



ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ
Μόνιμη Αντιπροσωπεία της Ελλάδος
στο NATO

ΑΔΙΑΒΑΘΜΗΤΟ
ΕΠΕΙΓΟΝ

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/Δνση Ε Επαγγελματικής Δραστηριότητας, (μ.η.)
Νίκης 4

ΘΕΜΑ: 1^η Τροποποίηση Πρόσκλησης Υποβολής Προσφορών IFB-CO-14314-IEG-C Διαγωνιστικής Διαδικασίας : «Provision of Information Exchange Gateway (IEG-C) Between NATO SECRET and MISSION SECRET Domains»

1. Διαβιβάζεται, συνημμένως, 1^η Τροποποίηση Πρόσκλησης Υποβολής Προσφορών (Invitation for Bids/IFB) και σχετικά αυτής, για εν θέματι διαγωνιστική διαδικασία, εκ μέρους NCIA, ως φιλοξενούντος έθνους.
2. Καταληκτική ημερομηνία υποβολής προσφορών ορίζεται πλέον η Δευτέρα, 29^η Μαρτίου 2021, 13:00 τ.ώ.
3. Ενδιαφερόμενες εταιρίες αναζητήσουν πληροφορίες μέσω καθοριζομένου σημείου επαφής (Point of Contact/POC) (βλ. παρ. 8 τροποποιήσεως).
4. Παρακαλούμε για τις ενέργειές σας.

ΛΑΜΠΡΙΔΗΣ

Συν. Σελ: 705

ΑΚΡΙΒΕΣ ΑΝΤΙΓΡΑΦΟ
Ο υπάλληλος της Μ.Α. NATO
Σταύρος Τσάκωνας
ΕΠ&ΠΛ.Α'

ΑΔΙΑΒΑΘΜΗΤΟ

NCIA/ACQ/2021/ 06601
18 February 2021

To : All Nominated Prospective Bidders

Subject : **AMENDMENT 1 TO INVITATION FOR BID – IFB-CO-14314-IEG-C**

**The Provision of Information Exchange Gateway (IEG-C) Between
NATO SECRET and MISSION SECRET Domains**

Reference(s) : A. AC/4-D/2261 (1996 Edition)
B. AC/4-D/2261-ADD2 (1996 Edition)
C. AC/4-D(2008)0002-REV2 dated 5 July 2015, Best Value Evaluation Methodology
D. AC/4(PP)D/27045-ADD1
E. AC/4(PP)D/27045-ADD2
F. AC/4-DS(2015)0018
G. AC/4-DS(2018)0021
H. NCIA/ACQ/2018/1858 NOI IFB-CO-14314-IEG-C dated 17 December 2018
I. NCIA/ACQ/2020/6225 NOI IFB-CO-14314-IEG-C, Amendment 1 dated 27 February 2020
J. NCIA/ACQ/2020/6803 NOI IFB-CO-14314-IEG-C, Amendment 2 dated 18 June 2020
K. NCIA/ACQ/2020/12813 NOI IFB-CO-14314-IEG-C, Amendment 3 dated 3 November 2020
L. NCIA/ACQ/2020/12990 IFB Release dated 23 December 2020
M. AC/4(PP)D/27045-ADD3, dated 14 January 2021.
N. AC/4-DS(2021)0001, dated 9 February 2021

Dear Madam/Sir,

1. The purpose of this Amendment 1 is to publish the following documents that have been amended and are re-issued in its entirety. Prospective Bidders are strongly advised to carefully review the revised documents. The changes within the bidding documents are denoted in **red** for ease of traceability.
 - a. Book I: Bidding Instructions
 - b. Book I: Annex A Bidding Sheets
 - c. Book I: Annex D BCRM
 - d. Book II: Contract Special Provisions
 - e. Book II: Statement of Work
 - f. Book II: Statement of Work Annex A – SRS
2. The closing time for submission of bids in response to this invitation for bid remains **13:00 hours (Brussels Time) on Monday, 29 March 2021.**
3. With the exception of the revisions mentioned above, all other IFB documents remain unchanged from their original version as issued on 23 December 2020.



4. The overall security classification of this IFB is «NATO UNCLASSIFIED».
5. This Invitation for Bid and any Amendment thereto remains the property of the NCI Agency and shall be protected in accordance with the applicable national security regulations.
6. This Invitation for Bid does not constitute either a financial or contractual commitment at this stage.
7. Prospective Bidders are advised that the NCI Agency reserves the right to cancel, withdraw, or suspend this IFB at any time in its entirety and bears no liability for bid preparation costs incurred by firms or any other collateral costs if bid cancellation, withdrawal, or suspension occurs.
8. The NCI Agency point of contact for all information concerning this IFB is:

Eva Benson, Contracting Officer

E-mail: eva.benson@ncia.nato.int

For the Director of Acquisition

A handwritten signature in black ink that reads 'Eva Benson'.

Eva Benson
Contracting Officer

Enclosure:

- Attachment 1: Book I: Bidding Instructions, Amendment 1
- Attachment 2: Book II: Contract Special Provisions, Amendment 1
- Attachment 3: Book II: Statement of Work, Amendment 1
- Attachment 4: Book II: Statement of Work, Amendment 1
- Attachment 5: Book II: Statement of Work, Annex A, SRS, Amendment 1

**Distribution List:**

<u>All Nominated Prospective Bidders</u>	1
<u>NATO Delegations (Attn: Infrastructure Adviser):</u>	1
<u>Embassies in Brussels (Attn: Commercial Attaché):</u>	
Albania	1
Bulgaria	1
Canada	1
Croatia	1
Czech Republic	1
Denmark	1
Estonia	1
France	1
Germany	1
Greece	1
Hungary	1
Iceland	1
Italy	1
Latvia	1
Lithuania	1
Luxembourg	1
The Netherlands	1
Norway	1
Poland	1
Portugal	1
Romania	1



Slovakia	1
Slovenia	1
Spain	1
Turkey	1
United Kingdom	1
United States (electronic copy to brussels.office.box@mail.doc.gov)	1
Belgian Ministry of Economic Affairs	1



NATO Communications and Information Agency

PROVIDE INFORMATION EXCHANGE GATEWAY (IEG)
SOLUTIONS BETWEEN NATO SECRET AND NATO-LED
MISSION SECRET DOMAINS

IFB-CO-14314-IEG-C

AUTHORISATION/SERIAL NOs

2014/OIS03102

AC/4(PP)D/27045-ADD1

AC/4-DS(2015)0018

AC/4(PP)D/27045-ADD2

AC/4-DS(2018)0021

AC/4(PP)D/27045-ADD3

AC/4-DS(2021)0001

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SECTION 1. INTRODUCTION

1.1 PURPOSE

- 1.1.1 The purpose of this Invitation For Bid (IFB) is to award a Contract for the provision of an Information Exchange Gateway (IEG) solutions between NATO Secret and NATO-LED Mission Secret Domains.

1.2 PROJECT SCOPE

- 1.2.1 This project will provide the system for securing information exchange services between the NATO Secret Bi-SC AIS and the NATO-led Mission Secret networks by the implementation of secure gateways, replacing the prototype gateways in current use, and conform to recently approved NATO Metadata STANAGs (4774, 4778). The project will provide a standardized architecture for IEG-C, resolving deficiencies and improving management capabilities by including a centralized management capability. The current gateways will be upgraded, redesigned or renewed to comply with this architecture.
- 1.2.2 The aforementioned information exchange services shall include in particular:
- (a) Text Chat
 - (b) Electronic mail
 - (c) Directory Services
 - (d) Web Services
 - (e) Common Operational Picture Data
 - (f) Tactical Data Links data
 - (g) Remote desktop Srvices
 - (h) Video Streams
- 1.2.3 IEG-C will utilise certificates provided by the NATO Public Key Infrastructure (NPKI) service.
- 1.2.4 The IEG-C project scope includes:
- (a) Project management
 - (b) Requirements Analysis, Site Surveys, System Engineering/Design, Testing
 - (c) Security accreditation
 - (d) Site implementation
 - (e) Initial support
 - (f) Removal of legacy equipment

1.3 OVERVIEW OF THE PROSPECTIVE CONTRACT

- 1.3.1.1 The Prospective Contract (Book II) requires the selected Contractor to deliver the scope of the project described above. This will be achieved within the framework of the Contract resulting from this IFB by means of performance of Contract requirements and Work Packages that are further defined in the Statement of Work (SOW), Part IV to the Prospective Contract. Final System Acceptance (FSA) for the main implementation contract is scheduled for 28 months after Effective Date of Contract (EDC).

1.4 GOVERNING RULES, ELIGIBILITY, AND EXCLUSION PROVISIONS

- 1.4.1 This solicitation is an International Invitation For Bid and is issued in accordance with the procedures for International Competitive Bidding set forth in the NATO document AC/4-D/2261 (1996 Edition) including Annex X. Pursuant to these procedures, Bidding is restricted to companies from participating NATO member nations for which a Declaration of Eligibility (DoE) has been issued by their respective government authorities.
- 1.4.2 The evaluation method to be used in the selection of the successful Bidder under this solicitation will follow the Best Value Procedures set forth in AC/4-D/2261-ADD2 dated 24 July 2009, AC/4-D(2008)0002-REV1-AS1 dated 23 July 2009 and AC/4(2008)0002-REV2 dated 15 July 2015.
- 1.4.3 The Bid evaluation criteria and the detailed evaluation procedures are described in SECTION 4 BID EVALUATION .
- 1.4.4 This IFB will not be the subject of a public Bid opening.
- 1.4.5 A site survey visit shall take place at the main site locations EDC+ 4 weeks. The bidder shall note that the main site locations are SHAPE, Belgium and Naples, Italy. The remaining five locations may be visited at a later stage to be determined. The site surveys intent is to gather all information of interest in view of the preparation, installation, configuration, on-site testing and support of the requirement.
- 1.4.6 The Bidder shall refer to the Purchaser all queries for resolution of any conflicts found in information contained in this document in accordance with the procedures set forth in paragraph 2.6 "Request for IFB Clarifications".

1.5 SECURITY

- 1.5.1 This Invitation For Bid has been classified as NATO UNCLASSIFIED. There is a limited number of references classified at NATO RESTRICTED level.
- 1.5.2 Contractor will be required to handle and store classified material to the level of "NATO RESTRICTED " and the Contractor shall have the appropriate facility and personnel clearances of "NATO SECRET". Should a Contractor be unable to perform the Contract due to the fact that the facility clearance has

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not been provided by their respective national security agency, this lack of clearance cannot be the basis for a claim of adjustment or an extension of schedule, nor the lack of clearance be considered a mitigating circumstance in the case of an assessment of Liquidated Damages or a determination of Termination For Default by the Purchaser.

- 1.5.3 Contractor personnel working at NATO sites are required to possess a security clearance of "NATO SECRET". Contractor personnel without such a clearance, confirmed by the appropriate national security authority and transmitted to the cognisant NATO security officer at least fourteen (14) days prior to the site visit, will be denied access to the site. Denial of such access by the Purchaser may not be used by the Contractor as the basis for a claim of adjustment or an extension of schedule nor can the denial of access be considered a mitigating circumstance in the case of an assessment of Liquidated Damages or a determination of Termination for Default by the Purchaser. Contractor personnel who need System Administrator or Operator privileges when working on NATO SECRET systems shall be required to hold NATO CTS clearances.
- 1.5.4 Bidders are advised that Contract signature will not be delayed in order to allow the processing of security clearances for personnel or facilities and, should the otherwise successful Bidder not be in a position to accept the offered Contract within a reasonable period of time, due to the fact that its personnel or facilities do not possess the appropriate security clearance(s), the Purchaser may determine the Bidder's Offer to be non-compliant and offer the Contract to the next ranking Bidder. In such a case, the Bidder who would not sign the Contract shall be liable for forfeiture of the Bid Guarantee.
- 1.5.5 All documentation, including the IFB itself, all applicable documents and any reference documents provided by the Purchaser are solely to be used for the purpose of preparing a response to this IFB. They are to be safeguarded at the appropriate level according to their classification and reference documents are provided "as is, without any warranty" as to quality or accuracy.

SECTION 2. GENERAL BIDDING INFORMATION

2.1 DEFINITIONS

2.1.1 In addition to the definitions and acronyms set in the Clause 2 entitled “Definitions of Terms and Acronyms” of the NCI Agency Contract General Contract Provisions Book II, (Part III), the following terms and acronyms, as used in this IFB, shall have the meanings specified below:

2.1.1.1 "Bidder": a firm, consortium, or joint venture which submits an offer in response to this solicitation. Bidders are at liberty to constitute themselves into any form of Contractual arrangements or legal entity they desire, bearing in mind that in consortium-type arrangements a single judicial personality shall be established to represent that legal entity. A legal entity, such as an individual, Partnership or Corporation, herein referred to as the “Principal Contractor”, shall represent all members of the consortium with the NCI Agency and/or NATO. The “Principal Contractor” shall be vested with full power and authority to act on behalf of all members of the consortium, within the prescribed powers stated in an irrevocable Power of Attorney or equivalent issued to the “Principal Contractor” by all members associated with the consortium. Evidence of authority to act on behalf of the consortium by the “Principal Contractor” shall be enclosed and sent with the Bid. Failure to furnish proof of authority shall be a reason for the Bid being declared non-compliant.

2.1.1.2 "Compliance": strict conformity to the requirements and standards specified in this IFB and its attachments.

2.1.1.3 "Contractor": the awardee of this solicitation of offers, which shall be responsible for the fulfilment of the requirements established in the prospective Contract.

2.1.1.4 “Firm of a Participating Country”: a firm legally constituted or chartered under the laws of, and geographically located in, or falling under the jurisdiction of a Participating Country.

2.1.1.5 “IFB”: Invitation for Bid.

2.1.1.6 “Participating Country”: any of the NATO nations contributing to the project, namely, (in alphabetical order):

ALBANIA, BELGIUM, BULGARIA, CANADA, CROATIA, CZECH
REPUBLIC, DENMARK, ESTONIA, FRANCE, GERMANY, GREECE,
HUNGARY, ICELAND, ITALY, LATVIA, LITHUANIA, LUXEMBOURG, THE

NETHERLANDS, NORWAY, POLAND, PORTUGAL, ROMANIA,
SLOVAKIA, SLOVENIA, SPAIN, TURKEY, THE UNITED KINGDOM and
THE UNITED STATES.

- 2.1.1.7 “Purchaser”: The Purchaser is defined as the current NCI Agency or its legal successor.
- 2.1.1.8 “Quotation” or “Bid”: a binding offer to perform the work specified in the attached prospective Contract (Book II).

2.2 ELIGIBILITY AND ORIGIN OF EQUIPMENT AND SERVICES

- 2.2.1 As stated in paragraph 2.1.1.6 above only firms from a Participating Country are eligible to engage in this competitive Bidding process. In addition, all Contractors, sub-Contractors and manufacturers, at any tier, must be from Participating Countries.
- 2.2.2 In addition, all Contractors, sub-Contractors and manufacturers, at any tier, must be from and within Participating Countries.
- 2.2.3 None of the work, including project design, labour and services shall be performed other than by firms from and within Participating Countries.
- 2.2.4 No materials or items of equipment down to and including identifiable Sub-assemblies shall be manufactured or assembled by a firm other than from and within a Participating Country.
- 2.2.5 Unless otherwise authorised by the terms of the prospective Contract, the Intellectual Property Rights (IPR) to all design documentation and related system operating software shall reside in NATO member countries, and no license fees or royalty charges shall be paid by the Contractor to firms, individuals or governments other than within the NATO member community.

2.3 BID DELIVERY AND BID CLOSING

- 2.3.1 All Bids shall be in the possession of the Purchaser at the e-mail address given below in paragraph 2.3.2 on/or before 13:00 hours (Brussels Time) on 29 MARCH, 2021, at which time and date Bidding shall be closed.
- 2.3.2 Bids shall be delivered in electronic format only to the following email address:
IFBCO14314IEGC@ncia.nato.int

2.3.3 The Bid shall consist of three (3) separate subject emails:

- 2.3.3.1 For the first e-mail the subject line shall read: "IFB-CO-14314-IEG – Official Bid for [company name] – Part I - Administrative Envelope". The e-mail content shall be as described in Paragraph 3.2.2, Part I: Bid Administration Package below, with no password protection to the file and shall be not larger than 20MB total.
- 2.3.3.2 For the second e-mail the subject line shall read: "IFB-CO-14314-IEG – Official Bid for [company name] – Part II – Technical Proposal". The e-mail content shall be as described in Paragraph 3.2.2, Part II: Technical Proposal below, with no password protection to the file, and shall be not larger than 20MB total per e-mail. For large Technical Proposals, multiple e-mails may be required to submit the entire package. In such case, Bidders shall clearly indicate the correct order in the e-mail subject line.
- 2.3.3.3 For the second e-mail the subject line shall read: "IFB-CO-14314-IEG Official Bid for [company name] – Part III - Price Quotation". The e-mail content shall be as described in Paragraph 3.2.2, Part III: Price Proposal below, with no password protection to the file, and shall be not larger than 20MB total.

2.3.4 **Late Bids**

- 2.3.4.1 Quotations which are delivered to the Purchaser after the specified time and date set forth above for Bid Closing are "Late Bids" and shall not be considered for award.
- 2.3.4.2 It is the responsibility of the Offeror to ensure that the quotation submission is duly completed by the specified quotation closing time and date. If a quotation received at the NCI Agency's facility by electronic data interchange is unreadable to the degree that conformance to the essential requirements of the solicitation cannot be ascertained, the Purchaser will immediately notify the Offeror that the quotation will be rejected unless the Offeror provides clear and convincing evidence:
- (a) Of the content of the Bid as originally submitted; and,
 - (b) That the unreadable condition of the bid was caused by Purchaser software or hardware error, malfunction, or other Purchaser mishandling.
- 2.3.4.3 Bids which are delivered to the Purchaser after the specified time and date set forth above for Bid Closing are "Late Bids" and shall not be considered for award. *Consideration of Late Bid* – The Purchaser considers that it is the responsibility of the Bidder to ensure that the Bid submission arrives by the

specified Bid Closing Date and Time. A late Bid shall only be considered for award under the following circumstances:

- 2.3.4.3.1 A Contract has not already been awarded pursuant to the Invitation for Bid, and;
- 2.3.4.3.2 The Bid was sent to the e-mail address specified in the IFB and the delay was solely the fault of the Purchaser.

2.4 REQUESTS FOR EXTENSION OF BID CLOSING DATE

- 2.4.1 Bidders are informed that requests for extension to the closing date for the IFB shall be submitted by the Bidder only through its respective country's NATO Delegation or Embassy to the Purchaser POC indicated in paragraph 2.5.1 below. In accordance with AC/4-D/2261 Final (July 1996 Edition) any request for extension shall be submitted by the respective NATO Delegation or Embassy no later than fourteen (14) days prior to the established Bid closing date. The Purchaser is under no obligation to answer requests submitted after this time. Bidders are advised to submit their request in sufficient time as to allow their respective NATO Delegation or Embassy to deliver the formal request to the Purchaser within the above time limit.

2.5 PURCHASER'S POINT OF CONTACT

- 2.5.1 The Purchaser point of contact for all information concerning this solicitation is:

NATO Communications and Information Agency
Acquisition Directorate
Building 302A, Room 110
7010 SHAPE, Belgium
Attention: Eva Benson, Contracting Officer

Email: eva.benson@ncia.nato.int

2.6 REQUEST FOR IFB CLARIFICATIONS

- 2.6.1 Bidders, at the earliest stage possible during the solicitation period, are encouraged to query and seek clarification of any matters of a Contractual, administrative and technical nature pertaining to this IFB.
- 2.6.2 All questions and requests for clarification shall be forwarded to the Purchaser via email using the Clarification Request Form provided at BOOK I – ANNEX E of this Book I. Such questions shall be forwarded to the point of contact specified in paragraph 2.5.1 above and shall arrive not later than twenty eight (28) calendar days prior to the stated "Bid Closing Date". The Purchaser is

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under no obligation to answer requests for clarification submitted after this time. Requests for clarification must address the totality of the concerns of the Bidder, as the Bidder will generally not be permitted to revisit areas of the IFB for additional clarification except as noted in paragraph 2.6.3, below.

- 2.6.3 Additional requests for clarification are limited only to the information provided as answers by the Purchaser to Bidder requests for clarification. Such additional requests shall arrive not later than fourteen (14) calendar days before the established Bid Closing Date.
- 2.6.4 It is the responsibility of the Bidders to ensure that all Clarification Requests submitted bear no mark, logo or any other form or sign that may lead to reveal the Bidders' identity in the language constituting the clarification itself. This prescription is not applicable to the means used for the transmission of the clarification (i.e. email or form by which the clarification is forwarded).
- 2.6.5 The Purchaser declines all responsibilities associated to any and all circumstances regardless of the nature or subject matter arising from the Bidders' failure or inability to abide to the prescription in paragraph 2.6.4.
- 2.6.6 The Purchaser may provide for the removal of any form of identification in the body of the clarification request in those instances in which such practice is feasible as well as providing for a re-wording of the clarification request in those cases in which the original language submitted is deemed ambiguous, unclear, subject to different interpretation or revelatory of the Bidder's identity.
- 2.6.7 Bidders are advised that subsequent questions and/or requests for clarification included in a Bid shall neither be answered nor considered for evaluation and may be considered by the Purchaser as grounds for a determination of non-compliance.
- 2.6.8 Except as provided above, all questions will be answered by the Purchaser and the questions and answers (but not the identity of the questioner) will be issued in writing to all prospective Bidders. The Bidders shall immediately inform the Purchaser in the event that submitted question are not reflected in the answers published.
- 2.6.9 The published answers issued by the Purchaser shall be regarded as the authoritative interpretation of the IFB. Amendment to the language of the IFB included in the answers shall be incorporated by the Bidder in his offer.
- 2.6.10 Where the extent of the changes implied by the response to a clarification request is of such a magnitude that the Purchaser deems necessary to issue revised documentation, the Purchaser will do so by the mean of the issuance of a formal IFB Amendment in accordance with paragraph 2.8 below.
- 2.6.11 The Purchaser reserves the right to reject clarification requests clearly devised or submitted for the purpose of artificially obtaining an extension of the Bidding

time (i.e. clarifications re-submitted using different wording where such wording does not change the essence of the clarification being requested).

2.7 REQUESTS FOR WAIVERS AND DEVIATIONS

- 2.7.1 Bidders are informed that requests for alteration to, waivers, or deviations from the terms and conditions of this IFB and attached Prospective Contract (Book II) will not be considered after the request for clarification process. Requests for alterations to the other requirements, terms or conditions of the IFB or the Prospective Contract may only be considered as part of the clarification process set forth in paragraph 2.6 above. Requests for alterations to the specifications, terms and conditions of the Contract which are included in a Bid as submitted may be regarded by the Purchaser as a qualification or condition of the Bid and may be grounds for a determination of non-compliance.

2.8 AMENDMENT OF THE IFB

- 2.8.1 The Purchaser may revise, amend or correct the terms, conditions and/or specifications and provisions of the IFB at any time prior to the date set for the Bid Closing. Any and all modifications will be transmitted to all Bidders by an official Amendment designated as such and signed by the Contracting Authority. Such Amendment may be accompanied by an acknowledgement of receipt which the Bidder shall complete and forward to the Purchaser. This process may be part of the clarification procedures set forth in paragraph 2.6 above or may be an independent action on the part of the Purchaser.
- 2.8.2 The Purchaser will consider the potential impact of Amendments on the ability of prospective Bidders to prepare a proper Bid within the allotted time. The Purchaser may extend the "Bid Closing Date" at its discretion and such extension will be set forth in the Amendment document.
- 2.8.3 All Amendments issued by the Purchaser shall also be acknowledged by the Bidder in its Bid by completing the "ANNEX B-2
- 2.8.4
- 2.8.5 ACKNOWLEDGEMENT OF RECEIPT OF IFB AMENDMENTS and Responses to Clarification Requests" Failure to acknowledge receipt of all Amendments may be grounds to determine the Bid to be non-compliant.

2.9 MODIFICATION AND WITHDRAWAL OF BIDS

- 2.9.1 Bids, once submitted, may be modified by Bidders, but only to the extent that the modifications are in writing, conform to the requirements of the IFB, and are received by the Purchaser prior to the exact time and date established for

Bid Closing. Such modifications shall be considered as an integral part of the submitted Bid.

- 2.9.2 Modifications to Bids which arrive after the Bid Closing Date will be considered as "Late Modifications" and will be processed in accordance with the procedure set forth above concerning "Late Bids", except that unlike a "Late Bid", the Purchaser will retain the modification until a selection is made. A modification to a Bid which is determined to be late will not be considered in the evaluation and selection process. If the Bidder submitting the modification is determined to be the successful Bidder on the basis of the unmodified Bid, the modification may then be opened. If the modification makes the terms of the Bid more favourable to the Purchaser, the modified Bid may be used as the basis of Contract award. The Purchaser, however, reserves the right to award a Contract to the successful Bidder on the basis of the Bid submitted and disregard the late modification.
- 2.9.3 A Bidder may withdraw its Bid at any time prior to Bid Opening without penalty. In order to do so, an authorised agent or employee of the Bidder must provide an original statement of the firm's decision to withdraw the Bid.
- 2.9.4 Except as provided in paragraph 0 below, a Bidder may withdraw its Bid after Bid Opening only by forfeiture of the Bid Guarantee.

2.10 BID VALIDITY

- 2.10.1 Bidders shall be bound by the term of their Bids for a period of twelve (12) months starting from the Bid Closing Date specified in paragraph 2.3.1 above.
- 2.10.2 In order to comply with this requirement, the Bidder shall complete the Certificate of Bid Validity set forth in Annex B-4. Bids offering less than the period of time referred to above for acceptance by the Purchaser may be determined to be non-compliant.
- 2.10.3 The Purchaser will endeavour to complete the evaluation and make an award within the period referred to in paragraph 2.10.1. However, should that period of time prove insufficient to render an award, the Purchaser reserves the right to request an extension of the period of validity of all Bids which remain under consideration for award.
- 2.10.4 Upon notification by the Purchaser of such a request for a time extension, the Bidders shall have the right to:
- a) accept this extension of time in which case Bidders shall be bound by the terms of their offer for the extended period of time and the Bid Guarantee and Certificate of Bid Validity extended accordingly; or

b) refuse this extension of time and withdraw the Bid, in which case the Purchaser will return to the Bidder its Bid Guarantee in the full amount without penalty.

- 2.10.5 Bidders shall not have the right to modify their Bids due to a Purchaser request for extension of the Bid validity unless expressly stated in such request.

2.11 BID GUARANTEE

- 2.11.1 The Bid Guarantee shall be submitted by email to the Purchaser either directly by a banking institution or from the Bidder emailing the Bid Guarantee to Treasury at:

NCIAFinanceTreasuryBankGuarantee@ncia.nato.int

- 2.11.2 In either case, the Bidder shall provide an additional copy of the Bid Guarantee in the Bid Administration Volume. Bidders are reminded that the Bid Guarantee shall reflect any extensions to the Bid Validity Date due to extensions in the Bid Closing Date.

- 2.11.3 The Bidder shall furnish with its Bid a guarantee in an amount equal to Three Hundred Thousand Euros (€300,000) with a validity equal to that of the bid as expressed in paragraph 2.10.1. The Bid Guarantee shall be in the form of an irrevocable, unqualified and unconditional Standby Letter of Credit (SLC) (Annex C) issued by a Belgian banking institution fully governed by Belgian legislation or issued by a non-Belgian financial institution and confirmed by a Belgian banking institution fully governed by Belgian legislation. In the latter case signed original letters from both the issuing institution and the confirming institution must be provided. The confirming Belgian bank shall clearly state that it will guarantee the funds, the drawing against can be made by the NCI Agency at its premises in Belgium. Bid Guarantees shall be made payable to the Treasurer, NCI Agency.

- 2.11.4 Alternatively, a Bidder may elect to post the required Guarantee by certified cheque. If the latter method is selected, Bidders are informed that the Purchaser will cash the cheque on the Bid Closing Date or as soon as possible thereafter.

- 2.11.5 If the Bid Closing Date is extended after a Bidder's financial institution has issued a Bid Guarantee, it is the obligation of the Bidder to have such Bid

Guarantee (and confirmation, as applicable) extended to reflect the revised Bid Validity date occasioned by such extension.

- 2.11.6 Failure to furnish the required Bid Guarantee in the proper amount, and in the proper form and for the appropriate duration by the Bid Closing Date may be cause for the Bid to be determined non-compliant.
- 2.11.7 In the event that a Bid Guarantee is submitted directly by a banking institution, the Bidder shall furnish a copy of said document in the Bid Administration Package.
- 2.11.8 The Purchaser will make withdrawals against the amount stipulated in the Bid Guarantee under the following conditions:
 - 2.11.8.1 The Bidder has submitted a Bid and, after Bid Closing Date (including extensions thereto) and prior to the selection the compliant Bid determined to represent the best value, withdraws its Bid, or states that he does not consider its Bid valid or agree to be bound by his Bid; or
 - 2.11.8.2 The Bidder has submitted a compliant Bid determined by the Agency to represent the best value, but the Bidder declines to sign the Contract offered by the Agency, such Contract being consistent with the terms of the IFB;
 - 2.11.8.3 The Purchaser has offered the Bidder the Contract for execution but the Bidder has been unable to demonstrate compliance with the security requirements of the Contract within a reasonable time; or
 - 2.11.8.4 The Purchaser has entered into the Contract with the Bidder but the Bidder has been unable or unwilling to provide the Performance Guarantee required under the terms of the Contract within the time frame required.
- 2.11.9 Bid Guarantees will be returned to Bidders as follows:
 - 2.11.9.1 to non-compliant Bidders forty-five (45) days after notification by the Purchaser of a non-compliant Bid (except where such determination is

challenged by the Bidder; in which case the Bid Guarantee will be returned forty-five (45) days after a final determination of non-compliance);

2.11.9.2 to all other unsuccessful Bidders within thirty (30) days following the award of the Contract to the successful Bidder;

2.11.9.3 to the successful Bidder upon submission of the Performance Guarantee required by the Contract or, if there is no requirement for such a Performance Guarantee, upon Contract execution by both parties;

2.11.10 pursuant to paragraph 0(b) above.

2.11.11 "Standby Letter of Credit" or "SLC" as used herein, means a written commitment by a Belgian financial institution either on its own behalf or as a confirmation of the Standby Letter of Credit issued by a non-Belgian bank to pay all or part of a stated amount of money, until the expiration date of the letter, upon presentation by the Purchaser of a written demand therefore. Neither the financial institution nor the Contractor can revoke or condition the Standby Letter of Credit. The term "Belgian financial institution" includes non-Belgian financial institutions licensed to operate in Belgium.

2.12 CANCELLATION OF IFB

2.12.1 The Purchaser may cancel, suspend or withdraw for re-issue at a later date this IFB at any time prior to Contract award. No legal liability on the part of the Purchaser for payment of any sort shall arise and in no event will any Bidder have cause for action against the Purchaser for the recovery of costs incurred in connection with preparation and submission of a Bid in response to this IFB.

2.13 ELECTRONIC TRANSMISSION OF INFORMATION AND DATA

2.13.1 The Purchaser will endeavour to communicate answers to requests for clarification and Amendments to this IFB to the prospective Bidders as soon as practicable.

2.13.2 Bidders are cautioned that the Purchaser will rely exclusively on electronic mail communication to manage all correspondence related to this IFB, including IFB Amendments and clarifications.

2.13.3 Bidders are cautioned that electronic transmission of documentation which contains classified information is not permissible

2.14 SUPPLEMENTAL AGREEMENTS

2.14.1 Bidders are required, in accordance with the certificate Annex B-7 of these Instructions to Bidders, to disclose any prospective Supplemental Agreements

that are required by national governments to be executed by NATO/NCI Agency or successor organisations as a condition of Contract performance.

- 2.14.2 Supplemental Agreements are typically associated with, but not necessarily limited to, national export control regulations, technology transfer restrictions and end user agreements or undertakings.
- 2.14.3 Bidders are cautioned that failure to provide full disclosure of the anticipated requirements and the terms thereof, to the best of the Bidder's knowledge and experience, may result in the Purchaser withholding award of the Contract or cancelling an executed Contract if it is discovered that the terms of such Supplemental Agreements contradict salient conditions of the Prospective Contract to the extent that either key objectives cannot be accomplished or basic Contract principles and Purchaser rights have been abridged.

2.15 NOTICE OF LIMITATIONS ON USE OF INTELLECTUAL PROPERTY DELIVERED TO THE PURCHASER

- 2.15.1 Bidders are instructed to review Clauses 30 and 31 of the Contract Special Provisions and Clause 30 of the Contract General Provisions set forth Part III of Book II herein. This Clause sets forth the definitions, terms and conditions regarding the rights of the Parties concerning Intellectual Property developed and/or delivered under this Contract or used as a basis of development under this Contract.
- 2.15.2 Bidders are required to disclose, in accordance with Annex B-10 and Annex B-11, the Intellectual Property proposed to be used by the Bidder that will be delivered with either Background Intellectual Property Rights or Third Party Intellectual Property Rights. Bidders are required to identify such Intellectual Property and the basis on which the claim of Background or Third Party Intellectual Property is made.
- 2.15.3 Bidders are further required to identify any restrictions on Purchaser use of the Intellectual Property that is not in accordance with the definitions and rights set forth in the Contract concerning use or dissemination of such Intellectual Property.
- 2.15.4 Bidders are reminded that restrictions on use or dissemination of Intellectual Property conflicting with the objectives and purposes of the Purchaser as stated in the Prospective Contract may result in a determination of non-compliant Bid.

2.16 MANDATORY QUALITY ASSURANCE AND QUALITY CONTROL STANDARDS

- 2.16.1 Bidders are requested to note that, in accordance with the Certificate at Annex B-8 hereto, Bidders shall provide documentary evidence that the Bidder possesses a current certification that is compliant with the requirements of

Allied Quality Assurance Publication (AQAP) 2110, ISO 9001:2015, or an equivalent QA/QC regime.

- 2.16.2 Bidders shall further demonstrate that such regime is applied within the Bidder's internal organisation, as well as extended to its relationships with Subcontractors.
- 2.16.3 If the Bidder is offering a QA/QC regime that is claimed to be equivalent to AQAP 2110 or ISO 9001:2015, the burden of proof of such equivalency shall be on the Bidder and such evidence of equivalency shall be submitted with the Certificate at Annex B-8 in the Bid Administration Package.
- 2.16.4 Failure to execute this Certificate, or failure to provide documentary evidence of compliance with this requirement may result in a determination of non-compliance for the submitted Bid.

SECTION 3. BID PREPARATION INSTRUCTIONS

3.1 GENERAL

- 3.1.1 Bidders shall prepare and submit their Bid in accordance with the requirements and format set forth in this IFB. Compliance with all Bid submission requirements is mandatory. Failure to submit a Bid in conformance with the stated requirements may result in a determination of non-compliance by the Purchaser and the elimination of the Bid from further consideration.
- 3.1.2 Bidders shall prepare their bid in three (3) parts:
 - (a) Administrative Package (Part I): Electronic Submission.
 - (b) Technical Proposal (Part II): Electronic Submission.
 - (c) Price Proposal (Part III): Electronic Submission.
- 3.1.3 The specific format for each volume is stated in paragraph 3.2.2.
- 3.1.4 Bidders shall not simply restate the IFB requirements. A Bid shall demonstrate that the Bidder understands the terms, conditions and requirements of the IFB and shall demonstrate the Bidder's ability to provide all the services and deliverables listed in the Schedules of the prospective Contract.
- 3.1.5 Bidders are informed that the quality, thoroughness and clarity of the Bid will affect the overall scoring of the Bid. Although the Purchaser may request clarification of the Bid, it is not required to do so and may make its assessment on the content of the Bid as written. Therefore, Bidders shall assume that inconsistencies, omissions, errors, lack of detail and other qualitative deficiencies in the submitted Bid will have a negative impact on the final Best Value score.
- 3.1.6 Partial Bids and/or bids containing conditional statements will be declared non-compliant.
- 3.1.7 Bidders are advised that the Purchaser reserves the right to incorporate the successful Bidder's Offer in whole or in part by reference in the resulting Contract.
- 3.1.8 If no specific format has been established for electronic versions, Bidders shall deliver documentation in an electronic format which is best suited for review

and maintenance by the Purchaser (e.g., Project Master Schedule in MS Project format, Project Highlight Reports in MS Word).

3.1.9 Bids and all related documentation shall be submitted in the English language.

3.1.10 All documentation submitted as part of the Bid shall be classified no higher than "NATO UNCLASSIFIED".

3.2 PACKAGING AND MARKING OF BIDS

3.2.1 The complete Bid shall consist of three distinct and separated parts each of which will be send as an individual electronic submission as described in the following subparagraphs. Detailed requirements for the structure and content of each of these packages are contained in these Bidding Instructions

3.2.2 All e-mails submitted shall be less than 20MB and shall not be password-protected.

Part	Format and Quantity Details
I: Bid Administration Package	<p><u>1 .zip File Submitted by Email not larger than 20MB total , which includes:</u></p> <ul style="list-style-type: none"> • 1 Scanned PDF copies of the certificates with physical (non-digital) signatures of the prescribed certifications • Copy of the Bid Guarantee: 1 PDF File <p>✓ All of the required contents are outlined in Section 3.3</p>
II: Technical Proposal	<p><u>1 .zip File Submitted by Email, which includes:</u></p> <ul style="list-style-type: none"> • Volume 1, Engineering, text document: 1 PDF file • Volume 2, Supportability, text document: 1 PDF file • Volume 3, Management, text document: 1 PDF file • Annex: Bid Requirements Cross Reference Matrix (BRCM): 1 Excel file <p>✓ This Part shall not be password-protected. ✓ If necessary, the technical volume may be separated into more than one email. Maximum email size per each email is 20MB. ✓ All of the required contents are outlined in Section 3.4</p>
III: Price Proposal	<p><u>1 .zip File Submitted by Email, which includes:</u></p> <ul style="list-style-type: none"> • 1 Excel file, using the Bidding Sheets template provided with the IFB • 1 PDF file of the Bidding Sheets "Offer Summary" tab <p>✓ All of the required contents are outlined in Section 3.5</p>

- 3.2.3 The proposal shall be sent via separate e-mails to the Bid Delivery e-mail address as specified in Paragraph 2.3.2 and in accordance with Paragraph 3.2.2 above.

3.3 PART I – BID ADMINISTRATION PACKAGE

- 3.3.1 The Bid Administration Package must include the copy of the Bid Guarantee required by paragraph 2.11 of the Bidding Instructions to the email address specified in Paragraph 2.3.2. If the Bid Guarantee is sent to the Purchaser directly from the Bidder's bank, a letter, in lieu of the actual Guarantee, shall be included specifying the details of the transmittal and a copy of the Guarantee. Bidders are reminded that the Bid Guarantee shall reflect any extensions to the Bid Validity Date due to extensions in the Bid Closing Date.
- 3.3.2 No information disclosing or contributing to disclose the bid price shall be made part of the Bid Administration volume. Failure to abide to this prescription shall result in the bid being declared non-compliant.
- 3.3.3 The Package shall include the Certificates set forth in Annex B to these Bidding Instructions, signed in the original by an authorised representative of the Bidder. The text of the certificates must not be altered in any way. Within the Package the bidder shall also include the signed electronic copies of the certifications – with physical, not electronic signatures - set forth in Annex B hereto, specifically:
- a) ANNEX B-1 CERTIFICATE OF LEGAL NAME OF BIDDER
 - b) ANNEX B-2 ACKNOWLEDGEMENT OF RECEIPT OF IFB AMENDMENTS AND RESPONSES TO CLARIFICATION REQUESTS
 - c) ANNEX B-3 CERTIFICATE OF INDEPENDENT DETERMINATION
 - d) ANNEX B-4 CERTIFICATE OF BID VALIDITY
 - e) ANNEX B-5 CERTIFICATE OF EXCLUSION OF TAXES, DUTIES AND CHARGES
 - f) ANNEX B-6 COMPREHENSION AND ACCEPTANCE OF CONTRACT SPECIAL AND GENERAL PROVISIONS
 - g) ANNEX B-7 DISCLOSURE OF REQUIREMENTS FOR NCI AGENCY EXECUTION OF SUPPLEMENTAL AGREEMENTS
 - h) ANNEX B-8 CERTIFICATE OF COMPLIANCE AQAP 2110 OR ISO 9001:2015 OR EQUIVALENT
 - i) ANNEX B-9 LIST OF PROSPECTIVE SUBCONTRACTORS/Consortium Members
 - j) ANNEX B-10 BIDDER BACKGROUND IPR
 - k) ANNEX B-11 LIST OF SUBCONTRACTORS IPR
 - l) ANNEX B-12 CERTIFICATE OF ORIGIN OF EQUIPMENT, SERVICES, AND INTELLECTUAL PROPERTY
 - m) ANNEX B-13 LIST OF PROPOSED KEY PERSONNEL and Security Clearance

- n) ANNEX B-14 CERTIFICATE OF PRICE CEILING
 - o) ANNEX B-15 DISCLOSURE OF INVOLVEMENT OF FORMER NCI AGENCY EMPLOYMENT
 - p) ANNEX B-16 – Comprehension And Intention To Comply With PMIC Exclusion Clause And Conflict Of Interest
- 3.3.4 Concerning Certificate B-9, the Bidder shall identify by name, project role, and country of origin, all sub-contractors whose sub-contract value is expected to equal or exceed EUR 125,000, if any. A list of consortium members shall also be completed and included. If there are no sub- contractors/consortium members involved, the Bidder shall state this separately. The subcontractors listed in this certificate shall be traceable in the Bidding Sheets.
- 3.3.5 Concerning Certificate B-7, Disclosure of Requirements for NCI Agency Execution of Supplemental Agreements, Bidders shall note especially the following:
- 3.3.5.1 If supplemental agreements, such as End-User Certificates or Technical Assistance Agreements, are required by national regulations, these must be submitted with the Bidders Bid. Supplemental agreements submitted after the Bid Closing Date shall not be considered.
- 3.3.6 The terms of supplemental agreements, if necessary, are the Bidders/ Contractors responsibility and shall be totally consistent with the terms of the (Prospective) Contract, and shall not duplicate, negate, or further interpret any provisions of this Contract. The terms of the (Prospective) Contract shall take precedence over the Supplemental Agreement.
- 3.3.7 A problem with the supplemental agreement in any of the areas mentioned previously in this provision may result in a determination that the Bid is not compliant with the terms of the IFB, and in rejection of the Bid, or termination for default of the Contract if the supplemental agreement is submitted after Contract award.
- 3.3.8 Documentation Disclosure of Conflict of Interest
- 3.3.8.1 A Conflict of Interest means that because of other activities or relationships with other persons or entities, a Bidder is unable or potentially unable to render impartial assistance or advice to the Purchaser or the Bidder's objectivity in performing the prospective contract work is, or might be otherwise impaired, or the Bidder has an unfair competitive advantage.
- 3.3.8.2 In compliance with paragraph 4.4.1.5, Bidders and proposed subcontractors detailed at Annex B-9 shall identify all business relationships or personal relationships of staff with the PMIC contractor, including but not limited to those resulting from current or previous (over the last five (5) years) ownership, personal relationships of staff, share of assets, strategic business

agreements regardless of their nature or financial magnitude of which the Bidders or subcontractors are knowledgeable at the time of bid submission. If any of such relationships could constitute a real or apparent conflict of interest, or could otherwise, in any manner or form, influence or appear to influence the capacity of the Bidder to render unbiased service, Bidders shall, as part of the bid, submit a statement that clearly defines the nature of the apparent or real conflict of interests including a complete description of the relationship, and the individuals subject to the real or apparent conflict, and a plan for the mitigation of the conflict detailing the measures the Bidder has or proposes to put in place for the purpose of preventing unfair advantage in relation to the performance associated with the prospective contract.

3.4 PART II – TECHNICAL PROPOSAL

- 3.4.1 It is of the utmost importance that Bidders respond to all of the technical requirements of the Purchaser Statement of Work, not only with an affirmation of compliance but also with an explanation of how each requirement will be met. To facilitate bidding and the subsequent evaluation of the Bidder's response to the various sections of the Statement of Work (including all Annexes), bids shall be organised and submitted in three (3) volumes as follows:
 - 3.4.1.1 Volume 1 – Technical – covering requirements from Sections 1, 5, 7, 8, 10, 11 and Annex A, C and H of the SOW; and
 - 3.4.1.2 Volume 2 – Supportability – covering requirements from Sections 6, 7, 11, 12, 13, 14, 15 and Annex A, C and F of the SOW.
 - 3.4.1.3 Volume 3 – Management – covering requirements from Sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 14, 15 and Annex A and B of the SOW, and an Executive Summary of the entire Technical Proposal;
- 3.4.2 The mapping of SOW sections to volumes has been done to facilitate a consistent organisation of the Technical Proposal and its subsequent evaluation. Bidders shall adhere to the mapping, even if individual requirements within sections of the SOW may seem to more logically belong in a different volume. Requirements that are answered in Volumes other than as indicated in paragraph 3.4.1 will not be evaluated, thus affecting the Best Value score or in extreme cases resulting in a determination of non-compliance.
- 3.4.3 The proposed Technical Solution shall not be “conditional” in nature. Any comments supplied in the Technical Proposal Package which are conditional

in nature, relative to the proposed Technical Solution, may result in a determination that the bid is non-compliant.

- 3.4.4 Bidder's responses shall be clearly readable and use a font no smaller than 10 point or 12 point with a Times New Roman or Arial font.
- 3.4.5 Bidding instructions related to each of the three (3) volumes are provided in Sections 3.4.6 through 3.4.8

3.4.6 Volume 1 – Technical

- 3.4.6.1 This volume covers the Technical component of the proposal and will include Architectural aspects, the Integration approach, the design of the Management solution and the Functional coverage of the final IEG-C system.
- 3.4.6.2 In order to assess properly the aforementioned areas, Bidders should pay attention to engineering activity in the IEG-C project from analysis and design through to delivery, testing, verification & validation, implementation, transition and acceptance. A substantial response is expected to the system engineering requirements (SOW Section 5 and 15), site survey and system implementation requirements (SOW Sections 9 and 7), testing, verification & validation process requirements (SOW Section 8), security accreditation process requirements (SOW Section 10), Quality Assurance requirements (SOW Section 11), System Requirements Specification (SRS) (SOW, Annex A), and implementation scope (SOW Annex C).
- 3.4.6.3 System Design Specification (SDS)
 - 3.4.6.3.1 The Bidder shall provide an initial System Design Specification (SDS) which describes its proposed technical solution and demonstrates its understanding of the requirements and security requirements as stated in in the SRS (Annex A, SoW).
 - 3.4.6.3.2 The Bidder shall provide the initial SDS that follows the outline of SOW Section 15.
 - 3.4.6.3.3 The initial SDS shall include an initial Product Breakdown Structure (PBS).
 - 3.4.6.3.4 The initial SDS shall demonstrate a comprehensive understanding of all of the requirements of the SRS (SOW, Annex A) and describe how every requirement is addressed in the Bidder's proposed solution.
 - 3.4.6.3.5 In particular, the bidder shall provide an initial SDS that describes at a

minimum the following information as described in Section 15 of the SoW:

- (a) System Architecture
- (b) The following Operational and Systems Views, as defined in the NATO Architecture Framework (NAF, [NAC AC/322-D(2007)0048, 2007]):
- (c) NOV-1, High-Level Operational Concept Diagram;
- (d) NSV-1 Systems Interface Description (Composition);
- (e) NSV-1 System Interface Description (Intra System);
- (f) NSV-1 System Interface Description (Inter System);
- (g) NSV-2, Systems Communications Description;
- (h) NSV-2a: System Port Specification;
- (i) NSV-4 System Functionality;

3.4.6.3.6 The initial SDS shall address Interface Dependencies and Constraints. In particular all separate interfaces described in the SRS (SOW, Annex A) must be described in the Bidder's design.

3.4.6.3.7 The initial SDS shall contain rationale which convinces that performance requirements defined in the SRS (SOW, Annex A) will be met.

3.4.6.3.8 The initial SDS shall show clear traceability between the Contractor's design and the requirements in the SRS (SOW, Annex A).

3.4.6.4 Overall System Engineering

3.4.6.4.1 For bidding purposes only, in volume 2, the Bidder shall commit to meet all requirements described in SOW Section 7.

3.4.6.5 Site survey and System Implementation

3.4.6.5.1 The Bidder shall provide an initial System Implementation Plan (SIP), which describes its proposed approach to meeting of the requirements of SOW Section 7.

3.4.6.5.2 The initial SIP shall follow the outline from SOW Section 15.

3.4.6.5.3 The initial SIP shall cover the entire implementation scope (SOW, Annex C), in terms of sites and quantities of end-entities.

