



NCIA/ACQ/2021/06519

28 January 2021

To: See Distribution List

Subject: **Request for Quotation RFQ-CO-115317-ESS
Procurement of Electronic Security System for Interim Facility**

Reference: A. AC/337-D(2016)0014 – NCIO Financial Rules and Procedures
B. C-M(2015)0025 – NATO Financial Regulations (NFR)
C. C-M(2002)49 – NATO Security Policy

Dear Sir/Madam,

1. Your firm has been identified as a potential source for an Electronic Security System for Interim Facility as set forth in the subject Request for Quotation (RFQ). The description and specifications of the works, the required quantities, timelines and the bidding instructions are attached to this letter.
2. The NCI Agency intends to place one contract to cover the entire scope of the project. However, please note that Funds are not presently available for this project. The Agency's obligation under this project is contingent upon the availability of funds from which payment for contract purposes can be made. No legal liability on the part of the Agency for any payment may arise until funds are made available to the Contracting Officer for this project and until the Contractor receives notice of such availability, to be confirmed in writing by the Contracting Officer.
3. An award will be based on the proposal evaluated as the lowest price, technically compliant in accordance with the selection criteria set forth in the Bidding Instructions.
4. **THE CLOSING TIME FOR SUBMISSION OF BIDS IN RESPONSE TO THIS REQUEST FOR QUOTATION IS 12:00 HOURS (BRUSSELS TIME) ON FRIDAY 26 FEBRUARY 2021.**
5. This Request for Quotation consists of the following documents:
 - a) Book I – Bidding Instructions. This provides the general bidding information and includes the following annexes:
 - i. Annex A – Bidding Sheets – The bidding sheets should be completed exactly as instructed.
 - ii. Annex B – Certificates.





- b) Book II – Prospective Contract. This contains the following sections:
- i. Contract Special terms and conditions.
 - ii. Contract General Provisions.
 - iii. The Statement of Work. This sets forth the detailed specifications governing the performance requirements of the contract.
6. The overall security classification of this Request for Quotation is “NATO UNCLASSIFIED”. This Request for Quotation remains the property of the NCI Agency and shall be protected in accordance with the applicable national security regulations.
 7. The Bidders have the right to request RFQ clarifications as outlined in section 2.6 of the Bidding Instructions (Book I).
 8. Execution of the proposed contract may require unescorted access and work of contractor personnel at NATO Class I and II security areas, and in accordance with Reference C, personnel of the winning bidder will be required to hold individual security clearances of “NATO SECRET”. Only companies maintaining appropriate personnel clearances will be able to perform the resulting contract. Bidders are to note that contract award will not be delayed in order to allow Contractor personnel to obtain missing clearances.
 9. You are requested to complete and return the enclosed acknowledgement of receipt within 5 days of receipt of this RFQ, informing NCI Agency of your intention to bid/not to bid. Your firm is not bound by its initial decision, and if you decide to reverse your stated intention at a later date, you are requested to advise us by a separate letter.
 10. The reference for this RFQ is RFQ-CO-115317-ESS, and all correspondence concerning the RFQ should reference this number.
 11. Prospective Bidders are advised that the NCI Agency reserves the right to cancel this RFQ 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 occurs.
 12. Your point of contact for all information concerning this RFQ is Ms. Natalia Wojciak, who may be reached at RFQ-CO-115317-ESS@ncia.nato.int.

For the Director of Acquisition:

A handwritten signature in blue ink, appearing to read 'Giacomo Piliégo'.

Giacomo Piliégo
Principal Contracting Officer

Attachment:

- A) Acknowledgement of Receipt of RFQ-CO-115317-ESS

Attachment A

Acknowledgement of Receipt of Request for Quotation

RFQ-CO-115317-ESS

Please complete and return within 5 days by e-mail to: RFQ-CO-115317-ESS@ncia.nato.int, for the attention of Ms. Natalia Wojciak

We hereby advise that we have received Request for Quotation RFQ-CO-115317-ESS on, together with all enclosures listed in the Table of Contents.

CHECK ONE

- { } As of this date and without commitment on our part, we do intend to submit a bid.
- { } We do not intend to submit a bid.
- { } We are reviewing the requirements of the RFQ and will notify you of our decision as soon as possible.

