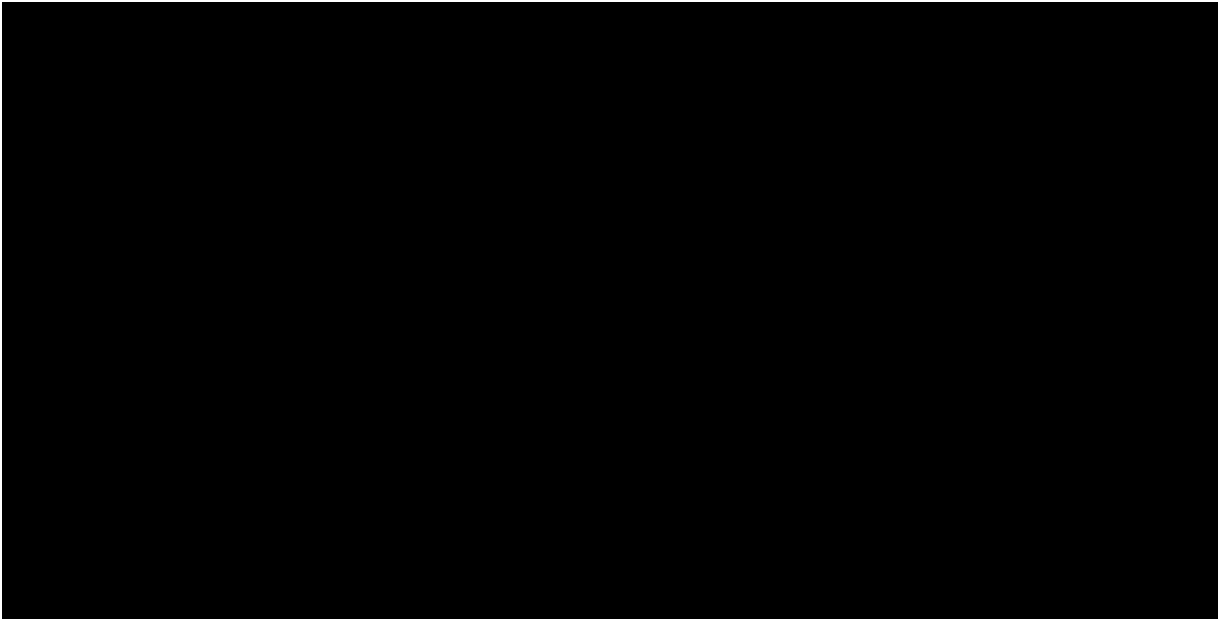
Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the keyboard. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise.
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles.
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 8 – Bristol RDC



Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the keyboard. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise.
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles.
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 9 – Warrington RDC

Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.

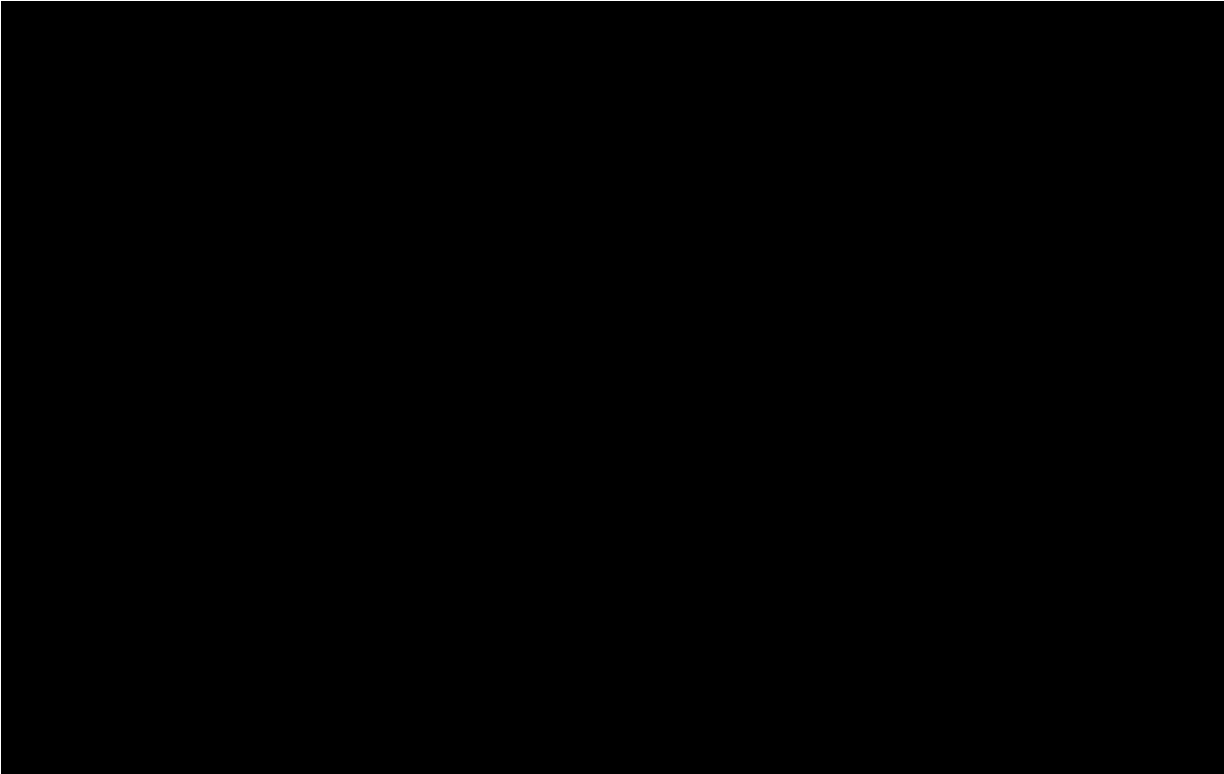
Where a supplier delivers frequently, 'Open Delivery' can be authorised to remove the need to book in each time. Please contact your Contract Manager to discuss this option.

Delivery timeslots including Open Delivery hours are between **06:00** and **16:30**.

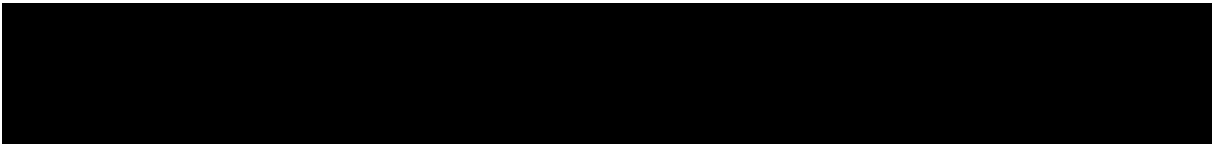
DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Hi-Viz **must** be worn at **all times**.
- Yellow walkways are provided for your safety, please use them at **all times**.
- All vehicles **must** reverse park in front of the bay as instructed, or elsewhere as instructed by the FLT driver.
- If access to the warehouse is required, drivers **must not** enter or exit through the delivery door, but via the pedestrian door.
- Drivers **must** remain in their vehicle until it is 'chocked', only then is it safe to alight from the vehicle.
- Remove your vehicle keys and hand to the FLT driver to be placed on the keyboard. They will be returned when you are ready to leave.
- When unloading, drivers **must** be at the back of their vehicle or inside the cab, unless instructed otherwise.
- All couriers **must** report to the bay doors.
- The speed limit on site is **5mph** for all vehicles.
- Only **1 (one)** vehicle at a time is permitted into the yard unless managed by an onsite banksman.

Appendix 10 – Fleet Spares (RFVS)

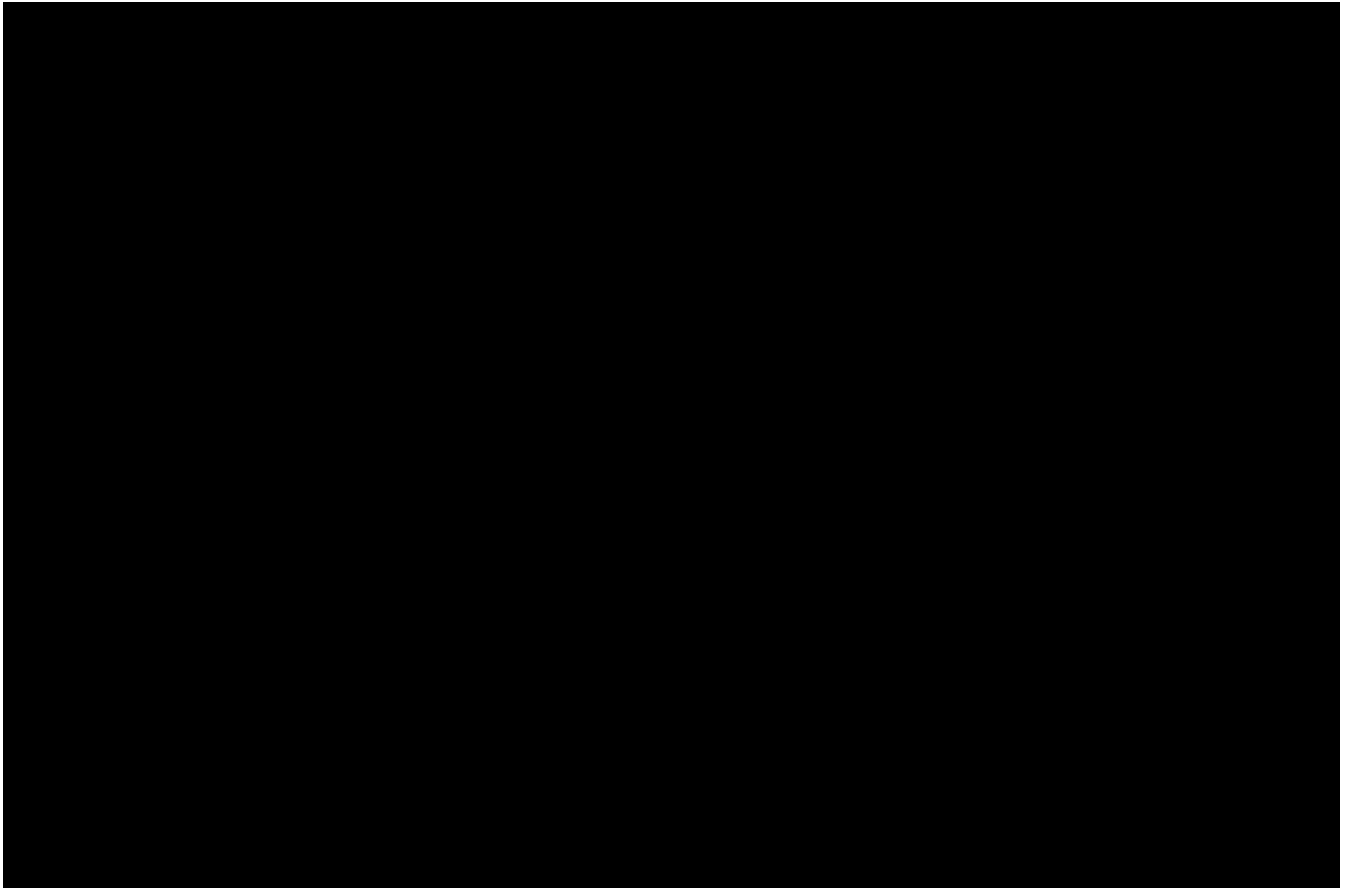


NOTE: ALL WHEELPANS & AXLES ARE TO BE DELIVERED TO WARRINGTON RDC, THE DELIVERY ADDRESS AND CONTACT INFORMATION CAN BE FOUND UNDER APPENDIX 9 OF THIS DOCUMENT.



Suppliers will need to quote the following to obtain a booking reference.

- Network Rail PO number with its respective Release Number (where applicable).
- Date Booking Required – Date delivery is required.
- Number of Pallets.



DRIVERS MUST READ THE FOLLOWING BEFORE ENTERING SITE

- Drivers **must** stop at the **RED LINE** at the access gate, there is signage on the gate that directs the driver to call the site duty phone for access.
- Once access has been granted the driver **must** enter the yard and turn to the right for Unit 1, **reverse park** outside bay 2, **apply parking brake** and **switch off** engine.
- Drivers **must** be wearing high visibility vest/jacket, safety footwear, and gloves if handling goods/curtains/pallets.
- Drivers **must** report to the **Goods in Desk** (Marked by Goods In Door Signage) and present their delivery and collection paperwork;
- The driver will be required to place their vehicle keys in a key box before any loading or unloading commences.
- During loading/unloading drivers **must** be in a safe place, this can be their driving cab, the Goods in Desk, or if supervision is required of loading/unloading operation outside the Goods in Door on the safety walkway behind the cones.
- If the driver is required to assist the operative in the loading/unloading task, they can only approach the vehicle once the Forklift has parked and switched off meaning it is safe to approach. Once the assistance has been given, the driver **must** return to the safe area before the operative can continue to load/unload.
- Once this operation has been completed, the operative will park the forklift in a safe area away from their vehicle thus allowing them to complete any securing activities required to the load.
- The paperwork will be completed, the keys returned and the operative will open the gate to allow the vehicle to leave site.

Rail Fleet Wheel Pans

Rail Fleet Wheel Pans must be delivered as follows.

- On a on a pallet as per section 6 on the main charter.
- A maximum of two (2) wheel pans per pallet.
- Pallets must be secured using metal banding, exemplified below:



**The Carriage of Dangerous Goods and Use of Transportable
Pressure Equipment Regulations 2009 (as amended)**

Authorisation No 363

Applicable to Carriage by Road

This authorisation is given in accordance with Regulation 12(1) of the Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009 (Statutory Instrument 2009 No.1348), (as amended), referred hereafter as CDG 2009, and taking into account the spirit of Special Provisions 274 of the European Agreement Concerning the International Carriage of Dangerous Goods by Road 2023, referred hereafter as ADR.

PURPOSE

To allow the carriage by road of railway thermite

INTERPRETATION

In this certificate:

“railway thermite” means a mixture of iron oxide and aluminium, with or without metallic alloying elements, and with an average (mean) particle size in excess of 100 nm.

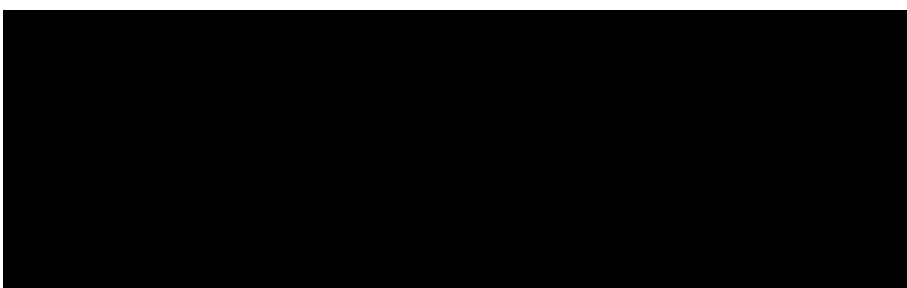
TIME LIMIT

This authorisation comes into effect on 1st April 2024 and remains valid until 1st April 2028, or there being any changes to the classification of the dangerous goods, or its being revoked in writing; whichever is the sooner.

ALTERNATIVE CARRIAGE PROVISIONS

1. The carriage must take place only in Great Britain.
2. The railway thermite to be carried must be packaged, marked, labelled and treated as being classified as either UN 1325 Class 4.1 or UN 3178 Class 4.1 for the purpose of compliance with CDG 2009.
3. The provisions of 3.1.2.8 of ADR shall apply to the carriage.
4. Where railway thermite is packaged, marked, labelled and treated as being classified as UN 1325 Class 4.1 Mixed Packing provision MP10 shall apply to the carriage.
5. Where railway thermite is packaged, marked, labelled and treated as being classified as UN 3178 Class 4.1 Mixed Packing provision MP11 shall apply to the carriage.
6. A copy of this authorisation must be attached to the transport documentation for each shipment.
7. All other relevant provisions of CDG 2009 in relation to the carriage of Class 4.1 dangerous goods shall be complied with.

Dated: 28 March 2024



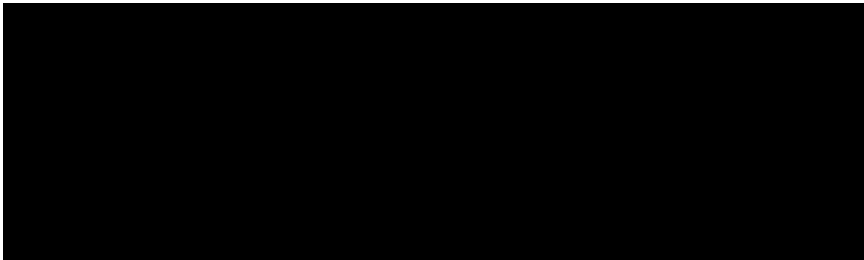
The Explosives Regulations 2014 as amended

Certificate of Exemption No. 1 of 2024

1. In pursuance of the powers conferred on it by paragraph (1) of regulation 81 of the Explosives Regulations 2014 ("the Regulations") and being satisfied by paragraph (2) of that regulation that the health and safety of persons who are likely to be affected by the exemption will not be prejudiced in consequence of it and that the security of explosives will not be prejudiced, the Health and Safety Executive ("the Executive") hereby exempts railway thermite from the requirements and prohibitions imposed by regulations 5, 6, 7 and 27 of the Regulations.
2. In this certificate:

"railway thermite" means a mixture of iron oxide and aluminium, with or without metallic alloying elements, and with an average (mean) particle size in excess of 100 nm.
3. This Certificate of Exemption comes into effect on 1st April 2024 and remains valid until 1st April 2028, or its being revoked by the Health and Safety Executive by a certificate in writing; whichever is the sooner.

Dated 28 March 2024



Schedule 2 - Charges

1. Contract Price

- 1.1 In consideration of the Supplier properly supplying and delivering the Goods, the Buyer shall pay the Supplier the Contract Price in accordance with the provisions of this Pricing Schedule.
- 1.2 The price for the supply of the Goods in accordance with this contract shall be as shown in the price list (herein after known as "Base Price").

The Base Price is the rate(s) agreed following bid submission. The Base Price will equal the Unit Rate from the date of contract execution until the first price adjustment is applied.

The Base Prices remain unchanged through the life of the contract.
- 1.3 The price paid for the goods as accepted at the time of ordering and later calculated as a result of the price adjustment shall be known as the "Unit Rate".
- 1.4 Prices apply at the point of ordering, no changes to accepted orders will be made. An order is deemed to have been accepted by the Supplier if it is not challenged within 5 working days.
- 1.5 The Base Price shall be calculated for any parts varied into the Contract.
- 1.6 Where parts are required that are not listed in the price list, the Buyer will obtain a quotation from the Supplier, and, subject to reviewing the acceptability of the quotation, complete a variation to include the part on this contract.
- 1.7 The Contract Price is inclusive of all the obligations of the Supplier contained within this Contract.

2. Price List Showing Base Prices (BP)

- 2.1 All prices are quoted excluding delivery. Delivery Charges are described in Clause 4 of this Schedule.
- 2.2 All prices are subject to VAT at the rate prevailing at the time of invoicing.
- 2.3 The pricing contained in 2.3.1 is on the basis of the requirements of Schedule 1, Appendix B and Appendix C not being enforced. The pricing contained in 2.3.2 is on the basis of the requirements of Schedule 1, Appendix B and Appendix C being enforced. For Items priced as 'POA', the price shall be provided by the Supplier upon request by the Buyer at the time of ordering.