- 3.4.6.5.4 The initial SIP shall demonstrate a clear understanding of the services to be implemented and describe the Bidder's approach to migration of users, devices, and applications.
- 3.4.6.5.5 The initial Migration Plan included in the initial SIP shall fully describe the Bidder's methodology and approach to the migration, including the stages proposed to be followed, the testing to be done, capabilities proposed and the way in which risks will be managed during the migration process.
- 3.4.6.5.6 For bidding purposes only, the Bidder shall assume that all elements of its design must be provided in full at the implementation stage and that no hardware, software or business processes exist on site in a reusable form.
- 3.4.6.5.7 The initial SIP shall describe the Bidder's approach to site surveys, identify the issues to be checked on site and relate the site survey to the overall implementation effort in terms of timing and purpose, in accordance with SOW sections 7, 9 and 15.
- 3.4.6.5.8 The initial SIP shall identify all information to be collected during site surveys, including locations and facilities which need to be inspected.
- 3.4.6.5.9 The initial SIP shall describe the size of team and level of effort involved for site surveys.
- 3.4.6.5.10 The initial SIP shall describe its proposed arrangements to ensure timely and complete preparation, installation, configuration, on-site testing and support.
- 3.4.6.5.11 The initial SIP shall describe its proposal for the implementation of the IEG-C following the requirements as stated in Section 15.8 of the SoW.
- 3.4.6.5.12 In all descriptions provided, the Bidder shall be clear regarding how its approach minimises disruption to all services.
- 3.4.6.6 Test, Verification, Validation
 - 3.4.6.6.1 The Bidder shall provide an initial Master Test Plan (MTP), which describes its proposed approach to meeting the requirements of SOW Section 8.
 - 3.4.6.6.2 The initial MTP shall describe a coherent high level approach to testing, verification & validation, providing initial scope and schedule on the TVV

phases as required in SOW Section 8, Table 14.

- 3.4.6.6.3 The MTP shall be consistent with other bid documents such as the PMS and the SIP: MTP activities shall be included in the PMS and products shall be described in the PBS.
- 3.4.6.6.4 The Bidder shall provide an initial Defect Reporting and Management Plan, which describes its proposed approach to meeting the requirements of SOW Section 8.
- 3.4.6.6.5 The bidder shall provide 2 exemplary test cases on how to meet two specific requirements SRS-4-141 and SRS-6-70. Test cases shall be compliant with the SOW clauses and templates provided.

3.4.6.7 Security Accreditation

- 3.4.6.7.1 The Bidder shall describe their input to the security accreditation documentation in support of the accreditation process as part of the initial PIP in accordance with Section 10 of the SoW:
 - (a) CIS Description
 - (b) Security Risk Assessment (SRA) Report
 - (c) Generic System Interconnection Security Requirements Statement (SISRS)
 - (d) Security Operating Procedures (SecOPs)
 - (e) Security Test and Validation Plan (STVP)
- 3.4.6.7.2 The Bidder shall provide a CIS Description document to include at a minimum but not limited to, the following information:
 - (a) Detailed technical description showing the main components and the high level as well as detailed information flows,
 - (b) Description of all internal and external connections of the system,
 - (c) List of hardware and software components used,
- 3.4.6.7.3 The Bidder shall provide an initial qualitative Security Risk Assessment (SRA), which describes its proposed technical solution and demonstrates its understanding of the requirements in Section 10 of the SOW.
- 3.4.6.7.4 The initial SRA shall be developed in accordance with “Guidelines for Security Risk Management (SRM) of Communication and Information Systems (CIS) (Ref. AC/35-D/1017-REV3)” and include the following:
 - (a) Identification of the scope and objective of the security risk assessment;

- (b) Determination of the physical, personnel and information assets which contribute to the fulfilment of the IEG-C;
- (c) Determination of the value of the assets (very low – low – medium – high – very high);
- (d) Identification of the threats and vulnerabilities to the risk environment and their level;
- (e) Identification of existing security measures (e.g. assertions about physical and personal security measures already in place at NATO sites);
- (f) Identification of countermeasures proposed in the Bid;
- (g) Determination of of risk value after implementation of security measures listed in points (e) and (f) .

3.4.6.7.5 The Bidder shall provide an initial Generic System Interconnection Security Requirements Statement (SISRS) that will:

- (a) Describe the security measures mandated by NATO Security Policy and supporting directives
- (b) Describe the minimum levels of security deemed necessary to countermeasure the risk(s) identified in a risk assessment;
- (c) have a unique identifier for each security requirement;
- (d) Indicate mandatory and recommended Security Mechanisms (SMs).

3.4.6.7.6 The Bidder shall provide initial Security Operating Procedures (SecOPs), to include as a minimum the following procedures:

- (a) Centralized administration and monitoring of IEG-C;
- (b) Backup & recovery;
- (c) Emergency procedures;

3.4.6.7.7 The initial Sec OPs shall also cover all security requirements identified in the SRA and SSRS which are not fully fulfilled by technical countermeasures.

3.4.6.7.8 The Bidder shall provide an initial Security Test and Validation Plan (STVP) that describes the security testing and verification of the CIS Security measures to be implemented. A complete and detailed sequence of steps to be followed proving that the security mechanisms designed into IEG-C enforce the security requirements identified in the SISRS. The STVP shall contain traceability matrix between tests and SISRS requirements.

3.4.6.7.9 For each STVP security test the following details shall be identified:

- (a) The objective of the security test;

- (b) An outline description of the security test;
 - (c) A description of the execution of the security test (too include technical instructions how to conduct the test);
 - (d) The pass criteria for the security test.
 - (e) Reference to applicable SISRS requirement(s);
 - (f) Reference to applicable Security Mechanism(s).
- 3.4.6.7.10 The Bidder shall describe the Security Test and Validation Report (STVR) for every instance of security testing conducted based on the STVP.
- 3.4.6.7.11 For each STVR security test the following details shall be identified:
- (a) Test ID;
 - (b) An outline description of the security test;
 - (c) Detailed results of the security tests;
 - (d) Test status (e.g. in progress, passed, failed)
 - (e) Test completion (in per cent);
 - (f) Failure severity (e.g. critical, serious, major, less important, none);
 - (g) Test date;
 - (h) Information about who conducted the test;
 - (i) Information about who witness the test
- 3.4.6.7.12 STVR SHALL contain overall test summary details:
- (a) Identification of the element under tests;
 - (b) Tests starting date;
 - (c) Tests finishing date;
 - (d) Amount of all tests to be conducted;
 - (e) Amount of tests executed;
 - (f) Tests passed;
 - (g) Tests failed;
 - (h) Tests still in progress
- 3.4.6.7.13 The bidders shall provide a supply chain security statement for security enforcing products, according to AC/322-D(2017)0016.
- 3.4.6.7.14 The bidders shall provide a statement confirming that only evaluated boundary protection devices (e.g. guards) have been proposed. The evaluation shall be according to Common Criteria or National equivalent, in accordance with AC/322-D/0030-REV5.
- 3.4.6.7.15 The bidders shall provide a statement confirming that only Tempest tested hardware (compliant with SDIP-29/2) have been proposed. Alternatively bidders can consider and propose usage of Tempest racks (compliant with SDIP-29/2).

- 3.4.6.7.16 Note: There is one reference in the SOW (SDIP 27/2 NATO TEMPEST Requirements and Evaluation Procedures) that is classified as NATO CONFIDENTIAL, but bidders are not required to obtain or reference it during the bidding phase.

3.4.7 Volume 2 – Supportability

- 3.4.7.1 This volume of the Technical Proposal covers the Bidder's approach to meeting requirements as described in SOW Section 6 (ILS), SOW Section 7 (Operation and Maintenance), SOW Section 11 (Quality Assurance and Control), SOW Section 12 (Configuration Management), and SOW Annex F (Service Approach).

3.4.7.2 Integrated Logistics Support

- 3.4.7.2.1 The Bidder shall provide a draft Integrated Logistics Support Plan in accordance with the SOW requirements including the required subsections and content with sufficient details to demonstrate the Bidder's ability to perform the ILS activities.
- 3.4.7.2.2 The Bidder shall demonstrate its understanding and compliance with all the SOW requirements by creating appropriate subsections and detailing the requirements with actual proposed activities.
- 3.4.7.2.3 The Bidder shall provide a detailed approach for the Design Influence (RAMT and LSA) areas for the actual analyses, documenting the analysis, tools, skills and relation with SRS and design in general.
- 3.4.7.2.4 The Bidder shall detail the different Maintenance and Support Levels, the interfaces between these different levels, maintenance and support environment, constraints, locations, procedures, artefacts, organisation, personnel skills, related ITIL processes and responsibilities between different parties to maintain the delivered baselines of the system in different phases of the lifecycle.
- 3.4.7.2.5 The Bidder shall detail its approach for the Initial Operational Support and warranty requirements, details the activities based on each party's responsibilities including the proposed services, response times, organization and planning in accordance with the SOW requirements.
- 3.4.7.2.6 The Bidder shall detail its approach for the Supply Support and PHST requirements and details the proposed activities in accordance with the SOW requirements.
- 3.4.7.2.7 The Bidder shall demonstrate that all ILS activities and milestones are

integrated into the project master schedule.

3.4.7.3 Support Case

- 3.4.7.3.1 The Bidder shall provide a draft Support Case, as detailed in the SOW section 6.4. The Support Case shall provide sufficient details to show the Bidder's approach and capability to perform the required LSA and RAMT studies, including how the proposed design shall take the SOW and SRS RAMT requirements into consideration.
- 3.4.7.3.2 The Bidder shall demonstrate its understanding and compliance with the Support Case requirements by creating appropriate subsections and detailing the requirements with actual proposed activities to show the Bidder's approach and capability to perform the required LSA and RAMT studies, including how the proposed design shall take the SOW and SRS RAMT requirements into consideration.

3.4.7.4 Configuration Management

- 3.4.7.4.1 The Bidder shall provide a draft Configuration Management Plan (CMP) which shall describe how Configuration Management shall be performed in accordance with the requirements of the SOW Section 12
- 3.4.7.4.2 The Bidder shall provide details to demonstrate its understanding of the CM process on how it shall be planned, managed, resourced, executed and provided including the organization and personnel, CM tools, directives and standards, meetings, reviews and deliverables (baselines, documents, CMDB etc.).
- 3.4.7.4.3 The Bidder shall provide the Configuration Management Plan in the structure and detailed content in accordance with the SOW requirements including minimum the 'Organization, Configuration identification and Documentation, Baselines, Configuration control, Interface management, Change request Process, Configuration Status Accounting, Configuration Audits and Reviews and Configuration Management Tools'.

3.4.7.5 Quality Assurance

- 3.4.7.5.1 The Bidder shall provide a draft Quality Assurance Plan (QAP) which conforms to the requirements detailed in Section 11 of the SOW.
- 3.4.7.5.2 The Bidder shall demonstrate that the Quality Management System is in place for the project in accordance with AQAP-2110 and /or equivalent

ISO standards.

- 3.4.7.5.3 The Bidder shall demonstrate its understanding of the QA requirements of this project by detailing the QA procedures for requirements analysis, design, development, production, installation, test, acceptance, certification, support, defects and corrective actions, documentation, reviews and audits including subcontractor management specified for this project.
- 3.4.7.6 Training
- 3.4.7.6.1 The Bidder shall provide a draft Training Plan describing how he shall conduct the Training Needs Analysis (TNA), and provide the necessary training courses in accordance with Section 6 of the SOW.
- 3.4.7.6.2 The Bidder shall demonstrates its understanding and compliance with Training Program requirements by explaining how the Bidder will schedule, resource and manage the various training requirements (TNA, training schedule, training courses and material, training tools, media, training personnel, training reviews, meetings, assessment, evaluation and reporting) starting from the contract award until the acceptance.
- 3.4.7.6.3 The Bidder shall demonstrate its understanding of the Training Needs Analysis (TNA) concept based on the references from Bi-Sc and experiences from other projects by explaining how the Training Needs Analysis will be performed with all possible deliverables, inputs and outputs to the process.

3.4.8 Volume 3 - Management

3.4.8.1 This volume covers the Management component of the proposal and will be used to assess Bidder's ability to meet timelines, Bidder's quality of management plans and Bidder's proven experience of successfully implementing similar systems.

3.4.8.2 In order to assess properly the aforementioned areas, the volume will include the following elements:

- (a) Executive Summary
- (b) Table of Contents for the whole Technical Proposal
- (c) Overall understanding of Purchaser's requirements by the Bidder
- (d) Bidder Qualifications and Key Personnel
- (e) Project management
- (f) Risk management
- (g) Schedule management
- (h) Others
- (i) Bid-Requirements Cross-Reference Matrix (BRCM)

3.4.8.3 Executive Summary

3.4.8.3.1 Bidders shall provide an overview of the salient features of their technical proposal in the form of an Executive Summary.

3.4.8.3.2 The Executive Summary shall provide a general description of the major points contained in each of the required sections of the technical proposal (i.e. 3 volumes) and shall demonstrate the depth of the Bidder's understanding of: the project, the implementation environment, the problems and risks of project implementation foreseen by the Bidder, as well as the Bidder's ability to communicate high level concepts in an appropriate and succinct manner. The Bidder shall highlight the strengths which it and its team bring to the project in terms of minimising the problems and reducing the risks, while meeting the overall schedule, and the key points of the technical approach. This summary shall not exceed 10 pages.

3.4.8.3.3 Bidders shall explicitly state in the Executive Summary that, should their firm be selected and awarded the contract resulting from this solicitation, the delivered product(s) and services shall comply with the requirements of the Statement of Work (including all annexes).

3.4.8.4 Table of Contents. Bidders shall compile a detailed Table of Contents which lists not only the section headings but also the major sub-sections, and topic

headings of the Bid. Heading, section and subsection titles should be appropriately descriptive in order to permit the Purchaser's bid evaluation team to locate relevant material expeditiously.

3.4.8.5 Overall Understanding of Purchaser's Requirements

- 3.4.8.5.1 The Bid must demonstrate the Bidder's understanding of the Purchaser's requirements as described in the Statement of Work (SOW). The strategic vision behind the IEG-C project, the objectives, constraints and scope must all be addressed and related to the technical solution described in the Bid.

3.4.8.6 Bidder Qualifications and Key Personnel

- 3.4.8.6.1 Volume 3 shall describe the company structure and activities of the prime Contractor. The country in which the prime Contractor is registered shall be identified and the size and location(s) of the company headquarters and subsidiary branches described. Within that structure the location and organizational unit of the office which will manage this Contract shall be identified. This section shall also describe the major activities of the company and how they are distributed across the organisation.
- 3.4.8.6.2 The Bid shall provide a description of the corporate capabilities of the Bidder, including corporate experience, corporate structure and individual skills and experience. In particular, the Bidder shall provide evidence of relevant and recent experience in the design, integration, testing, and implementation of projects similar to the IEG-C Project. The Bidder shall provide a section which describes how the experience and expertise of the prime Contractor and all nominated sub-Contractors will contribute to the successful execution of the Contract.
- 3.4.8.6.3 The Bidder shall provide a section which identifies its major proposed sub-Contractors for the Project. Major proposed sub-Contractors, for purposes of this section, refer to the criteria set forth in Clause 10 of the Prospective Contract General Provisions entitled "Sub-Contracts". The Bidder shall identify the firm and the nation of origin and describe the contribution which the sub - Contractor is expected to make to the execution of the project. The Bidder shall also provide rationale for the selection of the sub-Contractor and describe the added value the sub-Contractor will bring to the execution of the project.
- 3.4.8.6.4 Volume 3 shall provide a description of individual skills and experience in relation to the project of all project team members and Subject Matter Experts (SMEs) foreseen to support the project team. The description shall include how each individual expertise and experience will add value

to the team.

- 3.4.8.6.5 Volume 3 shall provide the resumes / Curricula Vitae (CV) and supporting certification documentation (e.g. Prince 2 certificates) of each proposed Key Personnel that meet or exceed the requirements in SOW Section 13.

3.4.8.7 Project Management

- 3.4.8.7.1 In order to demonstrate how the Bidder plans to approach the management of the project (according to Section 4 of the SoW), the Bidder shall submit initial versions of the Project Implementation Plan (PIP) to include the Project Management Plan (PMP), of the Work Breakdown Structure (WBS), of the Product Breakdown Structure (PBS) and Product Flow Diagram (PFD); Project Master Schedule (PMS); and identify all activities related to the security accreditation process (according to Section 10 of the SoW).
- 3.4.8.7.2 The Bidder shall submit a preliminary Project Implementation Plan (PIP) in accordance with the requirements of Section 4 and 15 of the SOW, which clearly describes how the Bidder intends to implement the totality of the project in compliance with the contractual requirements and the following specific requirements:
- 3.4.8.7.2.1 Project Overview. The Bidder shall provide the Project Overview which shall provide an executive summary overview of the offered capability. The Project Overview shall also summarise the main features of each of the sections of the Technical Proposal and shall indicate in broad detail how the Project will be executed during the full lifetime of the Project;
- 3.4.8.7.2.2 The PIP shall include a preliminary Project Management Plan (PMP) that defines how the Bidder intends to manage this project from contract signature through Final System Acceptance and throughout any warranty periods. The PMP shall consider all aspects of project management and control and demonstrate how all the critical dates defined in the contract will be met;
- 3.4.8.7.2.3 The PIP shall include a Project Master Schedule (PMS) that shall contain all contract events and milestones for the Project. The PMS shall show all contractual deliverables, their delivery dates, and the tasks associated with them. The PMS shall for each task identify the start and finish dates, duration, predecessors, constraints, and resources. The PMS shall provide network, milestone, and Gantt views, and identify the critical path for the overall project.

3.4.8.7.2.4 The Bidder shall provide a statement assuring that all requirements shall be met for the Site Survey in accordance to the requirements stated in Section 9 of the SoW.

3.4.8.7.2.5 The submitted documents shall include sufficient information to demonstrate the Bidder's understanding of the key challenges involved in the IEG-C project, and demonstrate that the Bidder is proposing an approach that can deal with these challenges.

3.4.8.8 Project Management Plan (PMP)

3.4.8.8.1 The Bidder shall provide an initial PMP following the structure called for in SOW Section 15.

3.4.8.8.2 The initial PMP shall demonstrate how the Project Controls required under SOW Section 4 will be implemented during the project. In particular the Bidder shall demonstrate that the Project Management methodology proposed for the project is suitable to the successful execution of the project.

3.4.8.8.3 The initial PMP shall demonstrate the project implementation including its management structure and project management processes, personnel assignments, external relationships necessary to provide the capability as required by this Contract.

3.4.8.8.4 The initial PMP shall be sufficiently detailed to ensure that the Purchaser is able to assess the Contractor plans with insight into the Contractor's plans, capabilities, and ability to satisfactorily implement the entire project in conformance with the requirements as specified in the SOW.

3.4.8.8.5 The initial PMP shall demonstrate that the Bidder has understood the process imposed in SOW Section 15.9 and describe supporting the cycle of design reviews and approvals.

3.4.8.9 Product Breakdown Structure (PBS)

3.4.8.9.1 The initial PBS shall identify all products and shall distinguish between management products and specialist products in Section 4 and 15 of the SOW.

3.4.8.9.2 The PBS shall include a hierarchical diagram of all the products (management products and specialist products), having at its topmost product the final product of the overall project, i.e., the IEG-C System. Describe each product (management products and specialist products)

including its quality requirements. The product descriptions shall address sufficient detail to permit management assessment of progress with EVM.

3.4.8.10 Project Master Schedule (PMS)

- 3.4.8.10.1 The Bidder shall submit an initial Project Master Schedule (PMS).
- 3.4.8.10.2 The PMS shall be according to Section 4.4.6 of the SoW.
- 3.4.8.10.3 The initial PMS shall demonstrate in particular include how the bidders plan to apply EVM through the project implementation duration.
- 3.4.8.10.4 The PMS shall include additional subordinate milestones that the Bidder plans to achieve which make clear the extent of parallel activities and the detailed phasing and dependencies of different activities.
- 3.4.8.10.5 The PMS shall meet the project deadlines (EDC + x months) as described in SOW Section 3.

3.4.8.11 Risk Management Plan (RMP)

- 3.4.8.11.1 The Contractor shall describe in the initial RMP how he will implement the Risk Management process according to Section 4 of the SoW, with the minimum details:
 - (a) Overall Risk Management approach
 - (b) Key Risk Management processes
 - (c) Key Risk Categories
 - (d) Risk Prioritization Matrix
 - (e) Risk Management roles and responsibilities
 - (f) Risk Log template which shall at minimum follow the outline recommended in this SOW (see Section 15.2)
- 3.4.8.11.2 The Risk Log shall be in accordance with SOW Section 10.2 .
- 3.4.8.11.3 The following risks shall be addressed in the Bid listing the risks, and indicating for each one the following information (but not limited to):
 - (a) Risk identifier: unique code to allow grouping of all information on this risk;
 - (b) Description: brief description of the risk;

- (c) Risk category (e.g., management, technical, schedule, and cost risks);
- (d) Impact: effect on the project if this risk were to occur;
- (e) Probability: estimate of the likelihood of the risk occurring;
- (f) Risk rating (High, Medium, Low);
- (g) Proximity: how close in time is the risk likely to occur;
- (h) Response strategy: avoidance, mitigation, acceptance, transference
- (i) Response plan(s): what actions have been taken/will be taken to counter this risk;
- (j) Owner: who has been appointed to keep an eye on this risk;
- (k) Author: who submitted the risk;
- (l) Date identified: when was the risk first identified;
- (m) Date of last update: when was the status of this risk last checked;
- (n) Status: e.g., closed, reducing, increasing, no change.

3.4.8.11.4 As part of the initial PMP, the Bidder shall describe how risks will be managed throughout the execution of the contract in response to the requirements of SOW Section 4.

3.4.8.12 Others

3.4.8.12.1 Introduction

3.4.8.12.1.1 Section 1 of the SOW contains an introduction to the IEG-C project as well as some high level requirements. For bidding purposes, in this volume, a simple affirmation that all requirements will be met is sufficient, unless otherwise stated in this document.

3.4.8.12.2 Applicable documents

3.4.8.12.2.1 Section 2 of the SOW contains the list of applicable documents. For bidding purposes, in this volume, a simple affirmation that all documents from Section 2 shall be adhered to is sufficient, unless otherwise stated in this document.

3.4.8.12.3 Documentation outline

3.4.8.12.3.1 Section 15 of the SOW contains outlines of some IEG-C documents to be delivered. For bidding purposes, in this volume, a simple affirmation

that all requirements will be met is sufficient. Other sections of these Bidding Instructions will indicate where portions of the bid need to be submitted in accordance with the formats and content described in SOW Section 15.

- 3.4.8.12.4 Purchaser Furnished Equipment (PFE)
- 3.4.8.12.5 [Reserved]
- 3.4.8.12.6 The Bid shall demonstrate a clear understanding of PFE and shall describe how the Bidder proposes to make use of / integrate with PFE during the execution of the contract.
- 3.4.8.12.7 Bid-Requirements Cross-Reference Matrix (BRCM)
- 3.4.8.12.8 Volume 1 shall also contain a Bid-Requirements Cross reference Matrix (BRCM) in the format indicated at D of Book I. Bidders shall complete and return the IFB/ Bid Requirements Cross Reference Matrix (BRCM) (see instructions in Book I Annex D) covering the full Prospective Contract and Bidding Instructions where required. It is the Bidders responsibility to ensure that the submitted IFB Cross-Reference Table covers all sections of the IFB technical requirements.

3.5 PART III – PRICE QUOTATION

3.5.1 Package Contents

- 3.5.1.1 One ZIP file submitted by email, containing the completed Bidding Sheets (Excel) provided in Annex A1 of Book I and 1 PDF of the Bidding Sheets “Offer Summary” tab. All documentation stated in Section 3.2.2 shall be submitted.

3.5.2 General Rules

- 3.5.2.1 Bidders are advised that the total bid price for price evaluated CLINs 1 through 16 shall not exceed a total of 11,289,985EUR. A bid that exceeds this total evaluated bid price ceiling shall be determined to be non-compliant and eliminated from further consideration. Bidders shall execute the certificate at B-14 “Certificate of Price Ceiling” as confirmation of their compliance.
- 3.5.2.2 Bidders shall prepare their Price Quotation by completing the Bidding Sheets referred in Section 3.5.1.1 above, in accordance with the instructions specified in Book I Annex A-2.
- 3.5.2.3 The structure of the Bidding Sheets shall not be changed, other than as indicated elsewhere, nor should any quantity or item description in the Bidding Sheets. The currency(ies) of each Contract Line Item and sub-item shall be shown. The prices provided shall be intended as the comprehensive total price offered for the fulfilment of all requirements as expressed in the IFB documentation including but not limited to those expressed in the SOW.
- 3.5.2.4 When completing the Bidding Sheets the Bidder shall insert information in all yellow cells of the Bidding Sheets and complete the Pricing Summary as instructed. A price for each specified element needs to be supplied on each CLIN. Prices should not be grouped. The prices and quantities entered on the document shall reflect the total items required to meet the contractual requirements. The total price shall be indicated in the appropriate columns and in the currency quoted. If the price of a line item is expressed in different currencies, these shall be identified, and there shall be as many totals on that line item as there are currencies. In preparing the Price Quotation,

Bidders shall ensure that the prices of the Sub-items total the price of the major item of which they constitute a part.

- 3.5.2.5 Bidders shall furnish Firm Fixed Prices for all required items in accordance with the format set forth in the Instructions for preparation of the Bidding Sheets.
- 3.5.2.6 Bidders shall furnish Firm Fixed Prices for all CLINs as defined in the SOW. Purchaser evaluation of the submitted bids will be on the basis of the complete submission including administrative, price and technical components for all CLINs. The Contract will be awarded for all CLINs, with CLINs 1 through 16 being the basic contract and the work defined for CLINs 17 through 24 being Firm Fixed Price options to the Contract. These options may be exercised by the Purchaser, at the sole discretion of the Purchaser as described in the Book II General and Special Provisions. The Purchaser's decision to exercise any Options will take into consideration the Contractor's successful performance on the basic contract, as well as the availability of the required funding.
- 3.5.2.7 Offered prices shall not be "conditional" in nature. Any comments supplied in the Bidding Sheets or in any part of the bid package which are conditional in nature, relative to the offered prices may result in a determination that the bid is non-compliant.
- 3.5.2.8 Bidders are responsible for the accuracy of their Price Quotations. Price Quotations that have apparent computational errors may have such errors resolved in the Purchaser's favour or, in the case of gross omissions, inconsistencies or errors, may be determined to be non-compliant. In the case of inconsistencies between the electronic version of the Bidding Sheets and the PDF of the Bidding Sheets, the "hard copy" will be considered by the Purchaser to have precedence over the electronic version.
- 3.5.2.9 Bidders shall quote in their own national currency or in EURO. Bidders may also submit bids in multiple currencies including other NATO member states' currencies under the following conditions:
- 3.5.2.9.1 the currency is of a "participating country" in the project, and
- 3.5.2.9.2 the Bidder can demonstrate, either through sub-contract arrangements or in its proposed work methodology, that it will have equivalent expenses in that currency. All major subcontracts and their approximate anticipated value should be listed on a separate sheet and included with the Price Quotation.

- 3.5.2.10 The Purchaser, by virtue of his status under the terms of Article IX and X of the Ottawa Agreement, is exempt from all direct and indirect taxes (incl. VAT) and all customs duties on merchandise imported or exported.
- 3.5.2.11 Bidders shall therefore exclude from their price Bid all taxes, duties and customs charges from which the Purchaser is exempted by international agreement and are required to certify that they have done so through execution of the Certificate at 0.
- 3.5.2.12 Unless otherwise specified in the instructions for the preparation of Bidding Sheets in Annex A-1, all prices quoted in the proposal shall be on the basis that all deliverable items shall be delivered "Delivery Duty Paid (DDP)" in accordance with the International Chamber of Commerce INCOTERMS® 2020.
- 3.5.2.13 The Bidder's attention is directed to the fact that Price Quotation shall contain no document and/or information other than the priced copies of the Bidding Sheets. Any other document will not be considered for evaluation.
- 3.5.2.14 All prices bid shall be clearly traceable in the detailed bidding sheets.
- 3.5.2.15 Any adjustment or discount to prices should be clearly traceable to the lowest level of breakdown in the bidding sheets and should not be aggregated or summed. Any lack of clarity or traceability may render the bid non-compliant.
- 3.5.2.16 The Bidder understands that there is no obligation under this contract for the Purchaser to exercise any of the optional line items and that the Purchaser bears no liability should it decide not to exercise the options (totally or partially). Further, the Purchaser reserves the right to order another Contractor (or the same), to perform the tasks described in the optional line items of the current contract through a new contract with other conditions.
- 3.5.2.17 Specific to CLINs 17 through 24, referring to Paragraph 3.5.2.16 above, an illustrative notional scenario is presented below to illustrate how the Purchaser could exercise various Contract Options by additional sites or equipment being required:
- 3.5.2.17.1 Notional Scenario – An additional installation is required after contract award.
- 3.5.2.17.2 Purchaser Exercise of Contract Options – In this situation, the Purchaser could, under the Contract terms, exercise via a contract amendment the following CLINs:

17	WP11 Hardware Purchase Optional Sites
18	WP12 Installation of Optional Gateways - IEG-C-13 RSM
19	WP12 Installation of Optional Gateways - IEG-C-14 KFOR
20	WP12 Installation of Optional Gateways - IEG-C-15 EUFOR
21	WP12 Installation of Optional Gateways - IEG-C-16 JFC OS
22	WP12 Installation of Optional Gateways - IEG-C-17 JFC RSM
23	WP12 Installation of Optional Gateways - IEG-C-18 ACP
24	WP12 Installation of Optional Gateways - IEG-C-12 NSF

- 3.5.2.17.3 In each of the sub-CLINs that could be exercised in the above notional scenario, the hours and unit prices indicated in the Option CLINs for the specific activities corresponding to sub-CLIN items would be used to calculate the firm fixed price of the additional installation to be exercised.

SECTION 4. BID EVALUATION

4.1 GENERAL

- 4.1.1 The evaluation of Bids will be made by the Purchaser solely on the basis of the requirements specified in this IFB.
- 4.1.2 All Bids will be evaluated solely using the formulae, evaluation criteria and factors contained herein. Technical Bids will be evaluated strictly against the technical criteria and not against other Technical Bids submitted.
- 4.1.3 The evaluation of Bids and the determination as to the Best Value Score will be based only on that information furnished by the Bidder and contained in its Bid. The Purchaser shall not be responsible for locating or securing any information that is not identified in the Bid.
- 4.1.4 The Bidder shall furnish with its Bid all information requested by the Purchaser in Book I, SECTION 3 Bid Preparation Instructions. Significant omissions and/or cursory submissions will result in a reduced Best Value Score and may result in a determination of non-compliance without recourse to further clarification. The information provided by the Bidder in its Bid shall be to a level of detail necessary for the Purchaser to fully comprehend exactly what the Bidder proposes to furnish as well as its approach and methodologies.
- 4.1.5 During the evaluation, the Purchaser may request clarification of the Bid from the Bidder and the Bidder shall provide sufficient detailed information in connection with such requests as to permit the Purchaser to make a final assessment of the Bid based upon the facts. The purpose of such clarifications will be to resolve ambiguities in the Bid and to permit the Bidder to state its intentions regarding certain statements contained therein. The purpose of the clarification stage is not to elicit additional information from the Bidder that was not contained in the original submission or to allow the Bidder to supplement cursory answers or omitted aspects of the Bid. The Bidder is not permitted any cardinal alteration of the Bid regarding technical matters and shall not make any change to its price quotation at any time.
- 4.1.6 The Purchaser reserves the right, during the evaluation and selection process, to verify any statements made concerning experience, facilities, or existing designs or materials by making a physical inspection of the Bidder's facilities and capital assets. This includes the right to validate, by physical inspection, the facilities and assets of proposed subContractors.
- 4.1.7 The evaluation will be conducted in accordance with NATO Infrastructure Bidding Procedures as set forth in the document, and the Best Value evaluation procedures set forth in AC /4-D/2261-ADD2 dated 24 July 2009, and AC/4(2008)0002-REV2 dated 15 July 2015. "Procedures and Practices for Conducting NSIP International Competitive Bidding Using Best Value Methodology". The Bid evaluation methodology to be followed, including the

top-level evaluation criteria and their weighting factors, were agreed by the NATO Infrastructure Committee.

4.2 BEST VALUE AWARD APPROACH AND BID EVALUATION FACTORS

4.2.1 The Contract resulting from this IFB will be awarded to the Bidder whose conforming offer provides the Best Value to NATO, as evaluated by the Purchaser in compliance with the requirements of this IFB and according to the evaluation method specified in this Section 4. The top level criteria are 50% Technical and 50% Price.

4.2.2 Upon approval of the price evaluation report, the Contracts Award Board will open the technical weighting scheme and apply the technical weight to the raw Technical Score (TS) to produce the weighted technical score.

4.2.3 The weighted Technical Score will be determined according to the following formula:

$$TS = a\%*TS1 + b\%*TS2 + c\%*TS3$$

where: TS1, TS2, TS3 ≤ 100 are the Technical Scores of each of the authorised second-level or published third-level technical sub-criteria; and a% b% c% are the related weighting factors for each of the second-level or third-level technical sub-criteria adding to 100.

4.2.4 The Purchaser's priorities in the evaluation of the Technical Proposal are described in the form of sub criteria in Section 4.5 below. The sub criteria are listed in descending order that reflects the relative importance that the Purchaser places on each sub criterion.

4.2.5 A weighting scheme for sub-criteria values has been developed by Purchaser staff not associated with the Technical Evaluation. This weighting scheme has been sealed and is not known to any of the Purchaser staff beyond the originator and the Chairman of the Contracts Award Board, who are not evaluators within the framework of this IFB or in any manner or form are made privy of evaluation information throughout the course of the evaluation process. The weighting scheme remains sealed until Step 4 of the evaluation process, described in Section 4.7.

4.2.6 The BV final Score (FS) will be the sum of weighted TS plus Price Score (PS), according to the following formula:

$$FS = PS*50\% + TS*50\% \leq 100$$

where: $PS = 100*(1-(\text{Bid Evaluated Price} / (2 \times \text{Average Bid Evaluated Price})))$

Bid Evaluated Price and Average Bid Evaluated Price will be the investment cost or the Present Value of the system life-cycle cost as per the authorisation, including CLINs 1 to 16 (Base Contract).

- 4.2.7 The bid having the highest BV final score will be selected as the successful bid unless there is a statistical tie. A statistical tie is deemed to exist when the final scores of the highest scoring bids are within one point of each other; which is resolved by awarding the contract to the bid with the highest weighted technical score.

4.3 EVALUATION PROCEDURE

- 4.3.1 The evaluation will be done in a four step process, as described below:

4.3.1.1 Step 1: Administrative Compliance

- 4.3.1.1.1 Bids received will be reviewed for compliance with the mandatory Administrative requirements specified in Section 4.4. Bids not meeting all of the mandatory requirements may be determined to be non-compliant and not further considered in the evaluation or for award.

4.3.1.2 Step 2: Technical Evaluation

- 4.3.1.2.1 In Step 2 bids will have their Technical Proposals Packages evaluated against predetermined top-level criteria and identified sub-criteria (see paragraph below), and scored accordingly. This evaluation will result in "raw" or not weighted technical scores against the criteria.
- 4.3.1.2.2 Bidders are advised that any Bid whose Technical Proposal receives a score of less than 20% of the not weighted raw score possible in any of the sub-criteria listed in Section 4.5 of this document may be determined by the Purchaser to be non-compliant and not further considered for award.

4.3.1.3 Step 3: Price Evaluation

- 4.3.1.3.1 The Price Quotations of all bids remaining after Step 2 will be opened, evaluated and scored in accordance with Section 4.6.

4.3.1.4 Step 4: Determination of Successful Bidder

- 4.3.1.4.1 Upon completion of the Price Evaluation, the Successful Bid will be determined in accordance with Section 4.7 hereafter.

4.4 EVALUATION STEP 1 - ADMINISTRATIVE COMPLIANCE

- 4.4.1 Bids will be reviewed for compliance with the formal requirements for Bid submission as stated in this IFB and the content of the Administrative Documentation Package. The evaluation of the Administrative Documentation Package will be made on its completeness, conformity and compliance to the requested information. This evaluation will not be scored in accordance with Best Value procedures but is made to determine if a bid complies with the requirements of the Bidding Instructions and Prospective Contract. Specifically, the following requirements shall be verified:
- 4.4.1.1 The Bid was received by the Bid Closing Date and Time;
 - 4.4.1.2 The Bid is packaged and marked properly;
 - 4.4.1.3 The Bid Administration Package contains the documentation listed in Section 3.3 above and complies with the formal requirements established in Section 3.1 and 3.2 above;
 - 4.4.1.4 The Bidder **has not taken exception** to the Terms and Conditions of the Prospective Contract or has not qualified or otherwise conditioned its offer on a modification or alteration of the Terms and Conditions or the language of the Statement of Work (including all its Annexes); and
 - 4.4.1.5 Evaluation of Conflict of Interest Documentation
 - 4.4.1.5.1 The Purchaser will evaluate the Bidder submission as detailed in Section 3.3.8 and resort to the disqualification of the bid in those cases in which it is deemed that the Bidder's relationships with the PMIC existing or Prospective Contractor could constitute a real or apparent conflict of interest, could in any manner or form influence or appear to influence the capacity of the Bidder to render unbiased service or otherwise result in an advantage during the course of the performance under the prospective Contract and any proposed conflict of interest mitigation plan proposed by the Bidder does not satisfactorily resolve the conflict of interest in place.
 - 4.4.1.5.2 Conversely, should the Purchaser deem that the Bidder's Conflict of Interest Mitigation Plan adequately addresses the concerns relevant to any conflict of interest, it will make such plan part of any awarded Contract and subject to the stipulation of Clause 27 of the prospective Contract Special Provisions. Equally in those cases where the Bidder declares that no apparent or real conflict of interest exists such condition shall be reflected in any resulting Contract and made subject to the prescription of Clause 27 of the prospective Contract Special Provisions.

- 4.4.1.5.3 In the event that, during the evaluation of the Bids, the Purchaser would determine or suspect that the Bidder has not disclosed a real or apparent conflict of interest of which it was knowledgeable at the time of Bid submission, in breach of Sections 4.4.1.5.1 and 4.4.1.5.2, Purchaser reserves the right to declare the Bid non-compliant.
- 4.4.2 Subject to the stipulation of Section 4.4.1.1 through 4.4.1.5 Bids failing to conform to the above requirements may be declared non-compliant and may not undergo through further evaluation. Bids that are determined to be administratively compliant will proceed to Step 2, Technical Evaluation.
- 4.4.3 Notwithstanding Section 4.4.2, if it is later discovered in the evaluation of the Technical Proposal or the Price Quotation that the Bidder has taken exception to the Terms and Conditions of the Prospective Contract, or has qualified and/or otherwise conditioned his offer on a modification or alteration of the Terms and Conditions or the language of the Statement of Work (including all its Annexes), the Bidder may be determined to have submitted a non-compliant bid at the point in time of discovery.

4.5 EVALUATION STEP 2 - TECHNICAL EVALUATION

- 4.5.1 The Technical Proposal will be evaluated against the criteria set forth in Section 4.1.7 above. In this section those criteria will be expanded to identify sub criteria considered important by the Purchaser during bid evaluation. Sub criteria appear in descending order of importance within the criterion of which they form a part. For some sub-criteria, there may be additional supporting factors at the next lower level. These lower level factors are not published here but are predetermined and included in the Technical Evaluation Weighting Scheme sealed before Bid Opening. Within each of the three volumes of the Technical Proposal the criteria and their sub criteria are identified as follows:

4.5.2 Volume 1 - Technical

- 4.5.2.1 Criteria – Technical (50% of the Technical Proposal, to assess System architecture, Integration approach, Management solution, Functional coverage).
- 4.5.2.1.1 Third-level sub criteria in descending order of importance:
- (a) Quality and completeness of the initial System Design Specification (SDS) document, and commitment to meet all System Engineering requirements
 - (b) Quality and completeness of the initial System Implementation Plan (SIP), including site survey process and initial Migration plan.
 - (c) Quality and completeness of the initial Master Test Plan (MTP),
 - (d) Quality and completeness of the Bidder's approach to meeting the security accreditation process requirements

4.5.3 Volume 2 – Supportability

4.5.3.1 Criteria – Supportability (30% of the Technical Proposal, to assess the quality of the life-cycle support approach)

4.5.3.1.1 Third-level sub criteria in descending order of importance and in accordance with Section 3 Supportability:

- (a) Complete Integrated Support Plan (ILSP) ensuring that the proposed ILS approach is optimized and acceptable according to Section 6 of the SoW and Annex F.
- (b) Draft Support Case demonstrates that the Design Influence is understood, RAMT and LSA analyses will be performed as required, and will be reflected to design and support solution.
- (c) Draft Quality Assurance Plan testifies that QA processes are mature and comprehensive, and in accordance to Section 11 of the SoW.
- (d) Completeness and Quality of the initial Configuration Management Plan (CMP), and in accordance to Section 12 of the SoW.
- (e) Realistic and credible initial Training Plan, according to Section 6 of the SoW.

4.5.4 Volume 3 - Management

4.5.4.1 Criteria – Management (20% of the Technical Proposal, to assess ability to meet timelines, quality of management plans, proven experience of successfully implementing similar systems)

4.5.4.1.1 Third-level sub criteria in descending order of importance:

- (a) Quality of the Executive Summary
- (b) Overall understanding of the objectives / scope / requirements of the IEG-C project
- (c) Bidder Qualifications and Key Personnel CVs and security clearances
- (d) Quality and completeness of the initial Project Management Schedule which shows how Project Milestones will be achieved
- (e) Quality and completeness of the initial Project Implementation Plan and ability to track progress using EVM.
- (f) Quality and completeness of the initial Risk Management Plan and adequacy of the Bidder's proposal to manage risk throughout the project

4.6 EVALUATION STEP 3 - PRICE EVALUATION

4.6.1 The Bidder's Price Quotation will be first assessed for compliance against the following criteria:

4.6.1.1 The Price Quotation meets the requirements set forth in the Bid Preparation Section and the Instructions for Preparation of the Bidding Sheets in Annex A-2 and in particular:

- A. The Bidder has furnished Firm Fixed Prices for all items listed.
- B. All pricing data, i.e., quantities, unit prices, has been provided as reflected in the Bidding Sheets.
- C. Bid prices include all costs for items supplied, delivered, and supported.
- D. All prices have been accurately entered into appropriate columns, and accurately totalled.
- E. The Bidder has provided accurate unit price (where required) and total price for each line item.
- F. The Bidder has provided accurate unit price and total price of each of the sub-items it added (if any).
- G. The grand total is accurate.
- H. The currency of all line items has been clearly indicated.
- I. The Bidder has quoted in its own national currency or in the Host Nation currency, Euros. Where multiple currencies including other NATO member states' currencies are quoted, the conditions of Section III, are met.
- J. The Bidder has indicated that in accordance with the treaties governing the terms of business with NATO, it excluded from its prices all taxes, duties and customs charges from which the Purchaser has been exempted.
- K. Price quotes for each individual item(s), and totalled prices are accurate and realistic (based on historic data, and/or market and competitive trends in the specified industrial sector(s)).

4.6.1.2 Detailed pricing information has been provided and is adequate, accurate, traceable, and complete; and

4.6.1.3 The Price Quotation meets requirements for price realism and balance as described below in Section 4.6.4. and do not exceed the defined ceilings as per Para 3.5.2.1.

4.6.2 A bid which fails to meet the compliance standards defined in this section may be declared non-compliant and may not be evaluated further by the Purchaser.

4.6.3 Basis of Price Comparison

4.6.3.1 The Purchaser will convert all prices quoted into EURO for purposes of comparison and computation of price scores and compliance with stated price ceilings. The exchange rate to be utilised by the Purchaser will be the average of the official buying and selling rates of the European Central Bank at close of business on the last working day preceding the Bid Closing Date.

4.6.3.2 The Evaluated Bid Price to be inserted into the formula specified at Section 4.6.6.1 will be derived from the Grand Total of the Schedule of Supplies and Services calculated as follows:

- The Sum of the Firm - Fixed Prices offered for CLINS 1 through 16, as detailed below:

CLIN Number	CLIN Name
1.0	CLIN 1 (BASE-EVALUATED) - WP 2.1 Achieve FAT
2.0	CLIN 2 (BASE-EVALUATED) - WP 2.2 Installation of the Reference System IEG-C-01 SHAPE
3.0	CLIN 3 (BASE-EVALUATED) - WP2.3 Integration into NATO Enterprise/IEG-C Central Management
4.0	CLIN 4 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-02 SHAPE NRF
5.0	CLIN 5 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-03 SHAPE VJTF
6.0	CLIN 5 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-04 SHAPE Exercise 1
7.0	CLIN 7 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-05 JWC Exercise 1
8.0	CLIN 8 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-06 JWC Exercise 2
9.0	CLIN 9 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-07 EUROCORPS
10.0	CLIN 10 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-08 ARRC
11.0	CLIN 11 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-09 JFC
12.0	CLIN 12 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-10 JFC NRF STBY
13.0	CLIN 13 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-11 JFTC
14.0	CLIN 14 (BASE-EVALUATED) - WP4 Decommissioning Legacy Gateways
15.0	CLIN 15 (BASE-EVALUATED) – WP6 Hardware Procurement

16.0	CLIN 16 (BASE-EVALUATED) – WP7 Cyber Monitoring
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4.6.4 Price Balance and Realism

- 4.6.4.1 In the event that the successful Bidder has submitted a price quotation that is less than two thirds of the average of the remaining compliant bids, the Purchaser must ensure that the successful Bidder has not artificially reduced the offered price to assure contract award. As such, the Purchaser will request the firm to provide clarification of the bid and will inform the national delegation of the firm. In this regard, the Bidder shall provide an explanation to both Purchaser and their national delegation on the basis of one of the following reasons:
- 4.6.4.1.1 An error was made in the preparation of the price quotation. The Bidder must document the nature of the error and show background documentation regarding the preparation of the price quotation that convincingly demonstrates that an error was made by the Bidder. In such a case the Bidder may request to remain in the competition and accept the contract at the bid price, or to withdraw from the competition;
- 4.6.4.1.2 The Bidder has a competitive advantage due to prior experience or internal business/technological processes that demonstrably reduce cost to the Bidder resulting in an offered price that is realistic. The Bidders explanation must support the technical proposal offered and convincingly and objectively describe the competitive advantage of and savings achieved by the advantage over the standard marked costs, practices and technology;
- 4.6.4.1.3 The Bidder understands that the submitted price quotations are unrealistically low in comparison with the level of effort required. In this case, the Bidder is required to estimate the potential loss and show that the financial resources of the Bidder are adequate to withstand such a reduction in revenue.
- 4.6.4.1.4 If a Bidder fails to submit a comprehensive and convincing explanation for one of the based above, the Purchaser shall declare the bid non-compliant and the Bidder will so be notified in accordance with the procedures set forth in paragraph 13(iii)(b) of AC/4-D/2261(1996 Edition). Non-compliance for reasons of bid realism is a basis for lodging a complaint under the dispute procedure.
- 4.6.4.1.5 If the Purchaser accepts the Bidders explanation of a mistake and allows the Bidder to accept the contract at the Bid price or the explanation regarding competitive advantage in convincing, the Bidder shall agree

that the supporting pricing data submitted with this bid will be the basis to determine fair and reasonable pricing for all subsequent negotiations for modifications or additions to the contract and that no revisions of proposed prices will be made.

- 4.6.5 In the case of incrementally funded projects, the cost and pricing methodology used by the winning Bidder on the base contract will be used as the basis for all follow-on contracts or amendments to the base contract where these are proposed for IC agreement without competition.
- 4.6.6 Determination of the Price Score. Once the technical report has been approved by the Contract Awards Board and all issues of compliance completed, the price quotations will be opened and evaluated. The Price Score shall be determined according to the following formula:
 - 4.6.6.1 $PS = 100 * (1 - (\text{Bid Evaluated Price} / (2 \times \text{Average Bid Evaluated Price})))$
 - 4.6.6.2 where: Bid Evaluated Price and Average Bid Evaluated Price will be the investment cost or the Present Value of the system life-cycle cost as per the authorisation, including CLINs 1 to 16 (Base Contract).

4.7 EVALUATION STEP 4 – CALCULATION OF BEST VALUE SCORES

- 4.7.1 Upon conclusion and approval of the Price Evaluation results, the pre-determined third level weighting scheme for the Technical Evaluation will be unsealed and the scores for the Technical, Supportability, Engineering and Management factors will be calculated for each compliant bid. Then all partial scores will be fed into the formula stated in Section 4.2.3 in order to obtain the Best Value Score of each bid.
- 4.7.2 The highest scored bid will be recommended as the Successful Bid.
- 4.7.3 A statistical tie is deemed to exist when the final scores of the highest scoring bids are within one point of each other. The Purchaser will then resolve the statistical tie by awarding the contract to the Bid with the highest weighed technical score.



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SOLUTIONS BETWEEN NATO SECRET AND NATO-LED
MISSION SECRET DOMAINS

IFB-CO-14314-IEG-C

BOOK I – ANNEX A

BIDDING SHEETS

ANNEX A-1

Bidding Sheets

See separate Excel Workbook attached
“IFB-CO14314-IEG-C-Book 1 Annex A Bidding Sheets”

Bidding Sheets

On behalf of the firm stated below I hereby offer the Purchaser the services and deliverables (collectively referred as "ITEMS") set forth in the attached schedules¹, at the specified prices, and subject to the terms and conditions stated in IFB-CO-14314-IEG-C.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

Bid Reference _____

¹ Bidders shall submit in electronic form the cover page and an electronic copy of the worksheets contained in the file "2- IFB-CO-14324-IEG-Bidding Sheets.xls" that was submitted to them as part of the IFB package.