Signature: _____

Printed Name: _____

Title: _____

Company: _____

Address: _____

Distribution List for RFQ-CO-115317-ESS

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NATO UNCLASSIFIED



RFQ-CO-115317-ESS

**PROVISION OF ELECTRONIC SECURITY
SYSTEM FOR INTERIM FACILITY**

BOOK I

BIDDING INSTRUCTIONS

NATO UNCLASSIFIED

TABLE OF CONTENTS

SECTION I - INTRODUCTION3

SECTION II - GENERAL BIDDING INFORMATION.....3

2.1 DEFINITIONS.....3

2.2 ELIGIBILITY.....4

2.3 BID DELIVERY AND BID CLOSING4

2.4 REQUESTS FOR EXTENSION OF BID CLOSING DATE.....5

2.5 PURCHASER POINT OF CONTACT5

2.6 REQUESTS FOR RFQ CLARIFICATIONS5

2.7 REQUESTS FOR WAIVERS AND DEVIATIONS.....5

2.8 AMENDMENT OF THE REQUEST FOR QUOTATION6

2.9 MODIFICATION AND WITHDRAWAL OF BIDS6

2.10 BID VALIDITY.....7

2.11 BID GUARANTEE7

2.12 CANCELLATION OF REQUEST FOR QUOTATIONS.....7

2.13 ELECTRONIC TRANSMISSION OF INFORMATION AND DATA8

SECTION III - BID PREPARATION INSTRUCTIONS8

38

3.1 GENERAL.....8

3.2 BID MARKING.....8

3.3 BID CONTENT8

3.4 VOLUME I: BID ADMINISTRATION.....9

3.5 VOLUME II: PRICE.....10

3.6 VOLUME III: TECHNICAL12

SECTION IV - BID EVALUATION.....15

4.1 GENERAL.....15

4.2 ADMINISTRATIVE CRITERIA.....16

4.3 PRICE CRITERIA.....17

4.4 PRICE REALISM.....17

4.5 TECHNICAL CRITERIA.....19

4.6 CONTRACT AWARD.....19

4.7 AVAILABILITY OF FUNDS19

ANNEX A - BIDDING SHEETS20

ANNEX B - PRESCRIBED ADMINISTRATIVE FORMS AND CERTIFICATES22

ANNEX C – CLARIFICATION REQUEST FORMS.....35

SECTION I - Introduction

- 1.1 The purpose of this RFQ is to establish a contract for the provision of electronic security system for interim facility.
- 1.2 The contract performance requirements are set forth in the prospective contract Statement of Work (Book II Part IV).
- 1.3 This Request for Quotation is issued in accordance with the NCIO Financial Rules and Procedures and the NATO Financial Regulations.
- 1.4 The security of this Invitation for Bid is “NATO UNCLASSIFIED”.
- 1.5 This Request for Quotation will not be the subject of a public bid opening.
- 1.6 Award of the Contract will be made on a Firm Fixed Price Basis to the lowest price, technically compliant Bidder.
- 1.7 The solicitation, evaluation and award processes will be conducted in accordance with the terms and conditions contained herein.
- 1.8 The Bidder shall refer to the Purchaser all queries for a resolution of conflicts found in information contained in this document in accordance with the procedures set forth in paragraph 2.6 of Section II of the Bidding Instructions entitled "Requests for RFQ Clarifications".

SECTION II - General Bidding Information**2.1 DEFINITIONS**

- 2.1.1 The term “Assembly” as used herein means 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.
- 2.1.2 The term "Bidder" as used herein refers to a firm, consortium, or joint venture which submits a quote in response to this solicitation.
- 2.1.3 The term "Compliance" as used herein means strict conformity to the requirements and standards specified in this Request for Quotation.
- 2.1.4 The term "Contractor" refers to a firm of a participating country which has signed a Contract under which he will perform a service, manufacture a product, or carry out works for NATO.
- 2.1.5 The term “Participating Country” as used herein means one of the contributory NATO nations in the project, namely, (in alphabetical order): ALBANIA, BELGIUM, BULGARIA, CANADA, CROATIA, CZECH REPUBLIC, DENMARK, ESTONIA, FRANCE, GERMANY, GREECE, HUNGARY, ICELAND, ITALY, LATVIA, LITHUANIA, LUXEMBOURG, MONTENEGRO, NETHERLANDS, NORTH MACEDONIA, NORWAY, POLAND, PORTUGAL,

ROMANIA, SLOVAKIA, SLOVENIA, SPAIN, TURKEY, UNITED KINGDOM, UNITED STATES OF AMERICA.

- 2.1.6** The term "Purchaser" refers to the authority issuing the RFQ and/or awarding the Contract (the NCI Agency).
- 2.1.7** The term "Sub-Assembly" as used herein refers to 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.

2.2 ELIGIBILITY

- 2.2.1** All Contractors, sub-Contractors and manufacturers, at any tier, must be from participating countries.
- 2.2.2** None of the work, including project design, labour and services shall be performed other than by firms from and within Participating Countries.
- 2.2.3** 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.
- 2.2.4** The intellectual property rights to all design documentation and related system operating software shall reside in NATO member countries, and no license fee, or royalty charges shall be paid by the Contractor to firms, individuals or governments other than within the NATO member countries.

2.3 BID DELIVERY AND BID CLOSING

- 2.3.1** All Bids shall be in the possession of the Purchaser at the email address given in paragraph 2.5 **before 1200 hours / 12:00 pm (Brussels Time) on 26 February 2021** at which time and date bidding shall be closed.
- 2.3.2** Bids shall be delivered to the following e-mail address:

RFQ-CO-115317-ESS@ncia.nato.int

2.3.3 Late Bids

- 2.3.3.1** 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. Such Bids will remain unopened unless the Purchaser can determine that the Bid in question meets the criteria for consideration as specified below.
- 2.3.3.2** *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 time. A late Bid shall only be considered for award under the following circumstances:

2.3.3.2.1 A Contract has not already been awarded pursuant to the Invitation for Bid, and;

2.3.3.2.2 The Bid was sent to the email address specified in the RFQ and the delay was solely the fault of the Purchaser.

2.4 REQUESTS FOR EXTENSION OF BID CLOSING DATE

All questions and requests for extension of bid closing date must be submitted by e-mail. Such questions shall be forwarded to the point of contact specified in paragraph 2.5 below and shall arrive not later than five (5) calendar days prior to the stated "Bid Closing Date". The Purchaser is under no obligation to answer requests submitted after this time. Extensions to the bidding date are at the discretion of the Purchaser.

2.5 PURCHASER POINT OF CONTACT

2.5.1 Your point of contact for all information concerning this RFQ is Ms. Natalia Wojciak, who may be reached at RFQ-CO-115317-ESS@ncia.nato.int

2.6 REQUESTS FOR RFQ CLARIFICATIONS

2.6.1 Bidders, during the solicitation period, are encouraged to query and seek clarification of any matters of a contractual, administrative and technical nature pertaining to this RFQ.

2.6.2 All questions and requests for clarification must be submitted by e-mail. All questions and requests must reference the section(s) in the RFQ subject for clarifications. The questions and/or requests shall be forwarded to the point of contact specified in paragraph 2.5 above and shall arrive not later than seven (7) calendar days prior to the stated "Bid Closing Date". The Purchaser is under no obligation to answer questions submitted after this time.

2.6.3 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 grounds for a determination of non-compliance.

2.6.4 Except as provided above, all questions will be answered by the Purchaser and the questions and answers (deprived of any means of identification of the questioner) will be issued in writing to all prospective bidders.

2.6.5 The published answers issued by the Purchaser shall be regarded as the authoritative interpretation of the RFQ. Amendments to the language of the RFQ included in the answers shall be incorporated by the Bidder in his offer.