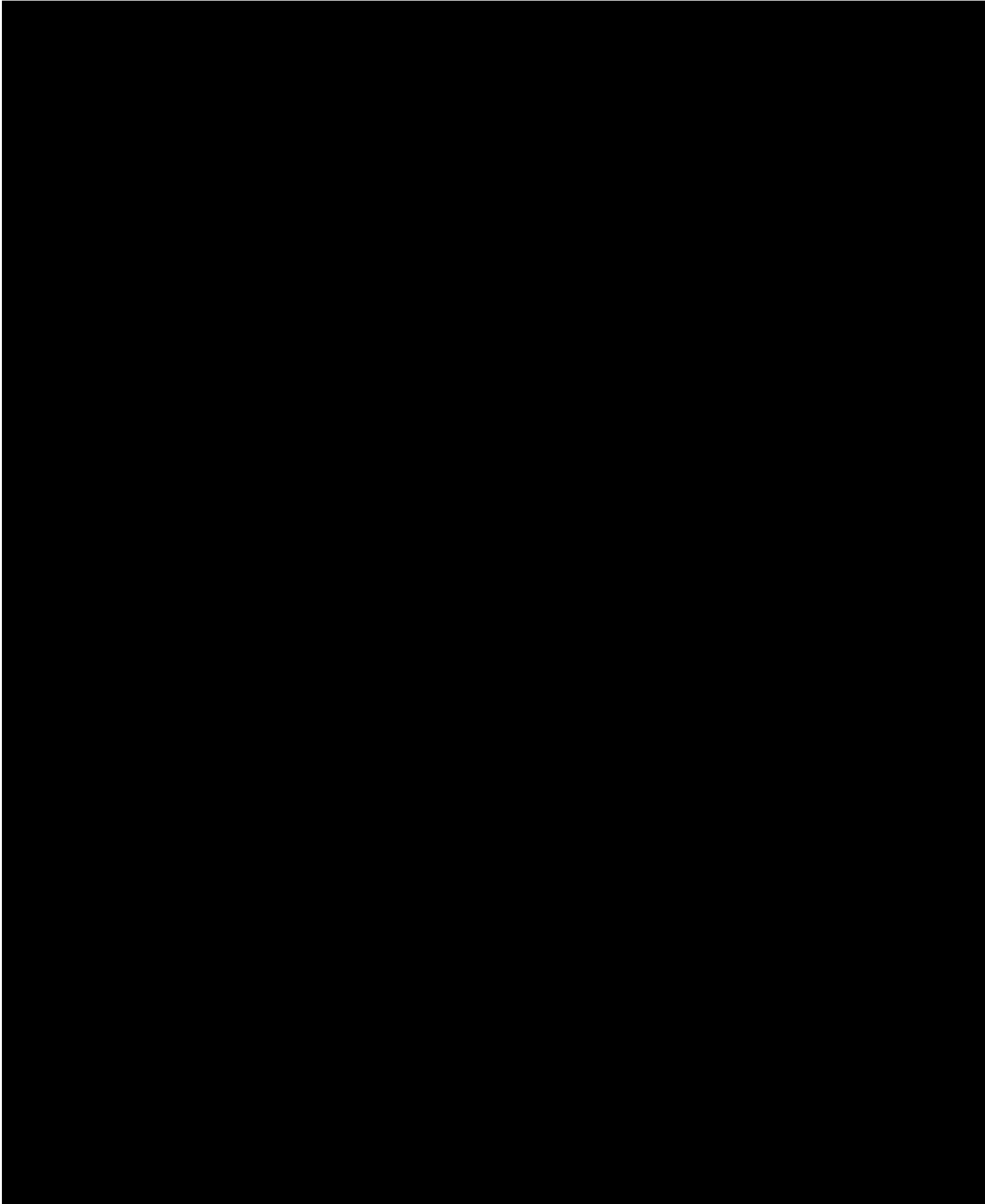
Schedule 2 - Charges

2.3.1

Schedule 2 - Charges

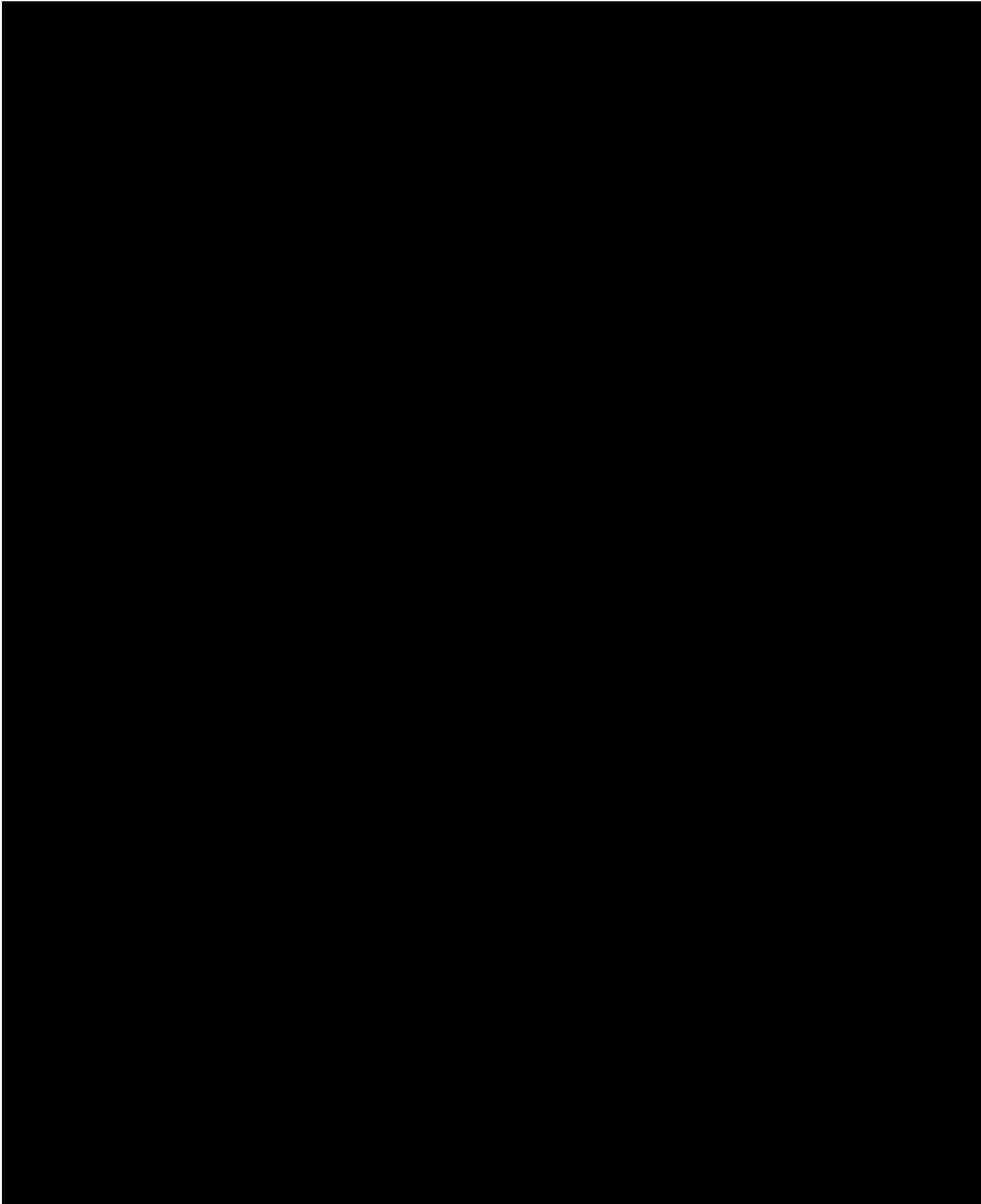
Schedule 2 - Charges

Schedule 2 - Charges

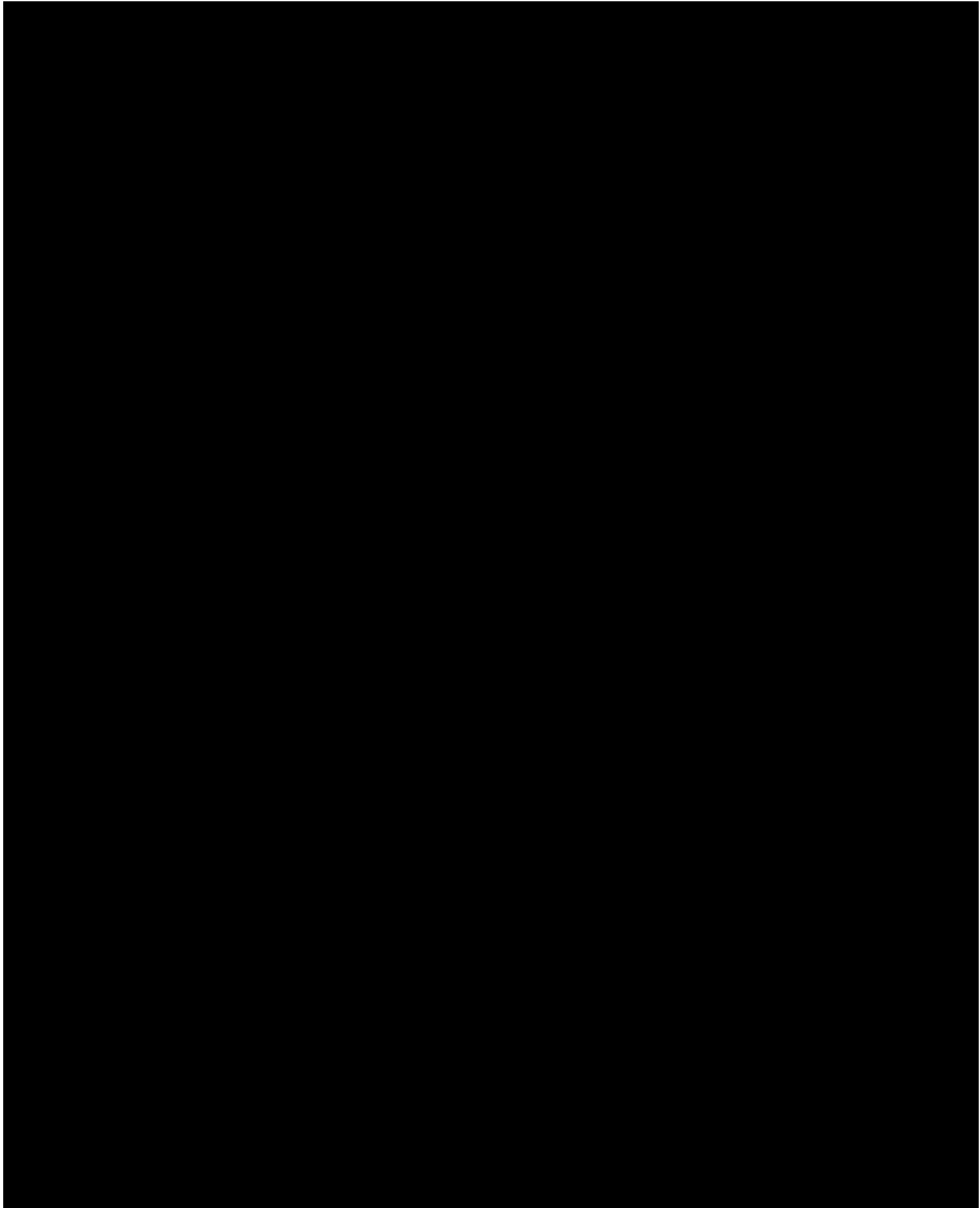


Schedule 2 - Charges

Schedule 2 - Charges



Schedule 2 - Charges



Schedule 2 - Charges

Schedule 2 - Charges

3. Price Adjustment

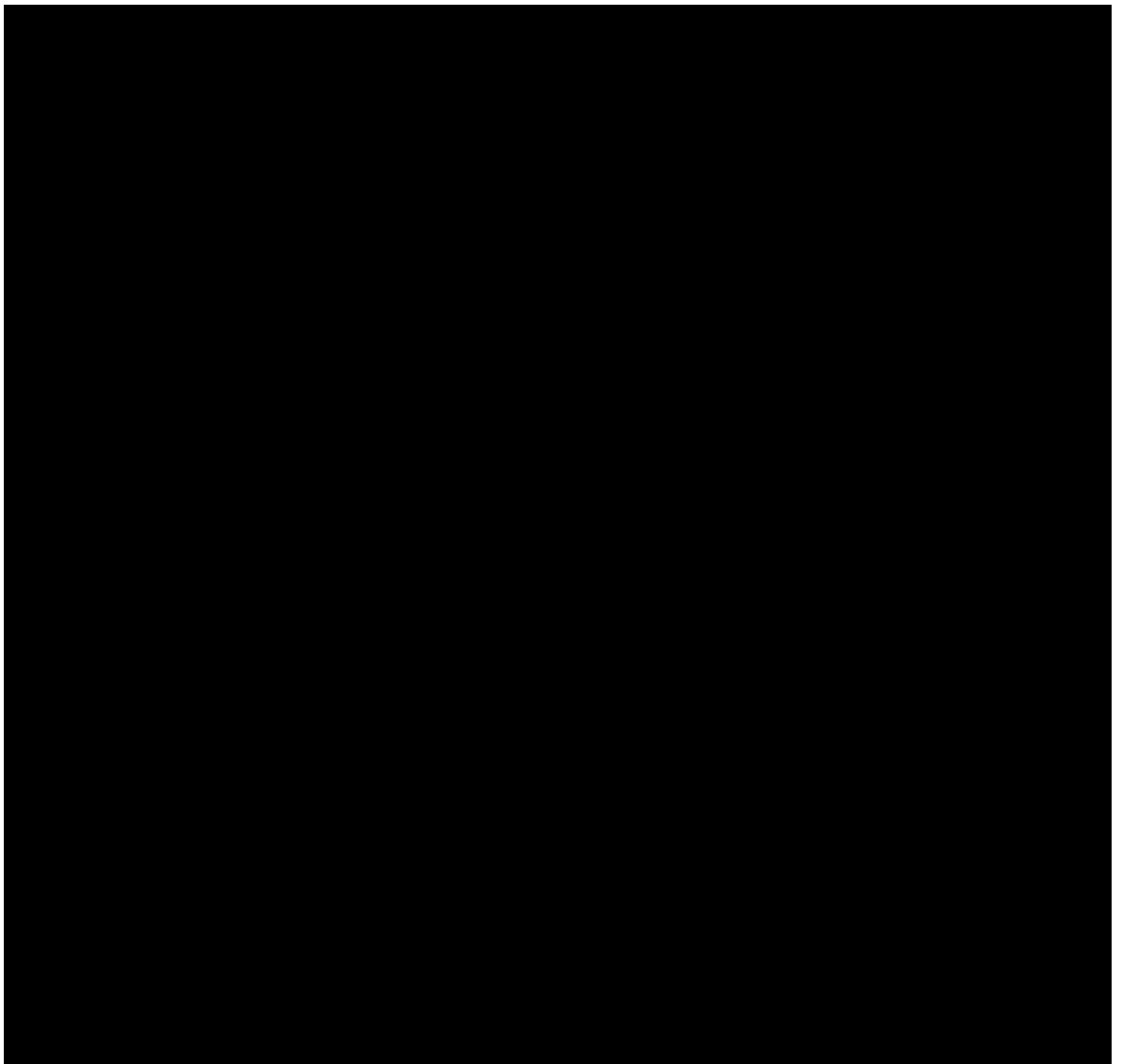
- 3.1 The Base Price of the Goods as detailed in the price list shall remain in place until the end of the contract.
- 3.2 Every 6 months from contract start date, the New Unit Rate (NUR) will be calculated using the formula stated in clause 3.6. E.g. if the contract started on 15th April, the 6 months would be calculated from the first of the month closest to the contract start date, in this instance 1st May, with the first adjustment 1st November.
- 3.3 All NUR will be rounded to 2 decimal places.
- 3.4 Once calculated the adjusted Unit Rates will apply to all new orders placed from the application date for 6 months until the next price adjustment is applied. They shall not be applicable to any order placed before this date.
- 3.5 If agreed by both parties, the price adjustment may be applied less frequently than every 6 months.
- 3.6 Price adjustment calculation to determine NUR for each line item:

Schedule 2 - Charges

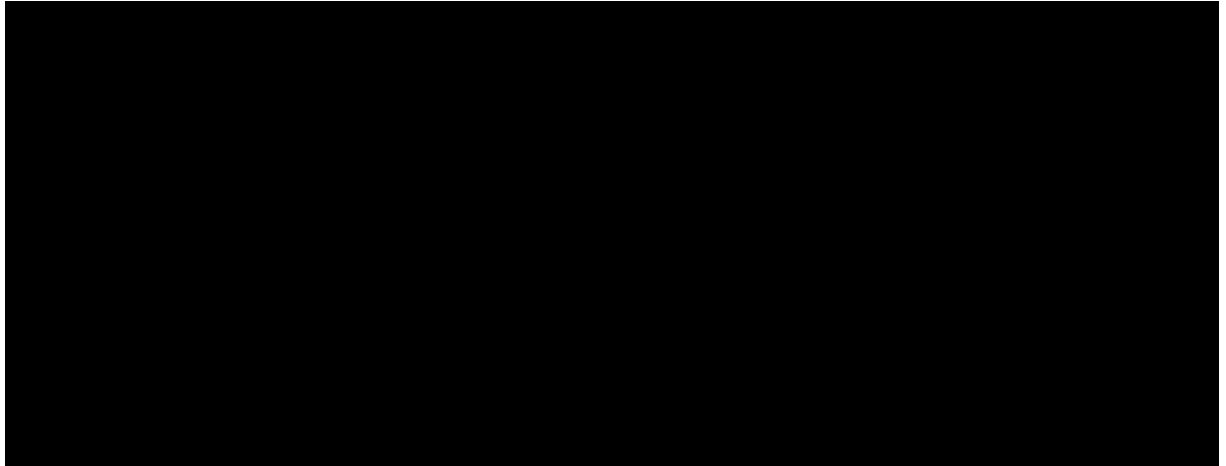


4. Delivery Charges

- 4.1 Orders shall be delivered on standard pallets as described in the Materials Delivery Charter (Schedule 1, Appendix A).
- 4.2 Orders containing Thermite will initially be packaged and delivered using standard packaging and pallets until a date is agreed between the parties to comply with the requirements of Schedule 1, Appendix B and C, at which point the hazardous Goods Pallet Rates shall apply to all orders containing Thermite.
- 4.3 The delivery charges shall be fixed for the first 6 months of the contract at the below rates. These will then be adjusted in line with the Price Adjustment calculation in clause 3.6 of this schedule.