ANNEX A-2

Instructions for the Preparation of Bidding Sheets

1. INTRODUCTION

Bid pricing requirements as addressed in this Annex are mandatory. Failure to abide to the prescriptions of Bid submission referred in this section may lead to the Bid being declared non-compliant and not being taken into consideration for award.

No alteration of the Bidding sheets including but not limited to quantity indications, descriptions or titles are allowed with the sole exception of those explicitly indicated as allowed in this document. Additional price columns may be added if multiple currencies are Bid, including extra provisions for all totals.

2. GENERAL REQUIREMENTS

Bidders shall follow the specific instructions provided in each worksheet.

Bidders shall insert information in all yellow cells.

The prices and quantities entered on the document shall reflect the total items required to meet the Contractual requirements. The total price shall be indicated in the appropriate columns.

In preparing the Bidding Sheets, Bidders shall ensure that the prices of the Sub-items total the price of the major item of which they constitute a part.

All metrics (e.g., cost associated with labour) will be assumed to be standard or normalised to 7.6 hour/day, for a five day working week at NATO sites and Contractor facilities located within Europe and 8 hours/day at NATO sites and Contractor facilities located in the United States.

Should the Bid be in other than Euro currency, the award of the Contract will be made in the currency or currencies of the Bid.

Bidders are advised that formulae are designed to ease evaluation of the Bidders Bid have been inserted in the electronic copies of the Bidding Sheets. Notwithstanding this the Bidder remains responsible for ensuring that their figures are correctly calculated and should not rely on the accuracy of the formulae electronic copies of the Bidding Sheets.

If the Bidder identifies an error in the spreadsheet, it should notify the Purchaser who will make a correction and notify all the Bidders of the update.

Any discounted or reduced prices offered by the Bidder must be traceable to a CLIN or CLINs at the lowest level. Prices and detail of the traceability of application of the discount shall be clearly identified in the supporting detail sheets and applied at the unit price level.

3. STRUCTURE OF BIDDING SHEETS

The Bidding Sheets provided in MS Office Excel format are organised according to the following structure:

- Instructions
- Section 1. Offer & CLIN Summary sheets
- Section 2. Detailed Bidding sheetsfor
- Labour,Material,Travel,ODC and Rates

4. COMPLETING SECTION 1 (Offer Summary Sheets)

Section 1 corresponds to the Schedule of Supplies and Services of the Prospective Contract. Each Work Package (WP) included in the Contract is represented by a detailed schedule showing the Contract Line Items (CLINs) included within the scope of the Work Package (Detailed Bidding sheet tabs) and a detailed cost breakdown attached to each WP schedule.

5. COMPLETING SECTION 2 (CLINS Summary Sheet)

5.1 Filling in the Offer Summary

Bidders shall fill in the Offer Summary sheet based on the information provided in the CLIN summary sheet.

5.2 Filling the CLIN Summary Sheet

Bidders shall fill in the CLIN summary sheet based on the information provided in the detailed Bidding sheets (CLIN Price Breakdown sheets). The detailed Bidding sheets are broken down in to the categories listed in Section 5. Bidders are expected to aggregate the prices in the detailed Bidding sheets that make up the line items in the CLIN summary sheet. The line items in the CLIN Summary Sheet shall be all INCLUSIVE of the price being Bid in order to fulfil the requirement for the line item in the CLIN Summary Sheet. Bidders shall make sure that the total price indicated in the Detailed Bidding Sheets matches the price stated in the CLIN summary sheet for the same corresponding CLIN or sub-CLIN.

Bidders shall make sure that they have filled all delivery dates in yellow and that these dates comply with the time limits specified in each worksheet and are in accordance with the dates proposed in Part IV, SOW.

6. COMPLETING SECTION 2 (Detailed Bidding Sheets)

Bidders are instructed to prepare their cost Bids in sufficient detail to permit thorough and complete evaluation. For each of the CLINs the Bidder shall use the separate Sheets as provided, adding additional sheets if multiple currencies are used. Change the currency in the header of the Sheets if necessary.

6.1 MATERIAL

A. Purchased Parts: Provide a consolidated priced summary of individual material quantities included in the various tasks, orders, or Contract line items being proposed and the basis for pricing.

1. Raw Material: Consists of material in a form or state that requires further processing. Provide priced quantities of items required for the Bid. Show total cost.
2. Standard Commercial Items: Consists of items that the Bidder normally fabricates, in whole or in part, and that are generally stocked in inventory. Provide an appropriate explanation of the basis for pricing on attached schedule.
3. The Bidder shall provide a level of detail down the unique sellable item level (e.g. A server, a laptop, a printer)
4. The Bidder shall provide unit prices that shall be EXCLUSIVE of any applicable overhead, general and administrative costs, profit, costs associated to travel, per-diem and/or incidentals as well as Personnel Installation costs at the sites of performance. Factors for overhead shall be applied in the MATERIAL LABOUR OVERHEAD section of the detailed Bidding sheet to the total cost of material.

6.2 DIRECT LABOUR

Show the hourly rate by year and the total hours for the categories and disciplines of direct labour proposed. Unit prices shall be EXCLUSIVE of any applicable overhead, general and administrative costs, profit, costs associated to travel, per-diem and/or incidentals as well as Personnel Installation costs at the sites of performance. Factors for overhead shall be applied in the DIRECT LABOUR OVERHEAD section of the detailed Bidding sheet to the total cost of direct labour.

6.3 SUBCONTRACT LABOUR

Show the hourly rate by year and the total hours for the categories and disciplines of subContract labour proposed. Unit prices shall be EXCLUSIVE of any applicable overhead, general and administrative costs, profit, costs associated to travel, per-diem and/or incidentals as well as Personnel Installation costs at the sites of performance.

Factors for overhead shall be applied in the SUBCONTRACT LABOUR OVERHEAD section of the detailed Bidding sheet to the total cost of subContract labour.

6.4 TRAVEL

Show the number of trips being made, the number of people travelling, the number of days per trip, the cost of traveling (e.g. flight costs), and the daily per diem rate. Insert comments/descriptions/references/explanation of calculation method under the 'Notes' column including the location & reference to SOW.

6.5 OTHER DIRECT COSTS

- Special Tooling/Equipment. Identify and support specific equipment and unit prices. Use a separate schedule if necessary.
- Individual Consultant Services. Identify and support the proposed contemplated consulting. State the amount of services estimated to be required and the consultant's quoted daily or hourly rate.
- Other Costs. List all other direct charge costs not otherwise included in the categories described above (e.g., services of specialized trades, computer services, preservation, packaging and packing, leasing of equipment, ex-pat costs etc.) and provide bases for pricing.

7. GRAND TOTAL

This is the Bidders final Firm Fixed Price total for the identified CLIN or sub-CLIN and should match the price entered in the corresponding Offer Summary Sheet in section 1 of the bidding sheets.

NOTE: Bidders shall utilize the "Automated Check" tab in the bidding sheet prior to submitting their proposal. Bidders must ensure that this check is successful, before submitting their Bidding Sheets.



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IFB-CO-14314-IEG

BOOK I – ANNEX B

Prescribed Administrative Forms and Certificates

ANNEX B-1

CERTIFICATE OF LEGAL NAME OF BIDDER

This Bid is prepared and submitted on behalf of the legal corporate entity specified below:

FULL NAME OF CORPORATION: _____

DIVISION (IF APPLICABLE): _____

SUB DIVISION (IF APPLICABLE): _____

OFFICIAL MAILING ADDRESS

E-MAIL ADDRESS: _____

TELEFAX No: _____

POINT OF CONTACT REGARDING THIS BID:

NAME: _____
POSITION: _____
TELEPHONE: _____

ALTERNATIVE POINT OF CONTACT:

NAME: _____
POSITION: _____
TELEPHONE: _____

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-2**ACKNOWLEDGEMENT OF RECEIPT OF IFB AMENDMENTS AND RESPONSES
TO CLARIFICATION REQUESTS**

I confirm that the following Amendments and responses to Clarification Requests to Invitation for Bid CO-14314-IEG-C have been received and the Bid, as submitted, reflects the content as such.

Amendment Number	Date Issued	Date of Receipt

Signature of Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-3**CERTIFICATE OF INDEPENDENT DETERMINATION**

1. Each Bidder shall certify that in connection with this procurement:
 - a. This Bid has been arrived at independently, without consultation, communication or agreement, for the purpose of restricting competition, with any other Bidder or with any competitor;
 - b. The contents of this bid have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by the Bidder prior to award, directly or indirectly to any other Bidder or to any competitor, and
 - c. No attempt has been made, or will be made by the Bidder to induce any other person or firm to submit, or not to submit, a Bid for the purpose of restricting competition.

2. Each person signing this Bid shall also certify that:
 - a. He/she is the person in the Bidder's organisation responsible within that organisation for the decision as to the bid and that he/she has not participated and will not participate in any action contrary to 1(a) through 1(c) above, or
 - b. (i) He/she is not the person in the Bidder's organisation responsible within that organisation for the bid but that he/she has been authorised in writing to act as agent for the persons responsible for such a decision in certifying that such persons have not participated, and will not participate in any action contrary to 1(a) through 1(c) above, and as their agent does hereby so certify, and
(ii) He/she has not participated and will not participate in any action contrary to 1(a) through 1(c) above.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

Bid Reference _____

ANNEX B-4

CERTIFICATE OF BID VALIDITY

I, the undersigned, as an authorised representative of the firm submitting this Bid, do hereby certify that the pricing and all other aspects of our Bid will remain valid for a period of **twelve months** from the Bid Closing Date of this Invitation for Bid.

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-5

CERTIFICATE OF EXCLUSION OF TAXES, DUTIES AND CHARGES

I hereby certify that the prices offered in the price quotation of this Bid exclude all taxes, duties and customs charges from which the Purchaser has been exempted by international agreement.

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-6**COMPREHENSION AND ACCEPTANCE OF CONTRACT SPECIAL AND
GENERAL PROVISIONS**

The Bidder hereby certifies that he has reviewed the Special Contract Provisions and the NCI Agency General Provisions set forth in the Prospective Contract, Book II of this Invitation for Bid. The Bidder hereby provides its confirmation that he fully comprehends the rights, obligations and responsibilities of the Contractor as set forth in the Articles and Clauses of the Prospective Contract. The Bidder additionally certifies that the offer submitted by the Bidder is without prejudice, qualification or exception to any of the Terms and Conditions and he will accept and abide by the stated Special and General Provisions if awarded the Contract as a result of this Invitation for Bid.

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-7**DISCLOSURE OF REQUIREMENTS FOR NCI AGENCY EXECUTION OF
SUPPLEMENTAL AGREEMENTS**

I, the undersigned, as an authorised representative of _____,
certify the following statement:

All supplemental agreements, defined as agreements, documents and/or permissions outside the body of the Contract but are expected to be required by my Government, and the governments of my subContractors, to be executed by the NCI Agency, or its legal successors, as a condition of my firm's performance of the Contract, have been identified, as part of the Bid.

These supplemental agreements are listed as follows:

Examples of the terms and conditions of these agreements have been provided in our Offer. The anticipated restrictions to be imposed on NATO, if any, have been identified in our offer along with any potential conflicts with the terms, conditions and specifications of the Prospective Contract. These anticipated restrictions and potential conflicts are based on our knowledge of and prior experience with such agreements and their implementing regulations. We do not certify that the language or the terms of these agreements will be exactly as we have anticipated.

The processing time for these agreements has been calculated into our delivery and performance plans and contingency plans made in the case that there is delay in processing on the part of the issuing government(s).

We recognise that additional supplemental agreements, documents and permissions presented as a condition of Contract performance or MOU signature after our firm would be selected as the successful Bidder may be cause for the NCI Agency, or its legal successors, to determine the submitted Bid to be non-compliant with the requirements of the IFB;

We accept that should the resultant supplemental agreements issued in final form by the government(s) result in an impossibility to perform the Contract in accordance with its schedule, terms or specifications, the Contract may be terminated by the Purchaser at no cost to either Party.

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-8

**CERTIFICATE OF COMPLIANCE AQAP 2110 OR ISO 9001:2015 OR
EQUIVALENT**

I hereby certify that _____ (name of Company) possesses and applies Quality Assurance Procedures/Plans that are equivalent to the AQAP 2110 or ISO 9001:2015 as evidenced through the attached documentation¹.

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

¹ Bidders must attach copies of any relevant quality certification.

ANNEX B-9**LIST OF PROSPECTIVE SUBCONTRACTORS/CONSORTIUM MEMBERS**

Name and Address of Sub-Contractor, incl. country of origin/registration	Primary Location of Work	Items/Services to be Provided	Estimated Value of Sub-Contract

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-10**BIDDER BACKGROUND IPR**

I, the undersigned, as an authorised representative of Bidder _____, warrant, represent, and undertake that:

- A. The Contractor Background IPR specified in the table below will be used for the purpose of carrying out work pursuant to the prospective Contract.
- B. The stated Bidder has and will continue to have, for the duration of the prospective Contract, all necessary rights in and to the Background IPR specified above.

ITEM	DESCRIPTION

- C. The Background IPR stated above complies with the terms specified in Clause 32 of the Special Contract Provisions and shall be licensed to the Purchaser according to the terms and conditions specified in the prospective Contract, and more particularly, in accordance with Clause 32 of the Special Contract Provisions and Clause 30 of the NCIA General Contract Provisions.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

Bid Reference _____

ANNEX B-11**LIST OF SUBCONTRACTORS IPR**

I, the undersigned, as an authorised representative of Bidder _____, warrant, represent, and undertake that:

- A. The SubContractor IPR specified in the table below will be used for the purpose of carrying out work pursuant to the prospective Contract.
- B. The stated Bidder has and will continue to have, for the duration of the prospective Contract, all necessary rights in and to the IPR specified above necessary to perform the Contractor's obligations under the Contract.

ITEM	DESCRIPTION

- C. The SubContractor IPR stated above complies with the terms specified in Clause 32 of the Special Contract Provisions and shall be licensed to the Purchaser according to the terms and conditions specified in the prospective Contract, and more particularly, in accordance with Clause 32 of the Special Contract Provisions and Clause 30 of the NCIA General Contract Provisions.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

Bid Reference _____

ANNEX B-12

**CERTIFICATE OF ORIGIN OF EQUIPMENT, SERVICES, AND INTELLECTUAL
PROPERTY**

The Bidder hereby certifies that, if awarded the Contract pursuant to this solicitation, he will perform the Contract subject to the following conditions:

- A. none of the work, including project design, labour and services shall be performed other than by firms from and within participating NATO member countries;
- B. no material or items of equipment down to and including identifiable sub-assemblies shall be manufactured or assembled by a firm other than from and within a participating NATO member country. (A sub-assembly is defined as a portion of an assembly consisting of two or more parts that can be provisioned and replaced as an entity); and
- C. The intellectual property rights to all design documentation and related system operating software shall reside in NATO member countries, and no license fees or royalty charges shall be paid by the Bidder to firms, individuals or Governments other than within the NATO member countries.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

Bid Reference _____

ANNEX B-13**LIST OF PROPOSED KEY PERSONNEL WITH SECURITY CLEARANCE INFORMATION**

POSITION	NAME	LEVEL OF CLEARANCE	DATES OF VALIDITY	CERTIFYING AUTHORITY	EXPECTED DATE OF RELEASE OF REQUIRED SECURITY CLEARANCE	DESIGNATION PERIOD
Project Manager						EDC thru Contract expiration date
Senior System Engineer Lead (Technical Lead)						EDC thru Contract expiration date
Test Director / Test Engineer						EDC thru Contract expiration date
Other (tbd by Bidder):						EDC thru Contract expiration date

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-14

CERTIFICATE OF PRICE CEILING

I hereby certify that the total price offered in the price quotation of this Bid for CLINs 1 through 16 of the Bidding Sheets does not exceed **11,289,985EUR** (eleven million two hundred eighty nine and nine hundred eighty five) as described in Section 3.5.2.1 of Book I.

If any one or more of the prices proposed by the Bidders are above the ceilings - then the Bid will be declared non-compliant.

Note: No price information of your Bid should be disclosed in the Bid Administration Package nor the Technical Bid Package.

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____

ANNEX B-15**DISCLOSURE OF INVOLVEMENT OF FORMER NCI AGENCY EMPLOYMENT**

The Bidder hereby certifies that, in preparing its Bid, the Bidder did not have access to solicitation information prior to such information been authorized for release to Bidders (e.g., draft statement of work and requirement documentation).

The Bidder hereby acknowledges the post-employment measures applicable to former NCI Agency Personnel as per the NCI Agency Code of Conduct.

The Bidder hereby certifies that its personnel working as part of the company's team, at any tier, preparing the Bid:

- ☐ Have not held employment with NCI Agency within the last two years.
- ☐ Has obtained a signed statement from the former NCI Agency personnel below, who departed the NCI Agency within the last two years, that they were not previously involved in the project under competition (as defined in the extract of the NCI Agency Code of Conduct provided in Annex B of the prospective Contract Provisions):

Employee Name	Former NCIA Position	Current Position	Company

The Bidder also hereby certifies that it does not employ and/or receive services from former NCI Agency Personnel at grades A5 and above or ranks OF-5 and above, who departed the NCI Agency within the last 12 months. This prohibitions covers negotiations, representational communications and/or advisory activities.

Date :

Signature :

Name & Title :

Company :

Bid Reference :

ANNEX B-16

**COMPREHENSION AND INTENTION TO COMPLY WITH PMIC EXCLUSION
CLAUSE AND CONFLICT OF INTEREST**

A. I, the undersigned, as an authorised representative of the firm submitting this Bid, do hereby certify that the _____ (FIRM NAME) and its sub Contractors have not participated in support of CO-14171-PMIC Provide Programme Management and Integration Capability (PMIC) and are eligible for Contract award.

B. The NCI Agency shall not consider mitigation plans regarding this exclusion.

C. This exclusion clause does not apply to parent companies of the Contractor and their wholly owned subsidiaries provided that the parent company or its subsidiaries provides proof to the satisfaction of the Purchaser that they operate as a separate legal entity in a completely distinguishable and different business domain. Proof as mentioned above may consist of:

- i. company's structure
- ii. roles and responsibilities within structure
- iii. business domain
- iv. ownership and control
- v. and any other proof that will fulfil the purpose of the exclusion clause

D. The Contractor shall insert the substance of of this clause in all subContracts for work performed under this Contract. It is the responsibility of the Contractor to ensure that their subContractor(s) are made aware of this exclusion clause prior to the subContractor(s) commencing performance under this Contract.

E. The Contractor agrees that compliance with this exclusion clause is of the essence and that failure to abide to these terms shall constitute sufficient grounds for the Termination for Default of the Contract in accordance with Clause 39 of the NCI Agency Contract General Provisions.

Signature of authorised Representative: _____

Printed Name: _____

Title: _____

Date: _____

Company: _____



NATO Communications and Information Agency

PROVIDE INFORMATION EXCHANGE GATEWAY (IEG)
SOLUTIONS BETWEEN NATO SECRET AND NATO-LED
MISSION SECRET DOMAINS

IFB-CO-14314-IEG-C

BOOK I – ANNEX C
Bid Guarantee - Standby Letter of Credit

ANNEX C
BID GUARANTEE - STANDBY LETTER OF CREDIT

Standby Letter of Credit Number:

Issue Date: _____

Beneficiary: NCI Agency, Financial Management Office
Boulevard Leopold III, B-1110, Brussels
Belgium

Expiry Date: _____

- A. We, (issuing bank) hereby establish in your favour our irrevocable standby letter of credit number {number} by order and for the account of (NAME AND ADDRESS OF BIDDER) in the original amount of € 300,000.00 (Three Hundred Thousand Euro). We are advised this Guarantee fulfils a requirement under Invitation for Bid IFB CO-14314-IEG dated _____.
- B. Funds under this standby letter of credit are available to you upon first demand and without question or delay against presentation of a certificate from the NCI Agency Contracting Officer that:
- 1) (NAME OF BIDDER) has submitted a Bid and, after Bid Closing Date (including extensions thereto) and prior to the selection of the lowest priced, technically compliant Bid, has withdrawn its Bid, or stated that he does not consider its Bid valid or agree to be bound by its Bid, or
 - 2) (NAME OF BIDDER) has submitted a Bid determined by the Agency to be the lowest priced, technically compliant Bid, but (NAME OF BIDDER) has declined to execute the Contract offered by the Agency, such Contract being consistent with the terms of the Invitation for Bid, or
 - 3) The NCI Agency has offered (NAME OF BIDDER) the Contract for execution but (NAME OF BIDDER) has been unable to demonstrate compliance with the security requirements of the Contract within a reasonable time, or
 - 4) The NCI Agency has entered into the Contract with (NAME OF BIDDER) but (NAME OF BIDDER) has been unable or unwilling to provide the Performance Guarantee required under the terms of the Contract within the time frame required.
- C. This Letter of Credit is effective the date hereof and shall expire at our office located at (Bank Address) on _____. All demands for payment must be made prior to the expiry date.
- D. It is a condition of this letter of credit that the expiry date will be automatically extended without Amendment for a period of sixty (60) calendar days from the current or any successive expiry date unless at least thirty (30) calendar days prior to the then current expiry date the NCI Agency Contracting Officer notifies us that the Letter of Credit is not required to be extended or is required to be extended for a shorter duration.

- E. We may terminate this letter of credit at any time upon sixty (60) calendar days notice furnished to both (NAME OF BIDDER) and the NCI Agency by registered mail.
- F. In the event we (the issuing bank) notify you that we elect not to extend the expiry date in accordance with paragraph 4 above, or, at any time, to terminate the letter of credit, funds under this credit will be available to you without question or delay against presentation of a certificate signed by the NCI Agency Contracting Officer which states
- G. "The NCI Agency has been notified by {issuing bank} of its election not to automatically extend the expiry date of letter of credit number {number} dated {date} pursuant to the automatic renewal clause (or to terminate the letter of credit). As of the date of this certificate, no suitable replacement letter of credit, or equivalent financial guarantee has been received by the NCI Agency from, or on behalf of (NAME OF BIDDER), and the NCI Agency, as beneficiary, hereby draws on the standby letter of credit number _____ in the amount of € (Amount up to the maximum available under the LOC), such funds to be transferred to the account of the Beneficiary number _____ (to be identified when certificate is presented)."
- H. Such certificate shall be accompanied by the original of this letter of credit and a copy of the letter from the issuing bank that it elects not to automatically extend the standby letter of credit, or terminating the letter of credit.
- I. The Beneficiary may not present the certificate described in paragraph 6 above until 20 (twenty) calendar days prior to a) the date of expiration of the letter of credit should {issuing bank} elect not to automatically extend the expiration date of the letter of credit, b) the date of termination of the letter of credit if {issuing bank} notifies the Beneficiary that the letter of credit is to be terminated in accordance with paragraph 6 above.
- J. Multiple drawings are allowed.
- K. Drafts drawn hereunder must be marked, "Drawn under {issuing bank} Letter of Credit No. {number}" and indicate the date hereof.
- L. This letter of credit sets forth in full the terms of our undertaking, and this undertaking shall not in any way be modified, amended, or amplified by reference to any document, instrument, or agreement referred to herein (except the International Standby Practices (ISP 98) hereinafter defined) or in which this letter of credit is referred to or to which this letter of credit relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument, or agreement.
- M. We hereby engage with you that drafts drawn under and in compliance with the terms of this letter of credit will be duly honoured upon presentation of documents to us on or before the expiration date of this letter of credit.
- N. This Letter of Credit is subject to The International Standby Practices-ISP98 (1998 Publication) International Chamber of Commerce Publication No.590.



NATO Communications and Information Agency

PROVIDE INFORMATION EXCHANGE GATEWAY (IEG)
SOLUTIONS BETWEEN NATO SECRET AND NATO-LED
MISSION SECRET DOMAINS

IFB-CO-14314-IEG-C

BOOK I – ANNEX D

Bid Requirements Cross Reference Matrix (BRCM)

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IFB-CO-14314-IEG-C
Book I Bidding Instructions

ANNEX D
BID REQUIREMENTS CROSS REFERENCE MATRIX (BRCM)

Please view IFB-CO-14314-IEG-C Excel titled BRCM

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Book I, Annex, Page I-83



NATO Communications and Information Agency

PROVIDE INFORMATION EXCHANGE GATEWAY (IEG)
SOLUTIONS BETWEEN NATO SECRET AND NATO-LED
MISSION SECRET DOMAINS

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BOOK I – ANNEX E

CLARIFICATION REQUEST FORMS

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Book I Bidding Instructions

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ANNEX E

CLARIFICATION REQUEST FORM

INSERT COMPANY NAME HERE
INSERT SUBMISSION DATE HERE

ADMINISTRATION or CONTRACTING					
Serial Nr	IFB Book	IFB Section Ref.	QUESTION	ANSWER	Status
A.1					
A.2					
A.3					

NATO UNCLASSIFIED

IFB-CO-14314-IEG-C
Book I Bidding Instructions

ANNEX E
CLARIFICATION REQUEST FORM

INSERT COMPANY NAME HERE
INSERT SUBMISSION DATE HERE

TECHNICAL					
Serial Nr	IFB Book	IFB Section Ref.	QUESTION	ANSWER	Status
T.1					
T.2					
T.3					

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IFB-CO-14314-IEG-C
Book I Bidding Instructions

ANNEX E
CLARIFICATION REQUEST FORM

INSERT COMPANY NAME HERE
INSERT SUBMISSION DATE HERE

PRICE					
Serial Nr	IFB Book	IFB Section Ref.	QUESTION	ANSWER	Status
P.1					
P.2					
P.3					

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NATO Communications and Information Agency
Agence OTAN d'information et de communication

**PROVIDE INFORMATION EXCHANGE GATEWAY (IEG) SOLUTIONS
BETWEEN NATO SECRET AND NATO-LED MISSION SECRET
DOMAINS**

IFB-CO-14314-IEG-C

BOOK II

THE PROSPECTIVE CONTRACT

GENERAL INDEX

BOOK II - THE PROSPECTIVE CONTRACT

Signature Sheet

Part I Schedule of Supplies and Services

Part II Contract Special Provisions

Part III Contract General Provisions

Part IV Statement of Work and Annex, SRS

SIGNATURE SHEET

NCI Agency PURCHASE ORDER	
1. Original Number __ of	2. PO Number :
3. Contract Number: CO-14314-IEG-C	4. Effective date (EDC): SEE BLOCK 17
5. Contractor: Director	6. Purchaser: The General Manager NATO Communications and Information Agency Boulevard Leopold III B-1110 Bruxelles Tel: +32(0) 6544 6103
7. CONTRACT SCOPE: This is a Firm Fixed Price contract for the provision provision of an Information Exchange Gateway (IEG) solutions between NATO Secret and NATO-LED Mission Secret Domains. The Contractor shall deliver the items specified in the Schedule of Supplies and Services in the manner and at the time and location specified in the terms of this Contract and the Statement of Work and Annexes.	
8. TOTAL AMOUNT OF CONTRACT : _____ Currency – Excluding VAT Firm Fixed Price	
9. PERIOD OF PERFORMANCE As stated in Schedule of Supplies and Services and Special Provisions	10. DELIVERY SITE As stated in Schedule of Supplies and Services and Special Provisions
11. CONTRACT This Contract consists of the following parts and named documents: a) Part I Schedule of Supplies and Services b) Part II Special Contract Provisions and Annexes c) Part III General Contract Provisions d) Part IV Statement of Work and Annexes e) Contractor's proposal dated ____2021 and subsequent clarifications. f) In the event of any conflict or inconsistencies between or among any of the documents comprising this Contract, the order of priority specified in Clause 2 of Part II shall apply.	
12. Signature of Contractor	13. Signature of Purchaser
14. Name and Title of Signer	15. Name and Title of Signer
16. Date signed by the Contractor	17. Date signed by the Purchaser



NATO Communications and Information Agency
Agence OTAN d'information et de communication

**PROVIDE INFORMATION EXCHANGE GATEWAY (IEG)
SOLUTIONS BETWEEN NATO SECRET AND NATO-LED
MISSION SECRET DOMAINS**

IFB-CO-14314-IEG-C

BOOK II

PART I

SCHEDULE OF SUPPLIES AND SERVICES

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CLIN	Description	SOW Reference	Required Completion Date	Delivery Destination	Delivery Form	Unit of measure	Quantity
1.0	CLIN 1 (BASE-EVALUATED) - WP 2.1 Achieve FAT						
1.1	Project Management Plan(s) and Documents	Section 4	EDC + 4 Weeks through Project Lifecycle	Project Website	Meeting, Electronic	set	1
1.2	System Requirements Analysis and Review	Section 3.3	EDC + 2 Months	Project Website	Meeting, Electronic	set	1
1.3	System Design (Preliminary Design Review)	Section 3.4	EDC + 3 Months	Project Website	Meeting, Electronic	set	1
1.4	System Design (Critical Design Review)	Section 3.5	EDC + 6 Months	Project Website	Meeting, Electronic	set	1
1.5	Replicate NS and MS environments for tests	Section 5.1	EDC + 9 Months	Contractor Premises	HW/SW/Labour/Electronic	set	1
1.6	System Design (Factory Acceptance Tests)	Section 3.6	EDC + 9 Months	Project Website	Meeting, Electronic	set	1
1.7	Mail Guard	Section 1.2.8	EDC + 9 Months	Contractor Premises	HW/SW/Labour/Electronic	ea	11
1.8	Web Guard	Section 1.2.4	EDC + 9 Months	Contractor Premises	HW/SW/Labour/Electronic	ea	11
1.9	Security Accreditation Documentation	Section 10.3	2 weeks before CDR	Project Website	Meeting, Electronic	set	1
1.10	Acceptance of IEG-C security accreditation package	Section 3.7	EDC + 13 Months	Project Website	Meeting, Electronic	set	1
1.11	Post-Accreditation Activities	Section 10.1	EDC + 27 Months	Project Website	Meeting, Electronic	set	1
1.12	Integrated Logistics Support Plan (ILSP)	Section 6.2	EDC + 3 Months, EDC + 6 Months, EDC + 12 Months	Project Website	Meeting, Electronic	set	1
1.13	Support Case	Section 6.4	EDC + 3 Months, EDC + 6 Months	Project Website	Meeting, Electronic	set	1
1.14	Technical Documentation (Manuals and As-built documentation)	Section 6.5	EDC + 10 months	Project Website	Meeting, Electronic	set	1
1.15	Training Plan and TNA Report	Section 6.6	EDC + 3 Months, EDC + 6 Months, EDC + 9 Months	Project Website	Meeting, Electronic	set	1
1.16	Training Course Materials	Section 6.6	EDC + 10 Months	NCIA	Paper, Electronic	set	1
1.17	Configuration Management (CMP, CMDB, Issue and Change Log, CSAR, SW versioning Tools, Configuration Audits)	Section 12	EDC + 6 Months	Project Website	Meeting, Electronic	set	1
1.18	System Test Documentation Package (MPTP, Test Plans, RTM, Procedures)	Section 8	EDC + 4 , EDC+8	Project Website	Meeting, Electronic	set	1
TOTAL PRICE CLIN 1							
2.0	CLIN 2 (BASE-EVALUATED) - WP 2.2 Installation of the Reference System IEG-C-01 SHAPE						
2.1	Project Management	Section 4	EDC + 9mo through Project Lifecycle	Project Website	Meeting, Electronic	set	1
2.2	Site Survey	Section 9	EDC + 9 Months	SHAPE	Electronic	set	1
2.3	Site Installation	Section 7.5	EDC + 11 Months	SHAPE	HW/SW/Labour/Electronic	set	1
2.4	Security Accreditation Documentation and Reports (update)	Section 10.3	EDC + 13 Months	Project Website	Meeting, Electronic	set	1
2.5	SIT + SAT + UAT	Section 3.8	EDC + 13 Months	Project Website	Meeting, Electronic	set	1

2.6	Technical Documentation (Manuals and As-built documentation) (update)	Section 6.5	EDC + 12 Months	Project Website	Meeting, Electronic	set	1
2.7	Training Course Materials (update)	Section 6.6	EDC + 12 Months	Project Website	Meeting, Electronic	set	1
2.8	Configuration Management (CMP, CMDB, Issue and Change Log, CSAR, SW versioning Tools, Configuration Audits) (update)	Section 12	EDC + 12 Months	Project Website	Meeting, Electronic	set	1
2.9	Training Courses (i.e. Administrator and Test Crew Training)	Section 6.9	EDC + 13 Months	On-Site	Training course	set	1
2.10	Initial Operational Support (including CLIN 3 scope)	Section 6.9	FSA	On-Site/Off-Site (as required)	Labour	set	1
2.11	Warranty (including CLIN 3 scope)	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	warranty	1
TOTAL PRICE CLIN 2							
3.0	CLIN 3 (BASE-EVALUATED) - WP2.3 Integration into NATO Enterprise/IEG-C Central Management						
3.1	Project Management	Section 4	EDC + 9mo through Project Lifecycle	Project Website	Meeting, Electronic	set	1
3.2	Site Survey	Section 9	EDC + 9 Months	SHAPE	Electronic	set	1
3.3	Site Installation	Section 7.5	EDC + 11 Months	SHAPE	Meeting, Electronic	set	1
3.4	Security Accreditation Documentation and Reports (update)	Section 10.3	EDC + 13 Months	Project Website	Meeting, Electronic	set	1
3.5	SIT + SAT + UAT	Section 3.8	EDC + 13 Months	Project Website	Meeting, Electronic	set	1
3.6	Service Delivery Management Suite/Border Protection Services integration	Section 1.2.6	EDC + 20 Months	Project Website	Meeting, Electronic	set	1
3.7	SMC Monitoring of the IEG-C System (main and alternate site)	Section 3.10	EDC + 20 Months	Project Website	Meeting, Electronic	set	1
3.8	Integrated Logistics Support Plan (ILSP) update	Section 6.2	EDC + 13 Months	Project Website	Meeting, Electronic	set	1
3.9	Technical Documentation (Manuals and As-built documentation) (update)	Section 6.5	EDC + 12 Months	Project Website	Meeting, Electronic	set	1
3.10	Training Course Materials (update)	Section 6.6	EDC + 12 Months	Project Website	Meeting, Electronic	set	1
3.11	Configuration Management (CMP, CMDB, Issue and Change Log, CSAR, SW versioning Tools, Configuration Audits) (update)	Section 12	EDC + 12 Months	Project Website	Meeting, Electronic	set	1
3.12	Training Courses (i.e. Administrator and Test Crew Training)	Section 6.6	EDC + 13 Months	On-Site	Training course	set	1
3.13	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
3.14	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 3							
4.0	CLIN 4 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-02 SHAPE NRF						
4.1	Project Management	Section 4	EDC + 20 Months	Project Website	Electronic	set	1
4.2	Site Survey	Section 9	EDC + 20 Months	SHAPE	Electronic	set	1
4.3	Site Installation	Section 7.5	EDC + 20 Months	SHAPE	HW/SW/Labour/Electronic	set	1

4.4	Deployment Authorization	Section 3.9	EDC + 20 Months	Project Website	Electronic	set	1
4.5	Site Acceptance	Section 3.12	EDC + 20 Months	Project Website	Electronic	set	1
4.6	Site Security Accreditation	Section 10.3	EDC + 20 Months	Project Website	Meeting, Electronic	set	1
4.7	Provisional System Acceptance	Section 3.10	EDC + 20 Months	Project Website	Meeting, Electronic	set	1
4.8	Integrated Logistics Support Plan (ILSP) update	Section 6.2	EDC + 20 Months	Project Website	Electronic	set	1
4.9	Technical Documentation (Manuals and As-built documentation) (update)	Section 6.5	EDC + 18 Months	Project Website	Electronic	set	1
4.10	Training Course Materials (update)	Section 6.6	EDC + 18 Months	Project Website	Electronic	set	1
4.11	Configuration, Issues and Changes Management Package and Plan (update)	Section 12	EDC + 18 Months	NCIA	Electronic	set	1
4.12	Training Courses (All)	Section 6.6	EDC + 20 Months	On-Site	Training course	set	1
4.13	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
4.14	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 20 Months	NCIA	HW/SW/Labour/Electronic	set	1
4.15	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
TOTAL PRICE CLIN 4							
5.0	CLIN 5 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-03 SHAPE VJTF						
5.1	Project Management	Section 4	EDC + 21 Months	Project Website	Electronic	set	1
5.2	Site Survey	Section 9	EDC + 21 Months	SHAPE	Electronic	set	1
5.3	Installation	Section 7.5	EDC + 21 Months	SHAPE	HW/SW/Labour/Electronic	set	1
5.4	Site accreditation	Section 10.3	EDC + 21 Months	Project Website	Electronic	set	1
5.5	Validation and Acceptance	Section 3.12	EDC + 21 Months	Project Website	Electronic	set	1
5.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 20 Months	Project Website	Electronic	set	1
5.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 21 Months	On-Site	Electronic	set	1
5.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 21 Months	NCIA	HW/SW/Labour/Electronic	set	1
5.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
5.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 5							
6.0	CLIN 6 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-04 SHAPE Exercise 1						
6.1	Project Management	Section 4	EDC + 21 Months	Project Website	Electronic	set	1

6.2	Site Survey	Section 9	EDC + 21 Months	SHAPE	Electronic	set	1
6.3	Installation	Section 7.5	EDC + 21 Months	SHAPE	HW/SW/Labour/Electronic	set	1
6.4	Site accreditation	Section 10.3	EDC + 21 Months	Project Website	Electronic	set	1
6.5	Validation and Acceptance	Section 3.12	EDC + 21 Months	Project Website	Electronic	set	1
6.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 20 Months	Project Website	Electronic	set	1
6.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 21 Months	On-Site	Electronic	set	1
6.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 21 Months	NCIA	HW/SW/Labour/Electronic	set	1
6.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
6.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 6							
7.0	CLIN 7 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-05 JWC Exercise 1						
7.1	Project Management	Section 4	EDC + 22 Months	Project Website	Electronic	set	1
7.2	Site Survey	Section 9	EDC + 22 Months	SHAPE	Electronic	set	1
7.3	Installation	Section 7.5	EDC + 22 Months	SHAPE	HW/SW/Labour/Electronic	set	1
7.4	Site accreditation	Section 10.3	EDC + 22 Months	Project Website	Electronic	set	1
7.5	Validation and Acceptance	Section 3.12	EDC + 22 Months	Project Website	Electronic	set	1
7.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 20 Months	Project Website	Electronic	set	1
7.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 21 Months	On-Site	Electronic	set	1
7.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 22 Months	NCIA	HW/SW/Labour/Electronic	set	1
7.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
7.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 7							
8.0	CLIN 8 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-06 JWC Exercise 2						
8.1	Project Management	Section 4	EDC + 22 Months	Project Website	Electronic	set	1
8.2	Site Survey	Section 9	EDC + 22 Months	SHAPE	Electronic	set	1
8.3	Installation	Section 7.5	EDC + 22 Months	SHAPE	HW/SW/Labour/Electronic	set	1
8.4	Site accreditation	Section 10.3	EDC + 22 Months	Project Website	Electronic	set	1

8.5	Validation and Acceptance	Section 3.12	EDC + 22 Months	Project Website	Electronic	set	1
8.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 20 Months	Project Website	Electronic	set	1
8.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 21 Months	On-Site	Electronic	set	1
8.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 22 Months	NCIA	HW/SW/Labour/Electronic	set	1
8.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
8.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 8							
9.0	CLIN 9 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-07 EUROCORPS						
9.1	Project Management	Section 4	EDC + 23 Months	Project Website	Electronic	set	1
9.2	Site Survey	Section 9	EDC + 23 Months	SHAPE	Electronic	set	1
9.3	Installation	Section 7.5	EDC + 23 Months	SHAPE	HW/SW/Labour/Electronic	set	1
9.4	Site accreditation	Section 10.3	EDC + 23 Months	Project Website	Electronic	set	1
9.5	Validation and Acceptance	Section 3.12	EDC + 23 Months	Project Website	Electronic	set	1
9.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 21Months	Project Website	Electronic	set	1
9.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 22 Months	On-Site	Electronic	set	1
9.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 23 Months	NCIA	HW/SW/Labour/Electronic	set	1
9.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
9.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 9							
10.0	CLIN 10 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-08 ARRC						
10.1	Project Management	Section 4	EDC + 24 Months	Project Website	Electronic	set	1
10.2	Site Survey	Section 9	EDC + 24 Months	SHAPE	Electronic	set	1
10.3	Installation	Section 7.5	EDC + 24 Months	SHAPE	HW/SW/Labour/Electronic	set	1
10.4	Site accreditation	Section 10.3	EDC + 24 Months	Project Website	Electronic	set	1
10.5	Validation and Acceptance	Section 3.12	EDC + 24 Months	Project Website	Electronic	set	1
10.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 22 Months	Project Website	Electronic	set	1
10.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 23 Months	On-Site	Electronic	set	1

10.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 24 Months	NCIA	HW/SW/Labour/Electronic	set	1
10.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
10.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 10							
11.0	CLIN 11 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-09 JFC						
11.1	Project Management	Section 4	EDC + 25 Months	Project Website	Electronic	set	1
11.2	Site Survey	Section 9	EDC + 25 Months	SHAPE	Electronic	set	1
11.3	Installation	Section 7.5	EDC + 25 Months	SHAPE	HW/SW/Labour/Electronic	set	1
11.4	Site accreditation	Section 10.3	EDC + 25 Months	Project Website	Electronic	set	1
11.5	Validation and Acceptance	Section 3.12	EDC + 25 Months	Project Website	Electronic	set	1
11.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 23 Months	Project Website	Electronic	set	1
11.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 24 Months	On-Site	Electronic	set	1
11.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 25 Months	NCIA	HW/SW/Labour/Electronic	set	1
11.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
11.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 11							
12.0	CLIN 12 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-10 JFC NRF STBY						
12.1	Project Management	Section 4	EDC + 26 Months	Project Website	Electronic	set	1
12.2	Site Survey	Section 9	EDC + 26 Months	SHAPE	Electronic	set	1
12.3	Installation	Section 7.5	EDC + 26 Months	SHAPE	HW/SW/Labour/Electronic	set	1
12.4	Site accreditation	Section 10.3	EDC + 26 Months	Project Website	Electronic	set	1
12.5	Validation and Acceptance	Section 3.12	EDC + 26 Months	Project Website	Electronic	set	1
12.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 24 Months	Project Website	Electronic	set	1
12.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 25 Months	On-Site	Electronic	set	1
12.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 26 Months	NCIA	HW/SW/Labour/Electronic	set	1
12.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
12.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1

TOTAL PRICE CLIN 12							
13.0	CLIN 13 (BASE-EVALUATED) - WP3 Installation of Mandatory Gateways - IEG-C-11 JFTC						
13.1	Project Management	Section 4	EDC + 27 Months	Project Website	Electronic	set	1
13.2	Site Survey	Section 9	EDC + 27 Months	SHAPE	Electronic	set	1
13.3	Installation	Section 7.5	EDC + 27 Months	SHAPE	HW/SW/Labour/Electronic	set	1
13.4	Site accreditation	Section 10.3	EDC + 27 Months	Project Website	Electronic	set	1
13.5	Validation and Acceptance	Section 3.12	EDC + 27 Months	Project Website	Electronic	set	1
13.6	Documentation (Rev, As-Built, updated design documentation and manuals as necessary)	Section 6.5	EDC + 25 Months	Project Website	Electronic	set	1
13.7	Training (i.e. Updated materials and Transition Training)	Section 6.6	EDC + 26 Months	On-Site	Electronic	set	1
13.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	EDC + 27 Months	NCIA	HW/SW/Labour/Electronic	set	1
13.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
13.10	Warranty	Section 6.10	FSA + 1 year	On-Site/Off-Site (as required)	Warranty	set	1
TOTAL PRICE CLIN 13							
14.0	CLIN 14 (BASE-EVALUATED) - WP4 Decommissioning Legacy Gateways						
14.1	Site Surveys	Section 9	EDC + 6 Months and as changes occur	Project Website	Electronic	set	1
14.2	Removal of the equipment	10.4	EDC + 27 Months	Local Site	HW/SW/Labour/Electronic	set	1
14.3	Verification and documentation update	10.4	EDC + 27 Months	Project Website	Labour/Electronic	set	1
14.4	Final System Acceptance (FSA)	Section 3.12	EDC + 27 Months	Project Website	Meeting, Electronic	set	1

TOTAL PRICE CLIN 14							
15.0	CLIN 15 (BASE-EVALUATED) - WP6 Hardware Purchase Mandatory Sites						
15.1	Servers/Virtualisation Server (Rack Mount)	Section 16.2	EDC + 13 Months	On-Site	HW	set	1
15.2	Switch	Section 16.2	EDC + 13 Months	On-Site	HW	set	1
15.3	Rack, UPS, Cabling	Section 16.2	EDC + 13 Months	On-Site	HW	set	1
15.4	Firewall	Section 16.2	EDC + 13 Months	On-Site	HW	set	1
15.5	Management Capability HW	Section 16.2	EDC + 13 Months	On-Site	HW	set	1
15.6	Initial spares for Mandatory sites	Section 16.2	EDC + 13 Months	On-Site	spare parts	set	1

15.7	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
15.8	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
15.9	Documentation and Training Update	Section 6.5 and 6.6	EDC + 13 Months	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 15							
16.0		CLIN 16 (BASE-EVALUATED) - WP7 Cyber Monitoring Capability (former NCIRC)					
16.1	Site Survey	Section 16.3	EDC + 13 Months	On-Site	Electronic	set	1
16.2	Incorporation in IEG-C design	Section 16.3	EDC + 13 Months	On-Site	HW/SW/Labour/Electronic	set	1
16.3	Installation	Section 16.3	EDC + 13 Months	On-Site	HW/SW/Labour/Electronic	set	1
16.4	Integration and testing Mandatory Sites and Management Suite	Section 16.3	EDC + 13 Months	On-Site	HW/SW/Labour/Electronic	set	1
16.5	Integration and testing Optional Sites	Section 16.3	EDC + 13 Months	On-Site	HW/SW/Labour/Electronic	set	1
16.6	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
16.7	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
16.8	Documentation and Training Update	Section 6.5 and 6.6	EDC + 13 Months	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 16							
Total Firm Fixed Price- Base Contract							

OPTIONAL CLINS- Non Evaluated							
17.0	CLIN 17 (OPTION-NON EVALUATED) - WP11 Hardware Purchase Optional Sites						
17.1	Servers/Virtualisation Server (Rack Mount)	Section 16.2	TBC	On-Site	Electronic	set	1
17.2	Switch	Section 16.2	TBC	On-Site	Electronic	set	1
17.3	Rack, UPS, Cabling	Section 16.2	TBC	On-Site	Electronic	set	1
17.4	Firewall	Section 16.2	TBC	On-Site	Electronic	set	1
17.5	Initial spares for Optional sites	Section 16.2	TBC	On-Site	Electronic	set	1
17.6	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
17.7	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
17.8	Documentation and Training Update	Section 6.5 and 6.6	TBC	On-Site/Off-Site (as required)	Electronic	set	1

TOTAL PRICE CLIN 17							
18.0	CLIN 18 (OPTION-NON EVALUATED) - WP12 Installation of Optional Gateways - IEG-C-13 RSM						
18.1	Project Management	Section 4	TBC	Project Website	Electronic	set	1
18.2	Site Survey	Section 9	TBC	On-Site	Electronic	set	1
18.3	Installation	Section 7.5	TBC	On-Site	HW/SW/Labour/Electronic	set	1
18.4	Site accreditation	Section 10.3	TBC	Project Website	Electronic	set	1
18.5	Validation and Acceptance	Section 3.12	TBC	Project Website	Electronic	set	1
18.6	Documentation (Rev, As-Built)	Section 6.5	TBC	Project Website	Electronic	set	1
18.7	Training	Section 6.6	TBC	Project Website	Electronic	set	1
18.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	TBC	NCIA	HW/SW/Labour/Electronic	set	1
18.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
18.10	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
18.11	Documentation and Training Update	Section 6.5 and 6.6	TBC	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 18							
19.0	CLIN 19 (OPTION-NON EVALUATED) - WP12 Installation of Optional Gateways - IEG-C-14 KFOR						
19.1	Project Management	Section 4	TBC	Project Website	Electronic	set	1
19.2	Site Survey	Section 9	TBC	On-Site	Electronic	set	1
19.3	Installation	Section 7.5	TBC	On-Site	HW/SW/Labour/Electronic	set	1
19.4	Site accreditation	Section 10.3	TBC	Project Website	Electronic	set	1
19.5	Validation and Acceptance	Section 3.12	TBC	Project Website	Electronic	set	1
19.6	Documentation (Rev, As-Built)	Section 6.5	TBC	Project Website	Electronic	set	1
19.7	Training	Section 6.6	TBC	Project Website	Electronic	set	1
19.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	TBC	NCIA	HW/SW/Labour/Electronic	set	1
19.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
19.10	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
19.11	Documentation and Training Update	Section 6.5 and 6.6	TBC	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 19							

20.0	CLIN 20 (OPTION-NON EVALUATED) - WP12 Installation of Optional Gateways - IEG-C-15 EUFOR						
20.1	Project Management	Section 4	TBC	Project Website	Electronic	set	1
20.2	Site Survey	Section 9	TBC	On-Site	Electronic	set	1
20.3	Installation	Section 7.5	TBC	On-Site	HW/SW/Labour/Electronic	set	1
20.4	Site accreditation	Section 10.3	TBC	Project Website	Electronic	set	1
20.5	Validation and Acceptance	Section 3.12	TBC	Project Website	Electronic	set	1
20.6	Documentation (Rev, As-Built)	Section 6.5	TBC	Project Website	Electronic	set	1
20.7	Training	Section 6.6	TBC	Project Website	Electronic	set	1
20.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	TBC	NCIA	HW/SW/Labour/Electronic	set	1
20.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
20.10	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
20.11	Documentation and Training Update	Section 6.5 and 6.6	TBC	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 20							
21.0	CLIN 21 (OPTION-NON EVALUATED) - WP12 Installation of Optional Gateways - IEG-C-16 JFC OS						
21.1	Project Management	Section 4	TBC	Project Website	Electronic	set	1
21.2	Site Survey	Section 9	TBC	On-Site	Electronic	set	1
21.3	Installation	Section 7.5	TBC	On-Site	HW/SW/Labour/Electronic	set	1
21.4	Site accreditation	Section 10.3	TBC	Project Website	Electronic	set	1
21.5	Validation and Acceptance	Section 3.12	TBC	Project Website	Electronic	set	1
21.6	Documentation (Rev, As-Built)	Section 6.5	TBC	Project Website	Electronic	set	1
21.7	Training	Section 6.6	TBC	Project Website	Electronic	set	1
21.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	TBC	NCIA	HW/SW/Labour/Electronic	set	1
21.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
21.10	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
21.11	Documentation and Training Update	Section 6.5 and 6.6	TBC	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 21							
22.0	CLIN 22 (OPTION-NON EVALUATED) - WP12 Installation of Optional Gateways - IEG-C-17 JFC RSM						

22.1	Project Management	Section 4	TBC	Project Website	Electronic	set	1
22.2	Site Survey	Section 9	TBC	On-Site	Electronic	set	1
22.3	Installation	Section 7.5	TBC	On-Site	HW/SW/Labour/Electronic	set	1
22.4	Site accreditation	Section 10.3	TBC	Project Website	Electronic	set	1
22.5	Validation and Acceptance	Section 3.12	TBC	Project Website	Electronic	set	1
22.6	Documentation (Rev, As-Built)	Section 6.5	TBC	Project Website	Electronic	set	1
22.7	Training	Section 6.6	TBC	Project Website	Electronic	set	1
22.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	TBC	NCIA	HW/SW/Labour/Electronic	set	1
22.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
22.10	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
22.11	Documentation and Training Update	Section 6.5 and 6.6	TBC	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 22							
23.0	CLIN 23 (OPTION-NON EVALUATED) - WP12 Installation of Optional Gateways - IEG-C-18 ACP						
23.1	Project Management	Section 4	TBC	Project Website	Electronic	set	1
23.2	Site Survey	Section 9	TBC	On-Site	Electronic	set	1
23.3	Installation	Section 7.5	TBC	On-Site	HW/SW/Labour/Electronic	set	1
23.4	Site accreditation	Section 10.3	TBC	Project Website	Electronic	set	1
23.5	Validation and Acceptance	Section 3.12	TBC	Project Website	Electronic	set	1
23.6	Documentation (Rev, As-Built)	Section 6.5	TBC	Project Website	Electronic	set	1
23.7	Training	Section 6.6	TBC	Project Website	Electronic	set	1
23.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	TBC	NCIA	HW/SW/Labour/Electronic	set	1
23.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
23.10	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
23.11	Documentation and Training Update	Section 6.5 and 6.6	TBC	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 23							
24.0	CLIN 24 (OPTION-NON EVALUATED) - WP12 Installation of Optional Gateways - IEG-C-12 NSF						
24.1	Project Management	Section 4	TBC	Project Website	Electronic	set	1

24.2	Site Survey	Section 9	TBC	On-Site	Electronic	set	1
24.3	Installation	Section 7.5	TBC	On-Site	HW/SW/Labour/Electronic	set	1
24.4	Site accreditation	Section 10.3	TBC	Project Website	Electronic	set	1
24.5	Validation and Acceptance	Section 3.12	TBC	Project Website	Electronic	set	1
24.6	Documentation (Rev, As-Built)	Section 6.5	TBC	Project Website	Electronic	set	1
24.7	Training	Section 6.6	TBC	Project Website	Electronic	set	1
24.8	Integration into SMC and Management from BPS	Section 3.10, 1.2.6	TBC	NCIA	HW/SW/Labour/Electronic	set	1
24.9	Initial Operational Support	Section 6.9	FSA	On-Site/Off-Site (as required)	Services	set	1
24.10	Warranty	Section 6.10	FSA+ 1 year	On-Site/Off-Site (as required)	Warranty	set	1
24.11	Documentation and Training Update	Section 6.5 and 6.6	TBC	On-Site/Off-Site (as required)	Electronic	set	1
TOTAL PRICE CLIN 24							
Total Firm Fixed Price- Non-Evaluated Options							



NATO Communications and Information Agency
Agence OTAN d'information et de communication

**PROVIDE INFORMATION EXCHANGE GATEWAY (IEG)
SOLUTIONS BETWEEN NATO SECRET AND NATO-
LED MISSION SECRET DOMAINS**

IFB-CO-14314-IEG-C

BOOK II – PART II

CONTRACT SPECIAL PROVISIONS

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1 ALTERATIONS, MODIFICATIONS AND DELETIONS OF THE NCI CONTRACT GENERAL PROVISIONS

- 1.1 Clause 3 “Participating Countries” supplements Clause 9 “Participating Countries” of the NCI Agency Contract General Provisions.
- 1.2 Clause 5 “Security” augments Clause 11 “Security” of the NCI Agency Contract General Provisions.
- 1.3 Clause 6 “Intellectual Property” augments Clause 30 “Intellectual Property” of the NCI Agency Contract General Provisions.
- 1.4 Clause 7 “Intellectual Property Right, Indemnity and Royalties” augments Clause 29 “Patent and Copyright Indemnity” of the NCI Agency General Provisions.
- 1.5 Clause 17 “Pricing of Changes, Modifications, Follow-on Contracts and Claims” augments Clause 19 “Pricing of Changes, Amendments and Claims” of the NCI Agency Contract General Provisions.
- 1.6 Clause 18 “Liquidated Damages” replaces Clause 38 “Liquidated Damages” of the NCI Agency Contract General Provisions.
- 1.7 Clause 20 “Warranty” augments Clause 27 “Warranty of Work (Exclusive of Software)” and Clause 30 “Software Warranty” of the NCI Agency Contract General Provisions.