2.7 REQUESTS FOR WAIVERS AND DEVIATIONS

2.7.1 Bidders are informed that requests for alteration to, waivers of, or deviations from the Schedules, the Special Contract Provisions, the Terms and Conditions in the NCI Agency's General Provisions, the Technical

Specifications, the Statement of Work and any other Terms and Conditions of the Prospective Contract will not be considered after the Request for Clarification process.

2.7.2 Requests for alterations to the other requirements, terms or conditions of the Request for Quotation 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 REQUEST FOR QUOTATION

2.8.1 The Purchaser may revise, amend or correct the terms, conditions and/or specifications and provisions of the RFQ documents at any time prior to the date set for the Bid Closing. Any and all modifications will be transmitted to all prospective bidders by an official amendment designated as such and signed by the Contracting Authority. Such amendment shall be recorded in the Acknowledgement of Receipt which the bidder shall complete and enclose as part of his bid. 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 his discretion and such extension will be set forth in the amendment document.

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 RFQ, 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 apparent successful Bidder on the basis of the bid submitted and disregard the late modification.

2.9.3 A Bidder may withdraw his 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 2.10.4 (b) below, a Bidder may withdraw his 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 6 months starting from the Bid Closing Date specified at 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 above. 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 Certificate of Bid Validity extended accordingly; or

(b) refuse this extension of time and withdraw the bid 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

In light of the urgency of the requirement and in light of the customary administrative time necessary for the bidders' to obtain the issuance of a bid guarantee, for the purpose of the submission of bids in response to this RFQ, the Purchaser voids any requirement for Bid Guarantees.

2.12 CANCELLATION OF REQUEST FOR QUOTATIONS

The Purchaser may cancel, suspend or withdraw for re-issue at a later date this RFQ 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 RFQ.

2.13 ELECTRONIC TRANSMISSION OF INFORMATION AND DATA

- 2.13.1 The Purchaser will communicate answers to requests for clarification and amendments to this RFQ to the prospective Bidders as soon as practicable.
- 2.13.2 Bidders are cautioned that electronic transmission of documentation which contains classified information is not permissible.

SECTION III - BID PREPARATION INSTRUCTIONS

3.1 GENERAL

- 3.1.1 Bids shall be prepared in accordance with the instructions set forth herein. Failure to comply with these instructions may result in the Offer being declared non-compliant.
- 3.1.2 Bidders shall prepare a complete bid which comprehensively addresses all requirements stated herein. The Bid shall demonstrate the Bidder's understanding of the RFQ and his ability to provide all the deliverables and services listed in the Bidding Sheets. Bids which are not complete will be declared non-compliant.
- 3.1.3 The Bidder must clearly describe what is being offered and how the Bidder will meet all RFQ requirements.
- 3.1.4 Bidders shall classify their response in accordance with the classification of the RFQ.
- 3.1.5 Bidders are advised that the Purchaser reserves the right to incorporate the Bidders Technical Proposal in whole or in part in the resulting Contract.

3.2 BID MARKING

- 3.2.1 The proposal shall be sent in one e-mail to the Bid Delivery email address specified in section 2.5.
- 3.2.2 This e-mail shall have the following subject line:
 - 115117-ESS Official Bid for *Company Name*

3.3 BID CONTENT

- 3.3.1 The complete bid submission shall consist of three volumes as shown in the following table:

Volume	Format and Quantity Details
I: Bid Administration	<ul style="list-style-type: none"> • 1 Scanned PDF file, with physical (non-digital) signatures. <ul style="list-style-type: none"> ➤ All of the required contents are detailed in Section 3.4.

II: Price	<ul style="list-style-type: none"> • 1 Excel file, using the Bidding Sheets template provided. <ul style="list-style-type: none"> ➤ All of the required contents are detailed in Section 3.5.
III: Technical	<ul style="list-style-type: none"> • 1 Scanned PDF file. <ul style="list-style-type: none"> ➤ All of the required contents are detailed in Section 3.6.

3.3.2 The email shall therefore include three files, one for each volume, with the following names:

3.3.2.1 Volume I:

- 115317-ESS Official Bid for *Company Name*, Volume I – Bid Admin

3.3.2.2 Volume II:

- 115317-ESS Official Bid for *Company Name*, Volume II – Price

3.3.2.3 Volume III:

- 115317-ESS Official Bid for *Company Name*, Volume II – Technical

3.3.3 “*Company Name*” – In the subject line of the email, and in the names of the individual PDF and Excel files, the name of the bidder shall be abbreviated to no more than 10 characters. For example, if a company’s name is “Generic Computer and Technology Research”, the email and file name could be:

- 115317-ESS Official Bid for Generic, Vol I – Bid Admin

Or

- 115317-ESS Official Bid for GCTR, Vol I – Bid Admin

3.3.4 All emails submitted shall be less than 20MB.

3.4 VOLUME I: BID ADMINISTRATION

3.4.1 In this Envelope the bidder shall include the signed originals of the certifications set forth in Annex B hereto, specifically:

- (a) B-1 Certificate of Legal Name of Bidder
- (b) B-2 Acknowledgement of Receipt of RFQ Amendments (if applicable)
- (c) B-3 Certificate of Independent Determination
- (d) B-4 Certificate of Bid Validity
- (e) B-5 Certificate of Understanding
- (f) B-6 Certificate of Exclusion of Taxes, Duties and Charges

- (g) B-7 Comprehension and Acceptance of Special Contract Provisions and General Provisions
- (h) B-8 Disclosure of Requirements for NCIA Execution of Supplemental Agreements
- (i) B-9 List of Prospective Sub-Contractors/Consortium Members
- (j) B-10 Certification of NATO Member Country of Origin of Delivered Equipment, Services, Material and Intellectual Property Rights
- (k) B-11 Certificate of AQAP 2110 or ISO-9001:2008 Compliance. The Bidder shall attach a copy of the company's AQAP 2110 or ISO 9001 Certification.
- (l) B-12 Disclosure of Involvement of Former NCI Agency Employment

3.4.2 The Contractor 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.

3.5 VOLUME II: PRICE

3.5.1 Bidders shall prepare their Price Quotation by completing the yellow highlighted sections of the Bidding Sheets.

3.5.2 The structure of the Bidding Sheets shall not be changed nor should any quantity or item description in the Bidding Sheets. The currency of each line item and sub-item shall be shown.