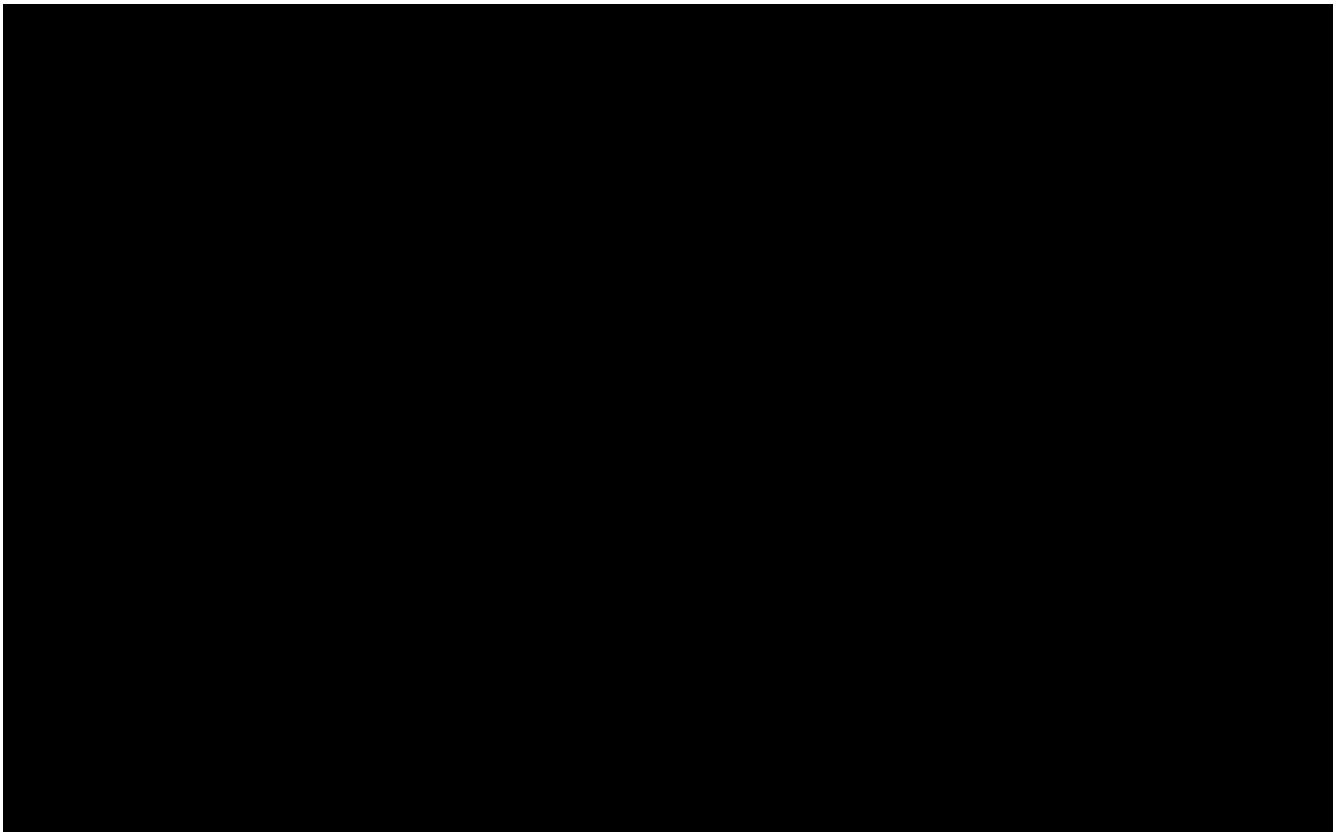


Schedule 2 - Charges



- 4.4 The Supplier shall invoice for all delivery charges accumulated on a quarterly basis.
- 4.5 For Direct to Site and other non-standard orders which are not covered by the delivery charges stated, it is the Supplier's responsibility to advise the Buyer of any additional delivery charges. Where additional delivery charges apply, the Supplier shall agree with the Buyer a cost for the delivery prior to accepting the order.

Following agreement of the delivery charges, the Supplier shall confirm acceptance of the Order. Once the Purchase Order has been received by the Supplier, the Supplier must email [REDACTED] with confirmation of the agreed delivery charge in order for the Purchase Order to be amended.



Schedule 2 - Charges

6. Advanced Shipping Notices

- 6.1 For goods delivered Direct to Site (DTS) the Supplier shall provide an Advanced Shipping Notice (ASN) in a format agreed by both parties to
[REDACTED]
- 6.2 The ASN for DTS orders allows for goods to be receipted and without provision of an ASN invoices will not be passed for payment
- 6.3 For goods delivered into the RDC Network as per the Materials Delivery Charter, Appendix A of Schedule 1, the Supplier shall provide an Advanced Shipping Notice (ASN) in a format agreed by both parties to
[REDACTED]
- 6.4 The ASN for RDC orders notifies the Buyer of an expected delivery. If that delivery does not arrive the RDC will contact the Supplier to trace the goods.
- 6.5 Goods will be receipted on arrival at the RDC unless there is cause to raise a concern as described in the Supporting Processes for Invoice Payment.

SCHEDULE 3 – CORPORATE SOCIAL RESPONSIBILITY SCHEDULE

Reference to “Supplier” is deemed to mean “Contractor” or “Consultant” as relevant to the contract of which this schedule forms a part.

Reference to “Buyer” is deemed to mean “Client”, “Employer”, “Hirer” or “Purchaser” as relevant to the contract of which this schedule forms a part.

1. What we require from our Suppliers

- 1.1 The Buyer requires the Supplier and its subcontractors to comply with the standards set out in the Buyer’s Code of Business Ethics, corporate hospitality, conflicts of interests and speak out (whistleblowing) policies, the Supplier Code of Conduct and any updates thereof.
- 1.2 In addition, the Buyer requires the Supplier and its subcontractors to comply with the standards set out below.

2. Public Sector Equality Duty

In addition to legal obligations, where the Supplier is providing deliverables to which the Public Sector Equality duty applies, the Supplier shall support the Buyer in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that it fulfils its obligations under the contract in a way that seeks to:

- 2.1 eliminate discrimination, harassment or victimisation and any other conduct prohibited by the Equality Act 2010;
- 2.2 advance:
 - 2.2.1 equality of opportunity; and
 - 2.2.2 good relations,

between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership) and those who do not share it; and
- 2.3 foster good relations between people who share a protected characteristic and people who do not share it.

3. Employment Law

The Supplier must perform its obligations meeting the requirements of all applicable law regarding employment.

4. Modern Slavery

The Supplier:

- 4.1 shall not use, nor allow its subcontractors to use forced, bonded or involuntary prison labour;
- 4.2 shall not require any Supplier staff or subcontractor staff to lodge deposits or identity papers with the employer of such staff and shall be free to leave their employer after reasonable notice (for the purpose of this Schedule, “staff” shall include directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any subcontractor (as applicable), engaged in the performance of the Supplier’s obligations under the contract);

SCHEDULE 3 – CORPORATE SOCIAL RESPONSIBILITY SCHEDULE

- 4.3 warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world;
- 4.4 warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offences anywhere around the world;
- 4.5 shall make reasonable enquires to ensure that its officers, employees and subcontractors have not been convicted of slavery or human trafficking offences anywhere around the world;
- 4.6 shall have and maintain throughout the term of the contract its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and include in its contracts with its subcontractors anti-slavery and human trafficking provisions;
- 4.7 shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under the contract;
- 4.8 shall, when requested by the Buyer, prepare and deliver to the Buyer, an annual slavery and human trafficking report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business with its annual certification of compliance with this Paragraph 4;
- 4.9 shall not use, nor allow its employees or subcontractors to use physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or subcontractors;
- 4.10 shall not use or allow child or slave labour to be used by its subcontractors; and
- 4.11 shall report the discovery or suspicion of any slavery or trafficking by it or its subcontractors to the Buyer and Modern Slavery Helpline.

5. Real Living Wage

- 5.1 “Real Living Wage” means the separate basic hourly rates for London and the rest of the UK, as applicable, as set by the Living Wage Commission (before tax, other deductions and any increase for overtime), as may be revised from time to time.
- 5.2 The Supplier shall and shall also use reasonable endeavours to procure that its Sub-contractors shall:
 - 5.2.1 ensure that none of its staff or the staff of its subcontractor’s engaged in the performance of the contract in London and the rest of the UK and who would also satisfy the eligibility criteria set by the Living Wage Foundation (or any replacement thereof) is paid an hourly wage (or equivalent of an hourly wage) less than the Real Living Wage; and
 - 5.2.2 co-operate and provide all reasonable assistance to the Buyer in monitoring the effect of the Real Living Wage.
- 5.3 Unless stated below, if the Real Living Wage increases during the term of the contract, the Supplier shall not be entitled to adjust the charges and the parties

SCHEDULE 3 – CORPORATE SOCIAL RESPONSIBILITY SCHEDULE

agree and acknowledge that any increases in the Real Living Wage anticipated during the term of the contract have been factored into the Charges.

6. Tax

- 6.1 The Supplier must not breach any tax or social security obligations and must enter into a binding agreement to pay any late contributions due, including where applicable, any interest or any fines. The Buyer cannot terminate the contract where the Supplier has not paid a minor tax or social security contribution.
- 6.2 Where the Supplier or any Supplier staff are liable to be taxed or to pay national insurance contributions in the UK relating to payment received under the contract, the Supplier must both:
 - 6.2.1 comply with the IR35 Legislation, all other statutes and regulations relating to income tax, and the national insurance contributions; and
 - 6.2.2 indemnify the Buyer against any IR35 Legislation and any other income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made during or after the contract term in connection with the provision of the contract deliverables by the Supplier or any of the Supplier staff.
- 6.3 If any of the Supplier staff are Workers who receive payment relating to the contract deliverables, then the Supplier must at the Buyer's request in respect of each such Worker:
 - 6.3.1 procure that the Worker provides information which demonstrates compliance with Paragraph 6.2.1, or why those requirements do not apply, the Buyer can specify the information the Worker must provide and the deadline for responding;
 - 6.3.2 terminate the Worker's contract if the Worker fails to provide the information requested by the Buyer within the time specified by the Buyer; and
 - 6.3.3 terminate the Worker's contract if the Worker provides information which the Buyer considers isn't good enough to demonstrate compliance with Paragraph 6.2.1 or confirms that the Worker is not in compliance with those requirements.
- 6.4 If it is specified by the Buyer, that the services provided through the contract are assessed by the Buyer to fall under IR35 Legislation then:
 - 6.4.1 the Supplier shall comply with the reasonable instructions and requests for information from the Buyer in respect of the IR35 Legislation;
 - 6.4.2 the Supplier shall advise the Buyer of any relevant changes in the status of Supplier staff;
 - 6.4.3 the Supplier shall supply all the information required, and to any specified time, for the Buyer to report to the Department for Transport and HM Treasury as to compliance with the IR35 Legislation including the number of workers affected; and

SCHEDULE 3 – CORPORATE SOCIAL RESPONSIBILITY SCHEDULE

- 6.4.4 the Buyer shall provide all reasonably requested information within a reasonable timescale to support the Supplier in its compliance with the IR35 Legislation.
- 6.5 Failure by the Supplier to comply with this Paragraph 06 shall be deemed to be a material breach of the contract that is not capable of correction, and the Buyer can immediately terminate the contract.
- 6.6 For the purpose of this Paragraph 6, the following capitalised terms shall have the meaning given to such term below:
- 6.6.1 "IR35 Legislation" means the:
- a) Income Tax (Earnings and Pensions) Act 2003 (ITEPA), Social Security Contributions and Benefits Act 1992 (SSCBA) and all other related statutes and regulations including the Finance Act 2017; and
 - b) off-payroll rules requiring individuals who work through their company pay the same tax and national insurance contributions as an employee; and
- 6.6.2 "Worker" means the any one of the Supplier staff which the Buyer, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 (Tax Arrangements of Public Appointees) applies in respect of the contract deliverables.

7. Preventing fraud, bribery and corruption

- 7.1 The Supplier warrants and represents that neither it nor, to the best of its knowledge the Supplier staff, have committed a Prohibited Act prior to the commencement of the contract or been subject to an investigation relating to a Prohibited Act.
- 7.2 The Supplier must not during the contract term:
- 7.2.1 commit a Prohibited Act or any other criminal offence in the Regulations 57(1) and 57(2) under the Public contracts Regulations 2015 and/or the Public contracts (Scotland) Regulations 2015 (as the context requires) or such Regulations by application of Regulation 80(2) of the Utilities contracts Regulations 2016 and/or the Utilities contracts (Scotland) Regulations 2016 (as the context requires); and
 - 7.2.2 do or allow anything which would cause the Buyer, including any of their employees, consultants, contractors, subcontractors or agents to breach any of the Relevant Requirements and/or this Paragraph 7 or incur any liability under them.
- 7.3 The Supplier must during the contract term:
- 7.3.1 create, maintain and enforce adequate policies and procedures in accordance with good industry practice and to ensure it (including its shareholders, members, directors and the Supplier staff) complies with the Relevant Requirements to prevent a Prohibited Act and require its subcontractors to do the same;
 - 7.3.2 keep full records to show it has complied with its obligations under this Paragraph 7 and give copies to the Buyer on request; and

SCHEDULE 3 – CORPORATE SOCIAL RESPONSIBILITY SCHEDULE

- 7.3.3 if required by the Buyer, within 20 Working Days of the commencement of the contract, and then annually, certify in writing to the Buyer, that they have complied with this Paragraph 7, including compliance of Supplier staff, and provide reasonable supporting evidence of this on request, including its policies and procedures.
- 7.4 The Supplier must immediately notify the Buyer if it becomes aware of any breach of Paragraph 7.1 or 7.3 or has any reason to think that it, or any of the Supplier staff, have either:
 - 7.4.1 been investigated or prosecuted for an alleged Prohibited Act;
 - 7.4.2 been debarred, suspended, proposed for suspension or debarment, or are otherwise ineligible to take part in procurement programmes or contracts because of a Prohibited Act by any government department or agency;
 - 7.4.3 received a request or demand for any undue financial or other advantage of any kind related to the contract; and
 - 7.4.4 suspected that any person or party directly or indirectly related to the contract has committed or attempted to commit a Prohibited Act.
- 7.5 If the Supplier notifies the Buyer as required by Paragraph 7.4, the Supplier must respond promptly to their further enquiries, co-operate with any investigation and allow the audit of any books, records and relevant documentation.
- 7.6 If the Supplier is in default under Paragraphs 7.1, 7.2 or 7.3:
 - 7.6.1 the Buyer may require the Supplier to remove any Supplier staff from providing the contract deliverables if their acts or omissions have caused the default;
 - 7.6.2 such default shall be deemed to be a material breach of the contract that is not capable of correction, and the Buyer can immediately terminate the contract.
- 7.7 In any notice the Supplier gives under Paragraph 7.5 it must specify the:
 - 7.7.1 Prohibited Act;
 - 7.7.2 identity of the party who it thinks has committed the Prohibited Act; and
 - 7.7.3 action it has decided to take.
- 7.8 For the purpose of this Paragraph 7, the following capitalised terms shall have the meaning given to such term below:
 - 7.8.1 “Prohibited Act” shall mean:
 - 7.8.1.1 to directly or indirectly offer, promise or give any person working for or engaged by the Buyer or any other public body a financial or other advantage to;
 - 7.8.1.2 induce that person to perform improperly a relevant function or activity; or
 - 7.8.1.3 reward that person for improper performance of a relevant function or activity;

SCHEDULE 3 – CORPORATE SOCIAL RESPONSIBILITY SCHEDULE

- 7.8.1.4 to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with the contract; or
- 7.8.1.5 committing any offence:
- 7.8.1.6 under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or
- 7.8.1.7 under legislation or common law concerning fraudulent acts; or
- 7.8.1.8 defrauding, attempting to defraud or conspiring to defraud the Buyer or other public body; or
- 7.8.1.9 any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct had been carried out in the UK; and
- 7.8.2 “Relevant Requirements” shall mean all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State pursuant to section 9 of the Bribery Act 2010.

8. Conflict of interest

- 8.1 The Supplier must take action to ensure that neither the Supplier nor the Supplier staff are placed in the position of an actual or potential conflict between the financial or personal duties of the Supplier or the Supplier staff (as applicable) and the duties owed to the Buyer under the contract, in the reasonable opinion of the Buyer.
- 8.2 The Supplier must promptly notify and provide details to the Buyer if such an actual, potential or perceived conflict of interest happens or is expected to happen. If a conflict of interest could arise but could be avoided by the Supplier establishing information barriers, the Supplier sets up and maintains information barriers to ensure that there is no conflict of interest. Information barriers may include: arrangements for physical separation of teams between those working on the contract and any tender or competition; measures to identify restricted groups to which the information barriers will apply; measures to prevent sharing of information between restricted groups including location and storage of confidential papers; signing of personal statements by members of restricted groups recognising obligations regarding confidentiality and training of restricted groups; identification of individuals responsible for overseeing information barriers; and measures to protect the confidentiality of electronically held information and emails including password protection. The Supplier provides at any time on request by the Buyer written confirmation and details of any information barriers have been set up and maintained.
- 8.3 Where there is or may be an actual, potential or perceived conflict of interest as described in Paragraph 8.1 (including where the Buyer in its reasonable opinion considers the Supplier’s written confirmation and details of information barriers to be unsatisfactory, considers that the information barriers do not prevent a conflict of interest arising or suspects non-compliance with the information barriers) it shall be deemed to be a material breach of the contract that is not capable of

SCHEDULE 3 – CORPORATE SOCIAL RESPONSIBILITY SCHEDULE

correction and the Buyer can terminate its contract immediately or take any other steps it thinks are necessary.

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA**Overview****Scope**

This document applies to contracts let by Network Rail that relate to 'Goods' and 'Services'. For the purpose of this document 'Services' is described as:

1. Services not involving any works element such as intrusive site investigations, construction or maintenance works; and
2. Professional and non professional services.

Purpose

Network Rail's core value is the safety and health of its passengers, employees, suppliers and any associated sub-contractors, and the protection of its property and the environment.

Network Rail expects the same dedication to achieving this core value from its suppliers and their sub-contractors. Network Rail requires its suppliers and their sub-contractors to adopt, implement and enforce rules and practices necessary for the safe and environmentally responsible performance of the contract scope. This document sets out the health, safety, environmental and quality assurance (HSEA) requirements that must be met by suppliers.

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA**CONTENTS****General**

- 1 Network Rail Standards
- 2 Definitions
- 3 HSEA Contacts

Section A - Health and Safety

- 1 Legislation and Standards – Generally
- 2 Access
- 3 Reporting of Accidents and Incidents

Section B – Quality Assurance

- 1 General

Section C – Environment and Social Performance

- 1 Legislation and Standards
- 2 Environment and Social Performance Policy
- 3 Environment and Social Management Plan (ESMP)
- 4 Reporting of Environmental Incidents
- 5 Periodic Environmental Performance Reports

Appendix A HSEA Contact Details**Appendix B Contract Specific Health, Safety and Environmental Reporting Metrics****Appendix C Summary of Lifesaving Rules**

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA

General

1. Network Rail Standards

Network Rail Standards are available free of charge on the [Network Rail Standards Portal](#)

2. Definitions;

Agreed Rail Industry Period:

Means each or any of the thirteen accounting periods in a Contract Year.

Close Call:

Anything that has the potential to cause harm or damage. This includes the potential to: Harm a person including minor injuries and fatalities, Harm the environment and/or protected species, Damage railway infrastructure, plant, vehicles, tools, equipment, systems and information.

High Street Environment:

An environment that exists, or can be created, where construction work, structures design, mineral exploration and extraction (or work preparatory to mineral exploration and extraction) can be undertaken by or on behalf of Network Rail Infrastructure Limited (NRIL) without creating or transferring safety risk to or from Network Rail Managed Infrastructure (NRMI) and adversely affecting its safe operation. The requirements for high street working are set out in NR/OHS/L3/005.

Integrated Control Centre:

Means the designated control centre that controls the day-to-day running of the railway.

Level 1, 2 or 3 Investigations:

Level 1 – A preliminary investigation to establish the facts and preliminary causes of an accident or incident, and whether there is a need for further investigation. Also known as a preliminary investigation. Note: Level 1 (preliminary) investigations must be completed on the approved Level 1 form or on an approved system such as IRIS.

Level 2 – An investigation led by Network Rail or a railway undertaking of an accident or incident for which a Level 3 (formal) investigation is not required. Also known as a local investigation.

Level 3 – A formally structured investigation of an accident or incident led by Network Rail or a railway undertaking. Also known as a formal investigation.