2 ORDER OF PRECEDENCE

- 2.1 In the event of any inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:
 - a. Signature sheet
 - b. Part I - The Schedule of Supplies and Services (SSS)
 - c. Part II - The Contract Special Provisions (CSP)
 - d. Part III – The Contract General Provisions
 - e. Part IV – The Statement of Work (SOW) and SOW Annexes
 - f. The Contractor’s Bid including any clarifications thereto, incorporated by reference, and the formal documentation of pre-Contract discussions.

3 TYPE OF CONTRACT

- 3.1 This is a Firm Fixed Price Contract established for the supplies and services defined in Part I - Schedule of Supplies and Services and Part IV – Statement of Work.
- 3.2 The Purchaser assumes no liability for costs incurred by the Contractor in excess of the stated Firm Fixed Price except as provided under other provisions of this Contract.
- 3.3 The Total Contract price is inclusive of all expenses related to the performance of the present contract.

4 SCOPE OF WORK

- 4.1 This project will provide the system for securing information exchange services between the NATO Secret Bi-SC AIS and the NATO-led Mission Secret networks by the implementation of secure gateways, replacing the prototype gateways in current use, and conform to recently approved NATO Metadata STANAGs (4774, 4778). The project will provide a standardized architecture for IEG-C, resolving deficiencies and improving management capabilities by including a centralized management capability. The current gateways will be upgraded, redesigned or renewed to comply with this architecture.
- 4.2 In order to fulfil that purpose the Contractor shall deliver, in consideration for the prices specified in the Schedule of Supplies and Services, in the manner and at the time and location specified and in accordance with the specifications and descriptions set forth in the Statement Of Work.

5 PLACE AND TERMS OF DELIVERY

- 5.1 Deliverables under this Contract shall be delivered DDP (Delivery Duty Paid) in accordance with the International Chamber of Commerce INCOTERMS 2020 to the destination(s) and at such times as set forth in the Schedule of Supplies and Services.

6 COMPREHENSION OF CONTRACT AND SPECIFICATIONS

- 6.1 The Contractor warrants that he has read, understood and agreed to each and all terms, clauses, specifications and conditions specified in the Contract and that this signature of the Contract is an acceptance, without reservations, of the said Contract terms within their normal and common meaning.
- 6.2 The specifications set forth the performance requirements for the Contractor's proposed work as called for under this Contract. Accordingly, notwithstanding any conflict or inconsistency which hereafter may be found between achievement of the aforesaid performance requirements and adherence to the Contractor's proposed

design for the work, the Contractor hereby warrants that the work to be delivered will meet or exceed the performance requirements of the said specifications.

- 6.3 The Contractor hereby acknowledges that he has no right to assert against the Purchaser, its officers, agents or employees, any claims or demands with respect to the aforesaid specifications as are in effect on the date of award of this Contract.
- 6.4 Based upon impossibility of performance, defective, inaccurate, impracticable, insufficient or invalid specifications, implied warranties of suitability of such specifications, or
- 6.5 Otherwise derived from the aforesaid specifications, and hereby waives any claims or demands so based or derived as might otherwise arise.
- 6.6 Notwithstanding the “Changes” clause or any other clause of the Contract, the Contractor hereby agrees that no changes to the aforesaid specifications which may be necessary to permit achievement of the performance requirements specified herein for the Contractor’s proposed work shall entitle the Contractor either to any increase in the firm fixed price as set forth in this Contract or to any extension of the delivery times for the work beyond the period of performance in the Schedule of Supplies and Services.

7 PARTICIPATING COUNTRIES

- 7.1 This Clause supplements Clause 9 (Participating Countries) of the Contract General Provisions.
- 7.2 Participating countries are as follows NATO nations in ALBANIA, BELGIUM, BULGARIA, CANADA, CROATIA, THE CZECH REPUBLIC, DENMARK, ESTONIA, FRANCE, GERMANY, GREECE, HUNGARY, ICELAND, ITALY, LATVIA, LITHUANIA, LUXEMBOURG, THE NETHERLANDS, NORWAY, POLAND, PORTUGAL, ROMANIA, SLOVAKIA, SLOVENIA, SPAIN, TURKEY, THE UNITED KINGDOM and THE UNITED STATES.

8 TRANSPORTATION OF EQUIPMENT

- 8.1 All supplies covered under this Contract, including Purchaser Furnished Equipment (PFE), once handed over to the Contractor, and items shipped under warranty for repair or otherwise, shall be transported to and from all destinations at the responsibility of the Contractor. The

Purchaser shall not be liable for any storage, damage, accessorial or any other charges involved in such transporting of supplies.

9 INSPECTION AND ACCEPTANCE

- 9.1 The supplies and services to be provided by the Contractor's personnel under this Contract shall conform to the highest professional and industry standards and practices. Inspection of the services provided will be made by the Purchaser's Technical representatives or another authorised designee in accordance with the specifications in Part IV - Statement of Work. Services performed by the Contractor which do not conform to the highest professional and industry standards may result in the Purchaser requesting that such work be performed again at no increase in the price of the contract. Repeated instances of work performed which fails to meet the standards and practices may result in termination of the Contract for Default.
- 9.2 The Purchaser reserves the right to charge to the Contractor any additional cost incurred by the Purchaser for inspection and test when Work is not ready at the time such inspection and test is requested by the Contractor or when re-inspection or retest is necessitated by prior rejection.
- 9.3 Purchaser review and acceptance procedures specific to contract documentation to be submitted by the Contractor as described in Part IV, Statement of Work.
- 9.4 Inspection and Acceptance procedures are described in Clause 21 of the NCIO General Contract Provisions ("Inspection and Acceptance of work").

10 CONTRACTOR'S RESPONSIBILITY

- 10.1 The Contractor shall monitor changes and/or upgrades to commercial off the shelf (COTS) software or hardware to be utilized under subject Contract.
- 10.2 For COTS items which are or could be impacted by obsolescence issues, as changes in technology occur, the Contractor will propose substitution of new products/items for inclusion in this Contract. The proposed items should provide at least equivalent performance and/or lower life-cycle support costs, or enhanced performance without a price or cost increase.
- 10.3 The Contractor will provide evidence with respect to price and performance of the equipment being proposed as well as data proving an improvement in performance and/or a reduction in price and/or life-cycle support costs. If necessary for evaluation by the Purchaser, the Contractor shall provide a demonstration of the proposed items. Should

the Purchaser decide that the proposed item(s) should be included in the Contract, an equitable price adjustment will be negotiated and the proposed item(s) shall be added to the Contract by bilateral modification under the authority of this Article.

- 10.4 The Contractor shall notify the Purchaser of any proposed changes in the commercial off the shelf software or hardware to be utilized. Such notification shall provide an assessment of the changes and the impact to any other items to be delivered under this Contract.

11 PRICING OF CHANGES, MODIFICATIONS, FOLLOW-ON CONTRACTS AND CLAIMS

- 11.1 The Purchaser may at any time, by written order designated or indicated to be a change order, and without notice to the sureties, if any, make changes within the scope of any Contract or Task Order, in accordance with Clause 16 (Changes) of the Contract General Provisions.
- 11.2 Changes, modifications, follow-on Contracts of any nature, and claims shall be priced in accordance with Clause 19 (Pricing of Changes, Amendments and Claims) of the Contract General Provisions, and with the "Purchaser's Pricing Principles" as set out in the Annex 1 to the Contract General Provisions.
- 11.3 Except otherwise provided for in this Contract, prices quoted for the above-mentioned changes, modifications, etc. shall have a minimum

validity period of twelve (12) months from the date of purchaser acceptance of proposal

12 INVOICES AND PAYMENTS

- 12.1 Following Purchaser acceptance, in writing, payment for supplies and services furnished shall be made in the currency specified for the relevant portion of the Contract.
- 12.2 The term of the Contract may not be exceeded without prior approval of the Purchaser. In no case will the Purchaser make payment above the total of the corresponding CLINs.
- 12.3 No payment will be made if CLIN items agreed for delivery before milestones are not complete as described in bidding sheets, SSS and SoW.
- 12.4 No payment shall be made with respect to undelivered supplies; works not performed, services not rendered and/or incorrectly submitted invoices.
- 12.5 No payment will be made for additional items delivered that are not specified in the contractual document.
- 12.6 The invoice amount shall be exclusive of VAT and exclusive of all Taxes and Duties as per Clause 26 (Taxes and Duties) of the Contract General Provisions.
- 12.7 CLINs will be paid as below based on Purchaser milestone approval in writing.
- 12.8 The Contractor shall be entitled to submit invoices as follows:

Number	Description	Percentage of Total Contract CLIN Price	Delivery NLT (Not Later Than)
CLIN 1	ALL PAYMENTS SHALL BE MADE UPON PURCHASER WRITTEN ACCEPTANCE		
1.1	Project Management Plan(s) and Documents	10%	EDC + 2 Months
1.4	System Design (Critical Design Review)	20%	EDC + 6 Months
1.6	System Design (Factory Acceptance Tests)	25%	EDC + 9 Months
1.10	Acceptance of IEG-C security accreditation package	25%	EDC + 13 Months
1.11	Post-Accreditation Activities	20%	EDC + 27 Months

CLINs	Description	Percentage of Total Contract CLIN Price	Delivery NLT (Not Later Than)
CLINs 2 and 3	ALL PAYMENTS SHALL BE MADE UPON PURCHASER WRITTEN ACCEPTANCE		
2.4	Security Accreditation Documentation and Reports (update)	20%	EDC + 13 Months
2.5 3.5	SIT + SAT + UAT	20%	EDC + 13 Months
3.6	Service Delivery Management Suite/Border Protection Services integration	40%	EDC + 20 Months

CLINs	Description	Percentage of Total Contract CLIN Price	Delivery NLT (Not Later Than)
CLINs 4 to 14	ALL PAYMENTS SHALL BE MADE UPON PURCHASER WRITTEN ACCEPTANCE		
4.5, 4.6, 4.7	Site accreditation, Validation and Acceptance, Provisional System Acceptance	95%	EDC + 20 Months
5.4, 5.5	Site accreditation, Validation and Acceptance	95%	EDC + 21 Months
6.4, 6.5	Site accreditation, Validation and Acceptance	95%	EDC + 21 Months
7.4, 7.5	Site accreditation, Validation and Acceptance	95%	EDC + 22 Months
8.4, 8.5	Site accreditation, Validation and Acceptance	95%	EDC + 22 Months
9.4, 9.5	Site accreditation, Validation and Acceptance	95%	EDC + 23 Months
10.4, 10.5	Site accreditation, Validation and Acceptance	95%	EDC + 24 Months
11.4, 11.5	Site accreditation, Validation and Acceptance	95%	EDC + 25 Months
12.4, 12.5	Site accreditation, Validation and Acceptance	95%	EDC + 26 Months
13.4, 13.5	Site accreditation, Validation and Acceptance	95%	EDC + 27 Months
14.2, 14.4	Removal of the Equipment, Final System Acceptance	95%	EDC + 27 Months
All CLINs	Warranty	5 %	FSA + 1 Year

CLINs	Description	Percentage of Total Contract CLIN Price	Delivery NLT (Not Later Than)
CLINs 15 and 16	ALL PAYMENTS SHALL BE MADE UPON PURCHASER WRITTEN ACCEPTANCE		
15.9	WP6 Hardware	95%	EDC + 13 Months
16.9	WP7 Cyber Monitoring Capability (former NCIRC)	95%	EDC + 13 Months
All CLINs	Warranty	5 %	FSA + 1 Year

12.9 Evidence of the acceptance by the Purchaser shall be attached to all invoices.

12.10 The Purchaser is released from paying any interest resulting from any reason whatsoever.

12.11 The Contractor shall render all invoices in a manner, which shall provide a clear reference to the Contract. Invoices in respect of any service and/or

deliverable shall be prepared and submitted as specified hereafter and shall contain:

- 12.11.1 Contract number CO-14314-IEG-C
- 12.11.2 Purchase Order number (TBD at Contract Award)
- 12.11.3 Contract Amendment number (if any)
- 12.11.4 Contract Line Item(s) (CLIN) as they are defined in the priced Schedule of Supplies and Services.
- 12.11.5 Bank Account details for International wire transfers

12.12 The invoice shall contain the following certificate:

“I certify that the above invoice is true and correct, that the delivery of the above described items has been duly effected and/or that the above mentioned services have been rendered and the payment therefore has not been received”. The certificate shall be signed by a duly authorised company official on the designated original.

12.13 Invoices referencing “CO-14314-IEG-C/ PO (TBD at Contract Award)” shall be submitted in electronic format to:

AccountsPayable@ncia.nato.int

An Electronic copy shall be sent to the Contracting Officer, at the email address specified in the clause “Contract Administration”.

12.14 NCI Agency will make payment within 45 days of receipt by NCI Agency of a properly prepared and documented invoice.

13 LIQUIDATED DAMAGES

13.1 This Clause replaces Clause 38 (Liquidated Damages) of the Contract General Provisions.

13.2 If the Contractor fails to:

13.2.1 meet the delivery schedule of the Deliverables or any specified major performance milestones or required performance dates specified in the Schedule of Supplies and Services to this Contract, or any extension thereof, or

13.2.2 deliver and obtain acceptance of the Deliverables or to acceptably perform the services as specified in the Schedule of Supplies and Services to this Contract, the actual damage to the Purchaser for the

delay will be difficult or impossible to determine. Therefore, in lieu of actual damages the Contractor shall pay to the Purchaser, for each day of delinquency in achieving the deadline or milestone, fixed and agreed liquidated damages of 1% (one per cent) per day of the associated payment set forth in the schedule of payments provided in Clause 11 of the Contract Special Provisions.

- 13.3 In addition to the liquidated damages, the Purchaser shall have the possibility of terminating this Contract in whole or in part, as provided in Clause 39 (Termination for Default) of the Contract General Provisions. In the event of such termination, the Contractor shall be liable to pay the excess costs provided in Clause 39.5 (Termination for Default) of the Contract General Provisions.
- 13.4 The Contractor shall not be charged with liquidated damages when the delay arises out of causes beyond the control and without the fault or negligence of the Contractor as defined in Clause 39.6 (Termination for Default) of the Contract General Provisions. In such event, subject to the provisions of Clause 41 (Disputes) of the Contract General Provisions, the Purchaser shall ascertain the facts and extent of the delay and shall extend the time for performance of the Contract when in his judgement the findings of the fact justify an extension.
- 13.5 Liquidated damages shall be payable to the Purchaser from the first day of delinquency and shall accrue at the rate specified in Clause 12.2.2 above to 15% of the value of each line item individually and an aggregate sum of all delinquent items not to exceed 15% of the value of the total Contract. These liquidated damages shall accrue automatically and without any further notice being required.
- 13.6 The amount of Liquidated Damages due by the Contractor shall be recovered by the Purchaser in the following order of priority:
- a) By deducting such damages from the amounts due to the Contractor against the Contractor's invoices.
 - b) By proceeding against any surety or deducting from the Performance Guarantee if any
 - c) By reclaiming such damages through appropriate legal remedies.
- 13.7 The rights and remedies of the Purchaser under this clause are in addition to any other rights and remedies provided by law or under this Contract.

14 SUPPLEMENTAL AGREEMENT(S), DOCUMENTS AND PERMISSIONS

- 14.1 If any supplemental agreements, documents and permissions are introduced after Contract award, the execution of which by the Purchaser is/ are required by national law or regulation, and it is

determined that the Contractor failed to disclose the requirement for the execution of such agreement from the Purchaser prior to Contract signature, the Purchaser may terminate this Contract for Default, in accordance with Clause 39 (Termination for Default) of the Contract General Provisions.

- 14.2 Supplemental agreement(s), documents and permissions, the execution of which by the Purchaser is/are required by national law or regulation and that have been identified by the Contractor prior to the signature of this Contract, but have not yet been finalised and issued by the appropriate governmental authority, are subject to review by the Purchaser. If such supplemental agreement(s), documents and permissions are contrary to cardinal conditions of the signed Contract between the Parties, and the Parties and the appropriate governmental authority cannot reach a mutual satisfactory resolution of the contradictions, the Purchaser reserves the right to terminate this Contract and the Parties agree that in such case the Parties mutually release each other from claim for damages and costs of any kind, and any payments received by the Contractor from the Purchaser will be refunded to the Purchaser by the Contractor.

15 SECURITY

- 15.1 This Clause augments Clause 11 (Security) of the Contract General Provisions.
- 15.2 The security classification of this Contract is NATO UNCLASSIFIED.
- 15.3 In the performance of all works under this Contract it shall be the Contractor's responsibility to ascertain and comply with all applicable NATO and National security regulations as implemented by the Purchaser and by the local authorities.
- 15.4 Contractor and /or Subcontractor personnel employed under this Contract that will require access to locations, such as sites and headquarters, where classified material and information up to and including "NATO SECRET" are handled shall be required to have a NATO security clearance up to this level. Contractor personnel who need System Administrator or Operator privileges when working on

NATO SECRET systems shall be required to hold NATO CTS (Cosmic Top Secret) clearances.

- 15.5 All NATO CLASSIFIED material entrusted to the Contractor shall be handled and safeguarded in accordance with applicable security regulations.
- 15.6 The Contractor will be required to handle and store classified material to the level of “NATO SECRET”.
- 15.7 It shall be the Contractor’s responsibility to obtain the appropriate personnel and facility clearances to the levels stated in the preceding paragraphs and to have such clearances confirmed to the Purchaser by the relevant National security authority for the duration of the Contract in its entirety.
- 15.8 Failure to obtain or maintain the required level of security for Contractor personnel and facilities for the period of performance of this Contract shall not be grounds for any delay in the scheduled performance of this Contract and may be grounds for termination under Clause 39 (Termination for Default) of the Contract General Provisions.
- 15.9 The Contractor shall note that there are restrictions regarding the carriage and use of electronic device (e.g. laptops) in Purchaser secured locations. The Contractor shall be responsible for satisfying and obtaining from the appropriate site authorities the necessary clearance to bring any such equipment into the facility.

16 KEY PERSONNEL

- 16.1 The designated Contractor personnel fulfilling the roles as described in Statement of Work are considered Key Personnel for successful Contract performance and are subject to the provisions of this Clause as set forth in the following paragraphs.
- 16.2 The following individuals are identified as Key Personnel under this Contract:

Role	Name
Project Manager (PM)	To be completed based on proposal
Technical Lead (TL) (Senior System Engineer)	To be completed based on proposal
Senior Test Engineer	To be completed based on proposal
Other (TBD by Bidder)	To be completed based on proposal

- 16.3 Under the terms of this Clause, Key Personnel may not be voluntarily diverted by the Contractor to perform work outside the Contract unless

approved by the Purchaser. In cases where the Contractor has no control over the individual's non-availability (e.g. resignation, sickness, incapacity, etc.), the Contractor shall notify the Purchaser immediately of a change of Key Personnel and offer a substitute with equivalent qualifications at no additional costs to the Purchaser within 21 days of the date of knowledge of the prospective vacancy.

- 16.4 The Contractor shall take all reasonable steps to avoid changes to Key Personnel assigned to this project except where changes are unavoidable or are of a temporary nature. Any replacement personnel shall be of a similar grade, standard and experience as the individual to be substituted and must meet the minimum qualifications and required skills cited in the attached Statement of Work.
- 16.5 In the event of a substitution of any Key Personnel listed above and prior to commencement of performance, the Contractor shall provide a CV for the personnel proposed. The CV shall clearly stipulate full details of professional and educational background, and evidence that the personnel is qualified in pertinent Contract related areas of the SOW.
- 16.6 The Purchaser reserves the right to interview any Contractor personnel proposed in substitution of previously employed Contractor Key Personnel to verify their language skills, experience and qualifications, and to assess technical compliance with the requirements set forth in the SOW.
- 16.7 The interview, if required, may be conducted as a telephone interview, or may be carried out at the Purchaser's premises in Brussels, Belgium.
- 16.8 If, as a result of the evaluation of the CV and/or interview the Purchaser judges that the proposed replacement Key Personnel does not meet the required skills levels, he shall have the right to request the Contractor to offer another qualified individual in lieu thereof.
- 16.9 All costs to the Contractor associated with the interview(s) shall be borne by the Contractor, independently from the outcome of the Purchaser's evaluation.
- 16.10 The Purchaser Contracting Authority will confirm any consent given to a substitution in writing and only such written consent shall be deemed as valid evidence of Purchaser consent. Each of the replacement personnel will also be required to sign the Non-Disclosure Declaration at Annex A hereto prior to commencement of work.
- 16.11 Furthermore, even after acceptance of Contractor personnel on the basis of his/her CV and/or interview, the Purchaser reserves the right to reject Contractor personnel, if the individual is not meeting the required level of competence. The Purchaser will inform the Contractor, in writing, in cases where such a decision is taken and the Contractor shall

propose and make other personnel available within ten working days after the written notification. The Purchaser shall have no obligation to justify the grounds of its decision and the Purchaser's acceptance of Contractor personnel shall in no way relieve the Contractor of his responsibility to achieve the contractual and technical requirements of this Contract nor imply any responsibility of the Purchaser.

- 16.12 The Purchaser may, for just cause, require the Contractor to remove his employee. Notice for removal will be given to the Contractor by the Purchaser in writing and will state the cause justifying the removal. The notice will either demand substitution for the individual involved and/or contain a notice of default and the remedies to be sought by the Purchaser.
- 16.13 In those cases where, in the judgement of the Purchaser, the inability of the Contractor to provide a suitable replacement in accordance with the terms of this Clause may potentially endanger the progress under the Contract, the Purchaser shall have the right to terminate the Contract as provided under Clause 39 (Termination for Default) of the Contract General Provisions.

17 INDEPENDENT CONTRACTOR

- 17.1 The Personnel provided by the Contractor are at all times employees of the Contractor and not the Purchaser. In no case shall Contractor personnel act on behalf of or as an agent for NATO or any of its bodies. In no way shall the Contractor personnel claim directly or indirectly to represent NATO in an official capacity or claim themselves to be NATO employees.
- 17.2 The Purchaser shall not be responsible for securing work permits, lodging, leases nor tax declarations, driving permits, etc., with national or local authorities. Contractors personnel employed under this Contract are not eligible for any diplomatic privileges or for NATO employee benefits.

18 NON DISCLOSURE AGREEMENT

- 18.1 All Contractor and Subcontractor personnel working at any NATO Organisation / Commands premises or having access to NATO classified / commercial-in-confidence information must certify and sign the Declaration attached hereto at Annex A and provide it to the NCI

Agency Contracting Officer prior to the commencement of any performance under this Contract.

19 CARE AND DILIGENCE OF PROPERTY

- 19.1 The Contractor shall use reasonable care to avoid damaging buildings, walls, equipment, and vegetation (such as trees, shrub and grass) on the work site.
- 19.2 If the Contractor damages any such buildings, walls, equipment or vegetation on the work site, he shall fix or replace the damage as directed by the Purchaser and at no expense to the Purchaser. If he fails or refuses to make such repair or replacement, the Contractor shall be liable for the cost thereof, which may be deducted from the Contract price.
- 19.3 The Purchaser will exercise due care and diligence for the Contractor's furnished equipment and materials on site. The Purchaser will, however, not assume any liability except for gross negligence and wilful misconduct on the part of the Purchaser's personnel or agents.
- 19.4 The Contractor shall, at all times, keep the site area, including storage areas used by the Contractor, free from accumulations of waste. On completion of all work the Contractor is to leave the site area and its surroundings in a clean and neat condition.

20 RESPONSIBILITY OF THE CONTRACTOR TO INFORM EMPLOYEES OF WORK ENVIRONMENT

- 20.1 The Contractor shall inform his employees under this Contract of the terms of the Contract and the conditions of the working environment.
- 20.2 Specifically, personnel shall be made aware of all risks associated with the performance under this Contract, the conditions of site in which the performance is to take place and living conditions while performing within the boundaries of the Contract. The selection of adequate personnel shall remain sole responsibility of the Contractor.

21 SOFTWARE

- 21.1 The Purchaser reserves the right to exclude from the awarded Contract the purchase of software licenses for which NATO has established centralized Contracts. In this case, the Contract terms, schedule and prices will be modified accordingly, and the software licenses will be

provided to the Contractor in the form of "Purchaser Furnished Property (including software)".

- 21.2 Where the term Purchaser Furnished Equipment (PFE) is used it should be interpreted as Purchaser Furnished Property as defined in the Contract General Provisions.

22 WARRANTY

- 22.1 The Contractor shall provide warranty on all material provided under this Contract and in accordance with Book II, Part IV of the Statement of Work or a minimum one (1) year warranty where no period is specified.
- 22.2 For this purpose the Contractor shall provide exact warranty conditions by type of equipment and detailed handling instructions, including information of points of contact to be contacted in case of a warranty claim.

23 COTS PRODUCT REPLACEMENT

- 23.1 If any COTS products specified in the Contract are upgraded or discontinued by their original providers for commercial or technological reasons, the Contractor shall propose their substitution by the new versions that are intended as market replacement of the original products. The proposed items shall provide an equivalent or enhanced performance without a price or life-cycle support cost increase.
- 23.2 The Contractor shall provide price and performance data to support an improvement in performance and/or a reduction in price and/or life-cycle support costs. If necessary for evaluation by the Purchaser, the Contractor shall provide a demonstration of the proposed items. Should the Purchaser decide that the proposed item(s) should be included in the Contract, an equitable price adjustment will be negotiated and the proposed item(s) shall be added to the Contract by bilateral modification under the authority of this Article.
- 23.3 All COTS furnished by the Contractor under this Contract shall be current production and upgraded to the most current versions at Provisional Site Acceptance (PSA).

24 OPTIONS

- 24.1 The options are available for exercise by the Purchaser at any time and in any combination from the date of Contract execution to Final System Acceptance (FSA) plus one (1) year. If the Purchaser exercises such options, the Contractor shall deliver such specified quantities of additional or alternative supplies and services ~~at such times and to such~~

~~destinations~~ as specified in the ~~Contract.~~ **Schedule of Supplies and Services.**

- 24.2 Prices for all optional line items shall have a validity period that corresponds to the option exercise period cited above.
- 24.3 The Contractor understands that there is no obligation under this Contract for the Purchaser to exercise any of the optional line items and that the Purchaser bears no liability should he decide not to exercise the options (totally or partially). Further, the Purchaser reserves the right to request another Contractor (or the same), to perform the tasks described in the optional line items of the current Contract through a new Contract with other conditions.
- 24.4 Any options exercised shall be exercised by written Amendment to the Contract.

25 OPTIMISATION

- 25.1 The Contractor is encouraged to examine methods and technology that may increase efficient operation and management of the system(s) on which the required services are provided to the Purchaser, thus reducing operating and manpower costs and the overall cost to the Purchaser.
- 25.2 The Contractor may, during the Period of Performance, introduce Engineering Change Proposals (ECPs) offering innovations and/or technology insertion with a view towards reducing the Total Cost of Ownership TCO to the Purchaser.
- 25.3 Any such ECP submitted shall cite this Clause as the basis of submission and provide the following information:
- 25.3.1 A detailed description of the technical changes proposed, the advantages, both long and short term, and an analysis of the risks of implementation;
- 25.3.2 A full analysis of the prospective savings to be achieved, in the form of a TCO Assessment Report, in both equipment and manpower,

including, as appropriate, utility and fuel consumption and NATO manpower, travel, etc.;

25.3.3 A full impact statement of changes that the Purchaser would be required to make, if any, to its operational structure and management procedures;

25.3.4 A fully detailed proposal of any capital investment necessary to achieve the savings;

25.3.5 A schedule of how the changes would be implemented with minimal negative impact to on-going performance and operations.

26 CONTRACT ADMINISTRATION

26.1 The Purchaser is the NATO Communications and Information Agency (NCI Agency). The Purchaser is the Point of Contact for all contractual and technical issues. The Contractor shall accept Contract modifications only in writing from the Purchaser's Contracting Authority.

26.2 All notices and communications between the Contractor and the Purchaser shall be written and conducted in English.

26.3 Formal letters and communications shall be personally delivered or sent by mail, registered mail, courier or other delivery service, to the official points of contact quoted in this Contract.

26.4 Informal notices and informal communications may be exchanged by any other communications means including telephone and e-mail.

26.5 All notices and communications shall be effective upon receipt.

26.6 Official points of contact are:

PURCHASER

Contractual issues:

NCI Agency
Acquisition Directorate
Building 302 A, Room 110
B-7010 SHAPE, Mons
Belgium

POC: Eva Benson
Tel: +32 (0) 6544 6103

Technical issues:

NCI Agency
Core Enterprise Services
Building 117
B-7010 SHAPE, Mons
Belgium

POC: Nikolaos Chalkias
Tel: +32 (0) 2 360 5940

Email: Eva.Benson@ncia.nato.intE-mail:
Nikolaos.Chalkias@ncia.nato.int**CONTRACTOR**Contractual issues: **TBD**Technical issues: **TBD**Company Name
AddressCompany Name
AddressPOC:
Tel:
Fax:
E-mail:POC:
Tel:
Fax:
E-mail:**27 CONFLICT OF INTEREST**

27.1 A conflict of interest means that because of other activities or relationships with other persons or entities, a Contractor is unable, or potentially unable to render impartial assistance or advice to the Purchaser, or the Contractor's objectivity in performing the Contract work is, or might be otherwise impaired, or the Contractor has an unfair competitive advantage. Conflict of interest includes situations where the capacity of a Contractor (including the Contractor's executives, directors, consultants, subsidiaries, parent companies or Subcontractors) to give impartial, technically sound advice or objective performance is or may be impaired or may otherwise result in a biased work product or performance because of any past, present or planned interest, financial or otherwise in organizations whose interest may substantially affected or be substantially affected by the Contractor's performance under the Contract.

27.2 The Contractor is responsible for maintaining and providing up-to-date conflict of interest information to the Purchaser. If, after award of this Contract or any task order herein, the Contractor discovers a conflict of interest with respect to this Contract or task order which could not reasonably have been known prior to award, or if any additional conflicts or potential conflicts arise after award, the Contractor shall give written notice to the Purchaser as set forth below.

27.3 If, after award of this Contract or any task order herein, the Purchaser discovers a conflict of interest with respect to this Contract or task order, which has not been disclosed by the Contractor, the Purchaser may at its sole discretion request additional information from the Contractor, impose mitigation measures, or terminate the Contract for default in

accordance with Clause 39 (Termination for Default) of the Contract General Provisions.

- 27.4 The Contractor's notice called for in paragraph 27.2 above shall describe the actual, apparent, or potential conflict of interest, the action(s) the Contractor has taken or proposes to take to avoid or mitigate any conflict, and shall set forth any other information which the Contractor believes would be helpful to the Purchaser in analysing the situation. Any changes to the Contractor's conflict of interest mitigation plan, if any is incorporated in the Contract, should be also detailed.
- 27.5 The Contractor has the responsibility of formulating and forwarding a proposed conflict of interest mitigation plan to the Purchaser, for review and consideration. This responsibility arises when the Contractor first learns of an actual, apparent, or potential conflict of interest.
- 27.6 If the Purchaser in its discretion determines that the Contractor's actual, apparent, or potential conflict of interest remains, or the measures proposed are insufficient to avoid or mitigate the conflict, the Purchaser will direct a course of action to the Contractor designed to avoid, neutralize, or mitigate the conflict of interest. If the parties fail to reach agreement on a course of action, or if having reached such agreement, the Contractor fails to strictly adhere to such agreement during the remaining period of Contract performance, the Purchaser has the discretion to terminate the Contract for default or alternatively refrain from exercising any further Option or Work Package under the Contract.
- 27.7 The Contractor's misrepresentation of facts in connection with a conflict of interest reported, or a Contractor's failure to disclose a conflict of interest as required shall be a basis for default termination of this Contract.

28 TECHNICAL DIRECTION

- 28.1 The Contract will be administered by the Purchaser in accordance with the Clause 25 of these Contract Special Provisions entitled "Contract Administration".
- 28.2 The individuals working on this Contract shall perform the effort within the general scope of work identified in the Contract Part III - Statement of Work (SOW). This effort will be directed on a more detailed level by the Purchaser's Project Manager who will provide detailed tasking and instruction on how to proceed.
- 28.3 The Purchaser reserves his right to assign a Technical Representative who will provide the Contractor personnel with instruction and guidance, within the general scope of work, in performance of their duties and working schedule.

- 28.4 Neither the Purchaser's Project Manager as identified in Clause 25 of these Contract Special Provisions, nor any Technical Representative, as mentioned in Clause 27 above, has the authority to change the terms and conditions of the Contract. If the Contractor has reason to believe that the Project Manager/Technical Representative is requesting products and services on terms inconsistent with that in the scope of the Contract, the Contractor shall immediately inform the Purchaser's Contracting Authority for confirmation of the actions. Failure to obtain confirmation that the action of the Project Manager is under the authority of the Contract shall render any subsequent claim null and void.
- 28.5 Upon receipt of such notification above, the Purchaser's Contracting Authority will:
- a) confirm the effort requested is within scope, or;
 - b) confirm that the instructions received constitute a change and request a quotation for a modification of scope and/or price, or;
 - c) rescind the instructions.

29 EXCLUSION CLAUSE

- 29.1 This Contract has an exclusion clause and it is as follows:
- 29.1.1 The Contractor and its sub-Contractors that supported the award of CO-14171-PMIC shall be excluded from award of this contract of future Contract(s) and sub-Contract(s) for consultancy, hardware or software implementation under the Bi-Strategic Automated Information Systems (Bi-SC AIS) and NATO General Communication Services (NGCS) Programmes.
- 29.2 The NCI Agency shall not consider mitigation plans regarding this exclusion.
- 29.3 This exclusion clause does not apply to parent companies of the Contractor and their wholly owned subsidiaries provided that the parent company or its subsidiaries provides proof to the satisfaction of the Purchaser that they operate as a separate legal entity in a completely distinguishable and different business domain. Proof as mentioned above may consist of:
- Company's structure
 - Roles and responsibilities within structure
 - Business domain
 - Ownership and control
 - And any other proof that will fulfil the purpose of the exclusion clause

- 29.4 This exclusion clause shall remain valid for a period of two (2) years after Contract completion.
- 29.5 Once the validity period of this exclusion clause has expired, the limitations imposed by this exclusion clause shall no longer apply.
- 29.6 The Contractor shall insert the substance of paragraphs 29.1 through 29.5 of this clause in all subcontracts for work performed under this Contract. It is the responsibility of the Contractor to ensure that their subcontractor(s) are made aware of this exclusion clause prior to the subcontractor(s) commencing performance under this Contract.
- 29.7 The Contractor agrees that compliance with this exclusion clause is of the essence and that failure to abide to these terms shall constitute sufficient grounds for the Termination for Default of the Contract in accordance with Clause 39 of the NCI Agency Contract General Provisions.

30 INTELLECTUAL PROPERTY

- 30.1 This Article supplements Clause 30 of the Contract General Provisions.
- 30.2 Any use of Contractor Background IPR and Third Party IPR for the purpose of carrying out the Work pursuant to the Contract shall be free of any charge to Purchaser. The Contractor hereby grants to NATO and NATO Nations a non-exclusive, royalty-free and irrevocable licence to use without limitation in the number of users, provided the background is used with the foreground and authorise others to use any Contractor Background IPR for the purpose of exploiting or otherwise using the Foreground IPR.
- 30.3 All rights arising out of the results of work undertaken by or on behalf of the Purchaser for the purposes of this Contract, including any and all technical data specifications, reports, drawings, computer software data, computer programmes, computer databases, computer software, computer source code, documentation including software documentation, design data, specifications, instructions, test procedures, training material, produced or acquired in the course of such work and, in particular, all rights, including copyright therein, shall from its creation vest in and be the sole and exclusive property of the Purchaser in both object and source code.
- 30.4 The Purchaser will accept no constraints or limitations on the use of Contract deliverables. Accordingly, the Contractor shall not include any Background Intellectual Property or third party software in the code provided to the Purchaser. In the event that any such code would have to be included, the Contractor shall seek Purchaser's prior agreement and ensure that unlimited rights are secured for the Purchaser to use the deliverables under the Contract

31 INTELLECTUAL PROPERTY RIGHT INDEMNITY AND ROYALTIES

- 31.1 This Clause augments Clauses 29 of the Contract General Provisions.
- 31.2 The Contractor shall assume all liability and indemnify the Purchaser, its officers, agents and employees against liability, including costs for the infringement of any patents or copyright in force in any countries arising out of the manufacture, services performed or delivery of supplies, or out of the use or disposal by or for the account of the Purchaser of such supplies. The Contractor shall be responsible for obtaining any patent or copyright licences necessary for the performance of this Contract and for making all other arrangements required to indemnify the Purchaser from any liability for patent or copyright infringement in said countries.
- 31.3 The Contractor shall exclude from his prices any royalty pertaining to patents which in accordance with agreements reached between NATO countries may be utilised free of charge by member nations of NATO and by NATO organisations.
- 31.4 The Contractor shall report in writing to the Purchaser during the performance of this Contract:
- 31.4.1 The royalties excluded from his price for patent utilised under the agreements mentioned in Para 31.3 above;
- 31.4.2 The amount of royalties paid or to be paid by the Contractor directly to others in performance of this Contract.

32 INDEMNITY

- 32.1 The Contractor will indemnify and hold harmless NATO, its servants or agents, against any liability, loss or damage arising out of or in connection of the Supplies and Services under this Contract, including the provisions set out in Clause 9, "Intellectual Property Rights, Indemnity and Royalties".
- 32.2 The parties will indemnify each other against claims made against the other by their own personnel, and their Subcontractor Subcontractors (including their personal representatives) in respect of personal injury or death of such personnel or loss or destruction of or damage to the property of such personnel.
- 32.3 NATO will give the Contractor immediate notice of the making of any claim or the bringing of any action to which the provisions of this Clause may be relevant and will consult with the Contractor over the handling of any such claim and conduct of any such action and will not

without prior consultation and without the consent of the Contractor settle or compromise any such claim or action.

- 32.4 In the event of an accident resulting in loss, damage, injury or death arising from negligence or wilful intent of an agent, officer or employee of NATO for which the risk has been assumed by the Contractor, the cause of the accidents will be investigated jointly by the Parties and the extent to which NATO will be liable to recompense the Contractor will be determined together.

33 PURCHASER FURNISHED PROPERTY

- 33.1 The Purchaser shall deliver to the Contractor, for use only in connection with this Contract, the Purchaser Furnished Property at the times and locations stated in the Contract. In the event that Purchaser Furnished Property is not delivered by such time or times stated in the Schedule, or if not so stated, in sufficient time to enable the Contractor to meet such delivery or performance dates the Purchaser shall, upon timely written request made by the Contractor, and if the facts warrant such action, equitably adjust any affected provision of this Contract pursuant to Clause 16 (Changes).
- 33.2 In the event that Purchaser Furnished Property is received by the Contractor in a condition not suitable for its intended use, the Contractor shall immediately notify the Purchaser. The Purchaser shall within a reasonable time of receipt of such notice replace, re-issue, authorise repair or otherwise issue instructions for the disposal of Purchaser Furnished Property agreed to be unsuitable. The Purchaser shall, upon timely written request of the Contractor, equitably adjust any affected provision of this Contract pursuant to Clause 16 (Changes).
- 33.3 Title to Purchaser Furnished Property will remain in the Purchaser. The Contractor shall maintain adequate property control records of Purchaser Furnished Property in accordance with sound industrial practice and security regulations.
- 33.4 Unless otherwise provided in this Contract, the Contractor, upon delivery to him of any Purchaser Furnished Property, assumes the risk of, and shall be responsible for, any loss thereof or damage thereof except for reasonable wear and tear, and except to the extent that Purchaser Furnished Property is consumed in the performance of this Contract.
- 33.5 Upon completion of this Contract, or at such earlier dates as may be specified by the Purchaser, the Contractor shall submit, in a form

acceptable to the Purchaser, inventory schedules covering all items of Purchaser Furnished Property.

33.6 The inventory shall note whether:

33.6.1 The property was consumed or incorporated in fabrication of final deliverable(s);

33.6.2 The property was otherwise destroyed;

33.6.3 The property remains in possession of the Contractor;

33.6.4 The property was previously returned

33.7 The Contractor shall prepare for shipment, deliver DDP at a destination agreed with the Purchaser, or otherwise dispose of Purchaser Furnished Property as may be directed or authorised by the Purchaser. The net proceeds of any such disposal shall be credited to the Contract price or paid to the Purchaser in such other manner as the Purchaser may direct.

33.8 The Contractor shall not modify any Purchaser Furnished Property unless specifically authorised by the Purchaser or directed by the terms of the Contract.

33.9 The Contractor shall indemnify and hold the Purchaser harmless against claims for injury to persons or damages to property of the Contractor or others arising from the Contractor's possession or use of the Purchaser Furnished Property. The Contractor shall indemnify the Purchaser for damages caused by the Contractor to the Purchaser, its property and staff and arising out of the Contractor's use of the Purchaser Furnished Property.

ANNEX A: NCI AGENCY NON-DISCLOSURE DECLARATION

We, the undersigned.....(Company) duly represented by (hereinafter “Contractor”) do hereby certify that we shall ensure that the following conditions be accepted and observed by all (Contractor) employees working under CO-14314-IEG-C.

(Signature)

(Full name in block capitals)

(Date)

=====

TO BE SIGNED BY THE CONTRACTOR’S EMPLOYEES WORKING IN THE
NATO’S PREMISES UPON COMMENCEMENT OF THEIR WORK.

I UNDERSTAND:

That I must preserve the security of all classified /commercial-in-confidence information which comes to my knowledge as a result of this Contract with NATO and that I undertake to comply with all relevant security regulations.

That I must not divulge to any unauthorised person, any classified/commercial-in confidence information gained by me as a result of my Contract with NATO, unless prior permission for such disclosure has been granted by the General Manager of the NCI Agency or by his designated representative.

That I must not, without the approval of the General Manager of the NCI Agency publish (in any document, article, book, CD, video, film, play, or other form) any classified /commercial-in-confidence information which I have acquired in the course of my work under CO-14314-IEG-C.

That, at the end of Contract and after performance of all required tasks, I must surrender any official document or material made or acquired by me in the course of my work under CO-14314-IEG-C, save such as I have been duly authorised to retain.

That the provisions of the above Declaration apply not only during the period of work under CO-14314-IEG-C, but also after my Contract has ceased and that I am liable to prosecution if either by intent or negligence I allow classified/commercial-in-confidence information to pass into unauthorised hands.

That by accepting the position of Support Contractor for NATO corresponding to the tasks and duties described in the present Contract, I will be considered as a Key personnel as specified in Contract Special Provision Article 15.

That I commit to fulfil my obligations for the period of performance mentioned in the Schedule of Supplies and Services (including the optional periods) unless major events beyond my reasonable control happen.

That shall I decide for personal interest to leave the position, I will do my best effort to fulfil my obligations until the Company that is currently employing me has provided NATO with an acceptable suitable substitute in accordance with Special Provision – Article 15.

That I solemnly undertake to exercise in all loyalty, discretion and conscience the functions entrusted to me and to discharge these functions with the interests of NATO and the Host Nation only in view. I undertake not to seek or accept instructions in regard to the performance of my duties from any government, company or from any authority other than that of NCI Agency or the Host Nation.