3.5.3 The prices provided shall be intended as the comprehensive total price offered for the fulfilment of all requirements as expressed in the RFQ documentation including but not limited to those expressed in the SOW.

3.5.4 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.

3.5.5 Offered prices shall not be "conditional" in nature. Any comments supplied in the Bidding Sheets which are conditional in nature, relative to the offered prices, may result in a determination that the bid is non-compliant. Partial Bids will not be considered.

3.5.6 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

3.5.7 Bidders shall quote in their own national currency or in EUR, the host nation currency. Bidders may also submit bids in multiple currencies including other NATO member states' currencies under the following conditions:

- (a) the currency is of a "participating country" in the project, and
- (b) 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 sub-contracts and their approximate anticipated value should be listed on a separate sheets and included with the Price Quotation.

3.5.8 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.

3.5.9 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.

Bidders are informed that the Purchaser, by virtue of his status is exempt from VAT Article 42 §3 & 3° of VAT Code for Belgium, or Article 151, §1 b of the Council Directive 2006/112 EC dd. 28 November 2006 on intra-community purchases and/or services. Bidders shall therefore exclude from their Price Quotation all taxes, duties and customs charges from which the Purchaser is exempted by international agreement. Bidders are reminded of the requirement to complete the certification to this effect in Annex B-6.

3.5.10 Unless otherwise specified in the instructions for the preparation of bidding sheets, all prices quoted in the proposal shall be DDP (Delivered Duty Paid) to specified destination, in accordance with the International Chamber of Commerce INCOTERMS 2000 and shall also cover all packaging, packing, preservation, insurance and transportation charges. Prices quoted shall include all costs for items supplied and delivered to final destination

3.5.11 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 of a contractual or technical nature will not be considered for evaluation and may be cause for a determination of non-compliance by the Purchaser.

3.5.12 When completing the Bidding Sheets, a price for each specified element needs to be supplied on each sub-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. The accuracy of the inputs of the Bidding Sheets is the responsibility of the Bidder. The Purchaser in its favour may resolve ambiguous computation of prices.

3.5.13 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.

3.5.14 The Purchaser reserves the right to request additional price details, from the apparent winner, during the pre-contract award phase.

3.6 VOLUME III: TECHNICAL

3.6.1 Bidders shall demonstrate a detailed understanding of the objectives as well as of operational and technical requirements as defined in the RFQ. Bidders shall prepare and submit a Technical Proposal that shall present their proposal for each of the following areas:

- a. Table of Contents
- b. Executive Summary
- c. Section 1 - Project Manager and Technical Lead (Implementation Manager)
- d. Section 2 - Preliminary Project Implementation Plan (PIP)
 - i. PIP Section 1 Project Management Plan (PMP)
 - ii. PIP Section 2 System Design
 - iii. PIP Section 3 Quality Assurance (QA)
 - iv. PIP Section 4 Logistics
 - v. PIP Section 5 Test and Final Acceptance
 - vi. PIP Section 6 Risk Management

3.6.2 Bidders shall include only material relating to the Table of Contents, Executive Summary and the Sections 1 through 2 above in the Technical Proposal. Additional materials such as brochures, sales literature, product endorsements and unrelated technical or descriptive narratives shall not be included in the Technical Proposal. These materials may be included separately but must not be labelled as the Technical Proposal.

3.6.3 Table of Contents: Bidders shall demonstrate a detailed understanding of the technical requirements. Bidders shall compile a detailed Table of Contents that

lists not only the Section Headings but also the major sub-sections, and topic headings required set forth in these Instructions or implicit in the organisation of the Technical Proposal.

- 3.6.4 Executive Summary (1-page limit):** Bidders shall provide an overview of the salient features of their technical proposal in the form of an executive summary.
- a. This summary shall provide a general description of the major points contained in each of the required sections of the Technical Proposal and shall demonstrate the Bidder's comprehension of the RFQ requirements, their constraints, implementation environment and the problems and risks of project implementation.
 - b. The Bidder shall discuss not only how the proposal meets the requirements but also how the Bidder intends to overcome the problems and mitigate the risks.
- 3.6.5 Section 1: Project Manager and Technical Lead/Implementation Manager**
- a. The Bidder shall provide evidence that the Proposed Project Manager is an experienced senior individual with demonstrated capability in managing a project of this scope (i.e. electronic security systems as appropriate).
 - b. The Bidder shall also demonstrate that the Technical Lead is an experienced IT specialist who has experience with installing electronic security systems as appropriate.
 - c. The Bidder shall provide resumes and backgrounds for the Proposed Project Manager and Technical Lead that will be involved in this specific project, as well as personnel responsible for field supervision, quality assurance, and safety. Resumes shall include professional histories, references, training, licenses, and any certifications held. Any subsequent changes from these personnel shall only be allowed once the changes are agreed upon between contractor and Purchaser. Each resumes shall be limited to five pages.
- 3.6.6 Section 2: Preliminary Project Implementation Plan (PIP)** The Preliminary PIP shall provide detailed descriptions of how the proposed implementation will meet each of the specific requirements of the RFQ.
- a. PIP Section 1: Project Management Plan (PMP) (5-page limit):
 - i. The Bidder shall develop a preliminary Project Management Plan (PMP) in accordance with the Statement of Work of the Prospective Contract. This plan shall identify the significant tasks required to be accomplished and the items to be delivered in the execution of the Contract.