Network Rail Managed Infrastructure (NRMI):

Infrastructure that falls within the geographic boundaries of Network Rail Infrastructure Limited railway, including the permanent way and land within the lineside fence, and plant used for signalling or exclusively for supplying electricity for traction purposes to NRIL's operational railway. It includes permanent way at stations and plant within these locations used for signalling NRIL's operational railway, or exclusively for supplying electricity for operational purposes to the operational railway. At stations managed by NRIL it also includes the means of access for passengers between the platforms and the exterior of the station premises. NRMI does not include the following: depots, yards or sidings owned by, or leased to, other parties; infrastructure managed by Network Rail High Speed Ltd; and infrastructure determined by the safety regulator (Office of Rail Regulation) to be excluded from the mainline railway. Structures such as tunnels, bridges, culverts, viaducts, covered cuttings, retaining walls, underpasses, etc., are deemed to form part of NRMI only in relation to their potential to transfer risk onto, or from, the operational railway.

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA

Network Rail's Representative:

Reference to "Network Rail's Representative" is deemed to mean "Employer's Representative", "Project Manager", "Service Manager", "Buyer's Representative" or "Hirer's Representative" as relevant to the contract of which this schedule forms a part.

Rule Book:

Means a series of documents that contain direct instructions and guidelines for everyone working in the railway industry to follow to make sure everyone works safely.

Supplier:

Reference to "Supplier" is deemed to mean "Consultant" as relevant to the contract of which this schedule forms a part and includes any sub-contractors

3. HSEA Contact Details

Where appropriate, insert details of both parties HSEA contacts in Appendix A. To include HSEA leadership, any day-to-day management roles and on-call / out-of-hours arrangements.

Section A - Health and Safety

1. Legislation and Standard – Generally

The Supplier complies with the following Network Rail Standards and policies:

- NR/L1/OHS/051 Drugs and Alcohol Policy; and
- [Lifesaving Rules](#). – See summary in Appendix C.

2. Access

Upon entry to Network Rail property, the Supplier's staff, and any of its subcontractors, will report directly to Network Rail's Representative of the proposed worksite, and comply with all of Network Rail's safety policies, and must receive a site safety induction. The Supplier's staff and subcontractors shall not go anywhere on Network Rail property without supervision.

3. Reporting of Accidents or Incidents

- 3.1 The Supplier reports accidents and incidents that are a danger to trains to the appropriate signaller in accordance with the requirements of the Rule Book (GE/RT8000).
- 3.2 The Supplier reports all accidents and incidents in the format required by Network Rail's Representative;
 - (a) For Supply Chain contracts in accordance with the requirements contained in Network Rail Standard NR/L3/INV/0101 as well as to the following Integrated Control Centre:
 - SCO 24/7 - [REDACTED]
 - (b) For Maintenance contracts in accordance with the requirements contained in Network Rail Standard NR/L3/INV/0101 as well as to the following Integrated Control Centre:
 - SCO 24/7 - [REDACTED]

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA

- (c) For all contracts, in accordance with the requirements contained in Network Rail Standard NR/L3/INV/3001/RIM205, the Supplier shall contribute cooperate and participate in all Level 1, Level 2 and Level 3 investigations where required.

- 3.3 **Close Calls** – Network Rail requires its Suppliers to participate in a close call scheme. This involves engaging teams to identify physical hazards, risks and unsafe behaviours, investigate and address them where possible, and if not escalate them to Network Rail to address.

Reporting of Close Calls:

- (a) The Supplier shall have suitable arrangements for collecting and responding to close calls that occur in areas / activities under their control and subsequently notify Network Rail.

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA**Section B – Quality Assurance****1 General**

- 1.1 Unless otherwise agreed in writing by Network Rail's Representative, the Supplier maintains an auditable documented quality management system (QMS) and quality plan (QP) for this Contract, either certified to BS EN ISO 9001:2015, or sufficient to meet the requirements of this standard to the satisfaction of Network Rail's Representative. The Supplier notifies Network Rail's Representative of any material changes to its QMS.
- 1.2 The Supplier provides Network Rail's Representative with details of any significant failures revealed at either an internal or third party audit of the Supplier's QMS or QP for this Contract and allows Network Rail's Representative to carry out similar audits if it so requires. The Supplier provides access to all staff, premises and records as necessary to assist Network Rail's Representative in such audits.

Section C - Environment and Social Performance**1 Legislation and Standards**

The Supplier complies with all applicable environmental and social:

- Legislation;
- Railway Group Standards;
- Railway Safety and Standards Board (RSSB) Guidance Notes; and
- Network Rail Standards as listed below.

2 Environment and Social Performance Policy

The Supplier complies with:

- Network Rail's Environment and [Sustainable Development Strategy](#)
- Network Rail's Level 1 Environment and Social Performance Policy that includes the following four appendices;
 - [Environmental Policy – Page 12](#)
 - [Social Performance Policy – Page 18](#)
 - [Weather Resilience and Climate Change Adaptation Policy – Page 16](#)
 - [Energy and Carbon Policy – Page 14](#)
- Network Rail Standard NR/L2/ENV/015 Environment and Social Minimum Requirements for Projects.

3 Environment and Social Management Plan (ESMP)

- 3.1 The Supplier shall comply with Network Rail Standard NR/L2/ENV/015.
- 3.2 The Supplier complies with Section 5.2 of the Network Rail Standard NR/L2/ENV/015 and shall establish and/or maintain and comply with a Permits, Licenses and Consents register.
- 3.3 The Supplier liaises at the start of the work package or project with Network Rail's Representative and/or Environmental Specialist/Environment Manager and/or Community Relations Manager to agree appropriate communication pathways. Environment and social Inspections and audits will be undertaken as necessary by Network Rail during the works and the Supplier can view results of the audits.

4 Reporting of Environmental Incidents

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA

The Supplier reports all environmental incidents that occur to the relevant control centre detailed in Section A (above) under the general health and safety paragraph 3, headed "Reporting of accidents and incidents".

5 Periodic Environmental Performance Reports

The Supplier supplies the performance indicators agreed with Network Rail's Representative .

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA

Appendix A – HSEA Contact Details

Not Used

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA

APPENDIX B – Contract Specific Health, Safety and Environmental Reporting Metrics

No additional contract specific Health, Safety and Environmental metrics are required for this Contract.

SCHEDULE 4 - CONTRACT REQUIREMENTS HSEA

Appendix C – Summary of Lifesaving Rules

Our Lifesaving Rules

Safe behaviour is a requirement of working for Network Rail.
These Rules are in place to keep us safe and must never be broken.
We will all personally intervene if we feel a situation or behaviour might be unsafe.

Working responsibly

-  Always be sure the required plans and permits are in place, before you start a job or go on or near the line.
-  Always use equipment that is fit for its intended purpose.
-  Never undertake any job unless you have been trained and assessed as competent.
-  Never work or drive while under the influence of drugs or alcohol.

Working with electricity

-  Always test before applying earths or straps.
-  Never assume equipment is isolated – always test before touch.

Driving

-  Never use a hand-held or hands-free phone, or programme any other mobile device, while driving.
-  Always obey the speed limit and wear a seat belt.

Working at height

-  Always use a safety harness when working at height, unless other protection is in place.

Working with moving equipment

-  Never enter the agreed exclusion zone, unless directed to by the person in charge.

SCHEDULE 5 - SUPPLY CHAIN VISIBILITY

Suppliers may be required to populate Network Rail's Supplier Intelligence Database (SID), or other similar data capture systems.

SID is a database for which internal supplier leads and external suppliers provide information with regards to usage of Small to Medium Enterprises, supplier information, capacity & spend based on forecasts, contract details, lower tier supply chain usage, chain of custody details, Diversity & Inclusion information, number of apprenticeships, business continuity management, background checks, assurance of completion of Pre-Qualification Questionnaire (PQQ) and compliance with Modern Slavery Act, insurance policies in place, Health & Safety policies/ processes and Information Security & Data Protection.

SID helps by gathering information about a range of topics thus helping to minimise the ad hoc requests from multiple sources across our business. Providing the requested information will support compliance with the Government's supply chain data requests, foster resilience and provide insight to collectively and effectively protect multi-tiered supplier network.

When requested information should be reviewed and updated on a 6 monthly basis to provide enhanced visibility and understanding of direct suppliers as well as their sub-contractors and supply chain requirements.

Any queries relating to SID can be directed to:
SupplyChainRiskManagement@networkrail.co.uk

NB Reference to "Suppliers" is deemed to mean "Contractors" in works contracts.

End

Schedule 6 – The Process of Issuing Orders

1 Direct Award

- 1.1 Orders shall be awarded by direct award to the supplier for the items under this Contract without a call for mini-competition.
- 1.2 These items shall be priced using the Price List in Schedule 2 (Charges) of this Agreement, plus the most recent price variation.

2 Orders

- 2.1 The Supplier shall receive orders from the Buyer in the form of a Blanket Release. These Blanket Releases take the form shown in Appendix A.
- 2.2 The Supplier shall not accept any orders for products that form part of this contract via any other method.
- 2.3 The Supplier shall notify the Buyer's Authorised Representative of any orders not received via this process.
- 2.4 Controlled products should always be procured via the process described in 2.1 in order to maintain traceability and assure safety and quality. Failure to report any orders received for goods listed in Schedule 2 outside of this process will be considered a risk to the safe operation of the Buyer's infrastructure.
- 2.5 The Buyer shall provide the Supplier with an Open Order Book fortnightly to keep The Supplier informed of orders for fulfilment.
- 2.6 The Supplier shall return the Open Order Book completed with any reasons for delivery failure or delay to future orders within 72 hours of receiving the document.
- 2.7 If the supplier wishes to challenge or change any part of the order the Supplier shall contact Supplier Queries at [REDACTED] Any requests by the supplier to make changes to the initial order must be made within 5 working days of the order being placed by the Buyer.
- 2.8 Pricing will not be challenged unless the Buyer has made an error. Pricing will be per the New Unit Rate (NUR) following the most recent pricing adjustment.
- 2.9 Any orders not challenged within 5 working days will be deemed to be accepted by the Supplier as per the detail included on the order. This includes:
 - Goods
 - Unit Rate
 - Quantity
 - Delivery Date
 - Delivery Address

3 Invoices

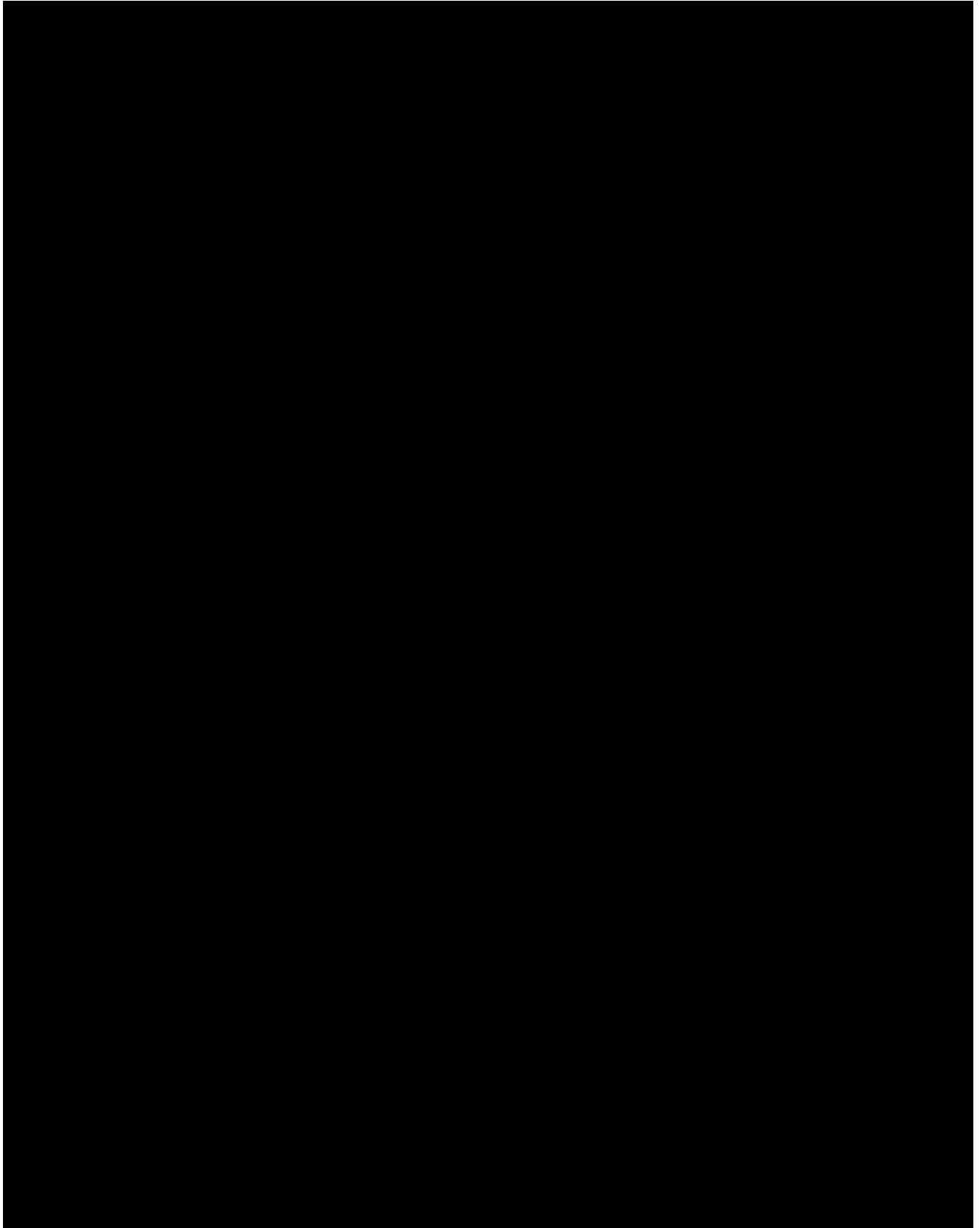
- 3.1 Refer to NR1(MT) contract terms, clause 4 Pricing and Payments and Appendix B of this schedule "Supporting Processes for Invoice Payments".
- 3.2 All invoices shall be sent to invoices@networkrail.co.uk

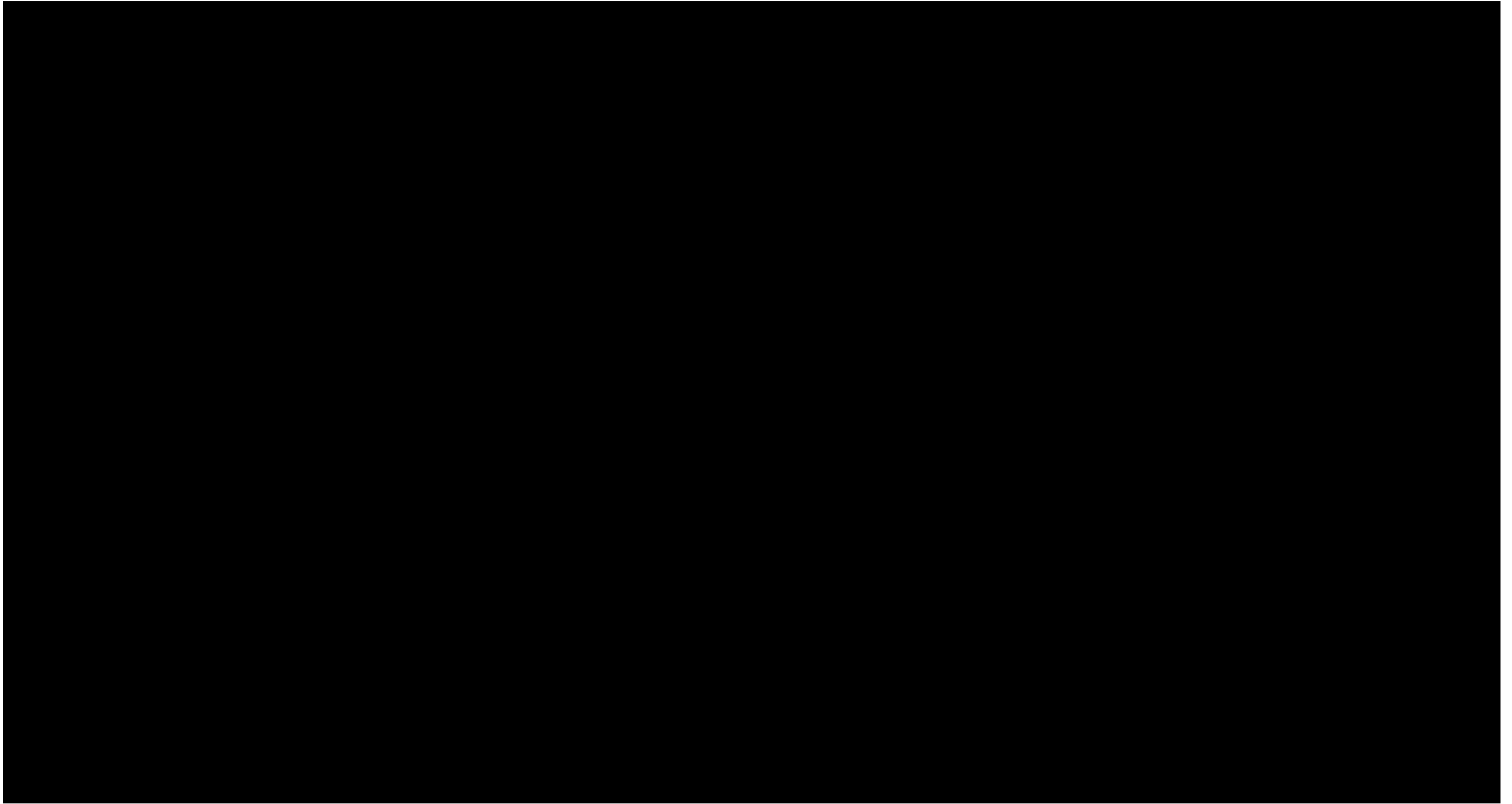
Schedule 6 – The Process of Issuing Orders