That within the next two weeks I shall acquaint myself with Host Nation security regulations and security operating instructions.

Date

Full name (in block capitals)

Signature

NATO UNCLASSIFIED

NATO COMMUNICATIONS AND INFORMATION AGENCY



CONTRACT GENERAL PROVISIONS

V 1.0 dated 16 Oct 2014

NATO UNCLASSIFIED
The Contract General Provisions

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The Contract General Provisions

1. ORDER OF PRECEDENCE

In the event of any inconsistency in language, terms or conditions of the various parts of this Contract, precedence will be given in the following order:

- 1.1. The Signature Page;
- 1.2. The Contract Schedules, Part I;
- 1.3. The Contract Contract Special Provisions, Part II;
- 1.4. The Contract General Provisions, Part III;
- 1.5. The Statement of Work, Part IV of the Contract;
- 1.6. The Annexes to the Statement of Work.

2. DEFINITIONS OF TERMS AND ACRONYMS

- 2.1 **Assembly-** An item forming a portion of equipment that can be provisioned and replaced as an entity and which normally incorporates replaceable parts or groups of parts.
- 2.2 **Acceptance-** Acceptance is the act by which the Contracting Authority recognises in writing that the delivered Work meets the Contract requirements..
- 2.3 **Claims-** A written demand or written assertion by one of the Parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of Contract terms, or other relief arising under or in relation to this Contract.
- 2.4 **Clause-** A provision of the Special or General Provisions of this Contract.
- 2.5 **Codification Authority-** The National Codification Bureau (NCB) or authorised agency of the country in which the Work is produced.
- 2.6 **Commercial Off-the-Shelf Items (COTS)-** The term “Commercially Off-the-Shelf Item (COTS)” means any item that:is a commercial item, customarily used by the general public, that has been sold, leased, or licensed to the general public or has been offered for sale, lease or license to the general public;
 - a) is sold in substantial quantities in the commercial marketplace; and
 - b) is offered to the Purchaser, under a contract or subcontract at any tier, without modification, in the same form in which it is sold in the commercial marketplace.
- 2.7 **Component-** A part or combination of parts, having a specific function, which can be installed or replaced only as an entity.

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- 2.8 **Contractor Background IPR-** Any IPR owned by the Contractor and/or any Sub-contractor or licensed by a third party to the Contractor which is not created in relation to or as the result of work undertaken for any purpose contemplated by the Contract and which is needed for the performance of the Contract or for the exploitation of Foreground IPR.
- 2.9 **Correction-** Elimination of a Defect.
- 2.10 **Contract-** The agreement concluded between the Purchaser and Contractor, duly signed by both contracting parties. The Contract includes the documents referred to in Clause 1 (Order of Preference).
- 2.11 **Contracting Authority-** The General Manager of the NCI Agency, the Director of Acquisition, the Chief of Contracts of the NCI Agency or the authorised representatives of the Chief of Contracts of the NCI Agency.
- 2.12 **Contractor-** The person or legal entity from a Participating Country which has signed this Contract and is a Party thereto.
- 2.13 **Day-** A calendar day
- 2.14 **Defect-** Any condition or characteristic in any Work furnished by the Contractor under the Contract that is not in compliance with the requirements of the Contract.
- 2.15 **Deliverable-** Any and all goods (including movable and immovable goods) to be delivered pursuant to the terms of this Contract including, without limitation, building, raw materials, components, intermediate Assemblies, Parts, end products, equipment, documentation, data, software.
- 2.16 **Design Defect-** Defect attributable to incompatibility, unsuitability or erroneous application of theory, drawings or formula.
- 2.17 **Effective Date of Contract (or "EDC")-** The date upon which this Contract is deemed to start. Unless otherwise specified, a Contract enters into force on the date of the last signature of the Contract by the Parties.
- 2.18 **Failed Component-** A part or combination of parts, having a specific function, which can be installed or replaced only as an entity which ceases to perform in a manner consistent with its intended use and specifications of the Contract.
- 2.19 **Foreground IPR -** Any IPR created by the Contractor or any subcontractor of the Contractor in the course of or as the result of work undertaken for any purpose contemplated by the Contract.
- 2.20 **IPR-** Any intellectual property rights of any qualification irrespective of their stage of development or finalisation, including but not limited to patents, trademarks (registered or not), designs and models (registered or not) and applications for the same, copyright (including on computer software), rights in databases, know-how, confidential information and rights in records (whether or not stored on computer) which includes technical and other data and documents.

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- 2.21 **Manufacturing Defect-** Defect attributable to improper manufacturing processes, testing or quality control procedures.
- 2.22 **NATO-** The North Atlantic Treaty Organisation. For the purpose of this contract, the term NATO includes NATO bodies, the NATO military command structure, agencies and NATO nations.
- 2.23 **NCI AGENCY-** The NATO Communications and Information Agency. The NCI Agency is part of the NCIO. The General Manager of the Agency is authorised to enter into contracts on behalf of the NATO CI Organisation.
- 2.24 **NATO COMMUNICATIONS AND INFORMATION ORGANISATION (NCIO)-** The NATO Communications and Information Organisation. The NCI Organisation constitutes an integral part of the North Atlantic Treaty Organisation (NATO) The NCI Organisation is the legal personality from whence flows the authority of its agent, the NCI Agency, to enter into contracts.
- 2.25 **NATO Purposes-** Activities conducted by or on behalf of NATO to promote the common defence and common interests of NATO, such as, among others, NATO operations, NATO procurement, NATO training and NATO maintenance.
- 2.26 **Part-** An item of an assembly or sub-assembly, which is not normally further broken down.
- 2.27 **Participating Country-** A NATO member country that participates in financing the effort.
- 2.28 **Parties-** The Contracting Parties to this Contract, i.e., the Purchaser and the Contractor.
- 2.29 **Purchaser-** The NCI Organisation, as represented by the General Manager, NCI Agency. The Purchaser is the legal entity who awards and administers the Contract on behalf of NATO and stands as one of the Contracting Parties.
- 2.30 **Purchaser Background IPR-** Any IPR owned by the Purchaser as of the Effective Date of Contract and which has been developed by, assigned to or licensed to the Purchaser prior to the Effective Date of Contract.
- 2.31 **Purchaser Furnished Property-** Any item of equipment, material, document, technical data, information and Software or any other item of property furnished by the Purchaser to the Contractor required or useful for the performance of the Contract. The Purchaser Furnished Property, if any, shall be detailed in the Contract.
- 2.32 **Software (Computer Software)-** A computer program comprising a series of instructions, rules, routines regardless of the media in which it is recorded, that allows or cause a computer to perform a specific operation or a series of operations.
- 2.33 **Software Defect-** Any condition or characteristic of Software that does not conform with the requirements of the Contract.

The Contract General Provisions

- 2.34 **Sub-Assembly-** A portion of an Assembly consisting of two or more parts that can be provisioned and replaced as an entity. The definition purposely excludes Components and/or Parts.
- 2.35 **Sub-contract-** Any agreement made by the Contractor with any third party in order to fulfil any part of the obligations under this Contract. Sub-contracts may be in any legal binding form, e.g., contract, purchase order, etc.
- 2.36 **Sub-contractor-** Any person or legal entity directly or indirectly under Sub-contract to the Contractor in performance of this Contract.
- 2.37 **Third Party IPR-** Any IPR owned by a third party not being the Purchaser or the Contractor or its Subcontractor, which is needed for the performance of the Contract or for the exploitation of Foreground IPR. This includes, for example, third party software, including open source software.
- 2.38 **Work-** Any deliverable, project design, labour or any service or any other activity to be performed by the Contractor under the terms of this Contract.

3. **AUTHORITY**

- 3.1. All binding contractual instruments and changes, including amendments, additions or deletions, as well as interpretation of and instructions issued pursuant to this Contract shall be valid only when issued in writing by the Purchaser and signed by the Contracting Authority only.
- 3.2. No direction which may be received from any person employed by the Purchaser or a third party shall be considered as grounds for deviation from any of the terms, conditions, specifications or requirements of this Contract except as such direction may be contained in an authorised amendment to this Contract or instruction duly issued and executed by the Contracting Authority. Constructive change may not be invoked by the Contractor as a basis for Claims under this Contract.
- 3.3. The entire agreement between the Parties is contained in this Contract and is not affected by any oral understanding or representation, whether made previously to or subsequently to this Contract.
- 3.4. Personal notes, signed minutes of meetings, comments to delivered documentation and letters, e-mails and informal messages from project or other Purchaser staff which may indicate the intent and willingness to make changes to the Contract, do not implement the change to the Contract and shall not be used as a basis for claiming change to the Contract by the Contractor.

4. APPROVAL AND ACCEPTANCE OF CONTRACT TERMS

- 4.1. By his signature of the Contract, the Contractor certifies that he has read and unreservedly accepts and approves of all terms and conditions, specifications, plans, drawings and other documents which form part of and/or are relevant to the Contract. The Contractor further agrees that the terms of the Contract take precedence over any proposals or prior commitments made by the Contractor in order to secure the Contract. Contractor also hereby waives any and all rights to invoke any of the Contractor's general and special terms and conditions of sales and/or supply.

5. LANGUAGE

- 5.1. All written correspondence, reports, documentation and text of drawings delivered to the Purchaser by the Contractor shall be in the English language.

6. AUTHORISATION TO PERFORM/CONFORMANCE TO NATIONAL LAWS AND REGULATIONS

- 6.1. The Contractor warrants that he and his Sub-contractors are duly authorised to operate and do business in the country or countries in which this Contract is to be performed and that he and his Sub-contractors have obtained or will obtain all necessary licences and permits required in connection with the Contract. No claim for additional monies with respect to any costs or delay to obtain the authorisations to perform shall be made by the Contractor.
- 6.2. The Contractor acknowledges that he and his Sub-contractors are responsible during the performance of this Contract for ascertaining and complying with all applicable laws and regulations, including without limitation: labour standards, environmental laws, health and safety regulations and export controls laws and regulations in effect at the time of Contract signature or scheduled to go into effect during Contract performance. Failure to fully ascertain and comply with such laws, regulations or standards shall not be the basis for claims for change to the specifications, terms, conditions or monetary value of this Contract.

7. FIRM FIXED PRICE CONTRACT

- 7.1 This is a Firm Fixed Price Contract. The Firm Fixed Price of this Contract is as stated on the signature page of the Contract or any amendments thereto. The Purchaser assumes no liability for costs incurred by the Contractor in excess of the stated Firm Fixed Price except as may be authorised under certain provisions of this Contract.

8. PERFORMANCE GUARANTEE

- 8.1. As a guarantee of performance under the Contract, the Contractor shall deposit with the Purchaser within thirty (30) calendar days from the Effective Date of Contract a bank guarantee (the "Performance Guarantee") denominated in the currency of the Contract, to the value of ten per cent (10%) of the total Contract price.
- 8.2. The Performance Guarantee, the negotiability of which shall not elapse before the expiration of the warranty period, or such other period as may be specified in the Contract, shall be made payable to the Purchaser and shall be in the form of certified cheques or a Standby Letter of Credit subject to the agreement of the Purchaser. In the case of a Standby Letter of Credit, payment shall be made to the Purchaser without question and upon first demand by the Purchaser against a certificate from the Purchaser's Contracting Authority that the Contractor has not fulfilled its obligations under the Contract. The Contractor shall have no right to enjoin or delay such payment.
- 8.3. Certified Cheques issued to fulfil the requirements of the Performance Guarantee will be cashed by the Purchaser upon receipt and held in the Purchaser's account until the term of the Performance Guarantee has expired.
- 8.4. The standby letter of credit shall be subject to Belgian Law and shall be issued by (i) a Belgian bank, (ii) the Belgian subsidiary of a foreign bank licensed to provide financial services in Belgium; or (iii) an insurance company licensed to do business in Belgium and belonging to a Belgian banking institution provided the banking institution guarantees explicitly the demand for payment, unless otherwise specified by the Purchaser.
- 8.5. The Contractor shall request in writing relief from the Performance Guarantee upon expiration of the warranty period or such other period as may be specified in the Contract and such relief may be granted by the Purchaser.
- 8.6. The Contractor shall be responsible, as a result of duly authorised adjustments in the total contract price and/or period of performance by the Purchaser, for obtaining a commensurate extension and increase in the Performance Guarantee, the value of which shall not be less than ten per cent (10%) of the total contract price (including all amendments), and for depositing such guarantee with the Purchaser, within thirty (30) calendar days from the effective date of aforesaid duly authorised adjustment.
- 8.7. The failure of the Contractor to deposit and maintain such Performance Guarantee with the Purchaser within the specified time frame, or any extension thereto granted by the Purchaser's Contracting Authority, is a material breach of the Contract terms and conditions subject to the

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provisions of the Contract regarding Termination for Default.

- 8.8. The rights and remedies provided to the Purchaser under the present Clause are in addition to any other rights and remedies provided by law or under this Contract. The certificate described in Clause 8.2 above shall not be regarded as a Termination for Default and this Clause is in addition to and separate from the Clause of the Contract detailing termination for default.
- 8.9. If the Contractor elects to post the Performance Guarantee by Standby Letter of Credit, the form of the document shall be substantially as follows:

PERFORMANCE GUARANTEE STANDBY LETTER OF CREDIT

Standby Letter of Credit Number: _____

Issue Date: _____

Initial Expiry Date: _____

Final Expiry Date: _____

Beneficiary: NCI Agency, Finance, Accounting & Operations
Boulevard Leopold III, B-1110, Brussels
Belgium

1. We hereby establish in your favour our irrevocable standby letter of credit number {number} by order and for the account of (NAME AND ADDRESS OF CONTRACTOR) in the amount of _____ We are advised this undertaking represents fulfilment by (NAME OF CONTRACTOR) of certain performance requirements under Contract No. _____ dated _____ between the NCI Agency ("NCIA and (NAME OF CONTRACTOR).
2. We hereby engage with you that drafts drawn under and in compliance with the terms of this letter of credit will be duly honoured upon presentation of documents to us on or before the expiration date of this letter of credit.
3. Funds under this letter of credit are available to you without question or delay against presentation of a certificate signed by the NCI Agency Contracting Officer which states:

"(NAME OF CONTRACTOR) has not fulfilled its obligations under Contract No. _____ dated _____ between NCI Agency and (NAME OF CONTRACTOR) (herein called the "Contract"), and the NCI Agency, as beneficiary, hereby draws on the standby letter of credit number _____ in the amount denominated in the currency of the Contract, Amount up to the maximum available under the LOC, such funds to be transferred to the account of the Beneficiary

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number _____(to be identified when certificate is presented).”

Such certificate shall be accompanied by the original of this letter of credit.

4. This Letter of Credit is effective the date hereof and shall expire at our office located at _____(Bank Address)_____ on _____. All demands for payment must be made prior to the expiry date.
5. It is a condition of this letter of credit that the expiry date will be automatically extended without amendment for a period of one (1) year from the current or any successive expiry date unless at least 90 (ninety) calendar days prior to the then current expiry date we notify you by registered mail and notify (NAME OF CONTRACTOR) that we elect not to extend this letter of credit for such additional period. However, under no circumstances will the expiry date extend beyond _____ (“Final Expiry Date”) without amendment.
6. We may terminate this letter of credit at any time upon 90 (ninety) calendar days notice furnished to both (NAME OF CONTRACTOR) and the NCI Agency by registered mail.
7. In the event we (the issuing bank) notify you that we elect not to extend the expiry date in accordance with paragraph 6 above, or, at any time, to terminate the letter of credit, funds under this credit will be available to you without question or delay against presentation of a certificate signed by the NCI Agency Contracting Officer which states:

“The NCI Agency has been notified by {issuing bank} of its election not to automatically extend the expiry date of letter of credit number {number} dated {date} pursuant to the automatic renewal clause (or to terminate the letter of credit). As of the date of this certificate, no suitable replacement letter of credit, or equivalent financial guarantee has been received by the NCI Agency from, or on behalf of (NAME OF CONTRACTOR). (NAME OF CONTRACTOR) has, therefore, not fulfilled its obligations under Contract No. _____ dated _____ between NCI Agency and (NAME OF CONTRACTOR), and the NCI Agency, as beneficiary, hereby draws on the standby letter of credit number _____ in the amount of (Amount up to the maximum available under the LOC), such funds to be transferred to the account of the Beneficiary number _____ (to be identified when certificate is presented).”

Such certificate shall be accompanied by the original of this letter of credit and a copy of the letter from the issuing bank that it elects not to automatically extend the standby letter of credit, or terminating the letter of credit.

8. The Beneficiary may not present the certificate described in paragraph 7 above

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until 20 (twenty) calendar days prior to a) the date of expiration of the letter of credit should {issuing bank} elect not to automatically extend the expiration date of the letter of credit, b) the date of termination of the letter of credit if {issuing bank} notifies the Beneficiary that the letter of credit is to be terminated in accordance with paragraph 6 above.

9. Multiple partial drawings are allowed to the maximum value of the standby letter of credit.
10. This letter of credit sets forth in full the terms of our undertaking, and this undertaking shall not in any way be modified, amended, or amplified by reference to any document, instrument, or agreement referred to herein (except the International Standby Practices (ISP 98) hereinafter defined) or in which this letter of credit is referred to or to which this letter of credit relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument, or agreement.
11. This Letter of Credit is subject to The International Standby Practices-ISP98 (1998 Publication) International Chamber of Commerce Publication No.590.

9. PARTICIPATING COUNTRIES

- 9.1 Unless prior written authorisation of the Purchaser has been obtained, none of the Work, shall be performed other than by firms from and within NATO Participating Countries. Unless otherwise specified in the Contract Special Provisions, the Participating Countries are the twenty-eight (28) Member Nations of the North Atlantic Treaty Organisation.
- 9.2 Unless prior written authorisation of the Purchaser has been obtained, no material or items of equipment down to and including identifiable Sub-Assemblies shall be manufactured or assembled by a firm other than from and within a NATO Participating Country.
- 9.3 The Contractor shall not place any Sub-contracts outside the NATO Participating Countries without the prior written authorisation of the Purchaser.
- 9.4 Unless prior written authorisation of the Purchaser has been obtained, the intellectual property rights for all software and documentation incorporated by the Contractor and/or its Sub-contractors into the Work shall vest with persons or legal entities from and within NATO participating nations and no royalties or licence fees for such software and documentation shall be paid by the Contractor to any source that does not reside within a NATO participating nation.
- 9.5 Any modification in the nationality, ownership and/or change of control of the Contractor and/or its Sub-contractor(s) shall be immediately notified in writing to the Purchaser with all necessary details to allow the Purchaser to determine whether or not the Contractor and/or its Sub-contractors continue

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to comply with the Clauses above. Non-compliance with the Clauses above, by the Contractor and/or its Subcontractor may constitute ground for termination of this Contract under Clause 39 (Termination for Default).

10. SUB-CONTRACTS

- 10.1 The Contractor shall place and be responsible for the administration and performance of all Sub-contracts including terms and conditions which he deems necessary to meet the requirements of this Contract in full.
- 10.2 Prior to the Sub-contractors being given access to any classified information, the Contractor shall ensure that any Sub-contractor that has a need to access classified information for the performance of any part of this Contract has been granted the appropriate facility and personnel security clearances by the Sub-contractor's national authorities and that such clearances are still in effect at the time the information is disclosed and remains in effect throughout the performance of the work to be carried out under the Sub-contract concerned.
- 10.3 The Contractor shall seek the approval in writing of the Purchaser prior to the placing of any Sub-contract if:
 - 10.3.1 the Sub-contract was not part of the Contractor's original proposal;
and
 - 10.3.2 the value of the Sub-contract is known or estimated to exceed 15 per cent of the total Contract value; or
 - 10.3.3 the Sub-contract is one of a number of Sub-contracts with a single Sub-contractor for the same or related Work under this Contract that in the aggregate are known or expected to exceed 15 per cent of the total Contract value.
- 10.4 The Contractor shall inform the Purchaser of any change in Sub-contractors for Sub-contracts of a value known or estimated to exceed 15 per cent of the total Contract value.
- 10.5 The Contractor shall submit a copy of any such proposed Sub-contract including prices when seeking approval to the Contracting Authority but such approval by the Contracting Authority shall in no way relieve the Contractor of his responsibilities to fully achieve the contractual and technical requirements of this Contract.
- 10.6 The Contractor shall, as far as practicable, select Sub-contractors on a competitive basis consistent with the objectives and requirements of the Contract.

11. SECURITY

- 11.1 The Contractor shall comply with all security measures as are prescribed by the Purchaser and the national security authority or designated security agency of each of the NATO countries in which the Contract is being performed. The Contractor shall be responsible for the safeguarding of classified information, documentation, material and equipment entrusted to him or generated by him in connection with the performance of the Contract.
- 11.2 In particular the Contractor undertakes to:
- 11.2.1 appoint an official responsible for supervising and directing security measures in relation to the Contract and communicating details of such measures to the Purchaser on request;
 - 11.2.2 maintain, preferably through the official responsible for security measures, a continuing relationship with the national security authority or designated security agency charged with ensuring that all NATO classified information involved in the Contract is properly safeguarded;
 - 11.2.3 abstain from copying by any means, without the authorisation of the Purchaser, the national security authority or designated security agency, any classified documents, plans, photographs or other classified material entrusted to him;
 - 11.2.4 furnish, on request, information to the national security authority or designated security agency pertaining to all persons who will be required to have access to NATO classified information;
 - 11.2.5 maintain at the work site a current record of his employees at the site who have been cleared for access to NATO classified information. The record should show the date of issue, the date of expiration and the level of clearance;
 - 11.2.6 deny access to NATO classified information to any person other than those persons authorised to have such access by the national security authority or designated security agency;
 - 11.2.7 limit the dissemination of NATO classified information to the smallest number of persons ("need to know basis") as is consistent with the proper execution of the Contract;
 - 11.2.8 comply with any request from the national security authority or designated security agency that persons entrusted with NATO classified information sign a statement undertaking to safeguard that information and signifying their understanding both of their obligations under national legislation affecting the safeguarding of classified information, and of their comparable obligations

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under the laws of the other NATO nations in which they may have access to classified information;

- 11.2.9 report to the national security authority or designated security agency any breaches, suspected breaches of security, suspected sabotage, or other matters of security significance which would include any changes that may occur in the ownership, control or management of the facility or any changes that affect the security arrangements and security status of the facility and to make such other reports as may be required by the national security authority or designated security agency, e.g. reports on the holdings of NATO classified material;
- 11.2.10 apply to the Purchaser for approval before Sub-contracting any part of the work, if the Sub-contract would involve that the Sub-contractor would have access to NATO classified information, and to place the Sub-contractor under appropriate security obligations no less stringent than those applied to his own contract;
- 11.2.11 undertake not to utilise, other than for the specific purpose of the Contract, without the prior written permission of the Purchaser or his authorised representative, any NATO classified information furnished to him, including all reproductions thereof in connection with the Contract, and to return all NATO classified information referred to above as well as that developed in connection with the Contract, unless such information has been destroyed, or its retention has been duly authorised with the approval of the Purchaser. Such NATO classified information will be returned at such time as the Purchaser or his authorised representative may direct;
- 11.2.12 classify any produced document with the highest classification of the NATO classified information disclosed in that document.

12. RELEASE OF INFORMATION

- 12.1 Except as otherwise specified elsewhere in the Contract and to the extent that it is demonstratively unavoidable and without prejudice to the Clause 11 (Security), the Contractor and/or his employees shall not, without prior authorisation from the Purchaser, release to third parties any information pertaining to this Contract, its subject matter, performance there under or any other aspect thereof.
- 12.2 The Contractor shall seek the prior written approval of the Purchaser before publishing any press release or disclosing any other information, orally or in writing, in relation to the Contract. The approval of the Purchaser shall be required for both the opportunity and the content of the information.

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- 12.3 This provision shall remain in effect after the termination of the Contract and shall cease to apply to any particular piece of information once that information becomes public knowledge other than through an act, default or omission of the Contractor or its Sub-contractors.

13. **PURCHASER FURNISHED PROPERTY**

- 13.1 The Purchaser shall deliver to the Contractor, for use only in connection with this Contract, the Purchaser Furnished Property at the times and locations stated in the Contract. In the event that Purchaser Furnished Property is not delivered by such time or times stated in the Schedule, or if not so stated, in sufficient time to enable the Contractor to meet such delivery or performance dates the Purchaser shall, upon timely written request made by the Contractor, and if the facts warrant such action, equitably adjust any affected provision of this Contract pursuant to Clause 16 (Changes).
- 13.2 In the event that Purchaser Furnished Property is received by the Contractor in a condition not suitable for its intended use, the Contractor shall immediately notify the Purchaser. The Purchaser shall within a reasonable time of receipt of such notice replace, re-issue, authorise repair or otherwise issue instructions for the disposal of Purchaser Furnished Property agreed to be unsuitable. The Purchaser shall, upon timely written request of the Contractor, equitably adjust any affected provision of this Contract pursuant to Clause 16 (Changes).
- 13.3 Title to Purchaser Furnished Property will remain in the Purchaser. The Contractor shall maintain adequate property control records of Purchaser Furnished Property in accordance with sound industrial practice and security regulations.
- 13.4 Unless otherwise provided in this Contract, the Contractor, upon delivery to him of any Purchaser Furnished Property, assumes the risk of, and shall be responsible for, any loss thereof or damage thereof except for reasonable wear and tear, and except to the extent that Purchaser Furnished Property is consumed in the performance of this Contract.
- 13.5 Upon completion of this Contract, or at such earlier dates as may be specified by the Purchaser, the Contractor shall submit, in a form acceptable to the Purchaser, inventory schedules covering all items of Purchaser Furnished Property.
- 13.6 The inventory shall note whether:
- 13.6.1 The property was consumed or incorporated in fabrication of final deliverable(s);

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- 13.6.2 The property was otherwise destroyed;
- 13.6.3 The property remains in possession of the Contractor;
- 13.6.4 The property was previously returned
- 13.7 The Contractor shall prepare for shipment, deliver DDP at a destination agreed with the Purchaser, or otherwise dispose of Purchaser Furnished Property as may be directed or authorised by the Purchaser. The net proceeds of any such disposal shall be credited to the Contract price or paid to the Purchaser in such other manner as the Purchaser may direct.
- 13.8 The Contractor shall not modify any Purchaser Furnished Property unless specifically authorised by the Purchaser or directed by the terms of the Contract.
- 13.9 The Contractor shall indemnify and hold the Purchaser harmless against claims for injury to persons or damages to property of the Contractor or others arising from the Contractor's possession or use of the Purchaser Furnished Property. The Contractor shall indemnify the Purchaser for damages caused by the Contractor to the Purchaser, its property and staff and arising out of the Contractor's use of the Purchaser Furnished Property.

14. **CONTRACTOR'S PERSONNEL WORKING AT PURCHASER'S FACILITIES**

- 14.1 The term "Purchaser Facilities" as used in this Clause shall be deemed to include sites, property, utilities, ships or vessels and the term "Facility Representative" shall be deemed to refer to the authority designated by the Purchaser responsible for the site, property, utility, ship or vessel.
- 14.2 The Facility Representative shall provide such available administrative and technical facilities for Contractor's personnel working at Purchaser's Facilities for the purpose of the Contract as in the opinion of the Facility Representative may be necessary for the effective and economical discharge of Work. The Facility Representative shall also determine whether these facilities will be provided free of charge to the Contractor or determine what charges are payable. The Contractor shall have no claim against the Purchaser for any such additional cost or delay or any additional cost or delay occasioned by the closure for holidays of said facilities, or other reasons, where this is generally published or made known to the Contractor by the Purchaser or his authorised representatives.
- 14.3 The Contractor shall, except as otherwise provided for in the Contract, make good or, at the option of the Purchaser, pay compensation for all damage occurring to any Purchaser's Facilities occasioned by the Contractor, his servants, agents or Sub-contractors, arising from his or their presence and activities in, and use of, the Purchaser's Facilities; provided that this

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Condition shall not apply to the extent that the Contractor is able to show that any such damage was not caused or contributed to, by his neglect, or default or the neglect or default of his servants, agents or Sub-contractors, or by any circumstances within his or their control.

- 14.4 All property of the Contractor while at a Purchaser Facility shall be at the risk of the Contractor, and the Purchaser shall accept no liability for any loss or damage, except to the extent that any loss or damage is the result of a wilful act or gross negligence on the part of the Purchaser's employees or agents.

15. HEALTH, SAFETY AND ACCIDENT PREVENTION

- 15.1 If the Purchaser notifies the Contractor in writing of any non-compliance in the performance of this Contract with safety and health rules and requirements prescribed on the date of this Contract by applicable national or local laws, ordinances and codes, and the Contractor fails to take immediate corrective action, the Purchaser may order the Contractor to stop all or part of the Work until satisfactory corrective action has been taken. Such an order shall not entitle the Contractor to an adjustment of the Contract price or other reimbursement for resulting increased costs, or to an adjustment of the delivery or performance schedule.

16. CHANGES

- 16.1 The Purchaser may at any time, by written order of the Contracting Authority designated or indicated to be a change order ("Change Order") make changes within the general scope of this Contract, including, without limitation, in any one or more of the following:
- 16.1.1 Specifications (including drawings and designs);
 - 16.1.2 Method and manner of performance of the work, including engineering standards, quality assurance and configuration management procedures;
 - 16.1.3 Marking and method of shipment and packing;
 - 16.1.4 Place of delivery;
 - 16.1.5 Amount, availability and condition of Purchaser Furnished Property.
- 16.2 The Purchaser shall submit a proposal for Contract amendment describing the change to the Contract.

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- 16.3 If any such Change Order causes an increase in the Contractor's cost of, or the time required for, the performance of any part of the Work under this Contract, whether or not changed by any such order, the Contractor shall submit a written proposal for adjustment to the Purchaser describing the general nature and amount of the proposal for adjustment. The Contractor shall submit this proposal for adjustment within thirty (30) days after receipt of a written Change Order under (a) above unless this period is extended by the Purchaser.
- 16.4 If any such Change Order causes a decrease in the Contractor's cost of, or the time required for, the performance of any part of the Work under this Contract, whether or not changed by any such order, the Purchaser shall submit a proposal for adjustment within thirty (30) days from the issuance of the Change Order by submitting to the Contractor a written statement describing the general nature and amount of the proposal for adjustment.
- 16.5 Where the cost of property made obsolete or in excess as a result of a change is included in the Contractor's claim for adjustment, the Purchaser shall have the right to prescribe the manner of disposition of such property.
- 16.6 The Purchaser reserves the right to reject the introduction of the change, after the evaluation of the change proposal, even if the Purchaser initiated such change.
- 16.7 Failure to agree to any requested adjustment shall be a dispute within the meaning of the Clause 41 (Disputes). However, nothing in this Clause shall excuse the Contractor from proceeding with the Contract as changed.
- 16.8 No proposal for adjustment by the Contractor for an equitable adjustment shall be allowed if asserted after final payment and acceptance under this Contract.
- 16.9 Any other written or oral order (which, as used in this paragraph includes direction, instruction, interpretation, or determination) from the Purchaser that causes a change shall be treated as a Change Order under this Clause, provided, that the Contractor gives the Purchaser a written notice within thirty (30) Days after receipt of such order stating (i) the date, circumstances, and source of the order; (ii) that the Contractor regards the order as a Change Order; and (iii) a detailed cost and time analysis of the impact of the change, and that the Order is accepted in writing by the Purchaser as a Change Order. The timely written notice requirement, as detailed above, remains in force in all cases, even where, for example, the Purchaser has positive knowledge of the relevant facts.
- 16.10 All tasks and activities carried out by the Contractor in relation to the processing of the Change Order or in relation to this Clause shall form part of the Contractor's routine work and cannot be charged as additional work.

17. STOP WORK ORDER

- 17.1 The Purchaser may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the Work called for by this Contract for a period of ninety (90) days after the order is delivered to the Contractor, and for any further period to which the Parties may agree.
- 17.2 Any such stop work order shall be specifically identified as a stop work order issued pursuant to this Clause (the "Stop Work Order"). The Stop Work Order may include a description of the Work to be suspended, instructions concerning the Contractor's issuance of further orders for material or services, guidance to the Contractor on actions to be taken on any Sub-contracts and any suggestion to the Contractor for minimizing costs.
- 17.3 Upon receipt of such a Stop Work Order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimise costs incurred allocable to the Work covered by the Stop Work Order during the period of work stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to the Contractor, or within any extension of that period to which the Parties shall have agreed, the Purchaser shall either:
- 17.3.1 cancel the Stop Work Order; or
- 17.3.2 terminate the Work covered by such Stop Work Order as provided in Clause 40 (Termination for Convenience of the Purchaser).
- 17.4 If a Stop Work Order issued under this Clause is cancelled or the period of the Stop Work Order or any extension thereof expires, the Contractor shall resume work.
- 17.5 An equitable adjustment shall be made in the delivery schedule or Contract price, or both, and the Contract shall be modified in writing accordingly, if:
- 17.5.1 the Stop Work Order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this Contract, and;
- 17.5.2 the Contractor asserts a Claim for such adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if the Purchaser decides the facts justify such action, he may receive and act upon any such claim asserted at a later date but prior to final payment under this Contract.
- 17.6 If a Stop Work Order is not cancelled and the Work covered by such Stop Work Order is terminated for the convenience of the Purchaser the reasonable costs resulting from the Stop Work Order shall be allowed in

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arriving at the termination settlement.

18. CLAIMS

18.1 The Contractor shall specifically identify the Contract Clause(s) under which the Claim(s) is/are based.

18.2 Claims shall be specifically identified as such and submitted:

18.2.1 within the time specified in the Clause under which the Contractor alleges to have a Claim. If no time is specified in the Clause under which the Contractor intends to base his Claim, the time limit shall be sixty (60) days from the date the Contractor has knowledge or should have had knowledge of the facts on which he bases his Claim; and

18.2.2 before final payment, pursuant to and with the exceptions specified in Clause 33 entitled "Release of Claims".

18.2.3 Section 18.2.2 above shall only apply to those Claims for which the Contractor could not have had earlier knowledge and were not foreseeable.

18.3 The Contractor shall be foreclosed from his Claim unless he presents complete documentary evidence, justification and costs for each of his Claims within ninety (90) calendar days from the assertion date of such Claims. Claims shall be supported by specifically identified evidence (including applicable historical and planned cost and production data from the Contractor's books and records). Opinions, conclusions or judgmental assertions not supported by such evidence will be rejected by the Purchaser.

18.4 An individual breakdown of cost is required for each element of Contractor's Claims at the time of claim submission or for any material revision of the Claim.

18.5 The Contractor shall present, at the time of submission of a Claim, an attestation as follows:

Ithe responsible senior company official authorised to commit the with respect to its claims dated being duly sworn, do hereby depose and say that: (i) the facts described in the claim are current, complete and accurate; and (ii) the conclusions in the claim accurately reflect the material damages or contract adjustments for which the Purchaser is allegedly liable.

.....

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.....
SIGNATURE

Date

- 18.6 Failure to comply with any of the above requirements shall result in automatic foreclosure of the Claim. This foreclosure takes effect in all cases and also where, for example, the Claim is based on additional orders, where the facts are known to the Purchaser, where the Claim is based on defective specifications of the Purchaser or an alleged negligence in the pre-contractual stage.
- 18.7 Claims submitted by the Contractor will be reviewed by the Contracting Authority. The Contracting Authority will respond within sixty (60) days with a preliminary decision, based on an assessment and evaluation of the facts presented by the Parties, as to whether the Contracting Authority considers the Claim to have merit for consideration. If the preliminary decision of the Contracting Authority is that the Claim, as submitted is without merit, the Contractor shall have fourteen (14) days to present a rebuttal to the Contracting Authority and request reconsideration of the Contracting Authority's decision. Within thirty (30) days receipt of the Contractor's request for reconsideration, the Contracting Authority will issue a decision. The time requirements stated herein may be extended by the Contracting Authority in order to accommodate additional preparation efforts and fact finding discussions but the Contracting Authority may not unreasonable extend such a period. A decision that the submitted claim is without merit will be identified as such, will be issued in writing by the Contracting Authority and will be conclusive. A decision may only be challenged by the Contractor through the Disputes provisions described herein.
- 18.8 A decision by the Purchaser that the claim has merit will result in a Contracting Authority request to enter into negotiations with the Contractor to arrive at a mutually agreed fair and equitable settlement. The Contracting Authority's decision will contain a target date for the commencement and conclusion of such operations. If the Parties are unable to arrive at an agreement on a fair and reasonable settlement by the target date for conclusion, or any extension thereto made by the Contracting Authority, the latter may declare that negotiations are at an impasse and issue a preliminary decision as to the fair and reasonable settlement and the reasons supporting this decision. The Contractor shall have a period of thirty (30) days to present a rebuttal to the Contracting Authority and request reconsideration of the Contracting Authority's decision. Within sixty (60) days of receipt of the Contractor's request for reconsideration, the Contracting Authority will issue its decision on the request for reconsideration. This timeframe will be respected unless an authorisation is needed from a NATO or other authority , the schedule for which is beyond the Contracting Authority's control. A

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decision of the Contracting Authority on the reconsideration of the matter will be identified as such, will be issued in writing by the Contracting Authority and will be conclusive. A decision on the reconsideration may only be challenged by the Contractor through the Disputes provisions described herein.

- 18.9 No Claim arising under this Contract may be assigned by the Contractor without prior approval of the Purchaser.
- 18.10 The Contractor shall proceed diligently with performance of this Contract, pending final resolution of any request for relief, claim appeal, or action arising under the Contract, and comply with any decision of the Contracting Authority.

19. PRICING OF CHANGES, AMENDMENTS AND CLAIMS

- 19.1 Contractor's pricing proposals for Changes, amendments and Claims shall be priced in accordance with the Purchaser's Pricing Principles (Annex 1 hereto and the sample spreadsheet and its "Instructions to Complete" at Appendix 1) or the national government pricing rules and regulations for the Contractor's own country, where in force. The Contractor shall provide cost information accompanied by appropriate substantiation as required by the Purchaser in accordance with Purchaser's Pricing Principles, or such other format as may be agreed between the Contractor and the Purchaser.
- 19.2 With respect to Clause 19.1 above, when the price or price adjustment is based on adequate price competition, established catalogue or market price of commercial items sold in substantial quantities to the general public, or prices set by law or regulation, the Contractor shall be responsible for substantiation of such cases to the satisfaction of the Purchaser.
- 19.3 For the purposes of verifying that the cost or pricing data submitted in conjunction with Clause 19.1 above are accurate, complete and current, the Purchaser or any Purchaser authorised representative shall have the right of access to the Contractor's facilities to examine, until the expiration of three (3) years from the date of final payment of all sums due under the Contract:
 - 19.3.1 those books, records, documents and other supporting data which will permit adequate evaluation and verification of the cost or pricing data submitted; and/or
 - 19.3.2 the computations and projections which were available to the Contractor as of the date of the Contractor price proposal.
- 19.4 The Contractor, subject to the provisions of this Clause, shall require Sub-contractors to provide to the Purchaser, either directly or indirectly:
 - 19.4.1 cost or pricing data;
 - 19.4.2 access to Sub-contractor's facilities and records for the purposes of verification of such cost or pricing data; and
 - 19.4.3 a Certificate of Current Cost or Pricing Data, when required.

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- 19.5 If any price, including profit, negotiated in connection with this Contract was proposed, taking any of the following into account:
- 19.5.1 the Contractor furnished cost or pricing data which was not complete, accurate and current as certified in the Contractor's Certificate of Current Cost or Pricing Data provided in accordance with Clause 19.6 below;
 - 19.5.2 a Sub-contractor, pursuant to Clause 19.4 above or any Sub-contract clause therein required, furnished cost or pricing data which was not complete, accurate and current as certified in the Sub-contractor's Certificate of Current Cost or Pricing Data;
 - 19.5.3 a Sub-contractor or prospective Sub-contractor furnished cost or pricing data which was required to be complete, accurate and current and to be submitted to support a Sub-contract cost estimate furnished by the Contractor but which was not complete, accurate and current as of the date certified in the Contractor's Certificate of Current Cost or Pricing Data; or
 - 19.5.4 the Contractor or a Sub-contractor or prospective Sub-contractor furnished any data, not within 19.5.1 through 19.5.3 above, which, as submitted, was not complete, accurate and current;
 - 19.5.5 then the price and/or cost shall be adjusted accordingly and the Contract shall be modified in writing as may be necessary to reflect such.
- 19.6 At the time of negotiating any price, including profit, which is based upon the submission of cost or pricing data by the Contractor, the Contractor shall be required to submit a certificate of current cost or pricing data ("Certificate").
- 19.6.1 Such Certificates will certify that, to the best of the Contractor's knowledge and belief, cost or pricing data submitted to the Purchaser in support of any proposal for a price, price adjustment or claim, are accurate, complete and current, as per the completion of the negotiations or, in the case of a claim, as per the submission date of the claim.
 - 19.6.2 All such Certificates shall be in the format shown below and shall be dated and signed by a responsible officer of the company:

CERTIFICATE OF CURRENT COST OR PRICING DATA

This is to certify that cost or pricing data as submitted, either actually or by specific identification in writing to the Purchaser or his representative in support of.....(*Claim, Amendment, ECP#, etc.*) are accurate, complete and current as of(*Date*).

By submitting the price proposal, the Contractor/sub-Contractor or prospective sub-Contractor grant the Purchaser or his authorized representative(s) the right to examine those records, data and supporting information, used as a basis for the pricing submitted.

Name of Company

Signature

Printed Name of Signatory

Title of Signatory

Date of Signature

19.6.3 The Contractor shall insert the substance of this Clause 19.7 in each Sub-contract.

19.7 For all additional or follow-up agreements which are made for Work which are furnished to the Purchaser without competition, the Contractor shall offer prices on a "Preferred Customer" basis, that is offer prices which are as favourable as those extended to any Government, Agency, Company, Organisation or individual purchasing or handling like quantities of

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equipment and/or Parts covered by the Contract under similar conditions. In the event that prior to completing delivery under this Contract the Contractor offers any of such items in substantially similar quantities to any customer at prices lower than those set forth herein, the Contractor shall so notify the Purchaser and the prices of such items shall be correspondingly reduced by a supplement to this Contract. Price in this sense means "Base Price" prior to applying any bonus, export tax reduction, turn-over tax exemptions and other reductions based on National Policies.

20. NOTICE OF SHIPMENT AND DELIVERY

- 20.1 Except as may be specified in the Contract Special Provisions, delivery of all items under this Contract shall be made by the Contractor on the basis of "Delivery Duty Paid" (DDP) as defined by the INCOTERMS 2000 (International Chamber of Commerce Publication No. 560). It shall be noted, however, that because the Purchaser is exempted from direct taxes and duty as set forth in Clause 26 (Taxes and Duties), there is no duty to be paid by the Contractor.
- 20.2 "Delivery" of required Work by the Contractor does not constitute "Acceptance" by the Purchaser for purposes of meeting the requirements of the Contract Schedule where Purchaser acceptance is the stated payment or schedule milestone.
- 20.3 Thirty (30) Days, or such other period as specified in the Contract, prior to the delivery of any shipment of Work, the Contractor shall give prepaid notice of shipment to the Purchaser. The Notice of Shipment shall contain, as appropriate, the request for customs form 302, or equivalent document, which shall enable any carrier to conduct duty free import/export clearance through customs for the Purchaser on behalf of NATO.
- 20.4 The customs form 302 is an official customs clearance declaration issued in advance of shipment by the Purchaser to provide certified information as to the duty free import, export, or transit of NATO consignments between NATO countries.
- 20.5 The Notice of Shipment and request for Form 302 or equivalent document shall contain the following information:
 - 20.5.1 Purchaser's Contract number;
 - 20.5.2 Contract item number, designation and quantities;
 - 20.5.3 destination;
 - 20.5.4 number and description of the packages (gross and net weight);
 - 20.5.5 description of the goods and their value (for custom purpose only, not commercial value)

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- 20.5.6 consignor's name and address;
- 20.5.7 consignee's name and address;
- 20.5.8 method of shipment (i.e. road, rail, sea, air, etc.);
- 20.5.9 name and address of freight forwarder.
- 20.6 Forwarding Agents, Carriers or other responsible organisations shall be informed by the Contractor of the availability of Form 302 or equivalent document and how the form shall be utilised to avoid the payment of custom duties. Form 302 or equivalent document shall be incorporated in all shipping documents provided to the carrier.
- 20.7 Upon receipt of the Notice of Shipment from the Contractor, the Purchaser may require the Contractor to send copies of the Notice of Shipment to the receiving parties and the Contractor shall comply with this requirement.

21. INSPECTION AND ACCEPTANCE OF WORK

- 21.1 For the purposes of this Clause, Work does not include documentation which is addressed in Clause 22 (Inspection and Acceptance of Documentation) hereafter.
- 21.2 Unless otherwise specifically provided for in the Contract, all Work and all Parts and equipment incorporated in the Work are to be new and of the most suitable grade of their respective kinds for the purpose, notwithstanding the requirements for testing, inspection and performance as required under this Contract. All workmanship shall be as specified under the Contract or, if no workmanship standards are specified, best commercial or "state of the art" complying with relevant (National and International) standards.
- 21.3 All Work may be subject to inspection and test by the Purchaser or his authorised representative(s) to the extent practicable at all times and places prior to Acceptance, including the period of manufacture, or after delivery or as otherwise specified in the Contract. For the purposes of inspection and testing the Purchaser may delegate as his representative the authorised National Quality Assurance Representative (NQAR) in accordance with STANAG 4107.
- 21.4 No representative or NQAR appointed by the Purchaser for the purpose of determining the Contractor's compliance with the technical requirements of the Contract shall have the authority to change any of the specifications. Such changes may only be made by the Contracting Authority in writing in accordance with Clause 16 (Changes).
- 21.5 The presence or absence of an NQAR or other Purchaser representative shall not relieve the Contractor from conforming to the requirements of this Contract.
- 21.6 Acceptance or rejection of the Work shall be made as promptly as practicable after delivery, except as otherwise provided in the Contract. Failure to timely

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accept or reject the Work shall neither relieve the Contractor from responsibility for such Work nor impose liability on the Purchaser.

- 21.7 In the event that any Work, or lots thereof, or services are defective in design, material, workmanship or manufacturing quality, or as a result of undue wear and tear or otherwise not in conformity with the requirements of this Contract, including any characteristic or condition which is or becomes at variance to the performance specifications, to the intended function of the Work or the function to which it could reasonably be expected that the Work would perform, the Purchaser shall have the right either to reject them (with or without instructions as to their disposition) or to require their correction or replacement. Work which has been rejected or required to be corrected or replaced shall, at the expense of the Contractor, be removed, or, if permitted or required by the Contracting Authority, corrected in place by the Contractor promptly after notice, and shall not thereafter be tendered for acceptance by the Contractor unless the former rejection or requirement of correction or replacement is withdrawn. If the Contractor fails promptly to remove, replace or correct such Work the Purchaser may either:
- 21.7.1 by contract or otherwise return, replace or correct such Work or services and charge to the Contractor the cost incurred by the Purchaser; and/or
 - 21.7.2 terminate this Contract for default as provided in Clause 39 (Termination for Default).
- 21.8 When NQAR is not applicable based on the scale of the project, the Purchaser reserves the right to perform inspections through his own staff in accordance with the latest ISO standard at the time of inspection.
- 21.9 Unless the Contractor corrects or replaces such Work within the delivery schedule, the Purchaser may require the delivery of such Work at a reduction in price which is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute within the meaning of Clause 41 (Disputes).
- 21.10 If any inspection or test is made by the Purchaser's representatives on the premises of the Contractor or Sub-contractor, the Contractor, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of the Purchaser's representatives in the performance of their duties. The NQAR or other Purchaser representatives shall have the right of access to any area of the Contractor's or his Sub-contractor's premises where any part of the contractual work is being performed.
- 21.11 If Purchaser inspection or test is made at a point other than the premises of the Contractor or Sub-contractor, it shall be at the expense of the Purchaser except as otherwise provided in this Contract; provided, that in case of rejection the Purchaser shall not be liable for any reduction in value of samples used in connection with such inspection or test.
- 21.12 All inspections and tests by the Purchaser shall be performed in such a

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manner as not to unduly delay the Work.

- 21.13 The Purchaser reserves the right to charge to the Contractor any additional cost of Purchaser inspection and test when Work is not ready at the time such inspection and test is requested by the Contractor or when re-inspection or retest is necessitated by prior rejection.
- 21.14 Acceptance or rejection of the Work shall be made as promptly as practicable after delivery, except as otherwise provided in this Contract, but failure to inspect and accept or reject Work shall neither relieve the Contractor from responsibility for such Work as are not in accordance with the Contract requirements nor impose liability on the Purchaser thereof.
- 21.15 The inspection and test by the Purchaser of any Work or lots thereof, or services, does not relieve the Contractor from any responsibility regarding defects or other failures to meet the Contract requirements which may be discovered prior to acceptance.
- 21.16 Acceptance of Work shall take place when the Contracting Authority confirms acceptance in writing of the Work in accordance with the procedure specified in the Contract, or if none is so specified then the Contracting Authority shall be deemed to have accepted the Work without prejudice to any other remedies, when and as soon as any of the following events have occurred:
 - 21.16.1 the Purchaser has taken the Work into use, except as specifically provided by Clause 23 (Use and Possession Prior to Acceptance);
 - 21.16.2 the Purchaser has not exercised its right of rejection of the Work within any period specified for that purpose in the Contract;
 - 21.16.3 there being no period for exercising the right of rejection specified in the Contract, a reasonable time, all the circumstances having been taken into account, has elapsed since inspection of the Work was effected in accordance with the Contract.
- 21.17 Except as otherwise provided in this Contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.
- 21.18 Unless otherwise specified in this Contract, the Contractor shall have or establish, implement and maintain an effective and economical quality control system necessary to satisfy the Contract requirement. The system shall provide for the early and prompt detection of deficiencies, trends and conditions which could result in unsatisfactory quality and for timely and effective corrective action. Objective evidence that the system is effective shall be readily available to the Purchaser and its authorised representatives. Records of all inspection and testing work by the Contractor shall be kept complete and available to the Purchaser's representatives during the performance of this Contract and for such longer periods as may be specified elsewhere in this Contract.