- ii. The Contractor shall also develop a preliminary Project Master Schedule (PMS) in accordance with the Statement of Work of the Prospective Contract that shall contain all Contract events and milestones. The PMS shall be limited to five pages.
 - iii. The Bidder shall demonstrate the realism of approach to accomplish the work within the time schedule defined in the RFQ.
 - iv. The Bidder shall not alter or amend the dates for Milestones as stated in the Bidding Sheets.
 - v. The Bidder shall demonstrate that they have taken into account the constraints of the implementation environment and reflect this understanding in his draft preliminary PMP.
- b. PIP Section 2: System Design (10-page limit)**
- i. The Bidder shall provide information as to convincingly demonstrate that it will meet the safety and security requirements, as well as functional and technical requirements as set forth in the SOW and its Annexes and the terms and conditions of the Prospective Contract.
 - ii. The Bidder shall provide detailed descriptions of how he shall meet each of the specific performance requirements.
 - iii. The Bidder shall take into account any constraints of the site(s) in its technical proposal.
 - iv. The Bidder shall furnish additional drawings, diagrams and specifications, as required.
 - v. The Bidder shall demonstrate and confirm that any hardware to be procured in accordance with this RFQ meets the hardware specifications as defined in the Prospective Contract.
- c. PIP Section 3: Quality Assurance (QA) (10-page limit)**
- i. The Bidder shall provide information sufficient to demonstrate that the Quality Assurance and Quality Control (QA/QC) Programme meets the requirements of the Prospective Contract. The Bidder shall provide certification confirming that the Quality Programme meets the equivalent national and/or international standards.
 - ii. The proposed Quality Assurance Plan shall show how

procedures are developed, implemented and maintained to adequately control the integration, installation, inspection, testing, and customer support of all services and all products (both management products and specialist products), in accordance with the requirements of this Contract.

- iii. The proposed QA Plan shall describe the quality criteria that will be applied to each of the deliverables under this contract including the documentation.
- d. PIP Section 4: Logistics (10-page limit)
 - i. The Bidder shall provide details of how the tasks required in Section 8 of the SOW will be organised and completed.
- e. PIP Section 5: Test and Evaluation (10-page limit)
 - i. The Bidder shall describe the approach to the development of test and evaluation documentation.
 - ii. The Bidder shall identify the proposed test organisation and provide a preliminary Test and Evaluation plan for the allocation of personnel and the timeline for the Test activities set forth as requirements in the Prospective Contract.
 - iii. If there are elements of the System that are proposed to be submitted on the basis of a Certificate of Conformity (CoC), based on prior test and qualification, the Bidder shall provide a summary of the particulars, and especially the dates of the prior tests and for whom the testing was executed.
- f. PIP Section 6: Risk Management (5-page limit)
 - i. In order to demonstrate overall comprehension of the requirements set forth in the Prospective Contract, the Bidder shall provide a description of its Risk Assessment and Management methodology defining the strategy for risk management to meet the requirements of the Prospective Contract.

SECTION IV - 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 in this RFQ.

4.1.2 The evaluation of bids and the determination as to the compliance or technical adequacy of the supplies and services offered will be based only on that information furnished by the Bidder and contained in his bid. The

Purchaser shall not be responsible for locating or securing any information which is not included in the bid.

- 4.1.3** To ensure that sufficient information is available, the Bidder shall furnish with its bid all information appropriate to provide a complete description of the work which will be performed and/or the supplies to be delivered. The information provided shall be to a level of detail necessary for the Purchaser to determine exactly what the Bidder proposes to furnish and whether the offer meets the technical, administrative and contractual requirements of this RFQ.
- 4.1.4** 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 determination based upon the facts. The purpose of such clarifications will be to resolve ambiguities in the bid and to permit the Bidder to state his intentions regarding certain statements contained therein. 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.
- 4.1.5** The Bidder's prompt response to the Purchaser's RFQ clarification requests is important and therefore failure to provide the requested clarifications within the time-limits set forth in the specific Clarification Requests may cause the bid to be deemed non-compliant.
- 4.1.6** The administrative compliance of the Bids will be evaluated first. Bids that are declared administratively non-compliant may be rejected without further evaluation. Following evaluation for administrative compliance, the Price Proposal of each Bidder is evaluated, and subsequently only the technical proposal of the apparent lowest priced bid is evaluated for technical compliance with the requirements of the Statement of Work.
- 4.1.7** The Contract resulting from this RFQ will be awarded to the bidder whose offer, as evaluated by the Purchaser, is the lowest priced bid and in compliance with the requirements of this RFQ.

4.2 ADMINISTRATIVE CRITERIA

- 4.2.1** Prior to commencement of the Price and Technical evaluation, Bids will be reviewed for compliance with the Bid Submission Requirements of this RFQ. These are as follows:
- (a) The Bid was received by email by the Bid Closing Date and Time,
 - (b) The Bid is packaged and marked properly,
 - (c) Completeness and formal compliance of Volume I – Bid Administration, with RFQ provisions and submission of signed, electronic versions of all required certificates.

4.2.2 A Bid that fails to conform to the above requirements may be declared non-compliant and may not be evaluated further by the Purchaser.

4.2.3 If it is discovered, during either the Price or Technical evaluation, 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, the Bidder may be determined to have submitted a non-compliant bid.

4.3 PRICE CRITERIA

4.3.1 Price Evaluation Criteria: The Bid will be evaluated against the following criteria:

- (a) Completeness and formal compliance of Volume II – Price with RFQ provisions and Bidding Instructions;
- (b) Total Lowest DDP Destination Firm Fixed Price offered for all elements of the Bidding Sheets;
- (c) The Bid meets requirements for Price Realism.

4.3.2 Determination of Lowest Priced Bid

In order to determine the total lowest offered price, the Purchaser will convert all prices quoted into Euro for purposes of comparison. 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.

4.4 PRICE REALISM

4.4.1 Otherwise successful Bidders that submit a price quotation so low that it is not a realistic reflection of the objective cost of performance of the associated technical proposal may be considered by the Purchaser to have submitted an unrealistic offer and that offer may be determined to be non-compliant.

4.4.2 Indicators of an unrealistically low bid may be the following, amongst others:

- (a) Labour Costs that, when amortised over the expected or proposed direct labour hours, indicate average labour rates far below those prevailing in the Bidders locality for the types of labour proposed.
- (b) Direct Material costs that are considered to be too low for the amounts and types of material proposed, based on prevailing market prices for such material.
- (c) Numerous Line Item prices for supplies and services that are provided at no cost or at nominal prices.