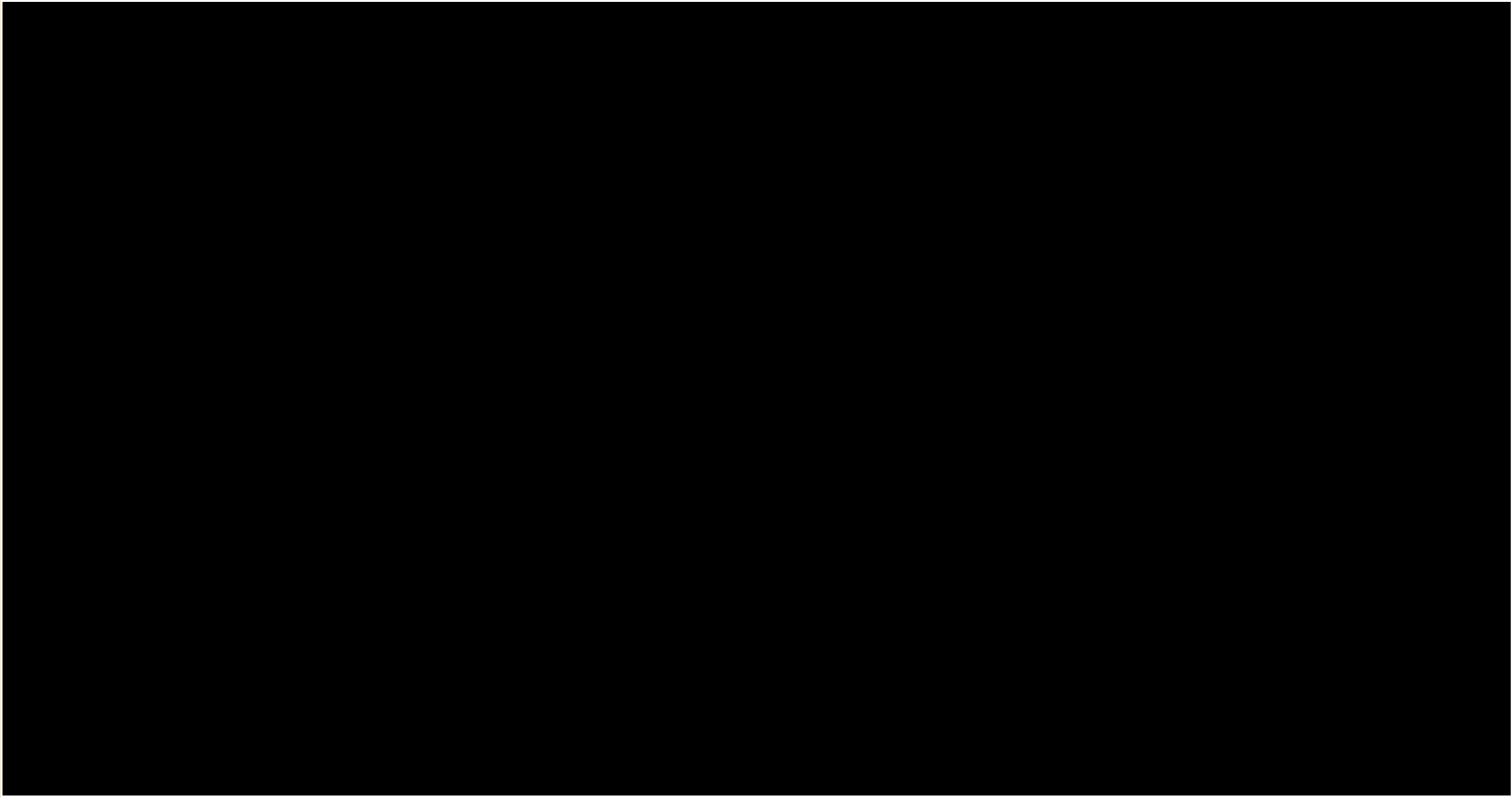
- 3.3 The Supplier shall sign up to the Buyer's iSupplier Portal which allows the supplier to see the status of invoices submitted. Access can be requested here: <https://www.networkrail.co.uk/isupplier-support-request/>
- 3.4 Invoices are approved by a 3-way match and must include the following elements:
 - 3.4.1 Supplier name as appears on the order
 - 3.4.2 Blanket Purchase Agreement number (as advised by the Buyer during the kick-off meeting)
 - 3.4.3 Blanket Release number in the format NNXXXXXX-XXX
 - 3.4.4 Item number
 - 3.4.5 Shipment number as appears on the Blanket Release
 - 3.4.6 Line number
 - 3.4.7 Date
 - 3.4.8 Supplier invoice reference