22. INSPECTION AND ACCEPTANCE OF DOCUMENTATION

- 22.1 The Contractor shall provide to the Purchaser a draft version of the required documentation as provided by the Contract Schedule and the Statement of Work. Review of draft documentation under this Contract will be made by the Purchaser upon the delivery of these items by the Contractor. The review will be conducted by the Purchaser through duly authorised representatives.
- 22.2 Upon delivery of the draft documentation, the Purchaser will have a period of review as provided by the Statement of Work. At the end of the review period or before if deemed practical by the Purchaser, the Purchaser's comments will be presented to the Contractor in writing. The substance of such comments will pertain to items of error, non-conformity, omission and guidance in relation to the requirements of the Statement of Work.
- 22.3 Purchaser Review of the delivered items will emphasise the conformity with the requirements of the Statement of Work, thoroughness of analysis, logical bases of conclusions and models and coherence and completeness of presentation. The review process will also examine editorial and grammatical correctness and the suitability and accuracy of graphics supporting the text.
- 22.4 The Contractor shall, after receipt of Purchaser comments, incorporate changes, revisions and corrections required by the Purchaser and present the revised documentation in final form to the Purchaser for inspection in accordance with the delivery date specified in the Schedule.
- 22.5 During the review process the Contractor is not required to halt efforts on further tasks as identified in the Statement of Work. The Purchaser, however, shall not be held liable for any work carried out by the Contractor which is based on draft documentation yet to be reviewed.
- 22.6 Upon receipt of the items in final form, the Purchaser will inspect the items for a period not exceeding two weeks (or as otherwise stated in the Statement of Work). At the end of the inspection, the Purchaser will notify the Contractor that:
- 22.6.1 the items have been accepted;
 - 22.6.2 the acceptance of the items is deferred pending further revision;
 - or
 - 22.6.3 The items are rejected and significantly fail to meet Contract requirements.
- 22.7 In the case of Clause 22.6.2 above, the Contractor shall only be responsible for those revisions and corrections requested by the Purchaser and the

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Purchaser may not request additional revisions during inspection after required revisions have been made. However, if the Purchaser determines that a directed revision has not been made or if such directed revision was cause for revision of other portions of content which were not made by the Contractor, the Purchaser may withhold acceptance until such revisions are made by the Contractor.

- 22.8 The Contractor shall provide to the Purchaser on request supporting technical data, computer software, databases and background analyses in order to validate findings contained in the delivered items.
- 22.9 Purchaser acceptance shall be made in writing by the Contracting Authority.

23. USE AND POSSESSION PRIOR TO ACCEPTANCE

- 23.1 Except as otherwise provided in the Contract Special Provisions, the Purchaser shall have the right to take possession of, or use, any completed or partially completed Work under the Contract at any time, when notified by the Contracting Authority, however such possession or use shall not constitute Acceptance by the Purchaser, as defined in the Contract.
- 23.2 While the Purchaser has such use or is in such possession, the Contractor shall be relieved of the responsibility for loss or damage to the Work concerned other than that resulting from the Contractor's fault, negligence or defect to the Work.
- 23.3 If such prior possession or use by the Purchaser delays the progress of the Work or causes additional expense to the Contractor, an equitable adjustment in the Contract price or the time of delivery will be made, in accordance with the Clause 16 (Changes), and the Contract shall be modified in writing accordingly.

24. OWNERSHIP AND TITLE

- 24.1 Except as may be otherwise stated in the Contract Special Provisions and Clause 23 (Use and Possession prior to Acceptance), ownership and title to all Work will pass to the Purchaser only upon Acceptance by the Contracting Authority in writing. Where the Contract provides for Provisional Acceptance and Final Acceptance, ownership and title will pass to the Purchaser upon written notification of Final Acceptance.

25. INVOICES AND PAYMENT

- 25.1 Unless otherwise specified in the Contract Special Provisions, invoices shall only be submitted after delivery and Acceptance of the Work and for the total prices and currency(ies) as set out under the Schedule of Work.
- 25.2 Invoices in respect of any Work or services shall be prepared and submitted

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to the Purchaser and shall contain all of the elements listed below:

- 25.2.1 Contract number;
 - 25.2.2 Purchaser's Purchase Order number ;
 - 25.2.3 accounting codes (as specified in this Contract);
 - 25.2.4 item number (as defined in the Contract);
 - 25.2.5 Contract description of Work or services, sizes, quantities, unit prices, and extended totals (exclusive of taxes and duties for which relief is available); and
 - 25.2.6 extended totals. Details of Bills of Lading or Freight Warrant numbers and weight of shipment shall be identified on each invoice as appropriate.
- 25.3 In addition, documentary evidence of Acceptance including copies of certificates of conformity shall be submitted together with each invoice. Invoices shall not be submitted to the Purchaser without Acceptance having been previously made by the Purchaser.
- 25.4 Each copy of the invoice shall contain the following certificate which shall be signed by a duly authorised company official on the designated original invoice:
- "I certify that the above invoice is true and correct, that the delivery of the above described items has been duly carried out and the payment thereof has not been received.*
- Order placed for official use. Exemption from VAT Article 42,§3&3*of VAT Code for Belgium or Article 151, §1b of the Council Directive 2006/112/EC dd. 28 November 2006 on intra-community purchases and/or services."*
- 25.5 All invoices shall be addressed to the NCI Agency - Financial Management
- Either at the following addresses:
- NCI Agency * If used for NCI Agency Brussels
- NATO Communications and Information Agency
Finance, Accounting & Operations
Boulevard Leopold III
B-1110 Belgium

OR

shall be addressed to Financial Management at the following electronic address:

accountspayable@ncia.nato.int

Note: When used for NCI Agency The Hague or Mons the addresses shall be dictated in the Contract Special Provisions

Once the manner of forwarding the invoice is chosen, the contractor shall keep this manner throughout the contract.

- 25.6 All invoices submitted shall include the address of the bank to which payment shall be made, together with **either** pertinent information concerning the International Bank Account Number (IBAN) and BIC/SWIFT address **or** pertinent information concerning transit number/sort code, account number and SWIFT address. The Purchaser makes payment only by wire transfer and therefore wire transfer particulars shall be included on the invoice.
- 25.7 Invoices will be settled by the Purchaser within sixty (60) days of receipt of a properly prepared and submitted invoice.
- 25.8 The Contractor shall mention on the invoice the payment conditions in line with the Contract.

26. **TAXES AND DUTIES**

- 26.1 The Purchaser, by virtue of his status under the terms of Article IX and X of the Ottawa Agreement, is exempt from all direct taxes (incl. VAT) and all customs duties on merchandise imported or exported. The Contractor, therefore, certifies that the prices stipulated in this Contract do not include amounts to cover such direct taxes or customs duties.
- 26.2 The Contractor shall be responsible for ensuring that his respective Sub-contractors are aware that the Purchaser is exempt from taxes and customs duties. The Contractor (and his respective Sub-contractors) shall be responsible for complying with all applicable national and local legal and administrative procedures to ensure that authorities do not attempt to assess taxes and customs duties on goods and property imported or exported through NATO member nation frontiers under this Contract nor assess direct taxation (VAT) on goods sold to the NCI Agency under this Contract.
- 26.3 The Purchaser shall give reasonable assistance in providing evidence/documents which might be required by the Contractor to ensure that NCI Agency receives tax exemption by virtue of its status under the Ottawa Agreement.
- 26.4 If, after complying with all national and local legal and administrative

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procedures, the authorities persist in attempting to impose taxes or duties on goods provided under this Contract, the Contractor shall inform the Contracting Authority providing the particulars of the situation, the procedures which have been followed and the point of contact at the national authority which is attempting to impose taxation or duty. The Contracting Authority will examine the situation and attempt to clarify the legal and administrative basis of the difficulty. If the Contracting Authority so directs, the Contractor shall pay the required taxes and duties and file for reimbursement or rebate from the national authorities in accordance with national legislative and administrative procedures.

- 26.5 In the event that the petition for reimbursement or rebate is denied by the national authorities concerned and providing that the Contractor and/or his Sub-contractor have complied with the national legislative and administrative procedures, the Purchaser shall reimburse the full amount of the payment(s) upon receipt of the Contractor's invoice indicating such tax or duty as a separate item of cost and fully identified by reference to any governmental law, regulation and/or instruction pursuant to which such tax or duty is enforced. The Contractor shall offer assistance and execute any such document that may be useful or required to ensure that Purchaser obtains the reimbursement of any tax or duty retained by a national authority.
- 26.6 In the event of the Contractor and/or Sub-contractor not complying with national legislative or administrative procedures, taxes and duties paid by the Contractor and/or Sub-contractors shall not be reimbursed by the Purchaser.
- 26.7 Following payment by the Purchaser of the taxes and/or duties pursuant to Clause 26.4 above, should the Contractor subsequently receive a rebate of any amount paid by the Purchaser, the Contractor shall immediately notify the Purchaser and the amount of such rebate shall be credited or reimbursed to the Purchaser, as directed. The Contractor shall be responsible for taking any and all action that could reasonably be required in order to obtain such rebate.
- 26.8 The Contractor shall be liable for all other taxes, assessments, fees, licences, administrative charges or other Government assessments or charges which are applicable to the performance of this Contract. It is the Contractor's responsibility to inform himself of his liability in each country where such liability may arise.

27. WARRANTY OF WORK (Exclusive of Software)

- 27.1 For the purpose of this Clause:

27.1.1 "Acceptance" shall mean the act of an authorised representative of the Purchaser by which the Purchaser

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assumes title and ownership of delivered Work rendered as partial or complete performance of the Contract. "Acceptance" in this regard, unless specifically provided otherwise in the Contract Contract Special Provisions, means final Acceptance where the Contract provides for Provisional or Partial Acceptance;

- 27.1.2 "Correction" shall mean the elimination of a defect;
- 27.1.3 "Work" shall not include software.
- 27.2 The Contractor shall not be responsible under this Clause for the Correction of Defects in Purchaser Furnished Property, except for Defects in Contractor performed installation, unless the Contractor performs, or is obligated to perform, any modifications or other work on Purchaser Furnished Property. In that event, the Contractor shall be responsible for Correction of Defects that result from the modifications or other Work.
- 27.3 Unless another period of time is indicated in the Contract Contract Special Provisions, the duration of the warranty provided by the Contractor and its Subcontractors shall be twelve (12) months from the date of Acceptance under this Contract as notified in writing by the Contracting Authority.
- 27.4 Any Work or parts thereof corrected or furnished in replacement and any services re-performed shall also be subject to the conditions of this Clause 27 to the same extent as Work initially accepted. The warranty, with respect to these Work, or parts thereof shall be equal in duration to that set forth in Clause 27.3, and shall run from the date of delivery of the corrected or replaced Work.
- 27.5 If the Contractor becomes aware at any time before Acceptance by the Purchaser (whether before or after tender to the Purchaser) or at a later time, that a Defect exists in any Work, the Contractor shall either promptly correct the Defect or promptly notify the Purchaser, in writing, of the Defect, using the same procedures prescribed in Clause 27.8.
- 27.6 The Purchaser will notify in writing the Contractor of the existence of a Failed Component and return to the Contractor the Failed Component within thirty (30) Days of the discovery of such failure. The transport of the Failed Component shall be at the expense of the Purchaser. The notification of the failure will include as much information as practicable about the circumstances and operating environment at the time of the failure. Upon receipt of such notification by the Purchaser (which may precede receipt of the Failed Component), the Contractor shall ship to the location of the Failed Component an identical component for installation by Purchaser personnel. The Contractor shall ship such replacement component(s) Delivery Duty Paid. Such transportation and replenishment charges are included in the cost of line item of the Contract identified as the warranty.
- 27.7 In such rare cases where the Failed Component is either too large to be

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easily transported or the Failed Component cannot be readily identified and isolated within the larger entity, the Contractor shall be notified by the Purchaser of the failure immediately by telephone, fax or e-mail. The Contractor shall provide technical support to the Purchaser personnel in identifying the Failed Component so as to afford the Purchaser the opportunity to return the Failed Component. In such a case where the Failed Component cannot be identified or is not cost effective or practical to ship to the Contractor's facility, the Contractor may elect to send field service personnel to the site of the failure and repair such equipment on location. In this event, such field service personnel shall be dispatched to the site of the failure within forty-eight (48) hours of initial notification. The expense of the technical support and field service shall be borne by the Contractor.

- 27.8 The Contractor shall conduct analysis of all Failed Components which are returned to him by the Purchaser or repaired in the field by Contractor field service personnel to determine the cause of the failure. The Contractor shall issue a report to the Purchaser within thirty (30) days of receipt of a returned item or field repair which contains the results of the analysis. The report shall contain the conclusion of the Contractor as to whether the cause of the failure was due to a Manufacturing Defect or a Design Defect and declare what course of remedial action the Contractor shall implement to prevent further failures of a similar nature. Repetitive failures of the same component may be grounds for a de facto determination by the Purchaser that a Design Defect exists.
- 27.9 If the Purchaser determines that a Design Defect exists in any of the Work accepted by the Purchaser under this Contract, the Purchaser shall promptly notify the Contractor of the Defect, in writing, within ninety (90) days after discovery of the Defect. Upon timely notification of the existence of a Defect, or if the Contractor independently discovers a Design Defect or Manufacturing Defect in accepted Work, the Contractor shall submit to the Purchaser, in writing within thirty (30) days, a recommendation for corrective actions, together with supporting information in sufficient detail for the Purchaser to determine what corrective action, if any, shall be undertaken.
- 27.10 The Contractor shall also prepare and furnish to the Purchaser data and reports applicable to any Correction required under this Clause (including revision and updating of all other affected data and already accepted documentation called for under this Contract) at no increase in the Contract price.
- 27.11 In the event of timely notice of a decision not to correct or only to partially correct, the Contractor shall submit a technical and cost proposal within forty-five (45) days to amend the Contract to permit Acceptance of the affected Work in accordance with the revised requirement, and an equitable reduction in the Contract price shall promptly be negotiated by the Parties and be reflected in a supplemental agreement to this Contract.
- 27.12 Within thirty (30) days after receipt of the Contractor's recommendations for corrective action and adequate supporting information in accordance with

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Clause 27.9, the Purchaser using sole discretion, shall give the Contractor written notice not to correct any Defect, or to correct or partially correct any Defect within a reasonable time.

- 27.13 The Contractor shall promptly comply with any timely written direction from the Purchaser to correct or partially correct a manufacturing or Design Defect, at no increase in the Contract price.
- 27.14 The Purchaser shall give the Contractor a written notice specifying any failure or refusal of the Contractor to:
- 27.14.1 conduct analyses of Failed components and implement a course of remedial action as required by Clauses 27.7 and 27.8;
 - 27.14.2 provide replacement components, technical support or on-location field repair service in accordance with Clauses 27.6 and 27.7; or
 - 27.14.3 prepare and furnish data and reports as required by Clause 27.10.
- 27.15 The notice referred to in Clause 27.14 shall specify a period of time following receipt of the notice by the Contractor in which the Contractor must remedy the failure or refusal specified in the notice.
- 27.16 If the Contractor does not comply with the Purchaser's written notice in Clause 27.14, the Purchaser may by Contract or otherwise:
- 27.16.1 Obtain detailed recommendations for corrective action from its own resources or third parties and either:
 - 27.16.2 correct the Work;
 - 27.16.3 replace the Work, and if the Contractor fails to furnish timely disposition instructions, the Purchaser may dispose of the non-confirming Work for the Purchaser's account in a reasonable manner, in which case the Purchaser is entitled to reimbursement from the Contractor, or from the proceeds, for the reasonable expenses of care and disposition, as well as for excess costs incurred or to be incurred;
 - 27.16.3.1 obtain applicable data and reports; and/or
 - 27.16.3.2 charge the Contractor for the costs incurred by the Purchaser.
- 27.17 In no event shall the Purchaser be responsible for any extension or delays in the scheduled deliveries or periods of performance under this Contract as a result of the Contractor's obligations to correct Defects, nor shall there be any adjustment of the delivery schedule or period of performance as a result of the Correction of Defects unless provided by a supplemental agreement with adequate consideration.

27.18 The rights and remedies of the Purchaser provided in this Clause shall not be affected in any way by any terms or conditions of this Contract concerning the conclusiveness of inspection and Acceptance and are in addition to, and do not limit, any rights afforded to the Purchaser by any other Clause of this Contract or applicable law.

28. RIGHT OF ACCESS, EXAMINATION OF RECORDS

28.1 The Contractor shall give to the Purchaser and/or his representative(s) full and free access to his premises as and when required for the purpose of this Contract and shall ensure the same right of access to the premises of his Sub-contractors, by the inclusion in any such Sub-contracts of a provision substantially as set forth in this Clause.

28.2 The Purchaser and/or his representative(s) shall continue to have such right of access and examination of records as set forth in Clause 28.1 above until final payment under the Contract or the end of the warranty provisions under the Contract, whichever occurs later.

28.3 The expiration of the Purchaser's rights as set forth in Clause 28.2 is further subject to the provisions of Clause 19 (Pricing of Changes, Amendments and Claims), where a three (3) year right is established following the agreement of contractual amendments or the settlement of claims based upon the submission of cost and pricing data.

28.4 The period of access and examination described in Clause 28.1 above for records not related to cost aspects of a dispute or claim but which relate to issues of fact arising under either proceedings under Clause 41 (Disputes) or Clause 42 (Arbitration), or the settlement of claims made by either Party pursuant to the performance of this Contract, shall continue until such appeals, litigation or claims have been disposed of.

29. PATENT AND COPYRIGHT INDEMNITY

29.1 The Contractor shall assume all liability against any and all third party claims that the services, Work and/or parts thereof, in whole or in part, infringe(s) an IPR in force in any countries, arising out of the manufacture, import, export, performance of the services or delivery of Work and/or out of the use or disposal by, or for the account of, the Purchaser of such Services and/or Work. The Contractor shall reimburse and/or indemnify the Purchaser, its officers, agents, employees and/or consultants: (i) for all costs, fees, damages, awards, settlement amounts and any other expenses awarded to the third party right holder against Purchaser and/or the final beneficiaries of the Work in relation to said third party claim; and (ii) for the costs and expenses incurred by the Purchaser in relation to said third party claims, including attorney fees. The Contractor shall be responsible for obtaining any licences necessary for the performance of this Contract and for making all other arrangements required to indemnify

the Purchaser from any liability for IPR infringement in said countries.

29.2 Each Party shall immediately notify the other of any intellectual property infringement claims of which he has knowledge and which pertain to the Work under this Contract.

29.3 This indemnity shall not apply under the following circumstances:

29.3.1 Patents or copyright which may be withheld from issue by order of the applicable government whether due to security regulations or otherwise;

29.3.2 An infringement resulting from specific written instructions from the Purchaser under this Contract;

29.3.3 An infringement resulting from changes made to the Work by the Purchaser without the Contractor prior written consent;

29.3.4 An infringement resulting from changes or additions to the Work subsequent to final delivery and Acceptance under this Contract.

30. INTELLECTUAL PROPERTY

30.1 *Purchaser Background IPR*

30.1.1 The Contractor is licensed to use, non-exclusively and royalty-free any Purchaser Background IPR that is or will be made available for the sole purpose of carrying out the Work.

30.1.2 The Contractor shall not use any Purchaser Background IPR other than for the purpose of carrying out the Work without the prior written agreement of the Purchaser. Any such agreement shall include the terms relating to such use.

30.1.3 The Purchaser gives no warranty as to the validity of any Purchaser Background IPR. The Contractor shall not do anything or act in any way which is inconsistent with or prejudicial to the ownership by the Purchaser of any Purchaser Background IPR.

30.2 *Contractor Background IPR*

30.2.1 Any use of Contractor Background IPR for the purpose of carrying out the Work pursuant to the Contract shall be free of any charge to Purchaser. The Contractor hereby grants to NATO a non-exclusive, royalty-free and irrevocable licence to use and authorise others to use any Contractor Background IPR for the purpose of exploiting or otherwise using the Foreground IPR.

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- 30.2.2 Any use of Contractor Background IPR is not limited to the number of users or the number of licenses required by the Contract for the use of system. The Purchaser reserves the right to use the Contractor Background IPR for any number of users and number of licenses as required, at no additional cost to the Purchaser.

30.3 ***Foreground IPR***

- 30.3.1 All Foreground IPR is the property of the Purchaser on behalf of NATO. Consequently, no statement shall be made restricting the rights of the Purchaser in the Foreground IPR.
- 30.3.2 The Contractor shall ensure that suitable arrangements are in place between its employees, agents, consultants and itself regarding Foreground IPR generated by said employees, agents, Subcontractors and consultants to allow the Contractor to fulfil its obligations under Clause 30.3.1 above.
- 30.3.3 The Contractor shall be entitled to use Foreground IPR on a non-exclusive, royalty free basis solely for the purpose of carrying out the Work.
- 30.3.4 The Contractor shall not use any Foreground IPR other than for the purpose of carrying out the Work without the Purchaser's prior written agreement. Any such agreement shall include terms relating to such use.
- 30.3.5 The Contractor shall provide the Purchaser, at the latest upon delivery of the Work and thereafter for the duration of the warranty and any purchased CLS agreement period, with full documented records of information in relation to the Work, including but not limited to, all drawings, specifications and other data that is necessary or useful to further develop, maintain and operate the Work.
- 30.3.6 The Contractor shall:
- 30.3.6.1 do all things necessary and sign all necessary or useful documents to enable the Purchaser to obtain the registration of the Foreground IPR as the Purchaser may require and select; and
 - 30.3.6.2 to execute any formal assignment or other documents as may be necessary or useful to vest title to any Foreground IPR in the Purchaser.

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30.3.7 The Contractor undertakes:

- 30.3.7.1 to notify the Purchaser promptly of any invention or improvement to an invention or any design conceived or made by the Contractor; and
- 30.3.7.2 to provide the Purchaser with such information as the Purchaser may reasonably request in order to:
 - (i) determine the patentability of such invention or improvement; (ii) assess the need for registering such invention or improvement; and (iii) evaluate the potential value to the Purchaser of such a patent or registration if issued.

30.3.8 If the Purchaser determines that it wishes to apply for one or more patents for the disclosed invention or improvement or for a registration for the disclosed design, it will prosecute such application(s) at its own expense. The Contractor undertakes to provide the Purchaser, at the Purchaser's expense, with such information and assistance as the Purchaser shall reasonably require to prosecute such application(s).

30.4 ***Third Party IPR***

- 30.4.1 Any use of Third Party IPR for the purpose of carrying out the Work pursuant to the Contract shall be free of any charge to the Purchaser. The Contractor hereby grants to NATO a non-exclusive, royalty-free and irrevocable licence to use and authorise others to use any Third Party IPR for the purpose of exploiting or otherwise using the Foreground IPR.
- 30.4.2 With the exception of COTS items, any use of Third Party IPR is not limited to the number of users or the number of licenses required by the Contract for the use of system. With the exception of COTS items, the Purchaser reserves the right to use the Third Party IPR for any number of users and number of licenses as required, at no additional cost to the Purchaser.
- 30.4.3 For COTS items, the Contractor shall be responsible for obtaining licences from the Third Party in line with the requirements of the Statement of Work (including numbers and locations of licences).
- 30.4.4 Where Third Party IPR is the subject of a licence or other agreement between the third party and the Purchaser or the Contractor, the Contractor shall not use any Third Party IPR for the purposes of carrying out work pursuant to the Contract

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without the prior written approval of the Purchaser. Contractor shall inform Purchaser in advance of any restrictions on the Purchaser's use.

- 30.4.5 If, after the award of the Contract, the Contractor becomes aware of the existence of any Third Party IPR which the Contractor is using or believes is needed for the performance of the Contract, the Contractor shall immediately give the Purchaser a written report identifying such IPR and if they are compliant with the other provisions in the contract. Any Third Party IPR under this clause is subject to the prior written approval by the Purchaser.
- 30.4.6 The Purchaser may consider open source solutions alongside proprietary ones in developments provided that such solutions are fully compliant with the requirements of this Contract. Contractor shall disclose in advance the open source license associated with the contemplated open source solution. The Purchaser reserves the right to refuse the incorporation of open source solutions that are deemed inadequate for incorporation in a NATO application (e.g. post-back obligations).

30.5 Subcontractor IPR

- 30.5.1 When placing a Sub-contract which is concerned with or involves the creation of IPR, the Contractor shall ensure that the Sub-contractor enters into the same agreement for the use of the IPR as stipulated in this Contract in such a way that the Purchaser will be entitled to use the IPR as agreed between the Purchaser and the Contractor. The Contractor shall include in the Sub-contract the content of the provisions of this Clause.

31. SOFTWARE WARRANTY**31.1 Statement of the Warranties**

- 31.1.1 The Contractor warrants that each Software delivered under this Contract will conform to all requirements specified in the Contract. This will also include Software design specifications, including software configuration.
- 31.1.2 Regardless of the Purchaser initiation of or participation in developing Software design or specifications, each Software delivered under this Contract will conform to the essential Performance requirements set forth in this Contract, as those essential Performance requirements measured,

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tested, and verified by tests and procedures set forth in this Contract.

31.2 Notification Requirement

- 31.2.1 The Contractor agrees to notify the Purchaser in writing immediately after he first discovers that a defect(s) may exist in Software delivered under this Contract, unless the Purchaser has first notified the Contractor, in writing, of the same defect(s).
- 31.2.2 The Purchaser shall notify the Contractor upon discovery that a defect(s) may exist in any Software accepted by the Purchaser under this Contract, unless the Contractor has first notified the Purchaser, in writing of the same defect(s).

31.3 Duration of the Warranty

- 31.3.1 For each Software delivered under this Contract, the Contractor Warranties stated in paragraph 31.1 above shall extend to all defects discovered within 12 months from the date of acceptance of the Software by the Purchaser.

31.4 Purchaser Remedies for Breach

- 31.4.1 The rights and remedies of the Purchaser under this Software Warranty:
- 31.4.2 Are in addition to any rights and remedies of the Purchaser under any other provision of this Contract, including, but not limited to, the Purchaser's rights in relation to latent defects, fraud, or gross mistakes that amount to fraud; and
- 31.4.3 Shall apply notwithstanding inspection, acceptance, or any other clauses or terms of this Contract;
- 31.4.4 In the event of any defect as defined herein with respect to a Software delivered under this Contract, the Purchaser, in its sole discretion may:
 - 31.4.4.1 Require the Contractor to take such action as may be necessary to eliminate the defect, at no additional cost to the Purchaser for materials, labour, transportation, or otherwise;
 - 31.4.4.2 Require the Contractor to supply, at no additional cost to the Purchaser, all materials and instructions necessary for the Purchaser to eliminate the defect and to pay costs reasonably incurred by the Purchaser in taking such action as

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may be necessary to eliminate the defect, or;

31.4.4.3 Equitably reduce the contract price

31.4.5 The Purchaser may elect the remedies provided in paragraph 31.4.4.1 or 31.4.4.2 above notwithstanding any dispute respecting the existence of or responsibility for any alleged defect as defined herein with respect to any Software delivered under this contract, provided that the Contractor will not be required to pay costs incurred by the Purchaser under paragraph 31.4.4.2 until final determination of the defect. In the event that the alleged defect is subsequently determined not to be a defect subject to this warranty but the Contractor has incurred costs under paragraph 31.4.4.1 and 31.4.4.2 as required by the Contract by virtue of this paragraph 31.4.3, the contract price under this contract shall be equitably adjusted.

31.4.6 Election by the Purchaser of the remedy provided under paragraph 31.4.4.1 and 31.4.4.2 above shall not preclude subsequent election of a different remedy under paragraph 31.4.4 if the defect is not successfully eliminated under the prior election with one month of the notification under paragraph 31.4.2 above.

31.5 Limitations and Exclusions from Warranty Coverage

31.5.1 This Software Warranty shall not apply to alleged defects that the Contractor demonstrates to be in or otherwise attributable to the Purchaser furnished property as determined, tested, and verified by the tests and procedures set forth in this Contract. Notwithstanding this paragraph , a defect is not attributable to Purchaser furnished property if it is the result of installation or modification of Purchaser furnished property by the Contractor or of the integration of Purchaser furnished property into any Software delivered under this Contract.

31.5.2 Any Purchaser Furnished Property needs to be checked and approved by the Contractor. Approval is implied once the Contractor starts using the Purchaser Furnished Property.

31.6 Markings

31.6.1 All Deliverables under this Contract will identify the owner of the Deliverable and if applicable, will prominently include notice of the existence of its warranty, its substance, its duration, and instructions to notify the Purchaser promptly if the Software is found to be defective. The markings should also be included in

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the operating and/or maintenance manuals or instructions accompanying such Software.

- 31.6.2 All Deliverables regardless of the media they are delivered onto and which are subject to export control restrictions shall be clearly marked indicating the type and nature of restriction as well as the national law imposing such restrictions. Nothing in this provision is intended to invalidate, void, or otherwise limit the rights of the Purchaser under this Contract.

32. NATO CODIFICATION

- 32.1 For the purposes of this Clause "Technical Data" means the drawings, specifications and technical documentation of those items designated by the Purchaser to support the equipment covered by the Contract, and required to fully identify the items and, if applicable, draft item identifications to the extent and in the form to be agreed between the Codification Authority and the Contractor.
- 32.2 In order to ensure the orderly identification of equipment, the Contractor shall furnish at the request of the Codification Authority the Technical Data required for the identification of the items of supply to the NATO codification system in the time scale stated in this Contract.
- 32.3 A recommended spare parts list or a similar data carrier prepared in accordance with instructions provided by the Purchaser as the basis for codification shall be supplied by the Contractor by the date established in this Contract.
- 32.4 The Contractor shall supply or require his Sub-contractor(s)/supplier(s) to supply on request for the period of time specified in the Contract the relevant Technical Data for all items and sub-contracted items to the Codification Authority and the Purchaser. The Contractor shall require that each Sub-contractor/supplier shall include identical conditions in any subsequent order which he may place.
- 32.5 The drawings, specifications, related documentation and, if applicable, draft item identifications, prepared when possible by the true manufacturer of the item, shall be supplied by the Contractor or his Sub-contractor(s)/supplier(s) direct to the Codification Authority and, if required, to the Purchaser as and when they become available or, at the latest within the time limits specified in the Contract. The Contractor shall inform the Codification Authority and Purchaser within 21 Days of receipt of the request if the required Technical Data are not immediately available, and shall impose a similar obligation upon his Sub-contractor(s)/supplier(s).

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- 32.6 Except as hereinafter provided, the Contractor shall require the Sub-contractor(s)/supplier(s) to furnish on request the information direct to the Codification Authority in the Sub-contractor(s)/supplier(s)' country, but the Contractor shall remain responsible for ensuring that the information is so furnished. In the event of a Sub-contract order being placed with a manufacturer in a non-NATO country, the Contractor shall be responsible for obtaining Technical Data from the Sub-contractor/supplier and furnishing it to the Purchaser.
- 32.7 Technical Data relating to any Sub-contractor's/supplier's items shall include but not be limited to the name and address of the true manufacturer(s), his/their true reference number(s), drawing or item Part number(s) and applicable data in addition to any Part or reference number(s) allocated by the Contractor, plus draft item identification(s) if required by the Codification Authority.
- 32.8 The Contractor shall provide the Technical Data required for codification of those items ordered with this Contract and also for the pertaining support items ordered with future contracts, including updating information regarding all agreed modifications, design or drawing changes made to the equipment or detailed Parts.
- 32.9 If the Contractor has previously supplied Technical Data (for the purpose stated in Clause 31.2), the Contractor is to state this fact and indicate to whom they were supplied and the Contractor shall not under normal circumstances be required to make a further supply of the Technical Data already provided. The Technical Data furnished by the Contractor and Sub-contractor(s)/supplier(s) are to be presented in accordance with the requirements for the preparation of item identification(s) as outlined in the Guide for Industry provided by the Codification Authority.
- 32.10 The Contractor should contact the Codification Authority for any information concerning the NATO codification system. This information is to be found at: ["http://www.nato.int/structur/ac/135/ncs_guide/e_guide.htm"](http://www.nato.int/structur/ac/135/ncs_guide/e_guide.htm)

32.11 Markings

- 32.11.1 All Deliverables under this Contract will identify the owner of the Deliverable and, if applicable, will prominently include notice of the existence of its warranty, its substance, its duration, and instructions to notify the Purchaser promptly if the Software is found to be defective. The markings should also be included in the operating and/or maintenance manuals or instructions accompanying such Software.
- 32.11.2 All Deliverables regardless of the media they are delivered onto

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and which are subject to export control restrictions shall be clearly marked indicating the type and nature of restriction as well as the national law imposing such restrictions. Nothing in this provision is intended to invalidate, void, or otherwise limit the rights of the Purchaser under this Contract.

33. RELEASE FROM CLAIMS

33.1 Prior to final payment under this Contract, the Contractor and each assignee under this Contract shall execute and deliver a release discharging the Purchaser, its officers, agents and employees from all liabilities, obligations and claims arising out of or under this Contract subject only to the following exceptions:

33.1.1 specified claims in stated amounts or in estimated amounts where the amounts are not susceptible to exact statement by the Contractor;

33.1.2 claims for reimbursement of costs (other than expenses of the Contractor by reason of his indemnification of the Purchaser against patent liability) including reasonable expenses incidental thereto, incurred by the Contractor under the provisions of this Contract relating to patents.

33.1.3 a patent infringement resulting from specific written instructions from the Purchaser under this Contract.

33.1.4 a patent infringement resulting from changes or additions to the goods and services subsequent to final delivery and acceptance under this Contract.

34. ASSIGNMENT OF CONTRACT

34.1 The Purchaser reserves the right to assign this Contract, in whole or in part, to another NATO body, agency or representative within NATO or NATO Nations. In such a case, the Purchaser shall notify the Contractor accordingly in writing.

34.2 NATO shall remain responsible for its obligations under the Contract and for the actions of the body, agency or representative to which this Contract may be assigned.

35. TRANSFER AND SUB-LETTING

35.1 The Contractor shall not give, bargain, sell, assign, sub-let or otherwise dispose of the Contract or any part thereof or the benefit or advantage of the

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Contract or any part thereof without the prior written consent of the Purchaser.

36. PURCHASER DELAY OF WORK

- 36.1 If the performance of all or any part of the Work is delayed or interrupted by an act of the Purchaser in the administration of this Contract, which act is not expressly or implicitly authorised by this Contract, or by the Purchaser's failure to act within the time specified in this Contract (or within a reasonable time if no time is specified), an adjustment shall be made for any increase in the cost of performance of this Contract caused by such delay or interruption and the Contract modified in writing accordingly.
- 36.2 Adjustment shall be made also in the delivery or performance dates and any other contractual provision affected by such delay or interruption. However, no adjustment shall be made under this Clause for any delay or interruption:
- 36.2.1 to the extent that performance would have been delayed or interrupted by any other cause, including the fault or negligence of the Contractor; or
 - 36.2.2 for which an adjustment is provided or excluded under any other provision of this Contract.
- 36.3 No claim under this Clause shall be allowed:
- 36.3.1 if the Contractor has failed to notify the Purchaser in writing of the act or failure to act, indicating that this act or failure to act will result in a delay or increased costs;
 - 36.3.2 for any costs incurred more than twenty (20) Days before the Contractor shall have notified the Purchaser in writing of the act or failure to act involved; and
 - 36.3.3 unless the monetary claim, in an amount stated, is asserted in writing as soon as practicable after the termination of such delay or interruption, but not later than the date of final payment under the Contract.

37. CONTRACTOR NOTICE OF DELAY

- 37.1 In the event that the Contractor encounters difficulty in complying with the Contract schedule date(s) for whatever reason, including actual or potential labour disputes, the Contractor shall immediately notify the Contracting Authority in writing, giving pertinent details. This data shall be deemed to be informational in character and shall not be construed as a waiver by the Purchaser of any schedule or date, or of any rights or remedies provided by law or under this Contract.

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- 37.2 Notwithstanding the above the Contractor shall be deemed to be in delay without notice from the Purchaser and only by simple expiry of the due date.

38. LIQUIDATED DAMAGES

- 38.1 If the Contractor:

38.1.1 fails to meet the delivery schedule of the Work or any performance milestones specified in the Schedule of Work to this Contract, or any extension thereof, or

38.1.2 fails to obtain acceptance of the delivered Work as specified in the Contract, or, if no time for acceptance is specified in the contract within a reasonable time after work is delivered.

the actual damage to the Purchaser for the delay will be difficult or impossible to determine. Therefore, in lieu of actual damages the Contractor shall pay to the Purchaser, for each day of delinquency in achieving the deadline or milestone, fixed and agreed liquidated damages of .1% (one tenth of per cent) per day of the associated payment set forth in the Schedule of Payments provided in the Contract Special Provisions. If no Schedule of Payments is specifically set forth in the Contract Special Provisions, the liquidated damages will be assessed against the price of the applicable contract line item (CLIN) of the Schedule of Supplies, Services and Prices.

- 38.2 In addition to the liquidated damages referred to above, the Purchaser shall have the possibility of terminating this Contract in whole or in part, as provided in Clause 39 (Termination for Default). In the event of such termination, the Contractor shall be liable to pay the excess costs provided in Clause 38.5.
- 38.3 The Contractor shall not be charged with liquidated damages when the delay arises out of causes beyond the control and without the fault or negligence of the Contractor as defined in Clause 39.6 (Termination for Default). In such event, subject to the provisions of Clause 41 (Disputes), the Purchaser shall ascertain the facts and extent of the delay and shall extend the time for performance of the Contract when in his judgement the findings of the fact justify an extension.
- 38.4 Liquidated damages shall be payable to the Purchaser from the first day of delinquency and shall accrue at the rate specified in Clause 38.1 to 20% of the value of each line item individually not to exceed 15% of the value of the total Contract. These liquidated damages shall accrue automatically and without any further notice being required.
- 38.5 The rights and remedies of the Purchaser under this clause are in addition to any other rights and remedies provided by law or under this Contract.

39. TERMINATION FOR DEFAULT

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- 39.1 The Purchaser may, subject to Clause 39.6 below, by written notice of default to the Contractor, terminate the whole or any part of this Contract if the Contractor, inclusive but not limited to:
- 39.1.1 fails to make delivery of all or part of the Work within the time specified in the contract or any agreed extension thereof;
 - 39.1.2 fails to make progress as to endanger performance of this Contract in accordance with its terms;
 - 39.1.3 fails to meet the technical requirements or the Specifications of the Contract;
 - 39.1.4 fails to comply with Clause 11 (Security);
 - 39.1.5 transfer this Contract without the Purchaser's prior written consent;
 - 39.1.6 breaches any provision of this Contract; or
- 39.2 In the case of any of the circumstances set forth in Clause 39.1 above, the Purchaser shall issue a letter to the Contractor stating that an actual or potential default exists and requiring a response from the Contractor within ten (10) Days that identifies:
- 39.2.1 in the case of late delivery of Work, when the Contractor shall deliver the Work and what circumstances exist which may be considered excusable delays under Clause 39.6.
 - 39.2.2 in the case of the other circumstances identified in Clause 39.1 above, what steps the Contractor is taking to cure such failure(s) within a period of ten Days (or such longer period as the Purchaser may authorise in writing) after receipt of notice in writing from the Purchaser specifying such failure and identifying any circumstances which exist which may be considered excusable under Clause 39.6.
- 39.3 The Purchaser shall evaluate the response provided by the Contractor or, in the absence of a reply within the time period mentioned in Clause 39.2, all relevant elements of the case, and make a written determination within a reasonable period of time that:
- 39.3.1 sufficient grounds exist to terminate the Contract in whole or in part in accordance with this Clause and that the Contract is so terminated;

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- 39.3.2 there are mitigating circumstances and the Contract should be amended accordingly; or
 - 39.3.3 the Purchaser will enter a period of forbearance in which the Contractor must show progress, make deliveries, or comply with the Contract provisions as specified by the Purchaser. The Purchaser may apply other remedial actions as provided by this Contract during such period of forbearance. This period of forbearance shall in no event constitute a waiver of Purchaser's rights to terminate the Contract for default.
- 39.4 At the end of the period of forbearance, which may be extended at the Purchaser's discretion, the Purchaser may terminate this Contract in whole or in part as provided in Clause 39.1 if the Contractor has not made adequate progress, deliveries or compliance with the Contract provisions which were the terms of the period of forbearance.
- 39.5 In the event the Purchaser terminates this Contract in whole or in part, as provided in Clause 39.1, the Purchaser may procure, upon such terms and in such manner as the Purchaser may deem appropriate, Work similar to those so terminated, and the Contractor shall be liable to the Purchaser for any excess costs for such similar Work; however, the Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this clause.
- 39.6 Except with respect to the default of Sub-contractors, the Contractor shall not be held liable for a termination of the Contract for default if the failure to perform the Contract arises out of causes beyond the control and without the fault or negligence of the Contractor.
- 39.6.1 Such causes may include, but are not restricted to, acts of God, acts of the public enemy, acts of the Purchaser in its contractual capacity, acts of sovereign governments which the Contractor could not reasonably have anticipated, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor.
 - 39.6.2 If the failure to perform is caused by the default of a Sub-contractor, and if such default arises out of causes beyond the control of both the Contractor and Sub-contractor, without the fault or negligence of either of them, the Contractor shall not be held liable for a termination for default for failure to perform unless the Work to be furnished by the Sub-contractor were obtainable from other sources in sufficient time to permit

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the Contractor to meet the required delivery schedule.

39.7 If this Contract is terminated as provided in Clause 39.1, the Purchaser, in addition to any other rights provided in this Clause and the Contract, may require the Contractor to transfer title and deliver to the Purchaser, in the manner and to the extent directed by the Purchaser:

39.7.1 any completed Work with associated rights ;

39.7.2 such partially completed Work, materials, Parts, tools, dies, jigs, fixtures, plans, drawings, information, and Contract rights (hereinafter called "Manufacturing materials") with associated rights as the Contractor has specifically produced or specifically acquired for the performance of such part of this Contract as has been terminated;

39.8 In addition to Clause 39.7, the Contractor shall, upon direction of the Purchaser, protect and preserve property in the possession of the Contractor in which the Purchaser has an interest.

39.9 Payment for completed Work delivered to and accepted by the Purchaser shall be at the Contract price.

39.10 Payment for manufacturing materials delivered to and accepted by the Purchaser and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and Purchaser, failure to agree to such amount shall be a dispute within the meaning of Clause 41 (Disputes).

39.11 The Purchaser may withhold from amounts otherwise due to the Contractor for such completed Work or manufacturing materials such sum as the Purchaser determines to be necessary to protect the Purchaser against loss because of outstanding liens or claims of former lien holders.

39.12 If, after notice of termination of this Contract under the provisions of this Clause, it is determined for any reason that the Contractor was not in default under the provisions of this Clause, or that the default was excusable under the provisions of this Clause, the rights and obligations of the Parties shall be the same as if the notice of termination had been issued pursuant to Clause 40 (Termination for the Convenience of the Purchaser).

39.13 If after such notice of termination of this Contract under the provisions of this Clause, it is determined for any reason that the Contractor was not in default under the provisions of this Clause and that the Parties agree that the Contract should be continued, the Contract shall be equitably adjusted to compensate for such termination and the Contract modified accordingly. Failure to agree to any such adjustment shall be a dispute within the meaning of Clause 41 (Disputes).

39.14 The rights and remedies of the Purchaser provided in this Clause shall not be

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exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

40. TERMINATION FOR THE CONVENIENCE OF THE PURCHASER

- 40.1 The performance of Work under this Contract may be terminated by the Purchaser in accordance with this Clause in whole, or from time to time in part, whenever the Purchaser shall determine that such termination is in the best interest of the Purchaser.
- 40.2 Any such termination shall be effected by delivery to the Contractor of a written notice of termination, signed by the Contracting Authority, specifying the extent to which performance of Work under the Contract is terminated, and the date upon which such termination becomes effective.
- 40.3 After receipt of a Notice of Termination and except as otherwise directed by the Contracting Authority, the Contractor shall:
- 40.3.1 stop the Work on the date and to the extent specified in the notice of termination;
 - 40.3.2 place no further orders or Sub-contracts for Work, Parts, materials, services or facilities, except as may be necessary for completion of such portion of the Work under the Contract as is not terminated;
 - 40.3.3 terminate all orders and Sub-contracts to the extent that they relate to the performance of Work terminated by the Notice of Termination;
 - 40.3.4 assign to the Purchaser, in the manner, at the times and to the extent directed by the Purchaser, all of the right, title and interest of the Contractor under the orders and Sub-contracts so terminated, in which case the Purchaser shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and Sub-contracts;
 - 40.3.5 settle all outstanding liabilities and all claims arising out of such termination of orders and Sub-contracts, with the approval or ratification of the Purchaser to the extent he may require, which approval or ratification shall be final for all the purposes of this Clause;
 - 40.3.6 transfer title and deliver to the Purchaser in the manner, at the times, and to the extent, if any, directed by the Contracting Authority of:

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- 40.3.6.1 the fabricated parts, work in process, completed work, Work, and other material produced as a part of, or acquired in connection with the performance of the Work terminated by the notice of termination, and
 - 40.3.6.2 the completed or partially completed plans, drawings, information, and other property which, if the Contract had been completed, would have been required to be furnished to the Purchaser;
 - 40.3.7 use his best efforts to sell, in the manner, at the times, to the extent, and at the price or prices directed or authorised by the Contracting Authority, any property of the types referred to in Clause 40.3.6 above. However, the Contractor:
 - 40.3.7.1 shall not be required to extend credit to any Buyer; and
 - 40.3.7.2 may acquire any such property under the conditions prescribed by and at a price or prices approved by the Purchaser; and provided further that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Purchaser to the Contractor under this Contract or shall otherwise be credited to the price or cost of the Work or paid in such manner as the Contracting Authority may direct;
 - 40.3.8 complete performance of such part of the Work as shall not have been terminated by the Notice of Termination; and
 - 40.3.9 take such action as may be necessary, or as the Purchaser may direct, for the protection and preservation of the property related to this Contract which is in the possession of the Contractor and in which the Purchaser has or may acquire an interest.
- 40.4 The Contractor may submit to the Purchaser a list, certified as to quantity and quality, of any or all items of termination inventory not previously disposed of, exclusive of items the disposition of which has been directed or authorised by the Purchaser, and may request the Purchaser to remove such items or enter into a storage agreement covering the same; provided that the list submitted

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shall be subject to verification by the Purchaser upon removal of the items, or if the items are stored, within forty-five (45) Days from the date of submission of the list, and any necessary adjustment to correct the list as submitted shall be made prior to final settlement.

- 40.5 After receipt of a notice of termination, the Contractor shall submit to the Purchaser his termination Claim for the Work covered by the notice of termination, in the form and with certification prescribed by the Purchaser. Such claim shall be submitted promptly but in no event later than six (6) months from the effective date of termination, unless one or more extensions are granted in writing by the Purchaser, upon request of the Contractor made in writing within such six-month period or authorised extension thereof. However, if the Purchaser determines that the facts justify such action, the Purchaser may receive and act upon any such termination claim at any time after such six-month period or any extension thereof. Upon failure of the Contractor to submit his termination claim within the time allowed, the Purchaser may determine on the basis of information available to him, the amount, if any, due to the Contractor by reason of the termination and shall thereupon pay to the Contractor the amount so determined.
- 40.6 Subject to the provisions of Clause 40.5, the Contractor and the Purchaser may agree upon the whole or any part of the amount or amounts to be paid to the Contractor by reason of the total or partial termination of Work pursuant to this Clause, which amount or amounts may include a reasonable allowance for profit on work done; provided that such agreed amount or amounts exclusive of settlement costs shall not exceed total Contract price as reduced by the amount of payments otherwise made and as further reduced by the Contract price of the Work not terminated. The Contract shall be amended accordingly and the Contractor shall be paid the amount agreed.
- 40.7 In the event of the failure of the Contractor and the Purchaser to agree as provided in Clause 40.6 upon the whole amount to be paid to the Contractor by reason of the termination of Work pursuant to Clause 40, the Purchaser shall pay to the Contractor the amounts determined by the Purchaser as follows, but without duplication of any amounts agreed upon in accordance with Clause 40.6 the total of:
- 40.7.1 for completed Work accepted by the Purchaser (or sold or acquired as provided in Clause 40.3 above) and not therefore paid for, a sum equivalent to the aggregate price for such Work computed in accordance with the price or prices specified in the Contract, appropriately adjusted for any saving of freight or other charges;
 - 40.7.2 the costs incurred in the performance of the Work terminated including initial costs and preparatory expense allocable thereto, but exclusive of any costs attributable

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to Work paid or to be paid for under Clause 40.7.1;

- 40.7.3 the cost of settling and paying claims arising out of the termination of work under Sub-contracts or orders, as provided in Clause 40.3.5, which are properly chargeable to the terminated portion of the Contract, exclusive of amounts paid or payable on account of Work or materials delivered or services furnished by Sub-contractors or vendors prior to the effective date of the notice of termination, which amounts shall be included in the costs payable under Clause 40.7.2; and
- 40.7.4 a sum, as profit on Clause 40.7.1 above, determined by the Purchaser to be fair and reasonable; provided, however, that if it appears that the Contractor would have sustained a loss on the entire Contract, had it been completed, no profit shall be included or allowed and an appropriate adjustment shall be made reducing the amount of the settlement to reflect the indicated rate of loss; and
- 40.7.5 the reasonable costs of settlement, including accounting, legal, clerical and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Contract and for the termination and settlement of Sub-contracts there under, together with reasonable storage, transportation, and other costs incurred in connection with the protection, or disposition of property allocable to this Contract.