- 4.4.3** 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 will ensure that the successful Bidder has not artificially reduced the offered prices to assure Contract award. In this situation, the Purchaser will request clarification from the Bidder, and the Bidder shall provide an explanation to the Purchaser on the basis of one of the following reasons:
- (a) An error was made in the preparation of the Price Quotation. In such a case, the Bidder must document the nature of the error and show background documentation concerning the preparation of the Price Quotation that makes a convincing case that a mistake was made by the Bidder. In such a case, the Bidder shall petition the Purchaser to either: remain in the competition and accept the Contract at the offered price, or to withdraw from the competition.
 - (b) The Bidder has a competitive advantage due to prior experience or industrial/technological processes that demonstrably reduce the costs of Bidder performance and therefore the price offered is realistic. Such an argument must support the technical proposal offered and convincingly and objectively describe the competitive advantage and the net savings achieved by this advantage over standard market practices and technology.
 - (c) The Bidder recognises that the submitted Price Quotation is unrealistically low compared to its cost of performance and, for business reasons, the Bidder is willing to absorb such a loss. Such a statement can only be made by the head of the business unit submitting the Bid and will normally be made at the level of Chief Operating Officer or Chief Executive Officer. In such a case, the Bidder shall estimate the potential loss and show that the financial resources of the Bidder are adequate to withstand such reduction in revenue.
- 4.4.4** If a Bidder fails to submit a comprehensive and compelling response on one of the bases above, the Purchaser may determine the Bid submitted as non-compliant. If the Bidder responds on the basis of 4.4.3(a) above and requests to withdraw from the competition, the Purchaser may, depending on the nature and gravity of the mistake, allow the Bidder to withdraw.
- 4.4.5** If the Purchaser accepts the Bidder's explanation of mistake in paragraph 4.4.3(a) and allows the Bidder to accept the Contract at the offered price, or the Purchaser accepts the Bidder's explanation pursuant to paragraph 4.4.3(c) above, the Bidder shall agree that the supporting pricing data submitted with his Bid will be incorporated by reference in the resultant contract. The Bidder shall agree as a condition of contract signature, that the pricing data will be the basis of determining fair and reasonable pricing for all subsequent negotiations for modifications of or additions to the contract and that no revisions of proposed prices will be made.
- 4.4.6** If the Bidder presents a convincing rationale pursuant to paragraph 4.4.3(b) above, no additional action will be warranted. The Purchaser, however,

reserves its right to reject such an argument if the rationale is not compelling or capable of objective analysis. In such a case the Bid may be determined to be non-compliant.

4.5 TECHNICAL CRITERIA

4.5.1 Upon determination of the lowest-priced Bid as described above, the Bid shall be evaluated to confirm compliance with the requirements for preparation and submission of the Technical Proposal set forth in the Bid Preparation Section (Book I, Section III, paragraph 3.6).

4.6 CONTRACT AWARD

4.6.1 The contract resulting from this RFQ will be awarded to the Bidder whose offer, as evaluated by the Purchaser, is the lowest priced bid in compliance with the requirements of this RFQ.

4.6.2 Bidders that are determined to have submitted non-compliant bids will be so notified and will have an opportunity to challenge such a determination. In such a case, the administrative proposal and the technical proposal of the Bidder who has submitted the apparent second lowest compliant priced bid will be evaluated. The Bidder who has offered the lowest compliant priced, technically compliant bid will then be offered the contract for award.

4.7 AVAILABILITY OF FUNDS

4.7.1 Funds are not presently available for this project. The Agency's obligation under this project is contingent upon the availability of funds from which payment for contract purposes can be made. No legal liability on the part of the Agency for any payment may arise until funds are made available to the Contracting Officer for this project and until the Contractor receives notice of such availability, to be confirmed in writing by the Contracting Officer.

Annex A - Bidding Sheets**Annex A-1 Introduction**

1. Bid pricing requirements as addressed in this Annex are mandatory. Failure to abide to the bid pricing requirements included in this section may lead to the Bid being declared non-compliant and not being taken into consideration for award.
2. No alteration of the Bidding sheets – including, but not limited to quantity indications, descriptions, titles or pre-populated Not-to-Exceed amounts – are allowed with the sole exception of those explicitly indicated as allowed in this document or in the instructions embedded in the Bidding Sheets file.
3. Additional price columns may be added if multiple currencies are Bid, including extra provisions for all totals.
4. Bidders are required, in preparing their Price Quotation to utilise the electronic file provided as part of this RFQ and referenced in Annex A-2.
5. 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.
6. Pricing for lower level items shall add to the total for the Sub-CLINs, and the Sub-CLIN totals shall add to the CLIN total. The Purchaser in its favour may resolve ambiguous computation of prices.
7. 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.
8. Bidders are advised that formulae are designed to ease evaluation of the Bidders proposal 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.
9. If the Bidder identifies an error in the spreadsheets, it should notify the Purchaser through process described section 2.6. The Purchaser will then make a correction and notify all the Bidders of the update.
10. Prices shall not include any provision for taxes or duties for which the Purchaser is exempt.

Annex A-2 Bidding Sheets

1. Bidders are required, in preparing their Price Quotation to utilise the following electronic file provided as part of this RFQ.

“02_RFQ-CO-115317-ESS_Book I - Annex A2 Bidding Sheets.xls”

2. Bidders shall include this file in its proposal in the same Excel format in which it is provided in this RFQ.
3. This Excel file includes detailed instructions on each tab that will facilitate bidders' preparation of the bid pricing. These instructions are mandatory.

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

BOA Number: _____

Point Of Contact Regarding This Bid:

Name: _____

Position: _____

Telephone: _____

Email: _____

Alternative Point of Contact:

Name: _____

Position: _____

Telephone: _____

Email: _____

Date

Signature of Authorized Representative

Printed Name

Title

Annex B-2 Acknowledgement of Receipt of RFQ Amendments

I confirm that the following Amendments to Request for Quotation No. RFQ-CO-115317-ESS have been received and the Bid as submitted reflects the content of such Amendments:

Amendment Number	Date Issued	Date of Receipt

Date

Signature of Authorised Representative

Printed Name

Title

Company

Annex B-3 Certificate of Independent Determination

It is hereby stated that:

- a. We have read and understand all documentation issued as part of RFQ-CO-115317-ESS. Our Bid submitted in response to the referred solicitation is fully compliant with the provisions of the RFQ and the prospective Contract.
- b. Our 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 our 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.