Schedule 6 – The Process of Issuing Orders

Appendix A – Example Purchase Order

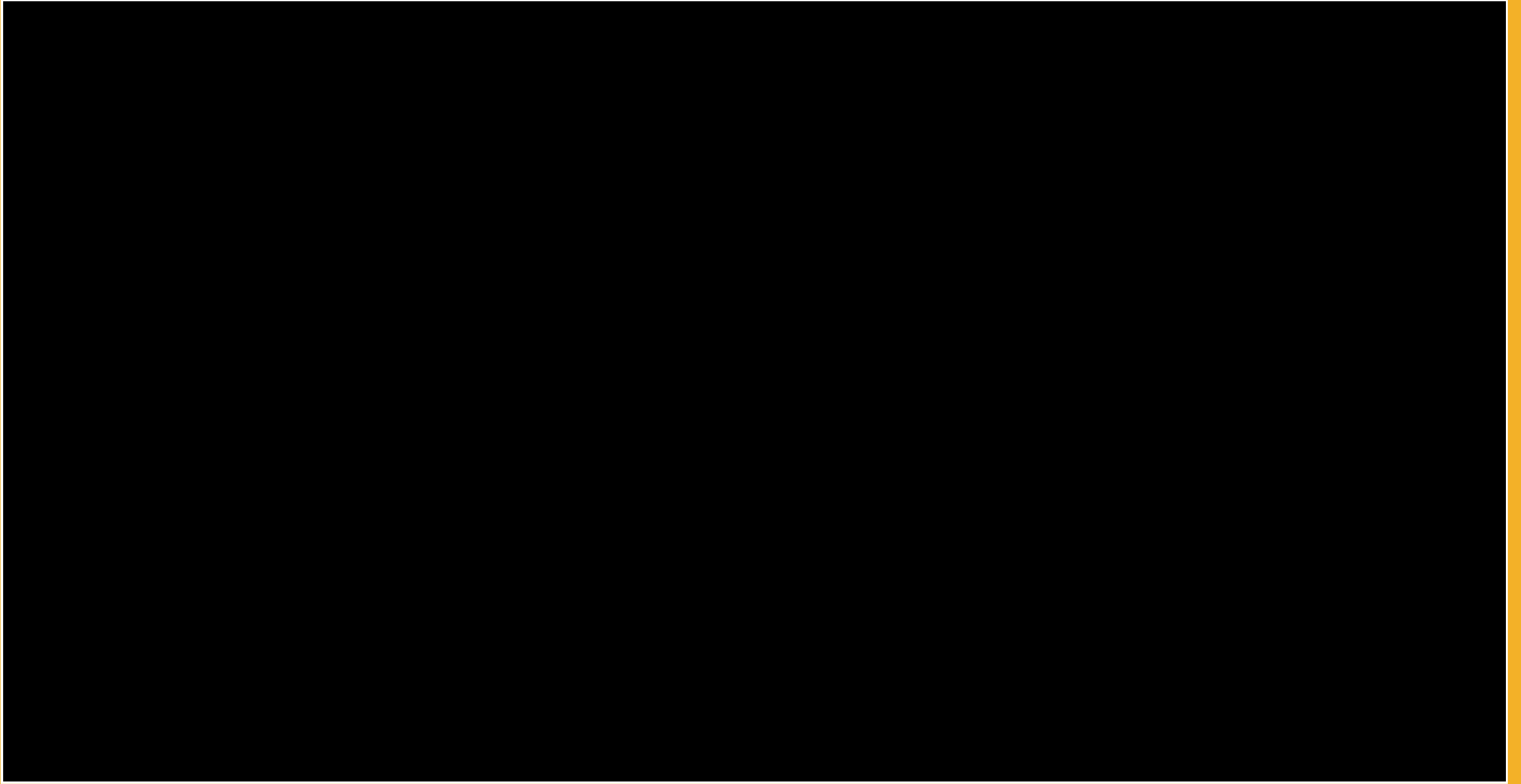


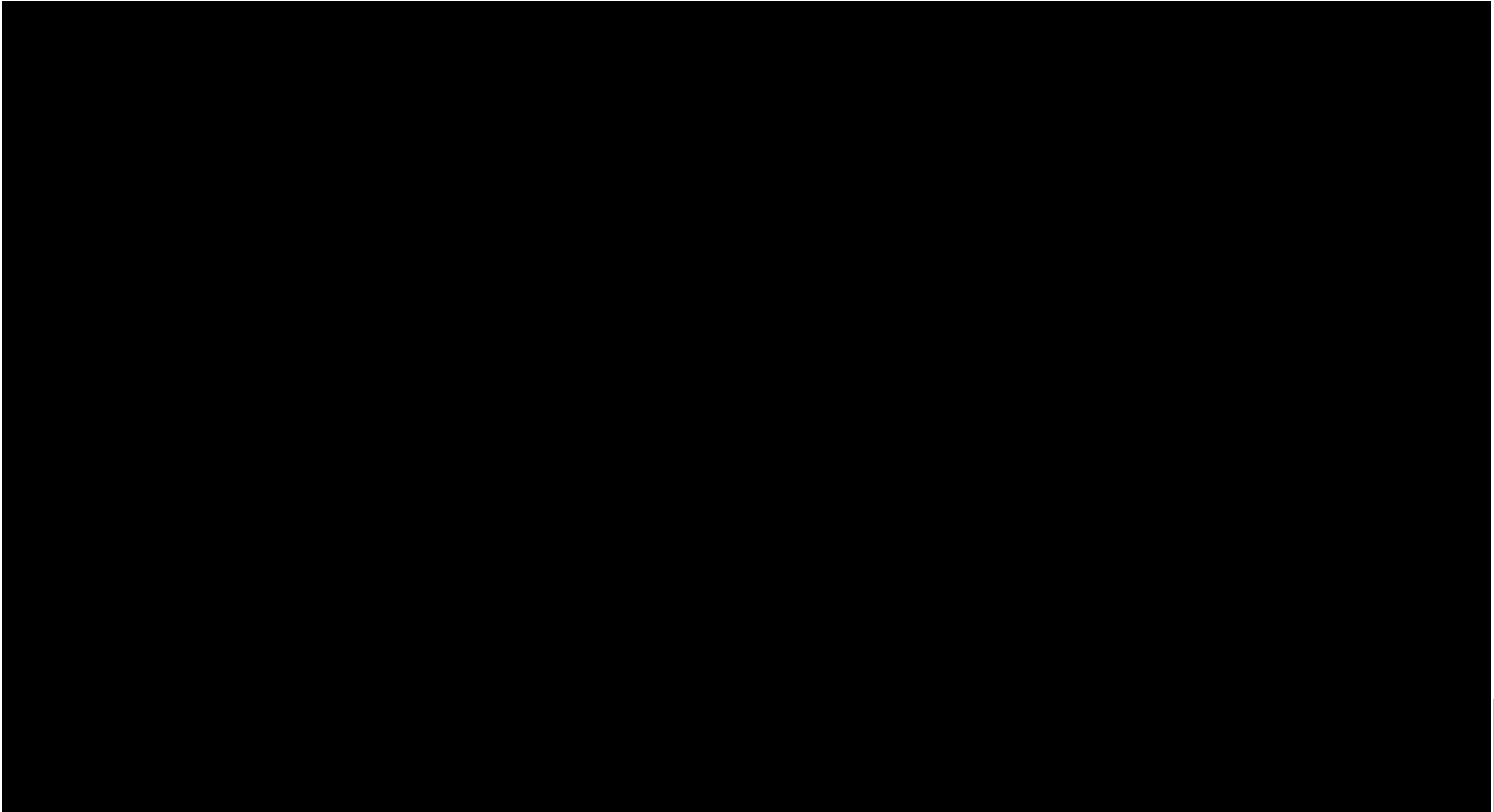




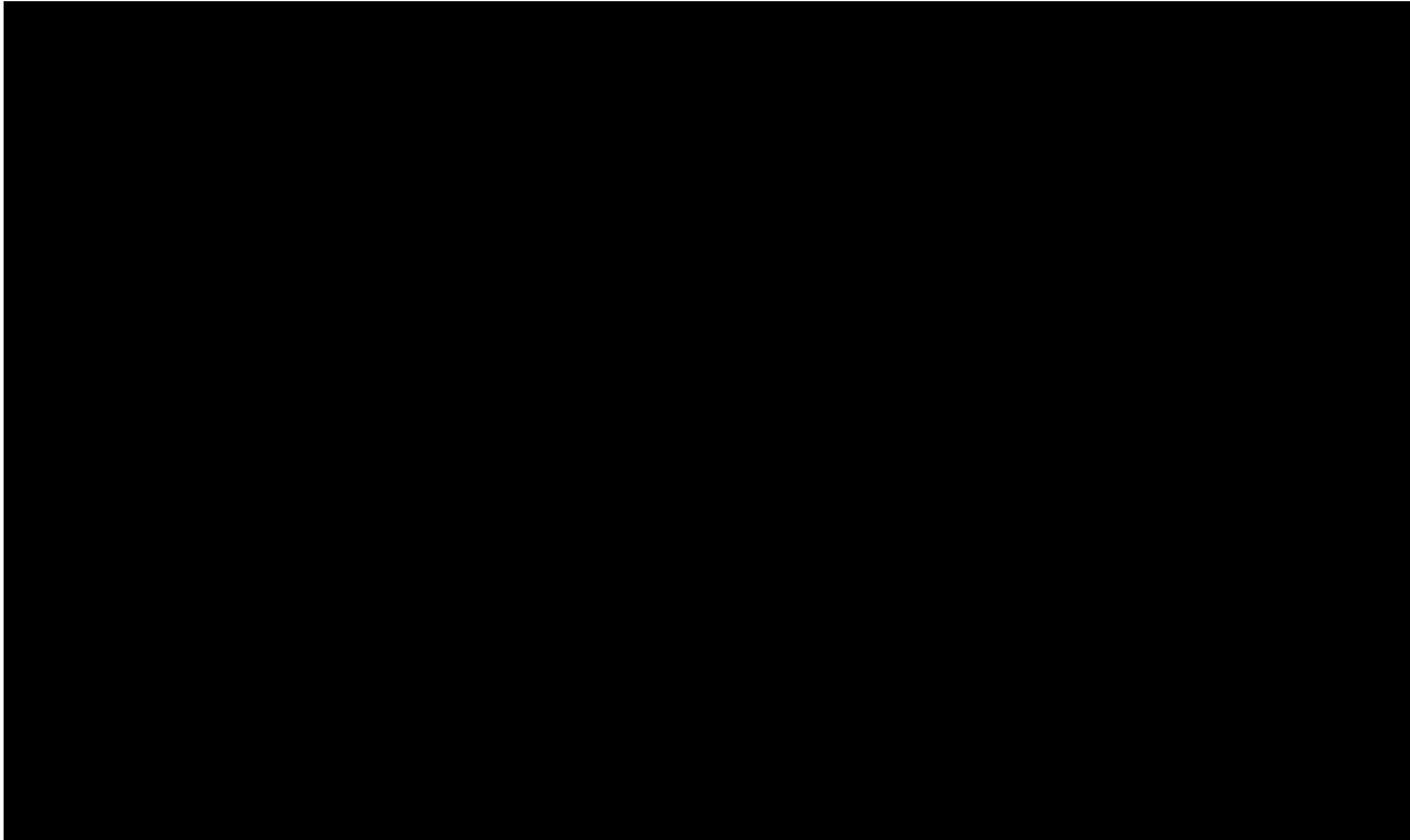




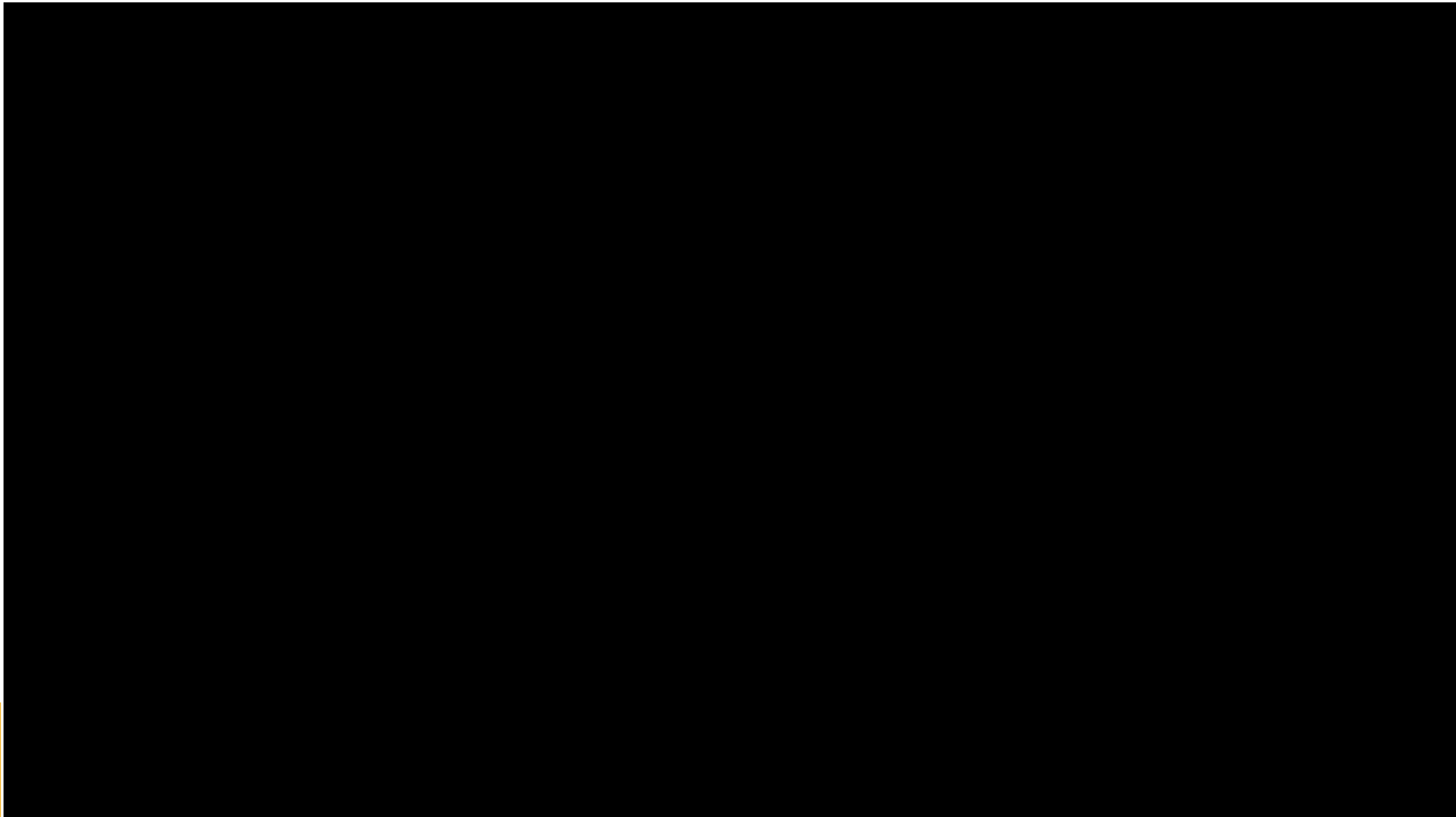




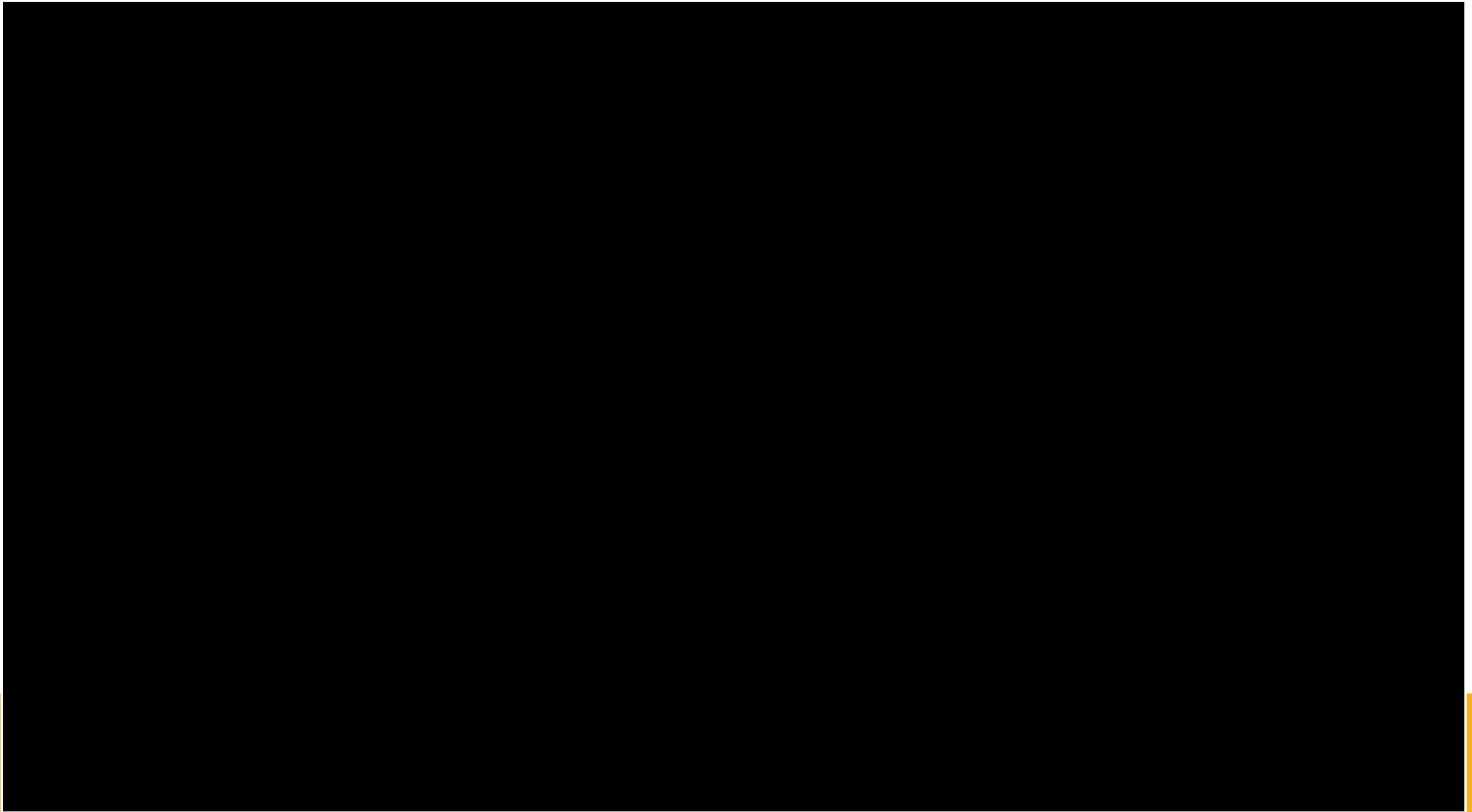


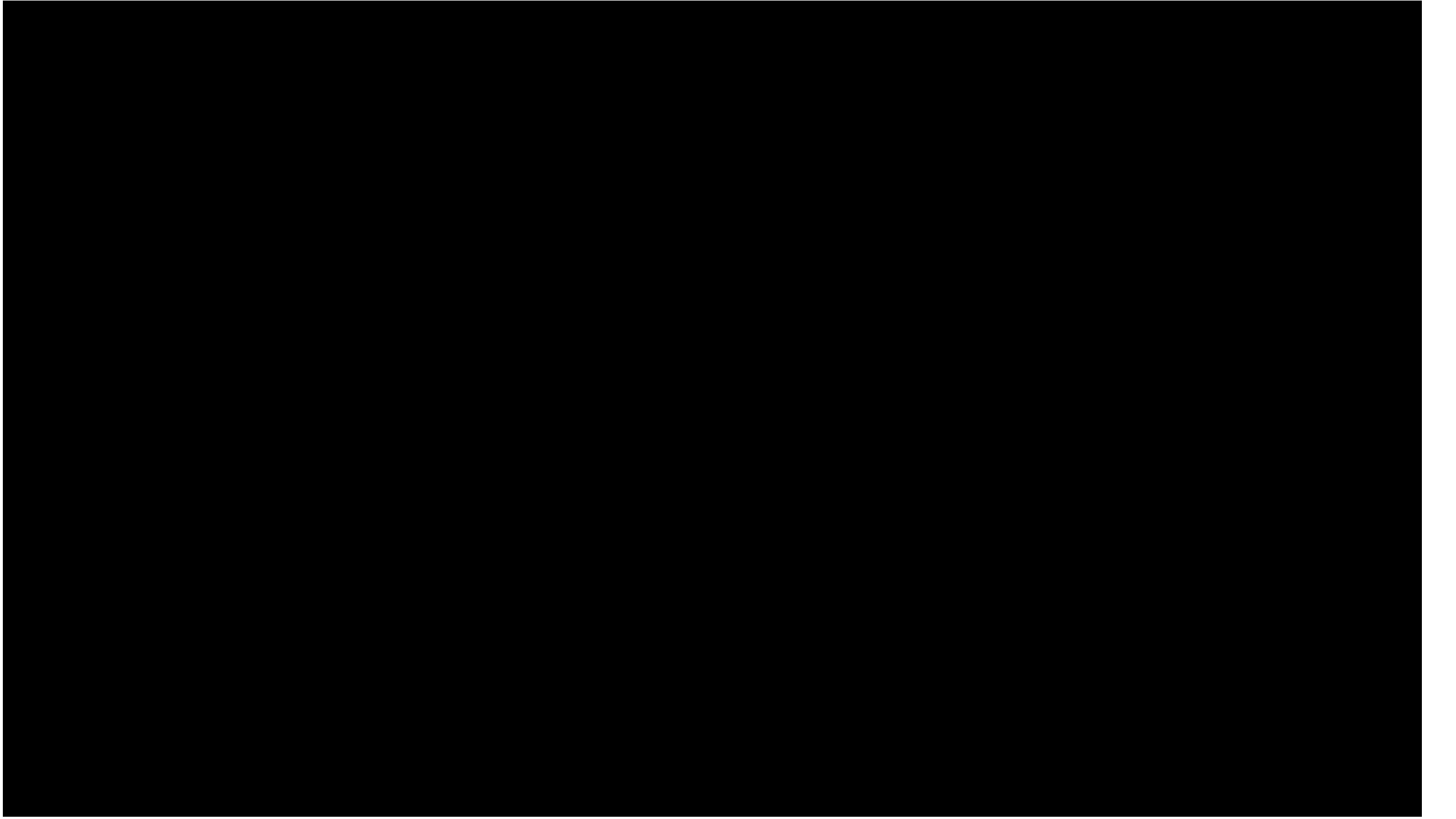




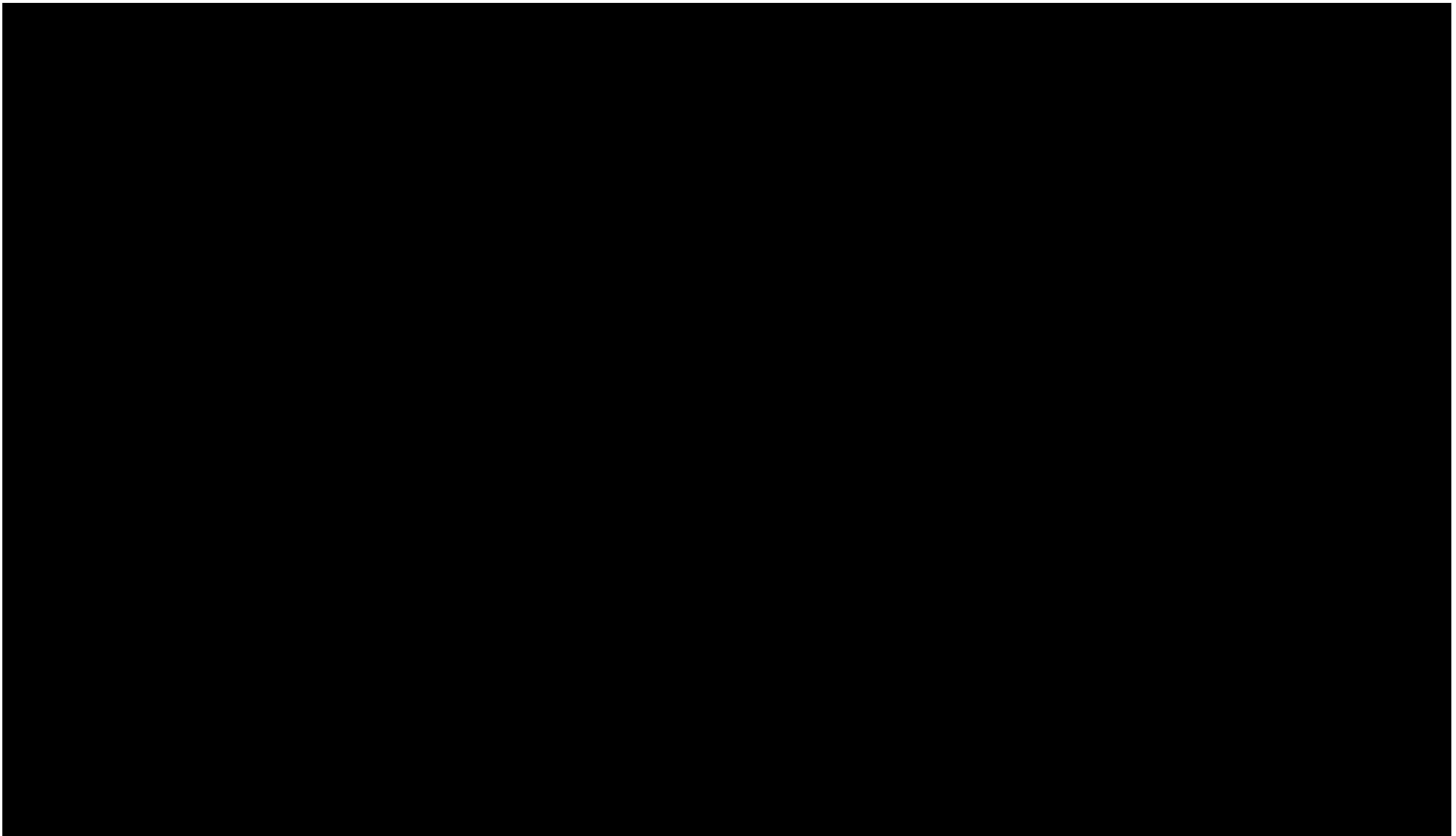


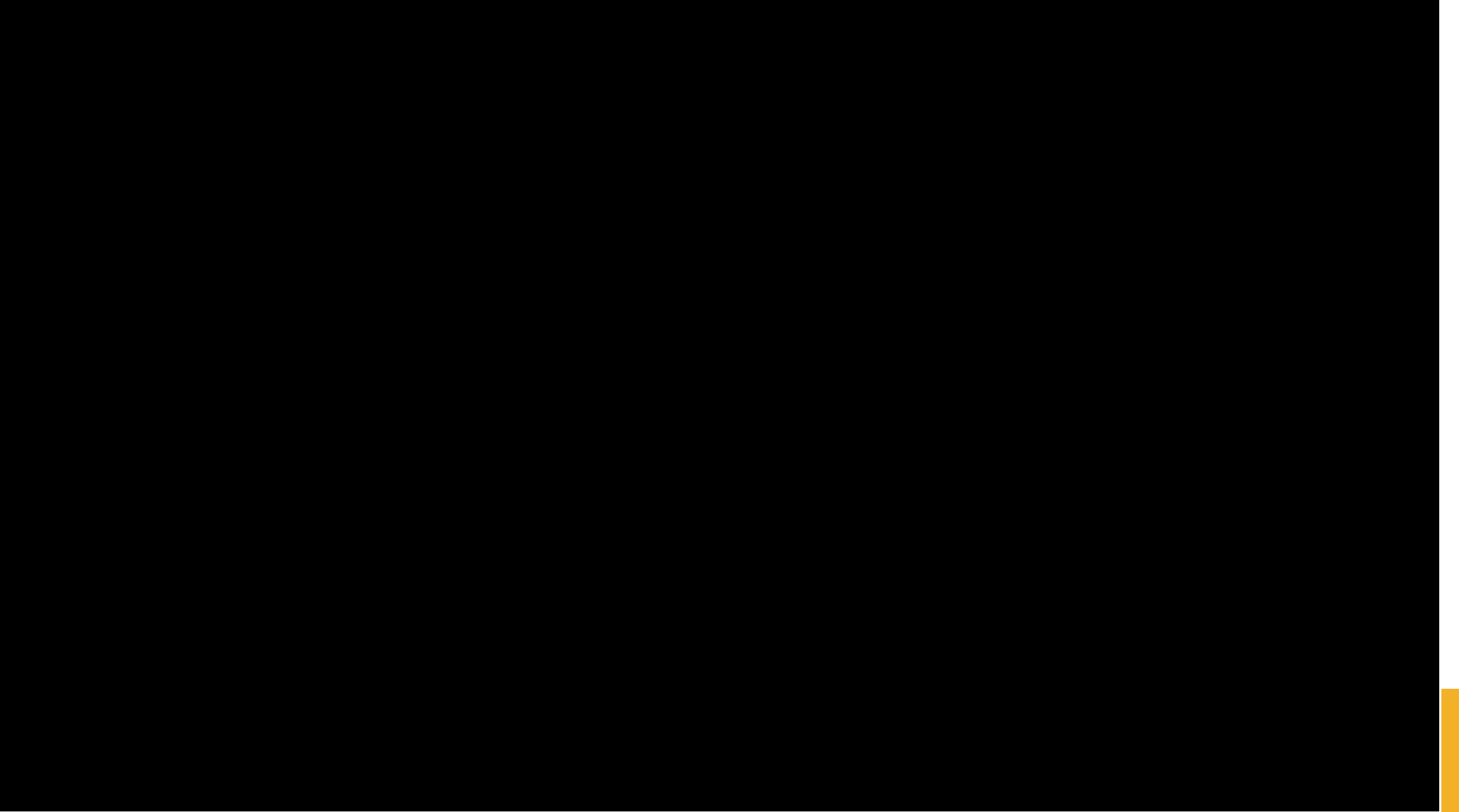




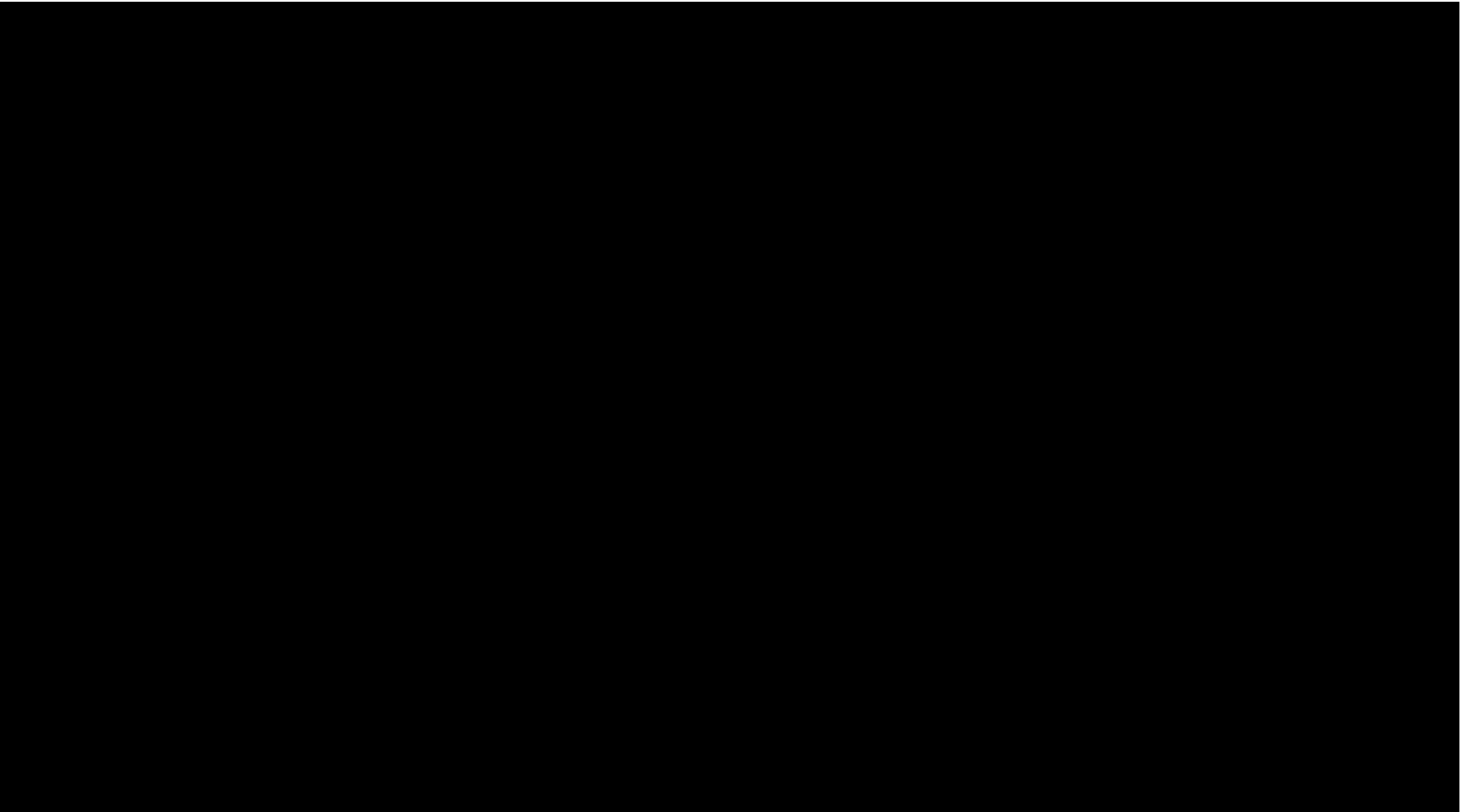


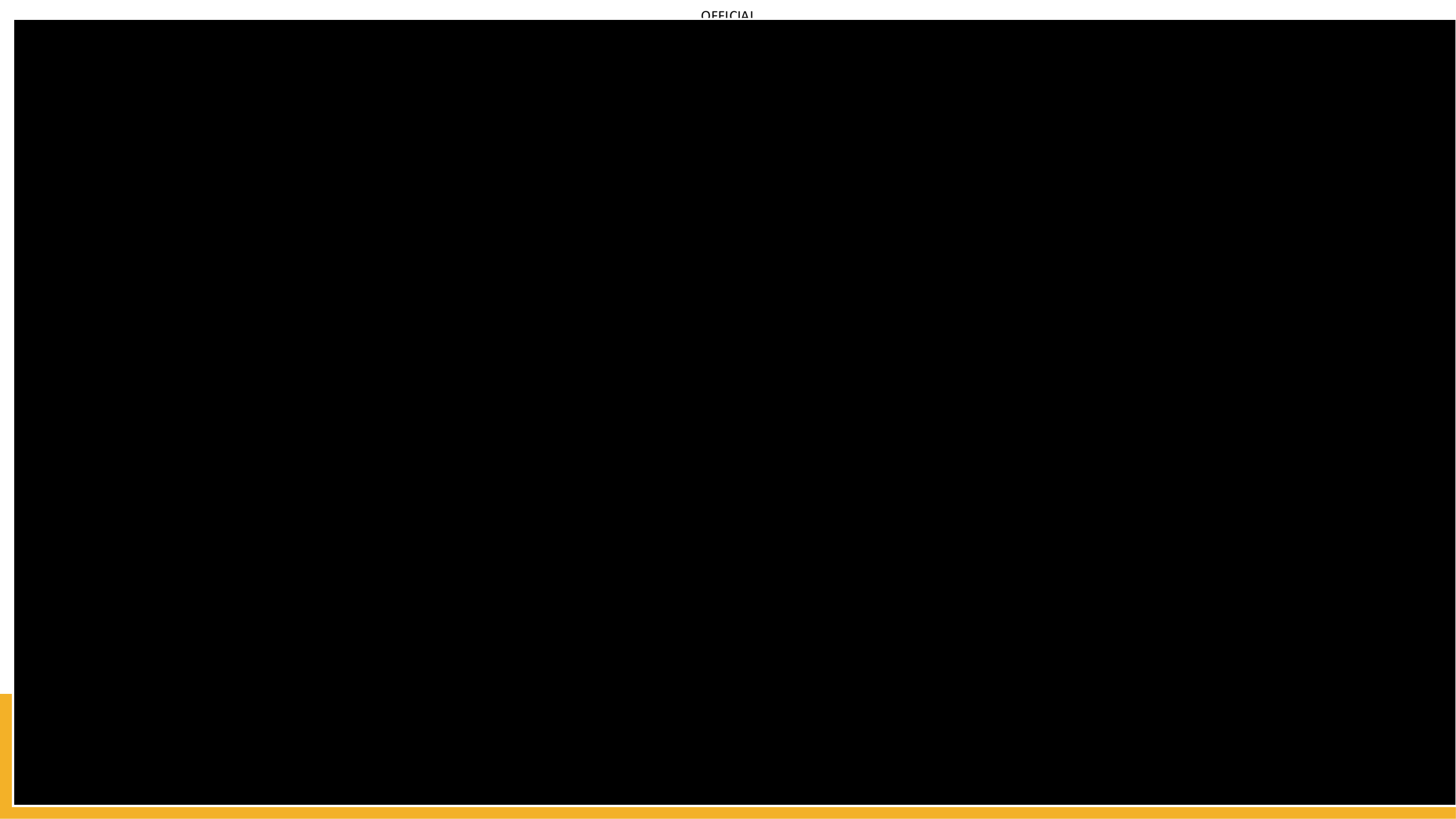






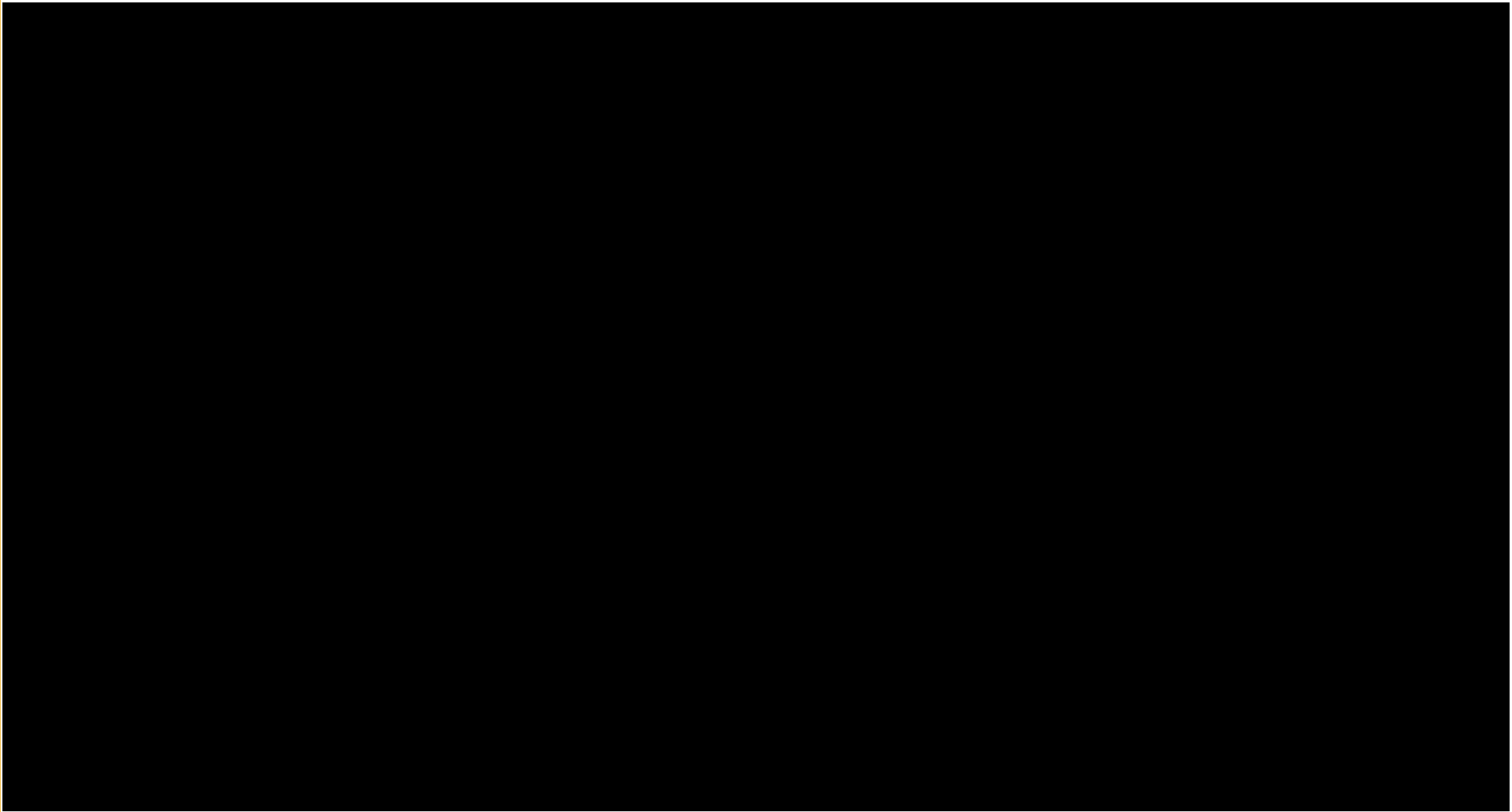




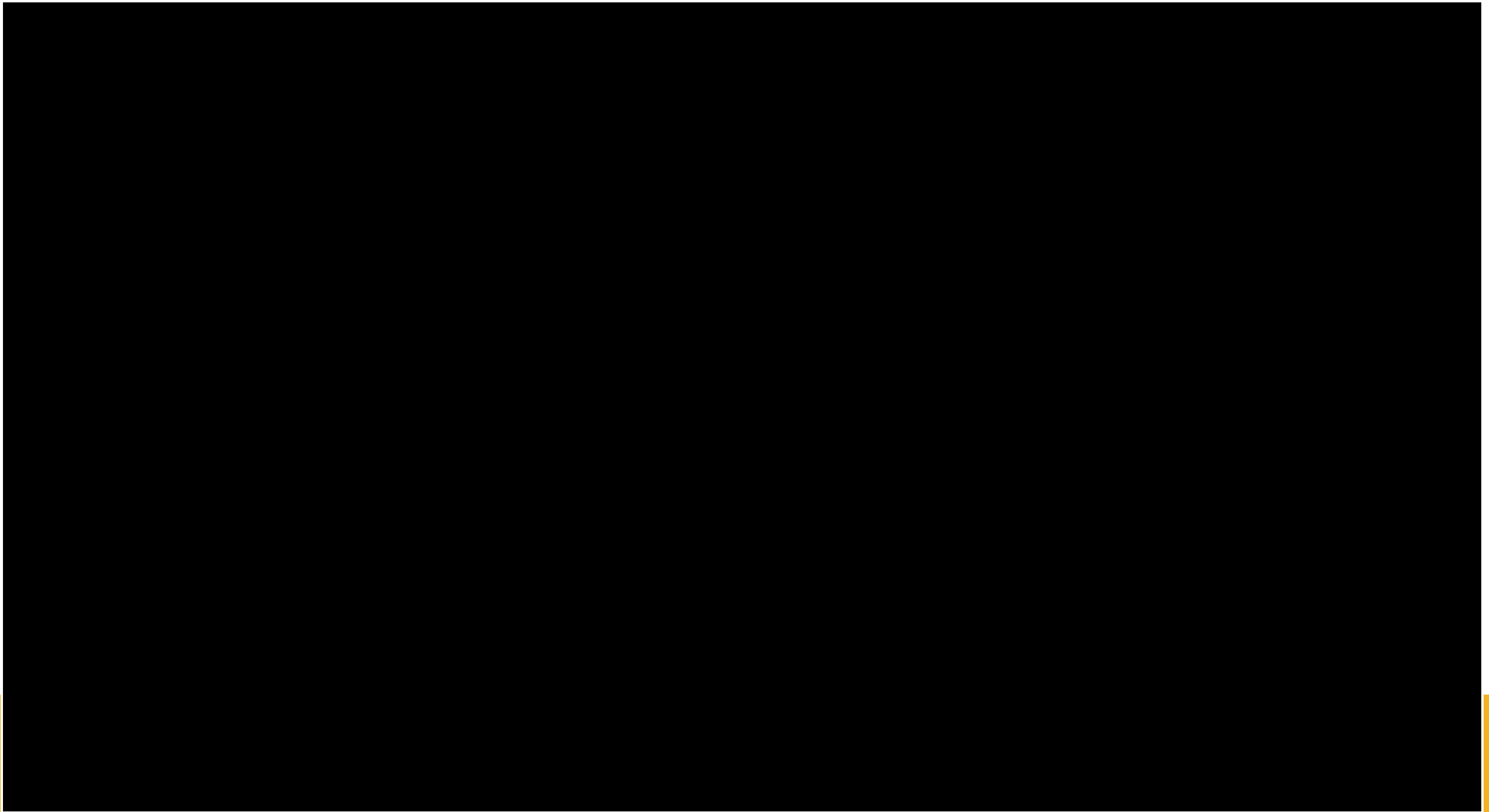


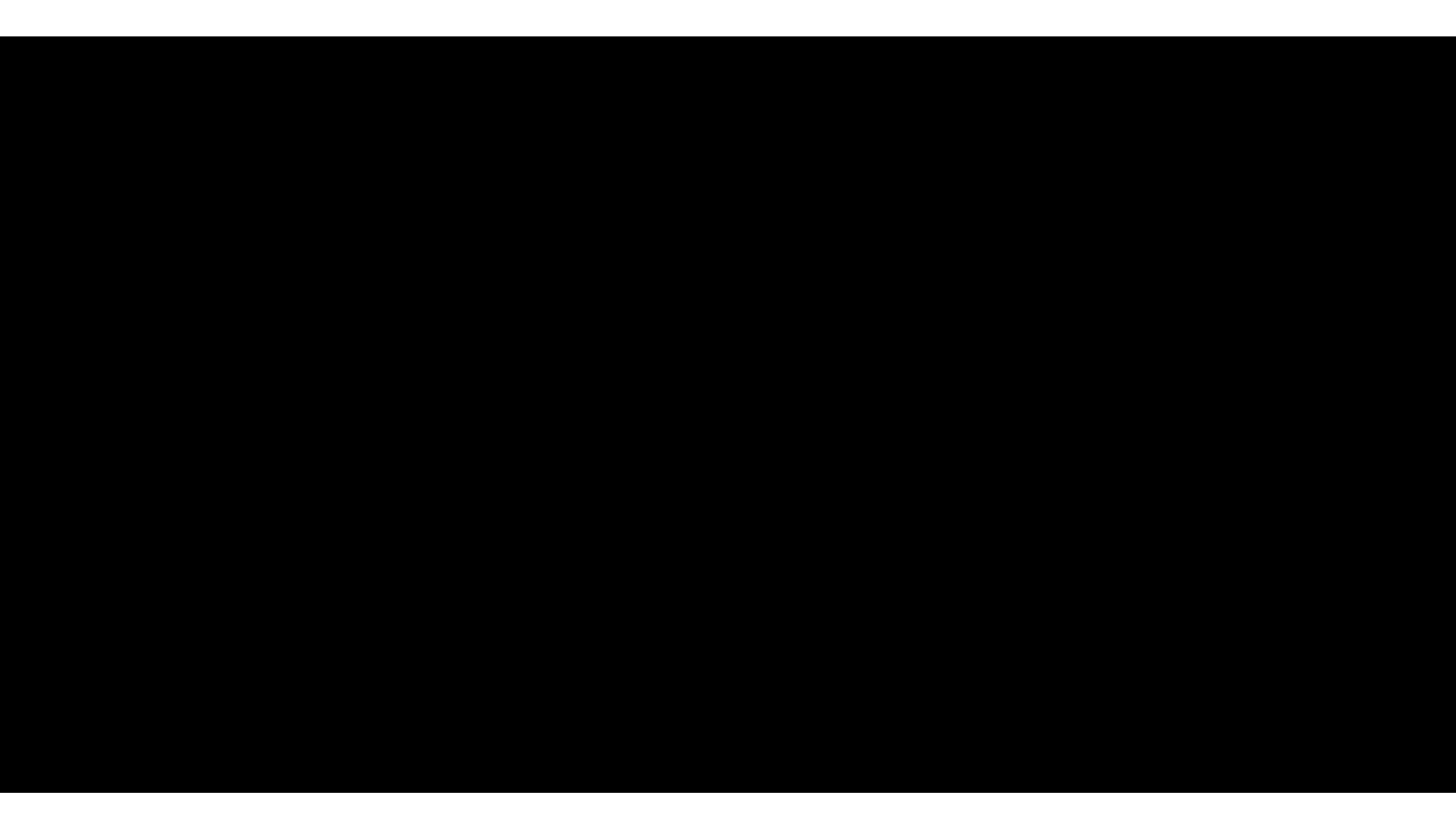




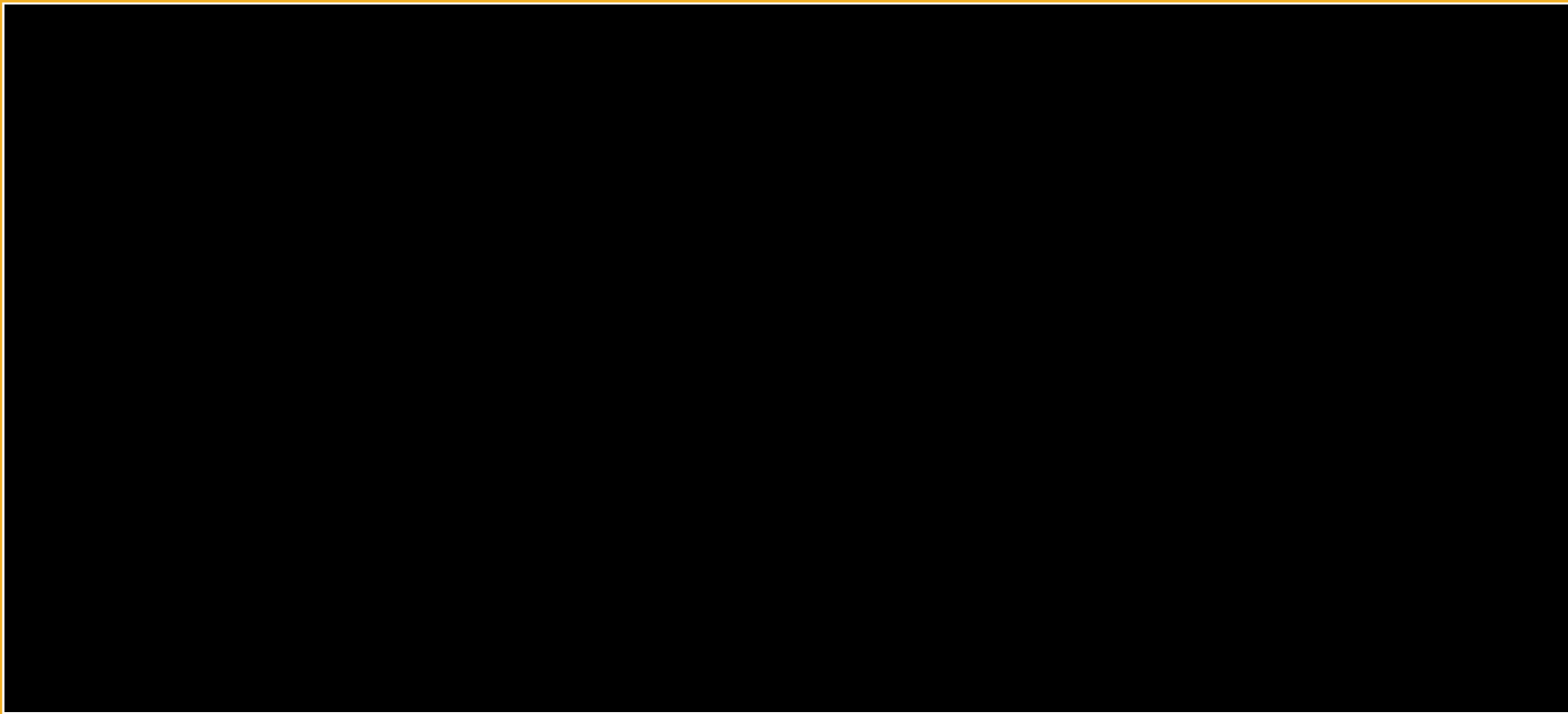
















SCHEDULE 7: BUSINESS CONTINUITY AND DISASTER RECOVERY

1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement the definitions in the Conditions:

"Associates"	in relation to an entity, an undertaking in which the entity owns, directly or indirectly, between 20% and 50% of the voting rights and exercises a degree of control sufficient for the undertaking to be treated as an associate under generally accepted accounting principles;
"BCDR Plan"	has the meaning given to it in Paragraph 2.1 of this Schedule;
"Business Continuity Plan"	has the meaning given to it in Paragraph 2.2.2 of this Schedule;
"Dependent Parent Undertaking"	any Parent Undertaking which provides any of its Subsidiary Undertakings and/or Associates, whether directly or indirectly, with any financial, trading, managerial or other assistance of whatever nature, without which the Supplier would be unable to continue the day to day conduct and operation of its business in the same manner as carried on at the time of entering into this Contract, including for the avoidance of doubt the provision of the Services in accordance with the terms of this Contract;
"Disaster"	the occurrence of one or more events which, either separately or cumulatively, mean that the Deliverables, or a material part thereof, will be unavailable (or could reasonably be anticipated to be unavailable);
"Disaster Recovery Plan"	has the meaning given to it in Paragraph 2.2.3 of this Schedule;
"Parent Undertaking"	has the meaning set out in section 1162 of the Companies Act 2006;
"Related Supplier"	any person who provides Deliverables to the Buyer which are related to the Deliverables from time to time;
"Review Report"	has the meaning given to it in Paragraph 6.3 of this Schedule; and

"Subsidiary Undertaking"	has the meaning set out in section 1162 of the Companies Act 2006;
"Supplier Group"	the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Associates of such Dependent Parent Undertakings; and
"Supplier's Proposals"	has the meaning given to it in Paragraph 6.3 of this Schedule.