- 40.8 The total sum to be paid to the Contractor under Clause 40.7 shall not exceed the total Contract price as reduced by the amount of payments otherwise made and as further reduced by the Contract price of Work not terminated.
- 40.9 Except for normal spoilage, and except to the extent that the Purchaser shall have otherwise expressly assumed the risk of loss, there shall be excluded from the amounts payable to the Contractor, as provided in Clause 40.7 above, the fair value, as determined by the Purchaser, of property which is destroyed, lost, stolen, or damaged so as to become undeliverable to the Purchaser, or to a buyer pursuant to Clause 40.3.7 above.
- 40.10 The Contractor shall have the right to dispute, under the Clause 41 (Disputes), any determination made by the Purchaser under Clauses 40.5 and 40.7, except that if the Contractor has failed to submit his claim within the time provided in Clause 40.5 and has failed to request extension of such time, the Contractor shall be foreclosed from his right to dispute said determination. In

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any case where the Purchaser has made a determination of the amount due under Clauses 40.5 and 40.7, the Purchaser shall pay the Contractor the following:

40.10.1 if there is no right of appeal hereunder or if no timely appeal has been taken, the amount so determined by the Purchaser, or

40.10.2 if an appeal has been taken, the amount finally determined on such appeal.

40.11 In arriving at the amount due to the Contractor under this Clause there shall be deducted:

40.11.1 all unliquidated advance or other payments on account theretofore made to the Contractor, applicable to the terminated portion of this Contract;

40.11.2 any claim which the Purchaser may have against the Contractor in connection with this Contract; and

40.11.3 the agreed price for, or the proceeds of the sale of, any materials, Work, or other things acquired by the Contractor or sold, pursuant to the provisions of this Clause, and not otherwise recovered by or credited to the Purchaser.

40.12 If the termination hereunder is partial, prior to the settlement of the terminated portion of this Contract, the Contractor may file with the Purchaser, in accordance with Clause 16 (Changes), a request in writing for an equitable adjustment of the price or prices relating to the continued portion of the Contract (the portion not terminated by the notice of termination), and such equitable adjustment as may be agreed upon shall be made in such price or prices.

40.13 The Purchaser may from time to time, under such terms and conditions as it may prescribe, make partial payments and payments on account against costs incurred by the Contractor in connection with the terminated portion of this Contract whenever in the opinion of the Purchaser the aggregate of such payments shall be within the amount to which the Contractor will be entitled hereunder. If the total of such payment is in excess of the amount finally agreed or determined to be due under this Clause, such excess shall be payable by the Contractor to the Purchaser upon demand, together with interest calculated using the average of the official base rate(s) per annum of the deposit facility rate as notified by the European Central Bank or such other official source as may be determined by the Purchaser, for the period from the date the excess is received by the Contractor to the date such excess is repaid to the Purchaser, provided, however, that no interest shall be charged with respect to any such excess payment attributed to a reduction in the

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Contractor's claim by reason of retention or other disposition of termination inventory until ten days after the date of such retention or disposition or such later date as determined by the Purchaser by reason of the circumstances.

- 40.14 Unless otherwise provided for in this Contract, the Contractor, from the effective date of termination and for a period of three years after final settlement under this Contract, shall preserve and make available to the Purchaser at all reasonable times at the office of the Contractor, but without direct charge to the Purchaser, all his books, records, documents, computer files and other evidence bearing on the costs and expenses of the Contractor under this Contract and relating to the work terminated hereunder, or, to the extent approved by the Purchaser, photographs, micro-photographs, or other authentic reproductions thereof.

41. DISPUTES

- 41.1 Except to the extent to which special provision is made elsewhere in the Contract, all disputes, differences or questions which are not disposed of by agreement between the Parties to the Contract with respect to any matter arising out of or relating to the Contract, other than a matter as to which the decision of the Contracting Authority under the Contract is said to be final and conclusive, shall be decided by the Contracting Authority. The Contracting Authority shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor.
- 41.2 The Contracting Authority shall not proceed with the evaluation and decision in respect of any claim until and unless the Contractor has submitted the attestation as foreseen in Clause 18 (Claims), as well as the complete proof and evidence of the claim (either by submission or by identification of the relevant documentation).
- 41.3 The Contracting Authority's decision shall be final and conclusive unless, within 30 Days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Authority his decision to open arbitration proceedings in accordance with the Clause 42 (Arbitration). The burden of proof for both receipt and delivery of such documentation shall be by signed and dated registered mail receipt or by hand receipt as acknowledged and signed by the Contracting Authority.
- 41.4 Pending final decision of a dispute, the Contractor shall proceed diligently with the performance of the Contract, unless otherwise instructed by the Contracting Authority.

42. ARBITRATION

- 42.1 Within a period of thirty days from the date of receipt of the notification referred to in Clause 41.3 above, the Parties shall jointly appoint an arbitrator. In the event of failure to appoint an arbitrator, the dispute or disputes shall be

The Contract General Provisions

submitted to an Arbitration Tribunal consisting of three arbitrators, one being appointed by the Purchaser, another by the other contracting party and the third, who shall act as President of the Tribunal, by these two arbitrators. Should one of the Parties fail to appoint an arbitrator during the fifteen days following the expiration of the first period of thirty days, or should the two arbitrators be unable to agree on the choice of the third member of the Arbitration Tribunal within thirty days following the expiration of the said first period, the appointment shall be made, within twenty-one days, at the request of the Party instituting the proceedings, by the Secretary General of the Permanent Court of Arbitration at The Hague.

- 42.2 Regardless of the procedure concerning the appointment of this Arbitration Tribunal, the third arbitrator will have to be of a nationality different from the nationality of the other two members of the Tribunal.
- 42.3 Any arbitrator must be of the nationality of any one of the member states of NATO and shall be bound by the rules of security in force within NATO.
- 42.4 Any person appearing before the Arbitration Tribunal in the capacity of an expert witness shall, if he is of the nationality of one of the member states of NATO, be bound by the rules of security in force within NATO. If he is of another nationality, no NATO classified documents or information shall be communicated to him.
- 42.5 An arbitrator, who, for any reason whatsoever, ceases to act as an arbitrator, shall be replaced under the procedure laid down in Clause 42.1 above.
- 42.6 The Contractor agrees to submit to the Arbitration Tribunal only such issues, facts, evidence and proof which the Contractor had beforehand identified and submitted to the Contracting Authority for decision in accordance with Clause 41 (Disputes). The jurisdictional authority of the Arbitration Tribunal shall be restricted to consider only those identical issues, facts, evidence and proof so identified and submitted to the Contracting Authority.
- 42.7 The Purchaser likewise agrees to restrict its submissions only to the information on which the Contracting Authority based its decision and not to introduce new information and arguments which cannot reasonably be deduced or inferred from the written decision of the Contracting Authority in response to the original dispute.
- 42.8 The Arbitration Tribunal will take its decisions by a majority vote. It shall decide where it will meet and, unless it decides otherwise, shall follow the arbitration procedures of the International Chamber of Commerce in force at the date of signature of the present Contract.
- 42.9 The awards of the arbitrator or of the Arbitration Tribunal shall be final and there shall be no right of appeal or recourse of any kind. These awards shall

determine the apportionment of the arbitration expenses.

- 42.10 Pending final decision of a dispute, the Contractor shall proceed diligently with the performance of the Contract, unless otherwise instructed by the Contracting Authority.

43. SEVERABILITY

- 43.1 If one or more of the provisions of this Contract is declared to be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions shall not be affected. Each of the Parties shall use its best efforts to immediately and in good faith negotiate a legally valid replacement provision.

44. APPLICABLE LAW

- 44.1 This Contract shall be governed, interpreted and construed in accordance with the private contract law of the Kingdom of Belgium.

* *

ANNEX 1 TO GENERAL PROVISIONS: PURCHASER'S PRICING PRINCIPLES**A. General**

1. With regard to all actions included in Clause 19," Pricing of Changes, Amendments and Claims", the Parties agree that the Purchaser's Pricing Principles contained herein shall govern.
2. As may be requested by the Purchaser, the Contractor shall provide documentation. that the standards or principles employed in the submission of cost or pricing data are in conformance with governing national policies and regulation. The Contractor, when submitting a price proposal based upon national standards and regulations, shall provide a point of contact within the national body governing such standards and regulations in order to allow Purchaser verification and audit.
3. Where such conformance cannot be demonstrated to the satisfaction of the Purchaser, the Purchaser's Pricing Principles will govern.
4. The Contractor shall clearly state whether national standards and rules or the Purchaser's Pricing Principles and formats are the basis for the price proposal.
5. Whether national standards or Purchaser pricing principles are applied, all cost and pricing data shall be verifiable, factual and include information reasonably required to explain the estimating process.
6. The Contractor shall also incorporate provisions corresponding to those mentioned herein in all sub-contracts, and shall require price and cost analysis provisions be included therein.

B. Purchaser's Pricing Principles**1. Allowable cost**

A cost is allowable for consideration by the Purchaser if the following conditions are fulfilled:

- (a) it is incurred specifically for the Contract or benefits both the Contract and other work or is necessary to the overall operation of the business although a direct relationship to any particular product or service cannot be established and is allocated to them in respective proportion according to the benefit received;

- i. Direct Costs

A direct cost is any cost which can be identified specifically with a particular cost objective as generally accepted. Direct costs are not limited to items which are incorporated in the end product as material or labour.

- ii. Indirect Costs

An indirect cost is one which is not readily subject to treatment as a direct cost. When presented these costs shall be accumulated in logical cost groupings in accordance with sound accounting principles and the Contractor's established practices. An indirect cost may be allocated to more than one final cost objective. An indirect cost shall not be allocated to a final cost objective if other costs incurred for the same purpose, in like circumstances, have been included as a direct cost of that or any other final cost objective. Such costs shall be presented as overhead rates and be applied to each related direct cost grouping.

- (b) The Contractor shall specify the allocation of costs to either of the cost groupings. The method by which costs are accumulated and distributed as part of direct or indirect costs cannot be modified during the duration of the Contract.
- (c) it is reasonable and expedient in its nature and amount and does not exceed that which would be incurred by an ordinary prudent person in the conduct of competitive business;
- (d) it is not liable to any limitations or exclusion as to types or amounts of cost items as set forth herein.
- (e) The Purchaser will review other costs presented against the contract and will determine if they would be allowable.

2. Unallowable Costs

In general all costs which cannot be shown by the contractor to be directly or indirectly of benefit to the Contract are totally unallowable. =Examples of such costs are, among others:

- (a) Advertising costs
- (b) Costs of remuneration, having the nature of profit sharing.
- (c) Costs of maintaining, repairing and housing idle and excess facilities.
- (d) Fines and penalties as well as legal and administrative expenses resulting from a violation of laws and regulations.
- (e) Losses on other contracts or on expected follow-on contracts
- (f) Costs incurred for the creation of reserves for general contingencies or other reserves (e.g. for bad debts, including losses).
- (g) Losses on bad debts, including legal expenses and collection costs in connection with bad debts.

- (h) Costs incurred to raise capital.
- (i) Gains and losses of any nature arising from the sale or exchange of capital assets other than depreciable property.
- (j) Taxes on profits.
- (k) Contractual penalties incurred.
- (l) Commissions and gratuities.
- (m) Interest on borrowings.

3. Rates and Factors

- (a) The Contractor shall inform the Purchaser of his rates and factors the basis upon which they were computed.
- (b) If the Contractor's rates and factors for similar contracts placed with national or international public services have not been established or approved by a government agency or an agency accepted by his government, the Contractor shall provide the necessary data to support the proposed rates.
- (c) The term "provisional " used in the title of a rate or factor means a tentative rate established for interim billing purposes pending negotiation and agreement to the final rate or factor.
- (d) A rate or factor is pre-determined if it is fixed before or during a certain period and based on (estimated) costs to be incurred during this period. An rate or factor is post-determined if it is fixed after a certain period and based on costs actually incurred during this period. Pre-determined rates or factors shall be agreed upon as final rates whenever possible; otherwise the provisions of paragraph 3c above shall apply pending agreement to post-determined rates or factors.
- (e) Such rates or factors shall be determined on the basis of Contractor's properly supported actual cost experience.
- (f) If the rates or factors of the Contractor for similar contracts placed by national or international public services have been established or approved by a government agency or an agency accepted by his government and the Contractor proposes the application of these rates, he shall state the name and address of the agency which has accepted or approved the rates and the period for which they were established. If he proposes rates which vary from the rates mentioned above, he shall furthermore provide a justification for the difference.

4. Profit/Benefit

- (a) Over the entire life cycle of a given acquisition, Profit and/or Benefit may be subject to negotiation.
- (b) Subcontracting profit/benefit amounts are dependent upon the size, nature and oversight needs of the subcontract(s) the prime contractor will use for work performance period.
- (c) Profit/benefit is considered by the Purchaser to be directly related to the anticipated risk of the Contractor during the performance of the Contract.



NATO Communications and Information Agency
Agence OTAN d'information et de communication

INFORMATION EXCHANGE GATEWAY (IEG) SOLUTIONS BETWEEN NATO SECRET AND NATO-LED MISSION SECRET DOMAINS

IFB-CO-14314-IEG-C

**BOOK II - PART IV
STATEMENT OF WORK (SOW)**

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SECTION 1: INTRODUCTION

1.1. Purpose

1.1.1. NATO requires a data loss prevention capability, to prevent the unauthorised release of data from the NATO SECRET to a NATO/xFOR SECRET domain. The aim of this procurement project is to industrialize the existing prototype capabilities, thereby reducing risks to security, providing resilience, improving control, management and maintenance aspects, while adhering to newly approved NATO Standards.

1.1.2. The Information Exchange Gateway Scenario C (hereafter called IEG-C) project will provide:

1.1.2.1. Support for Information Exchange Services of information and real time data between the NATO Secret core network (which comprise NATO Commands, Agencies, and connected NATO Nations) and NATO/xFOR Secret networks (for NATO Responses Forces, NATO-led Coalition Exercises and Operations).

1.1.2.2. These services will be provided by a gateway system, which should be able to scale based on the needs of the supported mission, available bandwidth and required response times.

1.1.2.3. These gateways may be in deployed locations but will be centrally managed, monitored and controlled, while physical maintenance will be undertaken by local staff.

1.1.2.4. The main objective of the gateway is to protect NATO Secret (NS) information and CIS while supporting the required interactions between the NS and mission secret CIS. The gateway will mediate exchange of data for both 'core' and 'functional' services and will, whenever possible, conform to NATO Standardization Agreements (STANAGs) 4774 and 4778¹.

[SOW-1] *The Contractor SHALL take due account of all the elements of purpose described in this SOW and ensure during the execution of the contract that the purpose described in this SOW is completely addressed in the products and services provided.*

1.2. System Description

¹ References provided in Section 2

1.2.1. The IEG-C is a Data Loss Prevention bi-directional guard at the interface between the (or “a”) NATO SECRET (NS) domain and a NATO-led ‘mission’ domain, such as ‘Resolute Support’ or ‘KFOR’. The guard approves or rejects the transmission of data between the two security domains based on either a STANAG-compliant trusted classification label, such as ‘NATO <classification> Releasable to <mission>’ or trusted source to trusted destination mediated by firewall rule sets. The reason for the trusted source/destination path is that not all current NATO services and apps are ‘label aware’.

1.2.2. The overall requirement for the IEG-C is to allow a mission command structure to operate the full range of military command and control IT functions where the staff and users include NATO and non-NATO mission partners. All non-NATO mission partners will have security agreements with NATO such that they are authorised to access information classified up to NATO SECRET Releasable to <Mission>. In such a situation, two IT systems are provided; one classified ‘NATO SECRET’ to process information that is required for the mission but not releasable to non-NATO partners (typically J2 data) and one classified <Mission> SECRET that is accessible to all authorised mission partners, both NATO and non-NATO. For practical purposes, the majority of users are typically provided with access to the mission IT system. Users in the NS domain (both local and in the static NS domain) can be granted access to services and data in the <Mission> SECRET domain, but users in the <Mission> SECRET domain are prevented from any access to the NS domain.

1.2.3. The NATO requirement for users with elevated privileges (e.g. system administrators) to have a security clearance higher than the level of the system they operate means that only NATO cleared users can be granted such permissions. Where both NS and <Mission> SECRET IT systems are provided, data transfer requirements typically require the IEG-C to be deployed to the mission HQ so that LAN-level transfer speeds can be provided between the two IT systems. Where a mission has no NS component, the IEG-C can be located at the supporting HQ at the reach-back or mission anchor location. Possible configurations are shown below in Figure 1: IEG-C Modes of Operation:

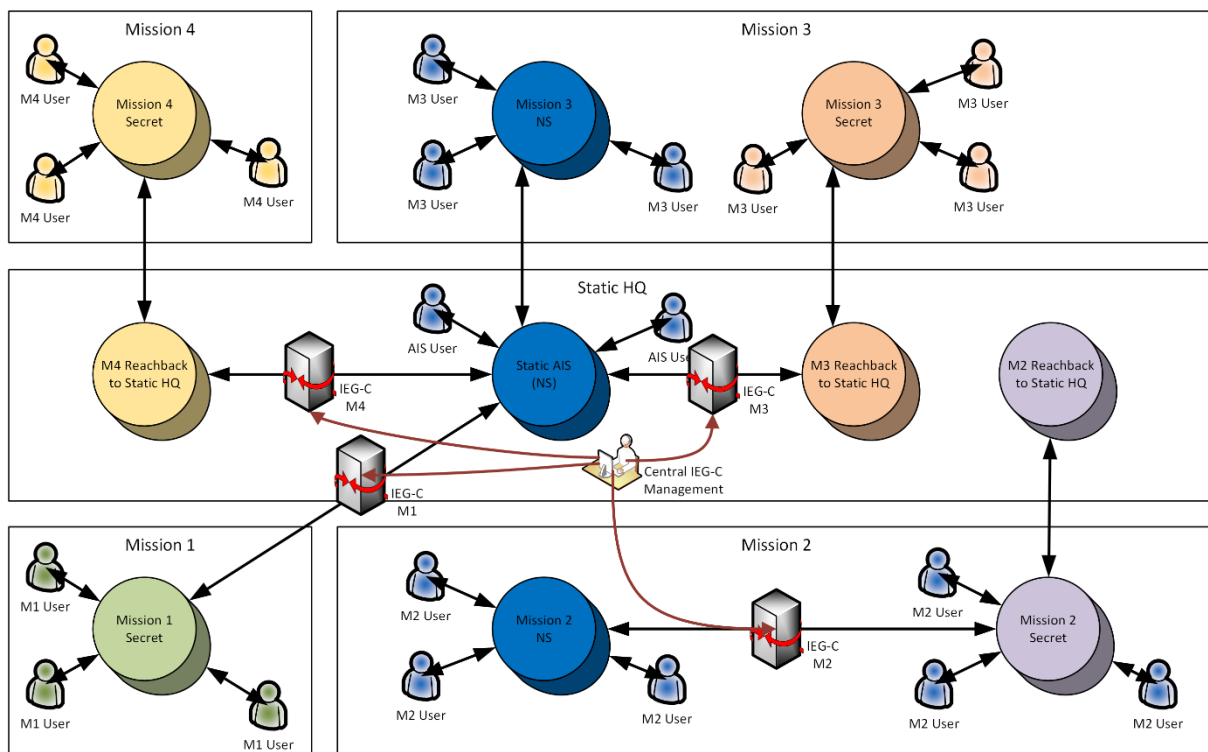
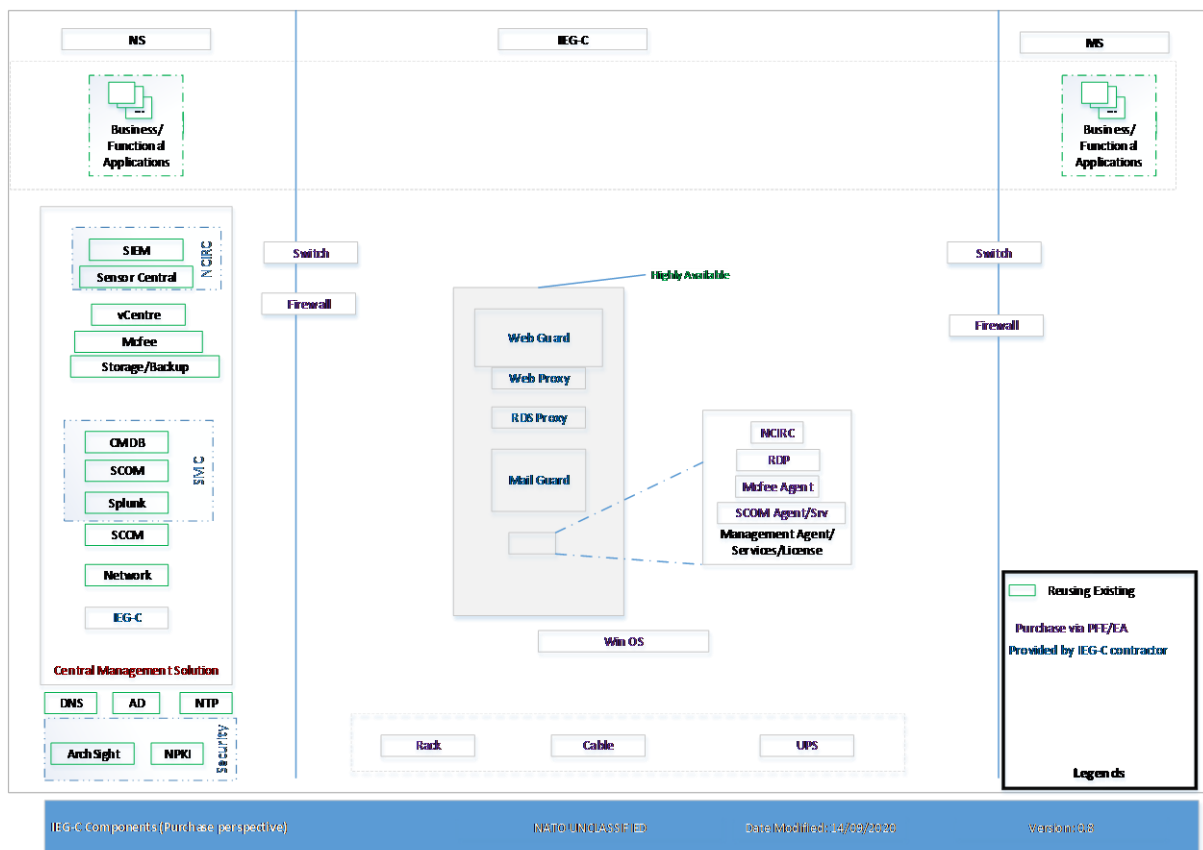


Figure 1: IEG-C Modes of Operation

1.2.4. The IEG-C requirement and operational prototype solutions have evolved over many years to a situation where there are two main variants in operation today; those with a 'DMZ' and those without. In the 'without' case, a firewall and a mail guard are connected in parallel between the two security domains. The 'DMZ' configuration adds a third domain mediated by the firewall that contains the mail guard and other guards and proxies, such as an XML web-guard and web reverse proxy.

1.2.5. The objective of the IEG-C project is to modernise and standardise the configurations to a single layout with a consolidated management suite like below in Figure 2: IEG-C Components and to add additional features required by, for instance, evolving security protection measures. It should be noted that configurations will never be fully identical as different missions will always operate different C2 tools and information exchange requirements due to the nature of the operation (Maritime-based, Land-based etc.). So there will be differences in the firewall rule sets and, of course, all missions have specific releasability labels.



1.2.6. As the IEG-C is a data release guard, it does not support any on-line users and, other than log files, only supports transient data. All of the IEG-C components will be centrally managed by a Border Protection Services management team from a central location.

1.2.7. The logical layout and data flows of the IEG-C is shown below in Figure 3: IEG-C Data Flows. Features to note are that physically separate firewalls are required for the interface to the NS domain and the interface to the <Mission> SECRET domain and that separate IEG-Cs are required for each mission. The diagram is illustrative of the data flows between the NS and <Mission> SECRET domain and shows both operational and management streams.

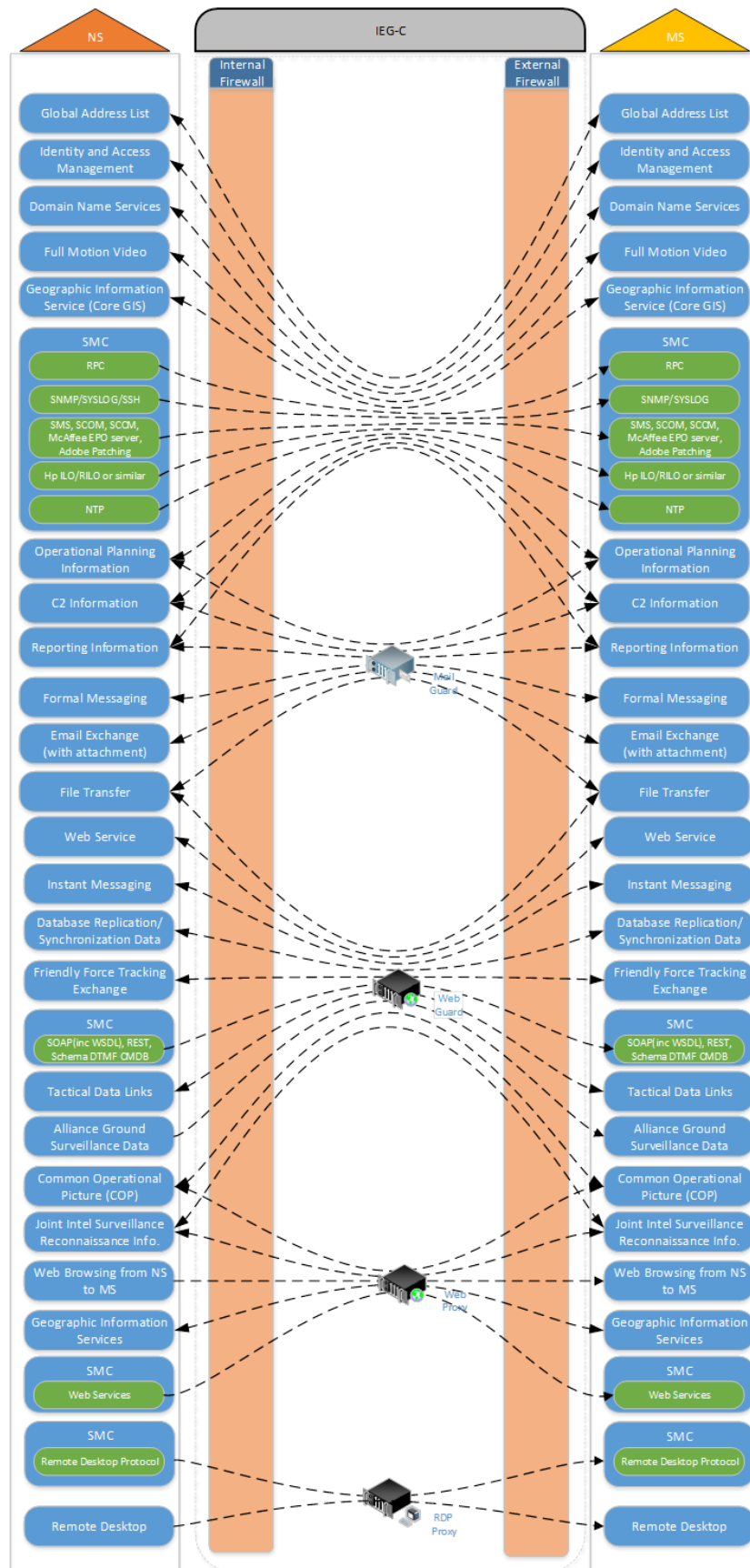


Figure 3: IEG-C Data Flows

1.3. Scope

1.3.1. The project will implement eleven (11) IEG-C systems in seven (7) locations (listed in Annex B.1), where prototype gateways have been already installed to meet NATO requirements for boundary protection, including one (1) reference system and a management facility to be installed in the first location in the NCI Agency at SHAPE.

1.3.2. The project may also implement optional installations (7 IEG-C systems in 7 locations). Six (6) of these options will be exercised depending on NATO future operational requirements and the 7th one, a virtualized instance, will be exercised when funding and specifications finalize to support NCIA IV&V activities. Options are described in SECTION 16.

1.3.3. Finally the project will remove the legacy prototypes it intends to replace, including those in 3 locations that will not receive new gateways.

1.3.4. This Statement of Work (SOW) describes requirements, as well as development, delivery and implementation processes for the IEG-C through a series of work packages as shown below in Table 1: Work Packages:

Number ²	Name
2	Phase 1 Initial Design and Build
2.1	Design and Build to Factory Acceptance
2.2	Installation of the Reference System
2.3	Integration into NATO Enterprise and Management Capability
3	Installation of Operational Gateways
4	Decommissioning legacy gateways (3 sites)
	OPTIONS (NOT EVALUATED)
6	Hardware
7	Cyber Security Monitoring (former NCIRC)

Table 1: Work Packages

[SOW-2] *The Contractor SHALL deliver the **IEG-C** as detailed in the System Requirement Specifications (SRS).*

² WP1 was for the IEG-C Target architecture and is already executed

1.3.5. This Statement of Work (SOW) describes the responsibilities of and activities to be conducted by the Contractor to meet the requirements of the IEG-C project.

- [SOW-3] *The Contractor SHALL provide all necessary resources to include services, personnel, materials, components, equipment³, data⁴ and documentation needed to accomplish all the tasks described in the SOW, to meet all the requirements of the SOW (including annexes) and to fulfil all other Contract provisions.*
- [SOW-4] *The documents listed in SECTION 2: Applicable Documents will be revised over time. The Contractor SHALL always use the current version of each document.*
- [SOW-5] *The Contractor SHALL be aware and comply with above mentioned documents throughout the Contract.*

1.3.6. Except otherwise stated, the delivery dates of the associated deliverables are provided in the Schedule of Supplies and Services (SSS) document.

- [SOW-6] *The Contractor SHALL provide project management services.*
- [SOW-7] *The Contractor SHALL provide systems engineering services to cover:*
- *Requirements review;*
 - *System design and*
 - *System Integration.*
- [SOW-8] *The Contractor SHALL provide test, verification and validation services to prove the system Product Baseline is meeting its requirements.*
- [SOW-9] *The Contractor SHALL fully document the design, operation, and maintenance of IEG-C by providing the required manuals, operational procedures, supporting technical data, computer software and drawings required by the Contract.*
- [SOW-10] *The Contractor SHALL conduct all necessary activities to obtain Security Accreditation at the NATO SECRET (NS) and applicable Mission SECRET (MS) levels for all installed sites/instances.*
- [SOW-11] *The Contractor SHALL provide System Services as described in SECTION 7*
- [SOW-12] *The Contractor SHALL co-ordinate with the Purchaser to ensure that the site preparation activities are completed in accordance with the installation requirements of the delivered system.*
- [SOW-13] *The Contractor SHALL procure and prepare the system components, as agreed in this contract, for delivery to the sites specified in this Contract.*

³ ~~Required equipment will be identified by the bidders to conform to SRS, but part thereof may be provided by the customer as Purchaser Furnished Equipment (PFE).~~ Lists will be finalized in PDR milestone (PRM 2, EDC+3). Detailed instructions are provided at 16.2 WP 6 Hardware.

⁴ NATO specific data required for System or Component Configuration will be provided by the NCI Agency

- [SOW-14] *The Contractor SHALL deliver the required software to the prepared sites, together with those that may be provided by the customer as PFE, and execute installation/deployment, on-site testing, training, and activation.*
- [SOW-15] *The Contractor SHALL provide support to application and service management integration*
- [SOW-16] *The Contractor SHALL provide Integrated Logistics Support (ILS), including training services, as described in SECTION 6 Integrated Logistics Support (ILS).*
- [SOW-17] *The Contractor SHALL provide operation and maintenance support with appropriate service management interfaces both at information (monitoring / reporting) and process (request / incident) level (see Annex F Maintenance and Support Concept (After FSA)).*
- [SOW-18] *The Contractor SHALL comply with all overarching requirements as described in the SOW (Testing process, Site survey process, Quality Assurance, Configuration Management).*
- [SOW-19] *The Contractor SHALL meet or “exceed” the Notional schedule (see 3.2: Notional schedule).*

1.4. IEG-C Solution Constraints

1.4.1. The project will include a number of optional sites, to be confirmed at a later stage, depending on future operational requirements.

1.4.2. The aforementioned IEG-C Services shall include in particular, but will not be limited to:

- Text Chat
- Electronic mail
- Directory Services
- Web Services
- Common Operational Picture Data
- Tactical Data Links data
- Remote desktop services
- Video streams

1.4.3. IEG-C will utilise certificates provided by the NATO Public Key Infrastructure (NPKI) service.

1.4.4. The IEG-C as a system integrated in the NATO Enterprise infrastructure shall allow for automatic and seamless failover between multiple IEG-C gateways properly setup.

1.4.5. The IEG-C as a system integrated in the NATO Enterprise infrastructure shall allow for

1.4.6. Security enforcing products shall be evaluated in accordance with NATO Security Policy and supporting directives.

1.5. Statement of Work (SOW) organisation

1.5.1. This SOW describes the responsibilities of and activities to be conducted by the Contractor to meet the requirements of the IEG-C ~~project~~contract.

1.5.2. Section Relevance

1.5.2.1. SECTION 2 defines the applicable documents.

1.5.2.2. SECTION 3 to SECTION 15, as well as the Annexes, define requirements of this Contract.

1.5.3. SECTION 16 describes the Options of this Contract.

1.5.4. Standards for Interpretation of the SOW:

1.5.4.1. The use of shall, should and will is defined as follows:

1.5.4.1.1. SHALL: This requirement is mandatory and must be implemented by the contractor.

1.5.4.1.2. SHALL NOT: means that the definition is an absolute prohibition of the specification.

1.5.4.1.3. WILL: This term is not implemented within the System Requirements Specification (SRS) requirements.

1.5.4.1.4. SHOULD: This term is implemented within the SRS requirements.

1.5.4.2. The words “preliminary” or “initial” or “first draft” for documents referenced in this SOW that need to be produced by the Contractor mean a document at 60% or more maturity.

1.5.4.3. This SOW invokes a variety of Standard NATO Agreements (STANAG), Allied Quality Assurance Publications (AQAPs), and Military Standards (MIL-STD). While these are NATO reference documents, there are national and international standards that are considered to be equivalent and are cited as such within these documents.

1.5.4.4. Where a national or international standard exists that is not specifically referenced in the STANAGs (and underpinning documents) or MIL-STDs as being equivalent, the Contractor may propose to utilise such a standard if he can demonstrate to the satisfaction of the Purchaser that such a standard is equivalent to the STANAGs or MIL-STD in question.

1.5.4.5. The Purchaser, however, reserves the right to deny such a request and demand performance in accordance with the standard cited in the SOW.

1.5.5. An Overall Project Schedule is provided in Section 3.2.

SECTION 2: APPLICABLE DOCUMENTS

[SOW-20] *The Contractor SHALL be aware and comply with the documents listed in SECTION 2 throughout the Contract.*

2.1. NATO Documents

2.1.1. Security Documents

Abbreviation	Full document Name and Reference
AC/322-D/0030-REV5	INFOSEC Technical & Implementation Directive for the Interconnection of Communication and Information Systems (CIS)
AC/322-D/0047-REV2 (INV)	"INFOSEC Technical & Implementation Directive On Cryptographic Security And Cryptographic Mechanisms"
AC/322-D(2017)0016 (INV)	Technical and Implementation Directive on Supply Chain Security for COTS CIS Security Enforcing Products
AC/322-N(2014)0158-ADD3	Selection and Installation of Equipment for the Processing of Classified Information
AD 070-005	ACO Communication and Information Systems (CIS) Security
AC/35-D/1017-REV3	Guidelines for Security Risk Management of CIS
AC/35-D/1021-REV3	Guidelines for the security accreditation of communication and information systems (CIS), 31 January 2012
AC/35-D/2004-REV3	Primary Directive on CIS Security, 15 November 2013
AC/35-D/2005-REV3	Management Directive on CIS Security
AC/322-D(2004)0030	INFOSEC Technical And Implementation Directive on the Requirement for, and the Selection, Approval and Implementation of, Security Tools (ST)
NS Reference Baseline	NATO SECRET CIS Security Reference Baseline – Security Mechanisms (SMs) Requirements for Core and Site Services
AC/322-D/0048-REV3	Technical and Implementation Directive on CIS Security
C-M(2002)49-COR12	Security Within The North Atlantic Treaty Organisation
AC/35-D/1030, 2005	Guidelines on Physical Security
AC/35-D/1014-REV3	Guidelines for the Structure and Content of Security Operating Procedures
AC/35-D/2001-REV3	Directive on Physical Security
AC/35-D/2002-REV5	Directive on the Security of NATO Classified Information
SDIP-27/2	NATO TEMPEST Requirements and Evaluation Procedures
SDIP-28/1	NATO Zoning Procedures

SDIP-29/2	Selection and Installation of Equipment for the Processing of Classified Information
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2.1.2. Quality Assurance Documents

Abbreviation	Full document Name and Reference
STANAG 4107 – Edition 11	Mutual Acceptance of Government Quality Assurance and Usage of the Allied Quality Assurance Publications (AQAP) Edition 11, dated 16 Jan 19, and underpinning AQAPs

2.1.3. Configuration Management Documents

Abbreviation	Full document Name and Reference
STANAG 4427 – Edition 3	Configuration Management In System Lifecycle Management – ACMP-2000 edition A & ACMP-2009 Edition A & ACMP-2100 Edition A, dated 18 Dec 14, and underpinning Allied Configuration Management Publications (ACMPs)
NCI Agency AI 06.03.01, 2015	NATO Communications and Information Agency - Agency Instruction 06.03.01, "Identification of Software Assets", 2015

2.1.4. Technical Guidance

Abbreviation	Full document Name and Reference
FMN SI Informal Messaging	FMN Spiral 1 Service Instructions for Informal Messaging, 18th February 2016
INSTR TECH 06.02.01	Service Interface Profile for Security Services, 4th February 2015
INSTR TECH 06.02.02	Service Interface Profile for REST Security Services, 4th February 2015
INSTR TECH 06.02.06	Service Interface Profile for Messaging (SOAP), 4th February 2015
INSTR TECH 06.02.07	Service Interface Profile for REST Messaging, 4th February 2015
NAC AC/322-D(2004)0019(INV), 2004	North Atlantic Council Document AC/322-D(2004)0019(INV), "INFOSEC Technical and Implementation Guidance for the Protection of CIS from Malicious Software", March 2004
AC/322-D(2004)0024-REV3-COR1, 2018	North Atlantic Council Document AC/322-D(2004)0024-REV3-COR1 "CIS Security Technical And Implementation Directive On The NATO PKI Certificate Policy", April 2018
AC/322-D(2007)0002-REV1, 2015	North Atlantic Council Document AC/322-D(2007)0002-REV1, "CIS Security Technical And Implementation Guidance in

	Support of Public Key Infrastructure - Cryptographic Aspects”, March 2015
AC/35-D/1032, 2005	North Atlantic Council Document AC/35-D/1032, 2005 “Guidelines on the Security of Information”, May 2005
NCIA RD-3381, 2012	NATO Communications and Information Agency, Reference Document 3381, “High Level Design for the NATO High Assurance Automated Guard”, April 2012
NCIA TN-1485 v1.1, 2012	NATO Communications and Information Agency, “Common Criteria (CC) Protection Profile (PP) for a Medium Assurance NATO XML-Labeling Guard, Version 1.1”, K. Wrona, S. Oudkerk, December 2012
NC3A TN-1486, 2012	NATO Consultation, Command and Control Agency Technical Note 1486, “NATO Content Inspection Policy Enforcement Framework Functional Specification”, A. Ross, S. Oudkerk, April 2012.
NC3B AC/322-D(2019)0034 (INV), 2019	NATO C3 Board AC/322-D(2019)0034 (INV), “C3 Taxonomy Perspective Baseline 23.1”, 2019
NCIA SMC TA, 2018	NATO Communications and Information Agency, “Target Architecture - Enterprise Service Management and Control”, 2018
NCIA TR-2012-SPW008418-29, 2014	NATO Communications and Information Agency , “Cryptographic Access Control In Support Of Object Level Protection”, S. Oudkerk, K Wrona, February 2014
NCIA TR/2016/NSE010871/01, 2017	NATO Communications and Information Agency , , “Information Exchange Gateway Scenario C Phase 1: Target Architecture – Final”, IEG-C Team, January 2017
[NCI Agency TR/2017/NCB010400/12, 2017]	NATO Communications and Information (NCI) Agency Technical Report 2017/NCB010400/12, “NATO Enterprise Security Monitoring Guidance Version 1.0”, Sébastien Gay, Philippe Lagadec, Jean-Francois Agneessens, Nikolaos Virvilis-Kollitiris, NCI Agency, The Hague, The Netherlands, June 2017 (NATO RESTRICTED).
NAC AC/322-D(2012)0022, 2013	North Atlantic Council, Consultation Command and Control Board (C3B) “Technical Implementation Guidance on Cryptographic Mechanisms in Support of Cryptographic Services”, January 2013 (NATO RESTRICTED)

2.1.5. Standard Guidance

Abbreviation	Full document Name and Reference
STANAG 1059	Letter Codes for Geographical Entities
STANAG 4774	Confidentiality Metadata Label Syntax
STANAG 4778	Metadata Binding Mechanism

STANAG 4778 SRD.2	Standard Related Document SRD.2 "Binding Profiles
NATO STANAG 6001, 2014	NATO Standardisation Agreement 6001, "Language Proficiency Levels", Ed. 5, 2014
MILSTD810, 2000	Environmental Engineering Considerations and Laboratory Tests
AECTP300, 1998	Climatic Environmental Tests
MILSTD461E, 1999	EMC Testing

2.1.6. NATO Templates

Abbreviation	Full document Name and Reference
[NTEMP-1]	Interface Control Document template
[SRA template]	Security Risk Assessment (SRA) Report template
[STVR template]	Security Test and Verification Report template
[SISRS template]	System Interconnection Security Requirements Statement (SISRS) template
[STVP template]	

2.1.7. Others

Abbreviation	Full document Name and Reference
IEG-C description	Information Exchange Gateway Scenario C (IEG-C) description
IEG-C SAP	NATO Security Accreditation Plan (SAP) for Information Exchange Gateway Scenario C (IEG-C)
NATO VIG v3	NATO Visual Identity Guidelines Version 3 (online: https://www.nato.int/vigs/pdf/NATO-VIGs-2016-en.pdf)

2.2. Non-NATO Documents

Abbreviation	Full document Name and Reference
AIA/ASD SX000i, 2016	Aerospace Industries Association/Aerospace and Defence Industries Association of Europe SX000i, "International guide for the use of the S-Series Integrated Logistic Support (ILS) specifications (issue 1.1)", 2016
AIA/ASD S3000L, 2014	Aerospace Industries Association/Aerospace and Defence Industries Association of Europe S3000L - International specification for Logistics Support Analysis – LSA (issue 1.1), 2014
EVM Practice Standard	Practice Standard for Earned Value Management (2011), Project Management Institute

IETF RFC 791, 1981	Internet Engineering Task Force (IETF) Request For Comments (RFC) 791, "Internet Protocol, DARPA Internet Program Protocol Specification", September 1981.
IETF RFC 854, 1983	Internet Engineering Task Force (IETF) Request For Comments (RFC) 854, "Telnet Protocol Specification", May, 1983
IETF RFC 959, 1985	Internet Engineering Task Force (IETF) Request For Comments (RFC) 959, "File Transfer Protocol (FTP)", October 1985
IETF RFC 1983, 1996	Internet Engineering Task Force (IETF) Request For Comments (RFC) 1983, "Internet Users' Glossary", August 1996
IETF RFC 2119, 1997	Internet Engineering Task Force Request for Comments 2119, "Key Words for Use in RFCs to Indicate Requirement Levels", 1997
IETF RFC 2312, 1998	Internet Engineering Task Force (IETF) Request For Comments (RFC) 2312, "S/MIME Version 2 Certificate Handling", March 1998.
IETF RFC 2789, 2000	Internet Engineering Task Force (IETF) Request For Comments (RFC) 2789, "Mail Monitoring MIB", March 2000.
IETF RFC 2818, 2000	Internet Engineering Task Force (IETF) Request For Comments (RFC) 2818, "HTTP Over TLS", May 2000.
IETF RFC 2865, 2000	Internet Engineering Task Force (IETF) Request For Comments (RFC) 2865, "Remote Authentication Dial In User Service (RADIUS)", June 2000.
IETF RFC 3339, 2000	Internet Engineering Task Force (IETF) Request For Comments (RFC) 3339, "Date and Time on the Internet: Timestamps", July 2002.
IETF RFC 3410 – 3418, 2002	Internet Engineering Task Force (IETF) Request For Comments (RFC) 3410 through 3418, "S/MIME Version 2 Certificate Handling Introduction and Applicability Statements for Internet Standard Management Framework", December 2002.
IETF RFC 3461, 2003	Internet Engineering Task Force (IETF) Request For Comments (RFC) 3461, "Simple Mail Transfer Protocol (SMTP) Service Extension for Delivery Status Notifications (DSNs)", January 2003.
IETF RFC 3464, 2003	Internet Engineering Task Force (IETF) Request For Comments (RFC) 3461, "An Extensible Message Format for Delivery Status Notifications", January 2003", January 2003.
IETF RFC 4251, 2006	Internet Engineering Task Force (IETF) Request For Comments (RFC) 4251, "The Secure Shell (SSH) Protocol Architecture", January 2006.
IETF RFC 4253, 2006	Internet Engineering Task Force (IETF) Request For Comments (RFC) 4253, "The Secure Shell (SSH) Transport Layer Protocol", January 2006.