Date

Signature of Authorised Representative

Printed Name

Title

Company

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 six (6) months from the Bid Closing Date of this Request for Quote.

Date

Signature of Authorised Representative

Printed Name

Title

Company

Annex B-5 Certificate of Understanding

I certify that

.....
.....(*Company Name*) has
read and fully understands the requirements of this Invitation for Bid (RFQ) and that
the Bid recognises these requirements in total.

I also certify to the best of my expert knowledge that this Bid is within the "state of art"
boundaries as they exist at the time of bidding for this project.

.....
Date

.....
Signature of Authorised Representative

.....
Printed Name and Title

.....
Company

Annex B-6 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.

Date

Signature of Authorised Representative

Printed Name

Title

Company

Annex B-7 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 Contract General Provisions set forth in the Prospective Contract, Book II of this Request for Quotation. The Bidder hereby provides his 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 Contract Provisions if awarded the contract as a result of this Request for Quotation

I certify that

.....
.....(Company Name) has read and fully understands the requirements of this Request for Quotation (RFQ) and that the Bid recognises these requirements in total.

The Bidder hereby certifies that he has reviewed the Contract Special Provisions and the NCI Agency Contract General Provisions set forth in the Prospective Contract, Book II, of this Invitation for Bid. The Bidder hereby provides his 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 Contract Special Provisions and Contract General Provisions if awarded the Contract as a result of this Invitation for Bid.

Date

Signature of Authorised Representative

Printed Name

Title

Company

Annex B-8 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 successor 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:
(insert list of supplemental agreements or specify “none”)

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 to determine the submitted Bid to be non-compliant with the requirements of the RFQ;

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.

Date

Signature of Authorised Representative

Printed Name

Title

Company

Annex B-9 List of Prospective Subcontractors

Name and Address of Sub-Bidder	DUNS Number ¹	Primary Location of Work	Items/Services to be Provided	Estimated Value of Sub-Contract

 Date

 Signature of Authorised Representative

 Printed Name

 Title

 Company

¹ Data Universal Numbering System (DUNS). Bidders are requested to provide this data in order to help NCI AGENCY to correctly identify Subcontractors. If a Subcontractor’s DUNS is not known this field may be left blank.

Annex B-10 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.

Date

Signature of Authorised Representative

Printed Name

Title

Company

Annex B-11 Certificate of AQAP 2110 OR ISO 9001:2008 Compliance

I hereby certify that (*Company Name*) is fully compliant with the AQAP 2110 or ISO 9001:2008 Quality Assurance Standards and Procedures and is currently so certified.

A copy of the quality certification is **attached herewith**.

.....
Date

.....
Signature of Authorised Representative

.....
Printed Name and Title

.....
Company

Annex B-12 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, at any tier, working as part of the company’s team preparing the Bid have not held employment with NCI Agency within the last two years.
- It 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-11of this RFQ):

Employee Name	Former NCI Agency Position	Current Company Position

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 of Authorised Representative

Printed Name

Title

Company

ANNEX C – CLARIFICATION REQUEST FORMS

INSERT COMPANY NAME HERE

INSERT SUBMISSION DATE HERE

ADMINISTRATIVE/CONTRACTUAL				
Serial Nr	RFQ Section Reference	BIDDERS QUESTION	NCI AGENCY ANSWER	Status*
A.1				
A.2				
A.3				

* Status: Is Amendment to RFQ required as a direct result of the Clarification Request?

INSERT COMPANY NAME HERE

INSERT SUBMISSION DATE HERE

PRICE				
Serial Nr	RFQ Section Reference	BIDDERS QUESTION	NCI AGENCY ANSWER	Status*
P.1				
P.2				
P.3				

* Status: Is Amendment to RFQ required as a direct result of the Clarification Request?

INSERT COMPANY NAME HERE

INSERT SUBMISSION DATE HERE

TECHNICAL				
Serial Nr	RFQ Section Reference	BIDDERS QUESTION	NCI AGENCY ANSWER	Status*
T.1				
T.2				
T.3				

* Status: Is Amendment to RFQ required as a direct result of the Clarification Request?

RFQ-CO-115317-ESS ELECTRONIC SECURITY SYSTEM FOR INTERIM FACILITY

Bidding Sheets Instructions

INTRODUCTION & IMPORTANT NOTES

Bidders should note that NCIA has recently updated its bidding sheet template and are encouraged to read the instructions in full for this new version before completing the bidding sheets.

All bidders are required to submit pricing details to demonstrate the Purchaser's Pricing Principles are being applied as part of their bids. All data submitted in these sheets shall be complete, verifiable and factual and include the required details. Any exclusions may render the bid as non compliant thus removing the bidder from the bidding process.

Bidders are **REQUIRED** to complete the following tabs:

- "Offer Summary",
- "CLIN Summary",
- "Labour",
- "Material",
- "Travel",
- "ODC",
- "Rates".

Note that input cells in the "Offer Summary" and the "CLIN Summary" tabs are colour coded YELLOW.

The instructions for the detailed tabs can be found below, as well as in the green boxes within each detailed tab. G&A, Overhead, material handling and other indirect rates do not need to be separately calculated in the detail sheets but must be included in the totals for each category (Labour/Material/Travel/ODC) as appropriate. A list of the direct and indirect rates applied in the bid must also be provided in the "Rates" tab, although they do not need to be linked to any and the detailed calculations. The list of these rates will be requested in pre-contract award from the winning bidder.

Note: any information found within GREEN boxes throughout the entire document is provided as an instruction and/or example only.

Any formulas provided in these bidding sheets are intended only to assist the bidder. Any changes in formula can be made at the bidder's discretion, as long as the detailed costs are clear, traceable and accurate as required. Ultimately the bidder is responsible for **ALL** values, formulas and calculations within the bidding sheets that are submitted to the Agency.