2. BCDR Plan

- 2.1 Within forty Working Days from the Start Date, the Supplier shall prepare and deliver to the Buyer for the Buyer's written approval a plan (a **"BCDR Plan"**), which shall detail the processes and arrangements that the Supplier shall follow to:
 - 2.1.1 ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Deliverables; and
 - 2.1.2 the recovery of the Deliverables in the event of a Disaster.
- 2.2 The BCDR Plan shall be divided into three sections:
 - 2.2.1 Section 1 which shall set out general principles applicable to the BCDR Plan;
 - 2.2.2 Section 2 which shall relate to business continuity (the **"Business Continuity Plan"**); and
 - 2.2.3 Section 3 which shall relate to disaster recovery (the **"Disaster Recovery Plan"**).
- 2.3 Following receipt of the draft BCDR Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of the BCDR Plan. If the Parties are unable to agree the contents of the BCDR Plan within twenty Working Days of its submission, then such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

3. General Principles of the BCDR Plan (Section 1)

- 3.1 Section 1 of the BCDR Plan shall:
 - 3.1.1 set out how the business continuity and disaster recovery elements of the BCDR Plan link to each other;
 - 3.1.2 provide details of how the invocation of any element of the BCDR Plan may impact upon the provision of the Deliverables and any goods and/or services provided to the Buyer by a Related Supplier;
 - 3.1.3 contain an obligation upon the Supplier to liaise with the Buyer and any Related Suppliers with respect to business continuity and disaster recovery;
 - 3.1.4 detail how the BCDR Plan interoperates with any overarching disaster recovery or business continuity plan of the Buyer and any

- of its other Related Supplier in each case as notified to the Supplier by the Buyer from time to time;
- 3.1.5 contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multiple channels;
 - 3.1.6 contain a risk analysis, including:
 - a) failure or disruption scenarios and assessments of likely frequency of occurrence;
 - b) identification of any single points of failure within the provision of Deliverables and processes for managing those risks;
 - c) identification of risks arising from an Insolvency Event of the Supplier, (where applicable) any Key Subcontractors and/or Supplier Group member;
 - d) identification of risks arising from the interaction of the provision of Deliverables with the goods and/or services provided by a Related Supplier; and
 - e) a business impact analysis of different anticipated failures or disruptions;
 - 3.1.7 provide for documentation of processes, including business processes, and procedures;
 - 3.1.8 set out key contact details for the Supplier (and any Subcontractors) and for the Buyer;
 - 3.1.9 identify the procedures for reverting to "normal service";
 - 3.1.10 set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to minimise data loss;
 - 3.1.11 identify the responsibilities (if any) that the Buyer has agreed it will assume in the event of the invocation of the BCDR Plan; and
 - 3.1.12 provide for the provision of technical assistance to key contacts at the Buyer as required by the Buyer to inform decisions in support of the Buyer's business continuity plans.
- 3.2 The BCDR Plan shall be designed so as to ensure that:
- 3.2.1 the Deliverables are provided in accordance with the Contract at all times during and after the invocation of the BCDR Plan;
 - 3.2.2 the adverse impact of any Disaster is minimised as far as reasonably possible;
 - 3.2.3 it complies with the relevant provisions of ISO/IEC 27002; ISO22301/ISO22313 and all other industry standards from time to time in force; and
 - 3.2.4 it details a process for the management of disaster recovery testing.

- 3.3 The BCDR Plan shall be upgradeable and sufficiently flexible to support any changes to the Deliverables and the business operations supported by the provision of Deliverables.
- 3.4 The Supplier shall not be entitled to any relief from its obligations under the Key Performance Indicators, or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any Default by the Supplier.

4. Business Continuity (Section 2)

- 4.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes facilitated by the provision of Deliverables remain supported and to ensure continuity of the business operations supported by the Services including:
 - 4.1.1 the alternative processes, options and responsibilities that may be adopted in the event of a failure in or disruption to the provision of Deliverables; and
 - 4.1.2 the steps to be taken by the Supplier upon resumption of the provision of Deliverables in order to address the effect of the failure or disruption.
- 4.2 The Business Continuity Plan shall:
 - 4.2.1 address the various possible levels of failures of or disruptions to the provision of Deliverables;
 - 4.2.2 set out the goods and/or services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Deliverables;
 - 4.2.3 specify any applicable Key Performance Indicators with respect to the provision of the business continuity services and details of any agreed relaxation to the Key Performance Indicators in respect of the provision of other Deliverables during any period of invocation of the Business Continuity Plan; and
 - 4.2.4 set out the circumstances in which the Business Continuity Plan is invoked.

5. Disaster Recovery (Section 3)

- 5.1 The Disaster Recovery Plan (which shall be invoked only upon the occurrence of a Disaster) shall be designed to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Buyer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.
- 5.2 The Supplier's BCDR Plan shall include an approach to business continuity and disaster recovery that addresses the following:
 - 5.2.1 loss of access to the Buyer Premises;
 - 5.2.2 loss of utilities to the Buyer Premises;

- 5.2.3 loss of the Supplier's helpdesk or computer-aided facility management (CAFM) system;
- 5.2.4 loss of a Subcontractor;
- 5.2.5 emergency notification and escalation process;
- 5.2.6 contact lists;
- 5.2.7 staff training and awareness;
- 5.2.8 BCDR Plan testing;
- 5.2.9 post implementation review process;
- 5.2.10 any applicable Key Performance Indicators with respect to the provision of the disaster recovery services and details of any agreed relaxation to the Key Performance Indicators in respect of the provision of other Deliverables during any period of invocation of the Disaster Recovery Plan;
- 5.2.11 details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
- 5.2.12 access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and
- 5.2.13 testing and management arrangements.

6. Review and changing the BCDR Plan

- 6.1 The Supplier shall review the BCDR Plan:
 - 6.1.1 on a regular basis and as a minimum once every six (6) months;
 - 6.1.2 within three (3) calendar months of the BCDR Plan (or any part) having been invoked pursuant to Paragraph 7; and
 - 6.1.3 where the Buyer requests in writing any additional reviews (over and above those provided for in Paragraphs 6.1.1 and 6.1.2 of this Schedule) whereupon the Supplier shall conduct such reviews in accordance with the Buyer's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Buyer for the Buyer's approval. The costs of both Parties of any such additional reviews shall be met by the Buyer except that the Supplier shall not be entitled to charge the Buyer for any costs that it may incur above any estimate without the Buyer's prior written approval.
- 6.2 Each review of the BCDR Plan pursuant to Paragraph 6.1 shall assess its suitability having regard to any change to the Deliverables or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the BCDR Plan or the last review of the BCDR Plan, and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the BCDR Plan. The review shall be

completed by the Supplier within such period as the Buyer shall reasonably require.

- 6.3 The Supplier shall, within twenty Working Days of the conclusion of each such review of the BCDR Plan, provide to the Buyer a report (a **"Review Report"**) setting out the Supplier's proposals (the **"Supplier's Proposals"**) for addressing any changes in the risk profile and its proposals for amendments to the BCDR Plan.
- 6.4 Following receipt of the Review Report and the Supplier's Proposals, the Parties shall use reasonable endeavours to agree the Review Report and the Supplier's Proposals. If the Parties are unable to agree Review Report and the Supplier's Proposals within twenty Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 6.5 The Supplier shall as soon as is reasonably practicable after receiving the approval of the Supplier's Proposals effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Deliverables.

7. Testing the BCDR Plan

- 7.1 The Supplier shall test the BCDR Plan:
 - 7.1.1 regularly and in any event not less than once in every Contract year;
 - 7.1.2 in the event of any major reconfiguration of the Deliverables; and
 - 7.1.3 at any time where the Buyer considers it necessary (acting in its sole discretion).
- 7.2 If the Buyer requires an additional test of the BCDR Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Buyer's requirements and the relevant provisions of the BCDR Plan. The Supplier's costs of the additional test shall be borne by the Buyer unless the BCDR Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.
- 7.3 The Supplier shall undertake and manage testing of the BCDR Plan in full consultation with and under the supervision of the Buyer and shall liaise with the Buyer in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Buyer.
- 7.4 The Supplier shall ensure that any use by it or any Subcontractor of "live" data in such testing is first approved with the Buyer. Copies of live test data used in any such testing shall be (if so required by the Buyer) destroyed or returned to the Buyer on completion of the test.
- 7.5 The Supplier shall, within twenty Working Days of the conclusion of each test, provide to the Buyer a report setting out:
 - 7.5.1 the outcome of the test;
 - 7.5.2 any failures in the BCDR Plan (including the BCDR Plan's procedures) revealed by the test; and

7.5.3 the Supplier's proposals for remedying any such failures.

7.6 Following each test, the Supplier shall take all measures requested by the Buyer to remedy any failures in the BCDR Plan and such remedial activity and re-testing shall be completed by the Supplier, at its own cost, by the date reasonably required by the Buyer.

8. Invoking the BCDR Plan

In the event of a complete loss of service or in the event of a Disaster, the Supplier shall immediately invoke the BCDR Plan (and shall inform the Buyer promptly of such invocation). In all other instances the Supplier shall invoke or test the BCDR Plan only with the prior consent of the Buyer.

9. Circumstances beyond your control

The Supplier shall not be entitled to relief under Clause 24 (Circumstances beyond your control) if it would not have been impacted by the Force Majeure Event had it not failed to comply with its obligations under this Schedule.

SCHEDULE 8: FINANCIAL DIFFICULTIES

1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement the definitions in the Conditions:

"Credit Threshold"	Rating	the minimum credit rating level for the Monitored Company as set out in Annex 2;
"Financial Event"	Distress	the occurrence of one or more of the following events: a) the credit rating of the Monitored Company dropping below the applicable Credit Rating Threshold; b) the Monitored Company issuing a profits warning [to a stock exchange] or making any other public announcement about a material deterioration in its financial position or prospects; c) there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of the Monitored Party; d) Monitored Company committing a material breach of covenant to its lenders; e) any of the following: i) commencement of any litigation against the Monitored Company with respect to financial indebtedness greater than £5m or obligations under a contract with a total contract value greater than £5m; ii) non-payment by the Monitored Company of any financial indebtedness; iii) any financial indebtedness of the Monitored Company becoming due as a result of an event of default; or iv) loss of banking facilities, i.e., the Monitored Company's lenders reducing the size of the organisation's credit facility v) withdrawal of coverage of the Monitored Company's debts by credit insurers f) all of the Financial Indicators set out at paragraph 5 for the Monitored Company are failing to meet the required Financial Target Threshold. g) [any suspension of listed shares on the relevant stock exchange;] h) contact from the Department of Business, Energy and Industrial Strategy (BEIS) or other government

department, notifying the Buyer of a likely Financial Distress Event;

- i) an Insolvency Event;
- j) the directors of the Monitored Company consider that the Monitored Company is or is likely to become unable to pay its debts as they fall due.

"Financial Service Plan"	Distress Continuity	a plan setting out how the Supplier will ensure the continued performance and delivery of the Deliverables in accordance with the Contract in the event that a Financial Distress Event occurs;
"Financial Indicators"		each of the financial indicators set out at paragraph 5.1 of this Schedule;
"Financial Thresholds"	Target	the target thresholds for each of the Financial Indicators set out at paragraph 5.1 of this Schedule;
"Monitored Company"		the Supplier, the Guarantor, and any key members of the supplier's group on which the supplier depends financially or to provide a substantial or critical parts of the goods, works or services; and
"Rating Agencies"		the rating agencies listed in Annex 1.

2. When this Schedule applies

- 2.1 The Parties shall comply with the provisions of this Schedule in relation to the assessment of the financial standing of the Monitored Companies and the consequences of a change to that financial standing.
- 2.2 The Supplier warrants and represents to the Buyer that as at the Start Date:
 - 2.2.1 the long-term credit ratings issued for the Monitored Companies by each of the Rating Agencies are as set out in Annex 2; and
 - 2.2.2 the financial position or, as appropriate, the financial performance of the Monitored Companies satisfies the Financial Target Thresholds.
- 2.3 Boards of suppliers of critical (Gold) contracts shall provide an annual confirmation in writing to the Buyer that no Financial Distress Event or any matter which could cause a Financial Distress Event has occurred

3. What happens when your credit rating changes (is downgraded)

- 3.1 The Supplier shall promptly (and in any event within five Working Days) notify the Buyer in writing if there is any downgrade in the credit rating issued by any Rating Agency for a Monitored Company.
- 3.2 The Supplier shall:
 - 3.2.1 regularly monitor the credit ratings of each Monitored Company with the Rating Agencies;

- 3.2.2 monitor and report on the Financial Indicators for each Monitored Company against the Financial Target Thresholds at least at the frequency set out for each at paragraph 5.1 (where specified) and in any event, on a regular basis and no less than once a year within one hundred and twenty days after the accounting reference date to which the Supplier prepares its annual audited financial statements. Each such report shall contain a sufficient level of information to enable the Buyer to verify the calculations that have been made in respect of the Financial Indicators and be based on the audited accounts for the date or period on which the Financial Indicator is based or, where the Financial Indicator is not linked to an accounting period or an accounting reference date, on unaudited management accounts prepared in accordance with their normal timetable; and
- 3.2.3 promptly notify (or shall procure that its auditors promptly notify) the Buyer in writing following the occurrence of a Financial Distress Event or any fact, circumstance or matter which could cause a Financial Distress Event and, in any event, ensure that such notification is made within 10 Working Days of the date on which the Supplier first becomes aware of the Financial Distress Event or the fact, circumstance or matter which could cause a Financial Distress Event.

4. What happens if there is a financial distress event

- 4.1 In the event of a Financial Distress Event then, immediately upon notification of the Financial Distress Event (or if the Buyer becomes aware of the Financial Distress Event without notification and brings the event to the attention of the Supplier), the Supplier shall have the obligations and the Buyer shall have the rights and remedies as set out in Paragraphs 4.22 to 4.5.
- 4.2 The Supplier shall procure that the other Monitored Companies shall:
 - 4.2.1 at the request of the Buyer meet the Buyer as soon as reasonably practicable (and in any event within three Working Days of the initial notification (or awareness) of the Financial Distress Event) to review the effect of the Financial Distress Event on the continued performance of the Contract and delivery of the Deliverables in accordance the Contract; and
 - 4.2.2 where the Buyer reasonably believes (taking into account the discussions and any representations made under Paragraph 4.2.1) that the Financial Distress Event could impact on the continued performance of the Contract and delivery of the Deliverables in accordance with the Contract:
 - a) submit to the Buyer for its written approval, a draft Financial Distress Service Continuity Plan as soon as reasonably practicable (and in any event, within ten Working Days of the initial notification (or awareness) of the Financial Distress Event); and
 - b) provide such financial information relating to the Monitored Company as the Buyer may reasonably require.
- 4.3 The Buyer can at any point following a Financial Distress Event implement the Buyer's Managing Insolvency Risk approach detailed in Annex 3 but shall not withhold its approval of a draft Financial Distress Service Continuity Plan unreasonably. If the Buyer does not (acting reasonably) approve the draft Financial Distress Service Continuity Plan, it shall inform the Supplier of its reasons and the Supplier shall take those reasons into account in the preparation of a further draft Financial Distress Service Continuity Plan, which shall be resubmitted to the Buyer within five Working Days of the rejection of the first or subsequent (as the case may be) drafts. This process shall be repeated until the

Financial Distress Service Continuity Plan is approved in writing by the Buyer or referred to the Dispute Resolution Procedure.

- 4.4 If the Buyer considers that the draft Financial Distress Service Continuity Plan is insufficiently detailed to be properly evaluated, will take too long to complete or will not remedy the relevant Financial Distress Event, then it may either agree a further time period for the development and agreement of the Financial Distress Service Continuity Plan, and/or implement the Buyer's Managing Insolvency Risk approach detailed in Annex 3 or escalate any issues with the draft Financial Distress Service Continuity Plan using the Dispute Resolution Procedure.
- 4.5 Following approval of the Financial Distress Service Continuity Plan by the Buyer, the Supplier shall:
- 4.5.1 on a regular basis (which shall not be less than monthly):
- a) review the Financial Distress Service Continuity Plan and assess whether it remains adequate and up to date to ensure the continued performance of the Contract and delivery of the Deliverables in accordance with the Contract; and
 - b) provide a written report to the Buyer setting out its progress against the Financial Distress Service Continuity Plan.
- 4.5.2 where the Financial Distress Service Continuity Plan is not adequate or up to date in accordance with Paragraph 4.5.1, submit an updated Financial Distress Service Continuity Plan to the Buyer for its Approval, and the provisions of Paragraphs 4.4 and 4.5 shall apply to the review and Approval process for the updated Financial Distress Service Continuity Plan; and
- 4.5.3 comply with the Financial Distress Service Continuity Plan (including any updated Financial Distress Service Continuity Plan).
- 4.6 Where the Supplier reasonably believes that the relevant Financial Distress Event (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify the Buyer and subject to the agreement of the Parties, the Supplier may be relieved of its obligations under Paragraph 4.5.

5. Financial Indicators

- 5.1 The Financial Indicators and the corresponding calculations and thresholds used to determine whether a Financial Distress Event has occurred in respect of those Financial Indicators, shall be as follows:

Financial Indicator	Calculation	Financial Target Threshold	Financial Distress Indicator	Monitoring and Reporting Frequency
Balance Sheet Resilience (BSR)	Tangible Net Worth (Total Assets – Intangible Assets)/Post-tax Loss	A positive BSR score or a negative BSR score over (-) 5, which will give a score of 1	A BSR score of zero or less than (-) 5, which will give a score of 0	Quarterly

Current Ratio	Current Assets/Current Liabilities	A current ratio of 0.70 and over, which will give a score of 1	A Current ratio below 0.70x, which will give a score of 0	Quarterly
Solvency Ratio	Total Liabilities/Equity	A Solvency ratio between Zero and 5, which will give a score of 1	A Solvency ratio that is negative or over 5, which will give a score of 0	Quarterly
Financial Distress Score*	Balance Sheet Resilience + Current Ratio + Solvency Ratio	Strong rating - represented by a total score of 3	Weak rating - represented by a total score of 0	Quarterly

- 5.1.1 **The Balance Sheet Resilience score** is a measure of balance sheet resilience. If a company is making a post-tax loss the BSR measures the number of years, the Company can sustain the current rate of loss before its tangible net worth is eroded away to zero.
- 5.1.2 A company that is recording post-tax profits will register a positive BSR unless its balance sheet is in tangible deficit when its BSR will be zero.
- 5.1.3 **Current ratio** is a measure of available working capital. A healthy current ratio will be at least above 1x (Current assets/current liabilities) for most businesses.
- 5.1.4 The higher the ratio, the better the working capital position.
- 5.1.5 **Solvency Ratio** is a measure of the balance sheet strength and compares the value of total short and long-term liabilities with the value of the Company's equity or net worth. The higher the ratio the weaker the balance sheet because a high ratio demonstrates that the value of total liabilities are less well covered by net assets.
- 5.1.6 A ratio between zero and 5x is considered satisfactory. However, a ratio that goes negative is demonstrating that the business is trading with a deficit on its balance sheet and that there is zero asset cover for the liabilities.

6. When the Buyer can terminate for financial distress

The Supplier shall be deemed to be in Material Default that is not capable of correction entitling the Buyer to terminate the Contract immediately if:

- 6.1 the Supplier fails to notify the Buyer of a Financial Distress Event in accordance with Paragraph 3.2.3;
 - 6.2 the Buyer and the Supplier fail to agree a Financial Distress Service Continuity Plan (or any updated Financial Distress Service Continuity Plan) in accordance with Paragraphs 4.2 to 4.4; and/or
 - 6.3 the Supplier fails to comply with the terms of the Financial Distress Service Continuity Plan (or any updated Financial Distress Service Continuity Plan) in accordance with Paragraph 4.5.3,
- and the consequences of termination in Clause 14.3.1 shall apply.

7. What happens if your credit rating is still good

Without prejudice to the Supplier's obligations and the Buyer's rights and remedies under this Schedule, if, following the occurrence of a Financial Distress Event pursuant to limb (a) of the definition of Financial Distress Event, the Rating Agencies review and report subsequently that the credit ratings do not drop below the relevant Credit Rating Threshold, then, unless there is also a Financial Distress Event pursuant to another limb of the definition of Financial Distress Event:

- 7.1 the Supplier shall be relieved automatically of its obligations under Paragraphs 4.2 to 4.5; and
- 7.2 the Buyer shall not be entitled to require the Supplier to provide financial information in accordance with Paragraph 4.2.2b).

8. Contract Specific Requirements

- 8.1 Should any Supplier be subject to Financial Distress, the Buyer will support where possible, but the Supplier shall accept that all volume commitments for the duration of the Financial Distress Event may be paused whilst the Buyer protects its own activities.

ANNEX 1: RATING AGENCIES

Rating Agency 1 Company Watch

Rating Agency 2 Dun & Bradstreet

ANNEX 2: CREDIT RATINGS & CREDIT RATING THRESHOLDS

Entity	Credit rating (long term)	Credit Rating Threshold
Supplier	Company Watch H-Score	
Supplier	D&B Failure Score	

ANNEX 3 – MANAGING INSOLVENCY RISK

N/A