IETF RFC 4510-4519, 2006	Internet Engineering Task Force (IETF) Request For Comments (RFC) 4510 through 4519, "Lightweight Directory Access Protocol (LDAP)", June 2006.
IETF RFC 5280, 2008	Internet Engineering Task Force (IETF) Request For Comments (RFC) 5280, "Internet X.509 Public Key Infrastructure Certificate and Certificate Revocation List (CRL) Profile", May 2008.
IETF RFC 5321, 2008	Internet Engineering Task Force (IETF) Request For Comments (RFC) 5321, "Simple Mail Transfer Protocol", October 2008.
IETF RFC 5322, 2008	Internet Engineering Task Force (IETF) Request For Comments (RFC) 5322, "Internet Message Format", October 2008.
IETF RFC 5424, 2009	Internet Engineering Task Force (IETF) Request For Comments (RFC) 5424, "The Syslog Protocol", March 2009.
IETF RFC 5652, 2009	Internet Engineering Task Force (IETF) Request For Comments (RFC) 5652, "Cryptographic Message Syntax (CMS)", September 2009.
IETF RFC 6125, 2011	Internet Engineering Task Force (IETF) Request For Comments (RFC) 6125, "Representation and Verification of Domain-Based Application Service Identity within Internet Public Key Infrastructure Using X.509 (PKIX) Certificates in the Context of Transport Layer Security (TLS)", March 2011.
IETF RFC 6353, 2011	Internet Engineering Task Force (IETF) Request For Comments (RFC) 6353, "",
IETF RFC 6960, 2013	Internet Engineering Task Force (IETF) Request For Comments (RFC) 2818, "HTTP Over TLS", May 2000.
IETF RFC 7030, 2013	Internet Engineering Task Force (IETF) Request For Comments (RFC) 7030, "Enrolment over Security Transport" (EST).
IETF RFC 7230, 2014	Internet Engineering Task Force (IETF) Request For Comments (RFC) 7230, "Hypertext Transfer Protocol (HTTP/1.1): Message Syntax and Routing", June 2014.
IETF RFC 7231, 2014	Internet Engineering Task Force (IETF) Request For Comments (RFC) 7231, "Hypertext Transfer Protocol (HTTP/1.1): Semantics and Content", June 2014.
IETF RFC 7414, 2015	Internet Engineering Task Force (IETF) Request For Comments (RFC) 7414, "A Roadmap for Transmission Control Protocol (TCP) Specification Documents", February 2015.
IETF RFC 7525, 2015	Internet Engineering Task Force (IETF) Request For Comments (RFC) 7525, "Recommendations for Secure Use of Transport Layer Security (TLS) and Datagram Transport Layer Security (DTLS)", May 2015
IETF RFC 7540, 2015	Internet Engineering Task Force (IETF) Request For Comments (RFC) 7540, "Hypertext Transfer Protocol Version 2 (HTTP/2)", May 2015.
IETF RFC 7817, 2016	Internet Engineering Task Force (IETF) Request For Comments (RFC) 7817, "Updated Transport Layer Security (TLS) Server

	Identity Check Procedure for Email-Related Protocols", March 2016
IETF RFC 8200, 2017	Internet Engineering Task Force (IETF) Request For Comments (RFC) 2460, "Internet Protocol, Version 6 (IPv6) Specification", July 2017.
IETF RFC 8446, 2018	Internet Engineering Task Force (IETF) Request For Comments (RFC) 8446, "The Transport Layer Security (TLS) Protocol Version 1.3", August 2018.
IETF RFC 8550, 2019	Internet Engineering Task Force (IETF) Request For Comments (RFC) 8550, "Secure/Multipurpose Internet Mail Extensions (S/MIME) Version 4.0 Certificate Handling", April 2019.
IETF RFC 8551, 2019	Internet Engineering Task Force (IETF) Request For Comments (RFC) 8551, "Secure/Multipurpose Internet Mail Extensions (S/MIME) Version 4.0 Message Specification", April 2019.
IPMI V2.0, 2013	Intel, Hewlett-Packard, NEC, Dell "IPMI – Intelligent Platform Management Interface Specification Second Generation, v2.0" Document Revision 1.1, October 2013
ISO 9000, 2015	International Organization for Standardization 9000 Series, "Quality Management Principles (Version 2015)", 2015
ISO 10012, 2003	International Organization for Standardization 10012 (Version 2003), "Measurement Management Systems – Requirements for measurement processes and measuring equipment", 2003
ISO/IEC 12207, 2017	International Organization for Standardization/International Electrotechnical Commission 12207, "Information Technology – Software Lifecycle Processes", 2008
ISO/IEC 25010, 2011	International Organization for Standardization/International Electrotechnical Commission 25010, "Systems and software engineering — Systems and software Quality Requirements and Evaluation (SQuaRE) — System and software quality models", 2011
ISO/IEC/IEEE 29119, 2013	International Organization for Standardization/International Electrotechnical Commission/Institute of Electrical and Electronics Engineers 29119-Part 1, "Concepts and definitions. Part 2 Test processes. Part 3 Test documentation", 2013
ISO/IEC 15408, v.3.1	Common Criteria for Information Technology Security Evaluation
ITIL v3, 2007	Office of Government Commerce, "Information Technology Infrastructure Library (ITIL) V.3", 2007
MIL-STD 882E, 2011	US Department of Defense Military Standard 882E, "System Safety", 2011
NIAP PP_APP_V.1.2, 2016	Protection Profile for Application Software Version 1.2
NIAP PP_OS_V.4.1, 2016	Protection Profile for General Purpose Operating Systems

NIAP CPP_FW_V.1.0, 2015	Collaborative Protection Profile for Stateful Traffic Filter Firewalls
NIAP CPP_ND_V.1.0, 2015	Collaborative Protection Profile for Network Devices
NIAP PP_NDCP_IPP_EP_V.2.1, 2016	Collaborative Protection Profile for Network Devices/Collaborative Protection Profile for Stateful Traffic Filter Firewalls Extended Package (EP) for Intrusion Prevention Systems (IPS)
NIAP PP_ESM_V.2.1, 2013	Standard Protection Profile for Enterprise Security Management Policy Management
NIAP PP_ESM_AC_V.2.1, 2013	Standard Protection Profile for Enterprise Security Management Access Control
RDP Overview, 2019	“Remote Desktop Services Protocols Overview”, May 2019, available at: https://winprotocoldoc.blob.core.windows.net/productionwindowsarchives/MS-RDSOD/%5bMS-RDSOD%5d.pdf
W3C SOAP 1.1, 2000	World Wide Web Consortium, Note, “Simple Object Access Protocol (SOAP) 1.1”, May 2000
W3C SOAP 1.2, 2007	World Wide Web Consortium, Recommendation, “SOAP Version 1.2 Part 1: Messaging Framework”, April 2007
W3C Canonical XML Version 1.1, 2008	World Wide Web Consortium, Recommendation, “Canonical XML Version 1.1”, May 2008
W3C XML Schema 1.0, 2004	XML Schema Definition Language (XSD) 1.0, 2004
W3C XML Path Language 1.0, 1999	World Wide Web Consortium, Recommendation, “XML Path Language (XPath) Version 1.0”, 25 March 2003
W3C XPointer, 2003	World Wide Web Consortium, Recommendation, “XPointer Framework”, 25 March 2003

SECTION 3: MILESTONES

3.1. Introduction

3.1.1. This section provides a notional view of the project logical schedule as well as the list of key project milestones and criteria to be met by the Contractor to achieve them.

3.1.2. Key project milestones are defined as follows:

- Effective Date of Contract (EDC)
- System Requirements Review (SRR)
- Preliminary Design Review (PDR)
- Critical Design Review (CDR)
- Factory Acceptance Test (FAT)
- Acceptance of IEG-C security accreditation package
- System Integration Testing (SIT) + System Acceptance Testing (SAT)+User Acceptance Testing (UAT)
- Deployment Authorization (DA)
- Preliminary System Acceptance (PSA)
- Site Accreditation
- Site Acceptance Phase (SA)
- Operational Test & Evaluation (OT&E)
- Final System Acceptance (FSA)
- Decommissioning

[SOW-21] *The Contractor SHALL note that the above milestones have been defined in a chronological order. The start of activities leading to a milestone requires the acceptance of the previous milestone (for example, the start of system implementation activities (SECTION 13) requires the prior acceptance of the DA milestone).*

3.2. Notional schedule

Figure 3 provides the Overall Project Schedule with expected timeline for each Work Package. Each Work Package scope is defined in Annex B.2

- 3.2.1. Work Package Scope
- 3.2.2. Project will start with Effective Date of Contract (EDC) milestone.
[SOW-22] *The Contractor SHALL adhere to the Overall Project Schedule. Contractor SHALL reflect this in all relevant Project Management Documentation (Section 4.4: Project Management Documentation).*
- 3.2.3. Effective Date of Contract (EDC)
[SOW-23] *The Effective Date of Contract (EDC) SHALL be established at the time of Contract Award (CAW).*

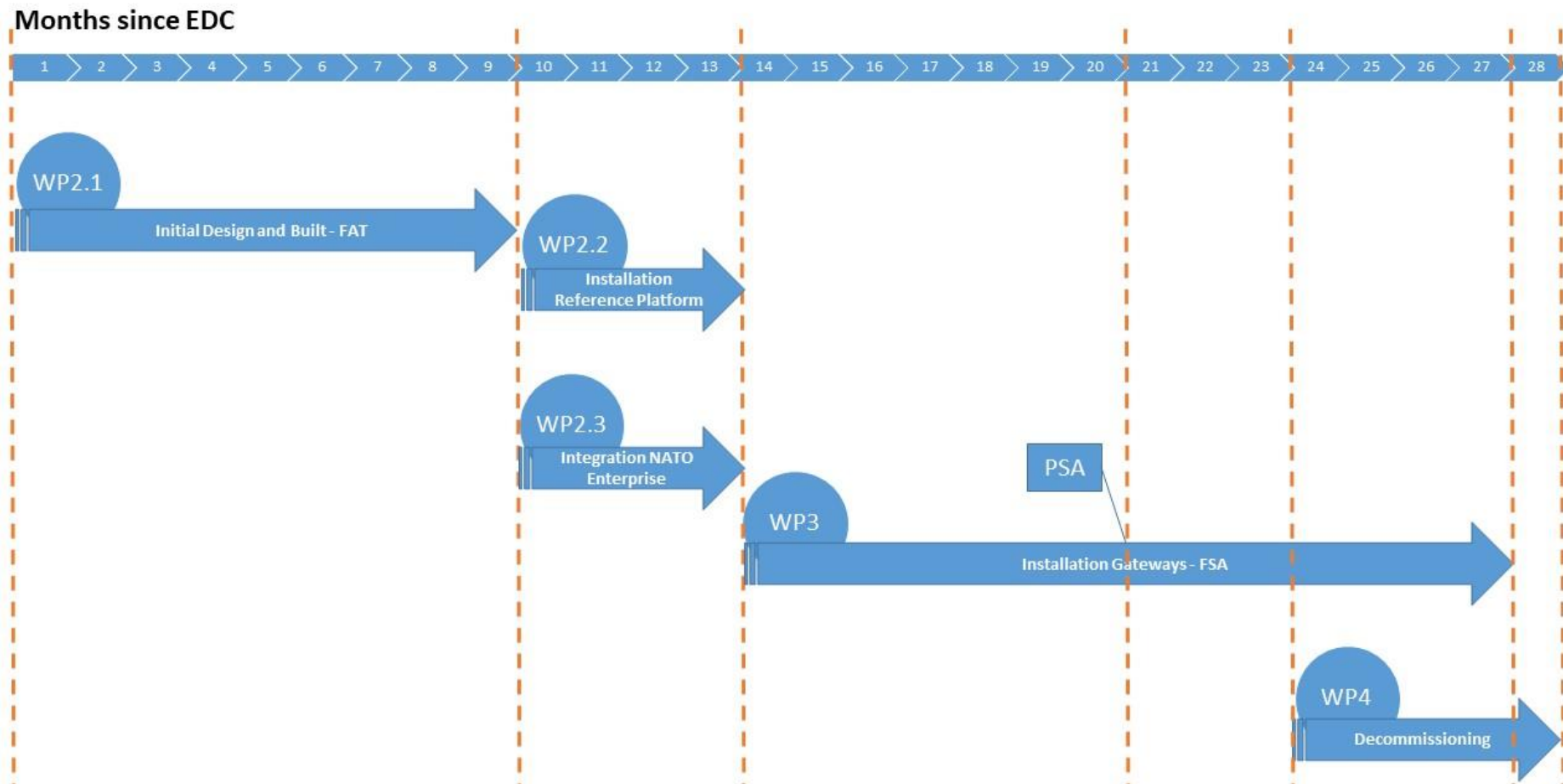


Figure 3: Overall Project Schedule

- [SOW-24] *The Contractor SHALL integrate IEG-C in its Project Master Schedule at minimum by committing to deliver:*
- *System Requirements Review (SRR)*
 - *Preliminary Design Review (PDR)*
 - *Critical Design Review (CDR)*
 - *Factory Acceptance Test (FAT)*
 - *Acceptance of IEG-C security accreditation package*
 - *System Integration Testing (SIT) + System Acceptance Testing (SAT)+User Acceptance Testing (UAT)*
 - *Deployment Authorization (DA)*
 - *Preliminary System Acceptance (PSA)*
 - *Site Accreditation (security accreditation of interconnection via particular instance of IEG-C)*
 - *Site Acceptance Phase (SA)*
 - *Operational Test & Evaluation (OT&E)*
 - *Final System Acceptance FSA*

Project Milestones

Milestone	No later than
Effective Date of Contract (EDC)	EDC
System Requirements Review (SRR)	EDC+2mo
Preliminary Design Review (PDR)	EDC+3mo
Critical Design Review (CDR)	EDC+6mo
Factory Acceptance Test (FAT)	EDC+9mo
Acceptance of IEG-C security accreditation package	EDC+13mo
System Integration Testing (SIT) + System Acceptance Testing (SAT)+User Acceptance Testing (UAT)	EDC+17mo
Deployment Authorization (DA)	EDC+20mo
Preliminary System Acceptance (PSA)	EDC+20mo
Site Accreditations	EDC+25mo
Site Acceptance Phase (SA)	EDC+25mo
Operational Test & Evaluation (OT&E)	EDC+26mo
Final System Acceptance FSA	EDC+27mo
Decommissioning	Up to 4 months after FSA

Table 2: Project Milestones

- [SOW-25] *The Contractor SHALL meet or “exceed” the milestones mentioned in the above schedule. “Exceed” SHALL be understood as a situation where the Contractor has delivered earlier than the dates (i.e. EDC + ‘x’ months) mentioned in the above schedule, and the Purchaser has accepted the milestone accordingly.*
- [SOW-26] *The Contractor SHALL implement 11 IEG-C on the sites marked as “Mandatory Sites” in Table Annex B 15 – Site Type and Location of Annex B.1*

- [SOW-27] *The Contractor SHALL propose the implementation sequence of the sites in Master Test Plan. The final sequence will be determined in coordination with the Agency.*
- [SOW-28] *Upon the exercise of a contract option, the Contractor SHALL implement up to 7 additional **IEG-C** on the sites marked as “Optional Sites” in Table Annex B 15 – Site Type and Location of Annex B.1*
- [SOW-29] *The Contractor SHALL execute all project management activities (see SECTION 4: Project Management) due for each milestone, and all associated deliverables will have been approved by the Purchaser to enable successful completion of each milestone.*

3.3. System Requirements Review (SRR)

3.3.1. The System Requirements Review (SRR) is a multi-disciplined review to ensure that the system requirements under review can proceed into initial systems development, and that all system requirements and performance requirements derived from the approved SRS are defined and testable, and are consistent with cost, schedule, risk, technology readiness, and other system constraints.

- [SOW-30] *The Contractor SHALL organize and conduct the SRR (EDC+2MO) at the Purchaser’s facility to present the updated SRS with its proposed changes for the design and integration of the **IEG-C** which will then become the Functional Baseline (FBL).*
- [SOW-31] *The Contractor SHALL use as a main source for SRR the ISO/IEC/IEEE29148 (Systems and software engineering — Life cycle processes — Requirements engineering), the IEEE12207 and the IEEE15288 (Systems Engineering).*
- [SOW-32] *The Contractor SHALL review the Contractual **IEG-C** System Requirements Specification (SRS) and all other applicable documents, including:*
- *liaise with NATO subject matter experts as necessary;*
 - *prepare its recommendations in terms of proposed changes to the System Requirements Specification (SRS);*
 - *propose changes to the SRS (if any), in order to resolve inconsistencies and/or make improvements; such proposals will be considered by the Purchaser through the CCB process after Systems Requirements Review Meetings.*
- [SOW-33] *The Contractor SHALL identify any inconsistencies within the requirements or that are in conflict (e.g. with design constraints).*
- [SOW-34] *The Contractor SHALL justify any proposed changes to the requirements ~~by~~ with the expected system cost, schedule, performance, and supportability impacts.*
- [SOW-35] *The Contractor SHALL use as its SRS the Purchaser provided SRS with approved changes and, as required, extended with additional details supporting the approved scope.*
- [SOW-36] *The Contractor SHALL deliver proposed changes to the SRS prior to SRR (EDC+2MO).*
- 3.3.2. SRR Entry Criteria
- [SOW-37] *In planning the SRR meeting, the Contractor SHALL include Entry Criteria given in Table 3: The SRR Entry Criteria and make them available to the Purchaser at least two (2) weeks prior to the SRR (EDC+2MO)*

Serial	Activities/Documents
1.	A preliminary SRR agenda
2.	Use Case documentation
3.	Success Criteria (enhanced or adapted)
4.	System Requirements Specification (SRS)
5.	Draft Security Risk Assessment Report (SRA-R)
6.	Draft System Interconnection Security Requirements Statements (SISRS)
7.	Preliminary system requirements allocation to the next lower levels.
8.	Updated schedule
9.	Preliminary software development plan
10.	Preliminary verification and validation approach
11.	Updated risk assessment and mitigations in the Risk Register
12.	Active Change Request (CR)

Table 3: The SRR Entry Criteria

[SOW-38] *The Contractor SHALL perform a System Requirements Analysis Review (see Section 5.3: System Requirements Analysis and Review).*

[SOW-39] *The Contractor SHALL update the Change Proposal documentation (see 12.6 Engineering Change Proposals (ECP)).*

3.3.3. The achievement of SRR is subject to the Purchaser approval which is based on accomplishment of the criteria listed in Table 4: The SRR Success Criteria

[SOW-40] *During the event the Contractor SHALL collect from the Purchaser assessment inputs based on Table 4: The SRR Success Criteria and upon conclusion of the SRR the Contractor SHALL produce a report and make it available to the Purchaser at most (1) week after the SRR.*

Serial	Requirement
1.	The resulting overall concept -baseline is reasonable, feasible, complete, responsive to the operational requirements, and is consistent with system requirements and available resources (cost, schedule, staff, etc.).
2.	The project utilizes a sound process for the allocation and control of requirements throughout all levels, and a plan has been defined to complete the definition activity within schedule constraints. Preliminary software development plan exists
3.	Requirements definition, is complete with respect to the Contractual SRS requirements, and interfaces with external entities and between major internal elements have been defined
4.	Requirements allocation and traceability of key driving requirements have been defined from Contractual SRS, down to SRS and lower level system elements.
5.	<u>Preliminary</u> System and element design approaches and operational concepts exist and are consistent with the SRS.
6.	The requirements, design approaches, and conceptual design will fulfil the mission needs within the estimated costs
7.	Preliminary approaches have been determined for how requirements will be <u>tested</u> , verified and validated down to the system element level

8.	All changes to SRA, SRS, SISRS are agreed, they are accepted to have sufficient detail to begin or continue with the system design and implementation work
9.	Major risks have been identified, and viable mitigation strategies have been defined. Steps to mitigate risks are identified in the Risk Register

Table 4: The SRR Success Criteria

[SOW-41] *The Contractor SHALL consider the SRR completed when the Purchaser and the Contractor have agreed to all necessary changes to the SRS such that the SRS is sufficient to begin or continue with the design and implementation work.*

3.4. Preliminary Design Review (PDR)

3.4.1. The Preliminary Design Review (PDR at EDC+3MO) demonstrates that the preliminary design meets all system requirements with acceptable risk and within the cost and schedule constraints and establishes the basis for proceeding with detailed design. It will show that the correct design option has been selected, interfaces have been identified, and verification methods have been described.

[SOW-42] *Review and acceptance of design documentation provided by the Contractor to the Purchaser does not imply Purchaser acceptance of the design. The Contractor SHALL be solely responsible to prove the design through the regime of testing set forth in the Contract and the Contractor SHALL be solely responsible in the event that the system proves deficient in meeting the SRS*

[SOW-43] *The Contractor SHALL perform a System Design as defined in section 5.4.4: Design Reviews, and the associated documentation SHALL have been approved by the Purchaser.*

[SOW-44] *The Contractor SHALL complete the site survey process as defined in SECTION 9: Site Surveys and deliver the associated reports for approval by the Purchaser for all the sites that form part of PSA scope (Section 3.10: Provisional System Acceptance (PSA)) and SECTION 9: Site Surveys.*

[SOW-45] *The Contractor SHALL perform the Training Needs Analysis (TNA) for all the sites that form part of PSA scope (Section 3.10: Provisional System Acceptance (PSA)) for approval by Purchaser, as defined in Section 6.6.2: Training Needs Analysis (TNA) - The Contractor SHALL ensure the Training Materials include how the Transition from one Release to the next release is realised and how to install, configure and maintain the Modified or new Component capability, including COTS components.*

[SOW-46] *The Contractor SHALL deliver the Training Plan that will cover all the sites that form part of PSA scope (Section 3.10: Provisional System Acceptance (PSA)) for approval by Purchaser, as defined in Section 6.6.3: Training Plan.*

[SOW-47] *The Contractor SHALL have delivered the System Implementation Plan (SIP) for all the sites that form part of PSA scope (Section 3.10: Provisional System Acceptance (PSA) and Section 7.3: System Implementation Plan (SIP)) for approval by Purchaser.*

3.4.2. PDR Entry Criteria

[SOW-48] *In planning the PDR (EDC+3MO) meeting, the Contractor SHALL include Entry Criteria given in Table 5: The PDR Entry Criteria and make them available to the Purchaser at least two (2) weeks prior to the PDR*

Serial	Activities/Documents
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1.	A preliminary PDR agenda
2.	Success Criteria (enhanced or adapted)
3.	Master Test Plan (MTP) (preliminary)
4.	Test Procedures/Test Cases (preliminary)
5.	System Design Specification (SDS) (preliminary)
6.	System Implementation Plan (SIP)
7.	Updated Security Risk Assessment Report (SRA-R)
8.	System Security Design Specification (SSDS) (preliminary)
9.	Requirements Traceability Matrix (RTM)
10.	Interface Control Description (ICD) (draft)
11.	Integrated Logistics Support Plan (ILSP) (draft)
12.	Updated Risk Register
13.	Active Change Requests

Table 5: The PDR Entry Criteria

3.4.3. The achievement of PDR is subject to the Purchaser approval which is based on accomplishment of the criteria listed in Table 6: The PDR Success Criteria

[SOW-49] *During the event the Contractor SHALL collect from the Purchaser assessment inputs based on Table 6: The PDR Success Criteria and upon conclusion of the PDR (EDC+3MO) the Contractor SHALL produce a final report and make it available to the Purchaser at most (1) week after the PDR*

Serial	Requirement
1.	Agreement exists for the top-level requirements, including their verification and validation criteria, technical performance measures and any implementation constraints, and that these are finalised, stated clearly, and are consistent with the preliminary design
2.	The traceability of design artefacts to verifiable requirements is complete and proper or, if not, an adequate plan exists for timely resolution of open items. Design artefacts are traceable to the SRS.
3.	The preliminary design is expected to meet the requirements at an acceptable level of risk
4.	Definition of the technical interfaces is consistent with the overall technical maturity and proves an acceptable level of risk.
5.	Adequate technical interfaces are consistent with the overall technical maturity and provide an acceptable level of risk.
6.	Adequate technical margins exist with respect to technical performance measures
7.	The project and security risks are understood; plans, process and resources exist to effectively manage them. Steps to mitigate risks are identified in the Risk Register
8.	Major user interface features are reviewed and concept of interfaces are agreed.
9.	Non-functional requirements have been adequately addressed in preliminary designs.
10.	The <u>system</u> operational concept is technically sound, that it includes (where appropriate) human factors that apply, and that requirements for its execution are traceable

Table 6: The PDR Success Criteria

3.5. Critical Design Review (CDR)

3.5.1. The purpose of the Critical Design Review (CDR at EDC+6MO) is to demonstrate that the maturity of the design is appropriate to support proceeding with full scale software and hardware implementation, integration, verification, validation and operation and that the technical effort is on track to complete system development in order to meet the SRS requirements within the identified cost and schedule constraints. At CDR the final version for each component (software) and interfaces to be used in the FBL shall be fixed. The Contractor will plan the CDR at the completion of the system design phase and conduct the CDR at the Purchaser's facility.

3.5.2. CDR Entry Criteria

[SOW-50] *In planning the CDR meeting, the Contractor SHALL include Entry Criteria given in Table 7: The CDR Entry Criteria and make them available to the Purchaser at least two (2) weeks prior to the CDR (EDC+6MO)*

Serial	Activities/Documents
1.	A preliminary CDR agenda
2.	Success Criteria (enhanced or adapted)
3.	Successful completion of the PDR and responses has been made to all PDR open issues, or a timely closure plan exists for those remaining open.
4.	Master Test Plan (MTP) (final)
5.	Test Procedures/Test Cases (intermediate)
6.	Site Survey Reports
7.	Training Need Analysis (TNA)
8.	System Design Specification (SDS) (final)
9.	System Security Design Specification (SSDS) (final)
10.	Requirements Traceability Matrix (RTM) (update)
11.	Interface Control Description (ICD) (initial version)
12.	Integrated Logistics Support Plan (ILSP) (initial version)
13.	Updated Risk Register
14.	Active Change Requests

Table 7: The CDR Entry Criteria

[SOW-51] *The Contractor SHALL perform a Critical Design Review as defined in 5.4, and the associated documentation SHALL have been approved by the Purchaser.*

[SOW-52] *The Contractor SHALL complete the site survey process as defined in SECTION 9 and delivered the associated reports for approval by the Purchaser for all the sites that form part of PSA scope.*

[SOW-53] *The Contractor SHALL update the Training Needs Analysis (TNA) for all the sites that form part of PSA scope (Section 3.10: Provisional System Acceptance (PSA)) for approval by Purchaser, as defined in Section 6.6.2 Training Needs Analysis (TNA) - The Contractor SHALL ensure the Training Materials include how the Transition from one Release to the next release is realised and how to securely install, configure and maintain the Modified or new Component capability, including COTS components.*

[SOW-54] *The CDR documentation and achievement of the CDR milestone are subject to the Purchaser approval. Unless otherwise approved by the Purchaser, the Contractor SHALL NOT proceed with the CDR stage without successful completion of the PDR (EDC+3MO) milestone.*

3.5.3. The achievement of CDR is subject to the Purchaser approval which is based on accomplishment of the criteria listed in Table 8: The CDR Success Criteria

[SOW-55] *During the event the Contractor SHALL collect from the Purchaser assessment inputs based on Table 8: The CDR Success Criteria and upon conclusion of the CDR the Contractor SHALL produce a report and make it available to the Purchaser at most (1) week after the CDR.*

Serial	Requirement
1.	The detailed design is expected to meet the requirements with adequate margins at an acceptable level of risk. System Element-level functionality, design and interfaces are defined
2.	Core Services integration (at Service-level and host environment-level) is defined.
3.	System security, including Technical Services access-control mechanisms, data protection, backup and recovery, audit, interconnection, and information exchange security in context of the Services breakdown are defined.
4.	High-level design of Information Entities is completed.
5.	ICDs and SIPs are appropriately matured to proceed with implementation, integration and test, and plans are in place to manage any open items. System-level and Service-level interfaces, including external Services interfaces are defined.
6.	High confidence exists in the CDR, and adequate documentation exists and/or will exist in a timely manner to allow proceeding with implementation, integration, and test. For any elements that require development, the development methodology and documentation approach are defined
7.	Overall system design and its interactions, Services, components and Human-Machine Interface and Human Factors justifications are defined.
8.	For COTS products, the intended product and version, and note if any modifications, adaptations, or additional elements (such as macros or plug-ins) are required. Open Source Software (OSS) are to be disclosed (for review of OSS conditions by the Purchaser).
9.	The verification and validation requirements and plans are complete.
10.	The testing approach is comprehensive, and the planning for system integration, test, and operation is sufficient to progress into the next phase. Sequence and scope of system tests of each Baseline and any requirements for Purchaser support and participation are defined.
11.	Adequate technical and programmatic margins and resources exist to complete the development within budget, schedule, and risk constraints.
12.	Risks are understood, and plans and resources exist to effectively manage them. Steps to mitigate risks are identified in the Risk Register
13.	Non-functional requirements have been adequately addressed in system and operational designs.

Table 8: The CDR Success Criteria

3.6. Factory Acceptance Test (FAT)

- [SOW-56] *The Contractor SHALL have performed necessary activities and satisfied criteria for meeting FAT (EDC+9MO) milestones as defined in SECTION 8 and SHALL achieve Purchaser approval of the associated documentation.*

3.7. Acceptance of IEG-C security accreditation package

- [SOW-57] *The milestone "Acceptance of IEG-C security accreditation package" will be achieved when NSAB approval is granted at EDC+13mo.*
- [SOW-58] *The contractor SHALL deliver all documentation according to SECTION 10, 7 months in advance of the expected "Acceptance of IEG-C security accreditation package Milestone" in order to have NSAB approved deliverables before commencing WP 3 / Installation of gateways.*

3.8. System Integration Testing (SIT) + System Acceptance Testing (SAT) + User Acceptance Testing (UAT)

- [SOW-59] *The Contractor SHALL have performed necessary activities and satisfied criteria for meeting SIT + SAT + UAT (EDC+17mo) milestones as defined in SECTION 8 and SHALL achieve Purchaser approval of the associated documentation.*

3.9. Deployment Authorization (DA)

3.9.1. Successful completion of RFC process is a prerequisite for adding the IEG-C to the AFPL, which is a pre-requisite for authorization to deploy the IEG-C on to NATO networks.

- [SOW-60] *The Contractor SHALL comply with the decision of the Purchaser's CAB and only after CAB approval to deploy authorization is granted, the installation of the first site can be initiated based on the Purchaser approved Deployment Plan.*
- [SOW-61] *The Contractor SHALL have handled any change to satisfy the security requirements.*
- [SOW-62] *The Contractor SHALL have delivered the required training (including training for RAs operators) at agreed site(s), according to Training and the training plan approved by Purchaser.*
- [SOW-63] *The Contractor SHALL have completed and received approval by the SAA of the Security Accreditation Documentation (see SECTION 10), including all the localised versions of documents (see 10.3), for all the (block of) site(s).*
- [SOW-64] *The Contractor SHALL have completed the Site Acceptance Plan and have received the approval by the Purchaser.*
- [SOW-65] *The Contractor SHALL have completed the Site Acceptance Test Cases and have received the approval by the Purchaser.*
- [SOW-66] *The Contractor SHALL have completed the Operational System Acceptance (OSA) Plan and have received the approval by the Purchaser.*
- [SOW-67] *The Contractor SHALL have completed the OSA Test Cases and have received the approval by the Purchaser*
- [SOW-68] *The Contractor SHALL note that system implementation activities in the operational environment SHALL NOT start until the Deployment Authorization milestone is approved by the Purchaser.*

3.9.2. The achievement of DA is subject to the Purchaser approval which is based on accomplishment of the criteria listed in Table 9 The DA Success CriteriaTable 8: The CDR Success Criteria

[SOW-69] *During the event the Contractor SHALL collect from the Purchaser assessment inputs based on Table 9 The DA Success Criteria and upon conclusion of the DA the Contractor SHALL produce a report and make it available to the Purchaser at most (1) week after the DA.*

Serial	Requirement
1.	The IEG-C is added to the AFPL
2.	The IEG-C has obtained CAB approval
3.	Training for operators is completed
4.	High-level design of Information Entities is completed.
5.	Security Accreditation Documentation is approved by the Security Accreditation Authority
6.	The Site Acceptance Plan is approved by the Purchaser
7.	Site Acceptance Test Cases are approved by the Purchaser
8.	Operational System Acceptance (OSA) Plan are approved by the Purchaser
9.	OSA Test Cases are approved by the Purchaser

Table 9 The DA Success Criteria

3.10. Provisional System Acceptance (PSA)

3.10.1. The IEG-C will be considered as having achieved the PSA (EDC+20mo) milestone when all the relevant system prerequisites have been completed successfully and the first operational IEG-C Gateway is activated.

3.10.2. The criteria for achieving PSA are listed below:

[SOW-70] *The Contractor SHALL install, test and activate all the IEG-C components for the first operational IEG-C (IEG-C-02, see Annex B1, page 172) at SHAPE as described and defined in SECTION 6: Integrated LOGISTICS Support (ILS), SECTION 7: System Implementation and SECTION 8: Test, Verification, Validation (TVV).*

[SOW-71] *The Contractor SHALL have delivered all functionalities of IEG-C defined within Work Packages Scope (Annex B2)*

[SOW-72] *The Contractor SHALL have trained all required personnel according to Section 6.6: Training.*

[SOW-73] *The Contractor SHALL have provided reviewed and approved operational and maintenance documentation as described in Section 6.5 Technical Documentation and SECTION 15: Deliverables Outlines.*

[SOW-74] *The Contractor SHALL have satisfied the security requirements (see SECTION 10: Security).*

[SOW-75] *The Contractor SHALL have migrated on IEG-C all services required to support the information exchange requirements for the CIS interconnection.*

[SOW-76] *The Contractor SHALL ensure all performance and availability requirements specified in this SOW (Annex A, SRS) have been met.*

- [SOW-77] *The Contractor SHALL have executed all activities required to have all IEG-C software components (including ITSM tools) on the AFPL (Approved Fielded Product List).*
- [SOW-78] *The Contractor SHALL have supplied the spare parts and consumables.*
- [SOW-79] *The Contractor SHALL have implemented and tested all Support Services and the ITSM Tools, covering the PSA Site (SHAPE), and obtained the Purchaser's approval.*
- [SOW-80] *The Contractor SHALL have updated Product Baselines (PBL) and SHALL have provided the Operational Baseline (OBL) as described in SECTION 12: Configuration Management to reflect the actual PSA configuration*
- [SOW-81] *The Contractor SHALL have provided the Configuration Management database (CMDB) in a format that is compatible with the Purchaser CMDB tools.*
- [SOW-82] *The Contractor SHALL have performed the Physical Configuration Audit (PCA) and Functional Configuration Audit (FCA), provided the audit reports and completed the corrective actions as outlined in the reports.*
- [SOW-83] *The Contractor SHALL have executed all agreed test cases, and all tests SHALL have a status "PASS", as described in [SOW-638] The Contractor SHALL use the tools supporting requirements coverage, defect management and test management selected and hosted by the purchaser. For any internal work, the Contractor may use their own internal tools, but the tools used for the contractor's internal work SHALL be able to natively interface with the tools selected and hosted by the Purchaser in order to keep all TVV related data for the project in the purchaser tools.*
- [SOW-84] *TVV Events and results.*

3.10.3. It is important to note that PSA is not only dependent on compliance against testable requirements, but will require non-testable requirements to be met too.

- [SOW-85] *The Contractor SHALL handle all observations and deficiencies from the Formal Test Phases following the Defect Management Process and SHALL satisfactory resolve them before awarding PSA.*

3.10.4. The Contractor SHALL have completed and received approval by the Security Accreditation Authority (SAA) of the Security Accreditation Documentation (see para: 10.3), including all the localised versions of documents, for the PSA Site (SHAPE).First Site Acceptance

- [SOW-86] *In addition to the requirements set below, the Contractor SHALL achieve, for the Mons site, the requirements as set below in **Error! Reference source not found. Error! Reference source not found.** and SECTION 10: Security Accreditation.*

3.10.5. The achievement of PSA is subject to the Purchaser approval which is based on accomplishment of the criteria listed in Table 10: PSA success criteria.

- [SOW-87] *During the event the Contractor SHALL collect from the Purchaser assessment inputs based on Table 10: PSA success criteria and upon conclusion of the PSA the Contractor SHALL produce a report and make it available to the Purchaser at most (1) week after the PSA.*

Serial	Requirement
1.	The IEG-C documentation is delivered and approved
2.	The IEG-C functionalities are delivered

3.	The IEG-C Training is completed
4.	Spare parts and consumables are delivered
5.	All IEG-C software components (including ITSM tools) are on the AFPL (Approved Fielded Product List)
6.	PBL and OBL are updated and the corresponding CMDB data provided to the Customer
7.	PCA and FCA reports are delivered and corrective actions completed
8.	Site Security Accreditation is approved by the Security Accreditation Authority
9.	The IEG-C is integrated with Core Services, Service Management and Monitoring
10.	IEG-C Services are migrated from the old IEG-C prototype in SHAPE to the new IEG-C-02
11.	Performance and Availability requirements set in Annex A of this SOW (SRS) are met
12.	The IEG-C-02 is installed, tested and activated

Table 10: PSA success criteria

3.11. Site Accreditation

Site accreditation is addressed in Section 10.1 and will apply to each site individually.

3.12. Site Acceptance

3.12.1. The following requirements will apply to each of the locations that will host an IEG-C.

3.12.2. The completion of acceptance all locations will mean the completion of the Site Acceptance milestone.

- [SOW-88] *Between PSA and FSA milestones, the Contractor may propose an activation per site. In such a case, the Contractor SHALL comply with the requirements of this section in order to reach activation for a site.*
- [SOW-89] *The Contractor SHALL meet all the PSA-related requirements.*
- [SOW-90] *The Contractor SHALL have implemented the site in accordance with SECTION 6: Integrated LOGISTICS Support (ILS), SECTION 7: System Implementation SECTION 8: Test, Verification, Validation (TVV), SECTION 9: Site Surveys and SECTION 15: Deliverables Outlines SHALL have delivered the associated documentation.*
- [SOW-91] *The Contractor SHALL have installed, tested and activated the IEG-C(s) at the site.*
- [SOW-92] *The Contractor SHALL have migrated on IEG-C all services required to support the information exchange requirements for the CIS interconnection(s).*
- [SOW-93] *All performance and availability requirements specified in this SOW SHALL have been met by the Contractor.*
- [SOW-94] *The Contractor SHALL train all required personnel according to Section 6.6: Training.*
- [SOW-95] *The Contractor SHALL have supplied the spare parts and consumables.*
- [SOW-96] *The Support Services SHALL have been updated as required.*
- [SOW-97] *The Contractor SHALL have executed all agreed test cases, and all tests SHALL have a status "PASS" , as described in [SOW-639] The Contractor SHALL use the tools supporting requirements coverage, defect management*

and test management selected and hosted by the purchaser. For any internal work, the Contractor may use their own internal tools, but the tools used for the contractor's internal work SHALL be able to natively interface with the tools selected and hosted by the Purchaser in order to keep all TVV related data for the project in the purchaser tools.

[SOW-98] *TVV Events and results.*

[SOW-99] *The Contractor SHALL have provided the Operational Baseline (OBL) as described in SECTION 12: Configuration Management to reflect the actual Site configuration.*

[SOW-100] *The Contractor SHALL complete and receive approval by the Security Accreditation Authority (SAA) of the Security Accreditation Documentation (see para: 10.3), including all the localised versions of documents, for the site.*

3.12.3. The SAA has issued the Statement of Accreditation for the interconnection via IEG-C at the site.

3.12.4. Site Activation Meetings

The achievement of Site Activation is subject to the Purchaser approval, in writing. Site Activation will be established at a meeting convened between the Contractor and the Purchaser for that purpose. At that meeting the Contractor will present to the Purchaser evidence that all conditions for Site Activation as described in Section 3.12 Site Acceptance and summarized in Table 11: Site Activation Criteria have been met.

Serial	Requirement
1.	PSA requirements are met
2.	The IEG-C gateways for the site are installed, tested and activated as per ILS and TVV requirements
3.	All deliverables are delivered
4.	All IEG-C Services are migrated
5.	Performance and Availability requirements set in Annex A of this SOW (SRS) are met
6.	The IEG-C Training is completed
7.	Spare parts and consumables for the site are delivered
8.	PBL and OBL are updated and the corresponding CMDB data provided to the Customer
9.	Site Security Accreditation is approved by the Security Accreditation Authority

Table 11: Site Activation Criteria

3.13. Operational Test and Evaluation (OT&E)

[SOW-101] *The Contractor SHALL conduct OT&E as defined in Sections SECTION 7 and SECTION 8.*

[SOW-102] *The Contractor SHALL have successfully implemented or achieved the Operational Acceptance Criteria (OAC) that apply to this SOW and have been included in Annex A (SRS).*

[SOW-103] *The Contractor SHALL note that the achievement of the OT&E milestone is subject to the Purchaser acceptance.*

3.14. Final System Acceptance (FSA)

3.14.1. FSA (EDC+27mo) is the act by which the Purchaser has evaluated and determined that the implemented IEG-C System meets the requirements of the Contract, and that the Contractor has fully delivered all requirements.

- [SOW-104] *The Contractor SHALL meet all PSA milestone requirements (see par.3.10) as well as Site Activation milestone requirements (see par.**Error! Reference source not found.: Error! Reference source not found.**) for all the sites to be implemented under this contract.*
- [SOW-105] *The Contractor SHALL execute all implementation activities according to SECTION 3 at all the sites to be implemented under this contract.*
- [SOW-106] *The Contractor SHALL install the most recent version of implemented IEG-C.*
- [SOW-107] *The Contractor SHALL fully implement the centralised management and control of the IEG-C according to the requirements specified in this SOW.*
- [SOW-108] *The Contractor SHALL deliver a complete and updated set of documents (e.g. Functional Baseline, Product baseline, Operational baseline)*
- [SOW-109] *The Contractor SHALL have provided the Configuration Management database (CMDB) in a format that is compatible with the Purchaser CMDB tools.*
- [SOW-110] *The Contractor SHALL activate Support Services at all the FSA Sites.*
- [SOW-111] *The Contractor SHALL have executed all agreed test cases, and all tests SHALL have a status "PASS".*
- [SOW-112] *The Contractor SHALL complete and receive approval by the SAA of the Security Accreditation Documentation (para: 10.3), including all the localised versions of documents (para: 10.2: Security Accreditation Authority (SAA)), for all the FSA sites.*

3.14.2. The SAA has issued the Statements of Accreditation for the **IEG-C** at all the Sites.

- [SOW-113] *The Contractor SHALL deliver all deliverables (SECTION 15), and conducted all activities, as specified in this Contract.*
- [SOW-114] *The Contractor SHALL close to the satisfaction of the Purchaser all outstanding issues, failures, and deficiencies.*

3.14.3. Site FSA Meetings and Success Criteria

The achievement of FSA (EDC+27mo) is subject to Purchaser approval, in writing. Project FSA will be established at a meeting convened between the Contractor and the Purchaser for that purpose. At that meeting the Contractor shall present to the Purchaser evidence that all conditions for FSA, as described in 3.14.1 and summarized in Table 12: FSA Success Criteria, have been met.

- [SOW-115] *During the event the Contractor SHALL collect from the Purchaser assessment inputs based on and upon conclusion of the FSA the Contractor SHALL produce a report and make it available to the Purchaser at most (1) week after the FSA.*

Serial	Requirement
1.	PSA and OT&E milestones are achieved
2.	All the IEG-Cs in the scope of this SOW and listed in ANNEX B Implementation Scope are delivered and are operational
3.	All changes to IEG-C software components (including ITSM tools) are on the AFPL (Approved Fielded Product List)

4.	All site have the latest version of IEG-C system solution
5.	FBL, PBL and OBL are updated and the corresponding CMDB data provided to the Customer
6.	Site Security Accreditation for all FSA sites is approved by the Security Accreditation Authority
7.	IEG-C Services are migrated from the old IEG-C prototypes to the new IEG-C
8.	Performance and Availability requirements set in Annex A of this SOW (SRS) are met
9.	Test and Acceptance phases with Test Reports are provided to the Customer
10.	Legacy Gateways (WP3 and WP4 locations) have been decommissioned and removed

Table 12: FSA Success Criteria

SECTION 4: PROJECT MANAGEMENT

4.1. Introduction

4.1.1. This section outlines the Project Management requirements for this Contract.

4.1.2. The Contractor's Project Management activity is viewed as a critical factor in the successful execution of the IEG-C Project.

[SOW-116] *The Contractor SHALL at all times ensure that:*

- *Adequate resources are applied to all activities undertaken under the contract;*
- *Milestones are identified and achieved in a timely manner;*
- *The project status information is comprehensively reported to the Purchaser in a timely manner;*
- *Configuration Management baselines are established and maintained throughout the project lifecycle;*
- *All risks (Purchaser and Contractor risks) to project achievement are identified and managed;*
- *Professional standards of project activities and deliverables through the application of QA techniques are applied;*
- *Due account is taken of Purchaser Furnished Information including Process Management Directives.*

4.1.3. The success of the IEG-C project depends upon a sound project management approach. Full and open communication between the Contractor and the Purchaser is an essential element of this approach.

4.1.4. To facilitate the efficient way of communication email is considered as an official communication channel, unless stated otherwise.

[SOW-117] *The Contractor SHALL acknowledge email receipt and answer email received from NATO project team members (see para: 4.3 Project Management Organization) within 3 business days.*

4.1.5. Methodology

[SOW-118] *The Contractor SHALL use PRINCE2 or an equivalent PM standard for the direction, governance and management activities for the entire project. If an equivalent PM standard is used, the Contractor SHALL prove that it at minimum meets all requirements stated in this section.*

[SOW-119] *The Contractor SHALL be agile in the approach for ~~the~~ any software development and configuration product delivery activities within each release and by doing so SHALL enable:*

- *All SOW requirements are met*
- *Detailed planning and progress tracking for the short horizon (time-boxed) activities*
- *Re-planning and reviewing activities at frequent intervals*
- *Product deliverables breakdown and continuous (re)prioritization*
- *Iterative development and incremental delivery via product releases*
- ~~*Prototyping and frequent demonstration of product features*~~

- *Team collaboration, rich communication, self-organisation, transparency and customer-focus*
- *A test-driven approach utilising frequent and comprehensive testing activities using testing automation to the greatest possible extent (target 100%)*
- *Progress Reporting ~~will be based on~~with Earned Value Management (EVM)*

[SOW-120] *The Contractor SHALL define and describe its implementation of the required PM approach so that at minimum it shows a clear and consistent exchange of information between the Project team and minimal duplication of information and project management activities. For example:*

[SOW-121] *The Contractor SHALL use Project Master Schedule (PMS; i.e., Gantt chart) for higher level project planning and milestones tracking but should be regularly fed by information from Product Delivery Reviews.*

[SOW-122] *The Contractor SHALL produce Project Status Report (PSR) that include inputs about delivery progress, issues and risks taken from Product Delivery Reviews and meeting.*

4.2. Project Implementation Plan (PIP)

[SOW-123] *The Contractor SHALL provide a Project Implementation Plan (PIP), which will describe how the Contractor will implement the Project.*

4.2.1. The PIP shall be provided to the Purchaser for review and acceptance within four (4) weeks after Effective Date of Contract (EDC). The PIP will be reviewed by the Purchaser and comments submitted to the Contractor no later than five (5) working days after receipt. PIP final version will be provided to the Purchaser six (6) weeks after Effective Date of Contract (EDC).

4.2.2. The approval of the PIP by the Purchaser signifies only that the Purchaser agrees to the Contractor's approach in meeting the requirements. This approval in no way relieves the Contractor from its responsibilities to meet the requirements stated in this SoW.

4.2.3. The PIP shall be kept up to date throughout the project, and shall be subject of review at each Project Review Meeting (PRM), until and including Provisional System Acceptance (PSA (EDC+20mo)). The PIP will also identify the security accreditation process.

4.2.4. The PIP shall include the sections listed and described in 4.4 Project Management Documentation below:

4.3. Project Management Organisation

4.3.1. Project Governance

4.3.1.1. This project will be managed in accordance with the NCIA project management procedures, based on the Projects in Controlled Environments (PRINCE 2) methodology. The NCIA has established the Project Board representing, among others, the users and suppliers.

4.3.1.2. The NCI Agency Project Board is composed of the following.

4.3.1.2.1. Senior User: SHAPE J6 is the Senior User for this project. NCI Agency internal representation of the users is provided by ~~Demand Management~~NSIP section.

4.3.1.2.2. Senior Supplier: The Implementation Contractor is the Senior Supplier for this project and is responsible for delivering the required capability. NCIA Agency Internal Representation of the Supplier is provided by NCIA Agency Contracting as needed.

4.3.1.2.3. Executive: The NCI Agency Core Enterprise Services (CES) Service Line Chief is the Project Board Executive for this project.

4.3.1.2.4. NCIA Agency Service Strategy will be part of the Project Board to assure technical conformity of the implementation and its architecture to the relevant NATO standards. Project assurance will be augmented by other NCIA entities as needed, including Chief Technical Officer and IV&V.

4.3.1.3. The NCIA Project Manager (PM) will report to the NCIA Project Executive in accordance with the Prince2 principles.

4.3.2. Overall Project Organisation

4.3.2.1. The Project Management Structure is shown in Figure 4 below

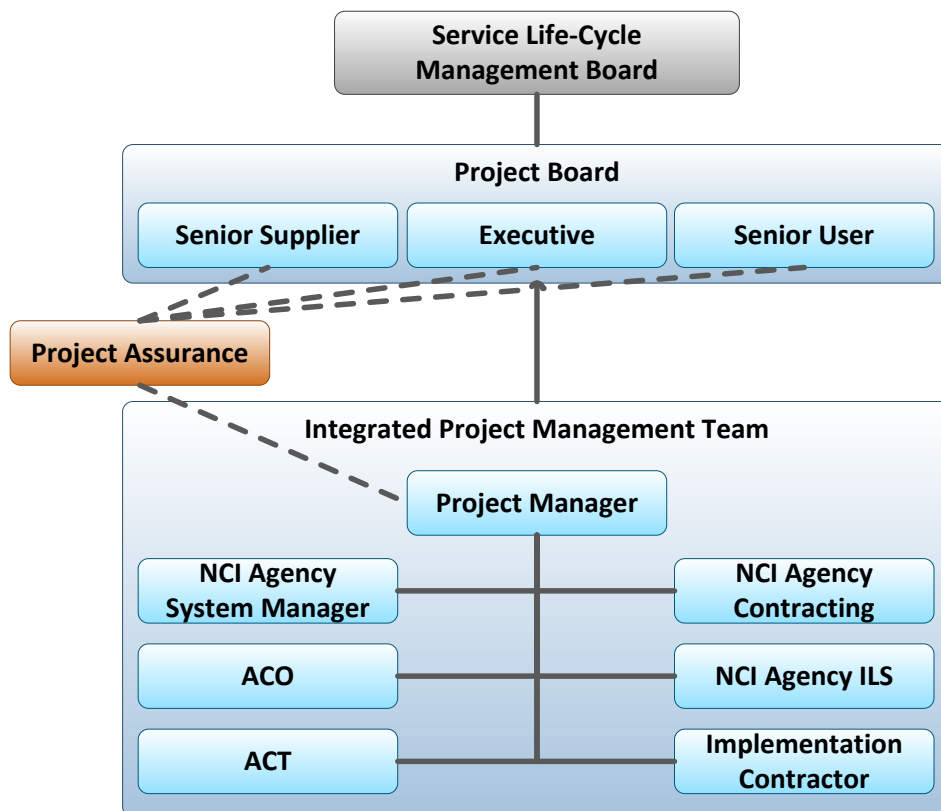


Figure 4: Project Management Structure

4.3.2.1.1. The Project board is accountable for the project success and has the authority to direct the project by making key decisions and exercising overall control. The Board manages by exception via reports provided by Project Managers and escalates as needed to the NCIA SLMB.

~~124.0.0.0.0. The Integrated Project Management Team (IPMT) meets quarterly and includes customer representatives and is updated on project progress, status, issues, and risks.~~