Bids in MULTIPLE CURRENCIES should follow the following instructions:

- For the "Offer Summary" tab bidders must add "Firm Fixed Price" column to the right of the current table for each additional currency.
- For the "CLIN Summary" tab, Bidders have 2 options: A) Two columns "Unit Price" and "Total Firm Fixed Price" may be added to the right of the current table for each additional currency of the bid; B) Bidders may duplicate the CLIN Summary tab for each currency bid.
- For the Detailed tabs Bidders have 2 options: A) Provide all the detailed data for all currencies in the table provided, selecting the individual currencies from the dropdown lists and summing only common currencies together in CLIN Summary/Offer Summary Sheets B) Duplicate the CLIN Summary tab for each currency bid.

DETAILED TABs	DESCRIPTION
<p>MATERIAL LABOUR TRAVEL ODCs</p>	<p>The detailed tables are to be completed by the bidder with all columns populated, and shall be expanded to include as many rows as necessary to provide the detail requested. The bidder is required to identify for each item the CLIN it is associated with from the drop down menu. Each column should then be populated using the column- specific instructions in the first row. Bidder may not delete columns within tables, or omit information from columns, but may add columns if necessary, although it's not anticipated this will be needed.</p> <p>Note CLINs with no costs associated with that item should also be selected within the table, and noted that there is no cost within that table for the CLIN. For example, if there is no labour associated with CLIN X.1, Select CLIN X.1 in the first column and then in the second column note "No Labour is associated with this CLIN". This will help to ensure that all the proper detail has been accounted for and properly allocated.</p> <p>Important Note: The Total sum of the "fully burdened" cost column should equal the grand total cost for each category (Labour, Material, etc.) to include profit as well as all indirect rates (G&A/Overhead/Material handling/etc.) associated with that category. These indirect rates must be included in the total firm fixed price on the appropriate detailed tab but are no longer required to be shown as separate calculations at the bidding stage. However, the bidder is required to include the associated indirect costs in the totals of the detailed tab in the base unit costs. Alternatively, the bidder may choose to show these as separate calculations by expanding the table columns to show the additional costs due to these indirect rates (similar to the way profit is calculated). Note again although the detailed indirect rate calculations are not required at the bidding stage, this information will be requested from the winning bidder during pre-contract award discussions.</p>
<p>RATES</p>	<p>As discussed previously in these instructions, the detailed indirect rate calculations are not required to be included in the bidding sheets, although the bidders may chose to do so. However, ALL bidders are required to state the G&A/OH/Material handling and any other indirect rates that they have applied to the bid.</p>

RFQ-CO-115317-ESS ELECTRONIC SECURITY SYSTEM FOR INTERIM FACILITY

For multiple currencies, duplicate the "firm fixed price" column for each currency

CLIN Number	CLIN DESCRIPTION	Firm Fixed Price
Currency		
Grand Total Firm fixed Price - Base Contract		-
Grand Total Firm fixed Price - Base Contract + Evaluated Options		-
1	Project Management	-
2	Design	-
3	System Implementation	-
4	Testing	-
5	Configuration Management	-
6	ILS	-
7	Quality Assurance and Quality Control	-
Total Firm Fixed Price Base Contract		-
8	O&M (year 1)	-
9	O&M (year 2)	-
10	O&M (year 3)	-
11	O&M (year 4)	-
12	O&M (year 5)	-
13	Decommissioning and Disposal	-
Total Firm Fixed Price Evaluated Options		-

Offer Summary Instructions:
Bidders are to populate all yellow cells. Firm fixed prices need to be provided for every CLIN, with no omissions.

Note any formulas existing in the cells are provided only to assist the bidder, and ultimately all calculations are the bidder's responsibility. As such, the contractor may alter any formulas necessary to provide an accurate, clear and traceable bid as required.

Important Note: The Total sum firm fixed price column in this "Offer Summary" sheet should equal the grand total from the "CLIN Summary" tab. These totals are also required to be traceable to the totals from the details tabs (Labour+Material+Travel+ODCs)= Grand Total= CLIN Summary Tab. The "Automatic Checks" tab provides a limited number of checks to help the bidder ensure the bid is accurate and traceable.

Example for multiple currencies:

For multiple currencies, duplicate the "firm fixed price" column for each currency

CLIN Number	CLIN DESCRIPTION	Firm Fixed Price	Firm Fixed Price	Firm Fixed Price
Currency		Euro (EUR)	US Dollar (USD)	UK Pound sterling (GBP)
CLIN 1	Insert Base Contract CLIN Description here			
CLIN 2	Insert Base Contract CLIN Description here			
CLIN 3	Insert Base Contract CLIN Description here			
CLIN 4	Insert Base Contract CLIN Description here			
CLIN 5	Insert Base Contract CLIN Description here			
CLIN 6	Insert Base Contract CLIN Description here			
CLIN 7	Insert Base Contract CLIN Description here			
CLIN 8	Insert Base Contract CLIN Description here			

RFQ-CO-115317-ESS ELECTRONIC SECURITY SYSTEM FOR INTERIM FACILITY											
BASE CONTRACT											
CLIN	Description	SOW Reference	Required Completion Date	Delivery Destination	Delivery Form	Unit of measure	Quantity	Unit Price	Total Firm Fixed Price	Investment or O&M	Optional Comments (Mandatory for zero costs lines)
Currency											
1	Project Management	4.1	EDC+6 months								
1.1	Project Management Documents (PMP, PMS, PBS, PSR) and activities (PRM)	4.1		IWF Waterloo	Electronic	Set	1				
Sub Total PM											
2	Design	4.2	EDC+2 Months								
2.1	Design Documentation Package (SDS, PMTP,RTM) to support the Design Review	4.2		IWF Waterloo	Electronic	Each	3				
2.2	Design Review	4.2		IWF Waterloo	Virtual/Teleconference	Set	2				
2.3	Site visit documents	4.2		IWF Waterloo	Electronic	Lot	1				
Sub Total Design											
3	System Implementation	4.3	EDC+4 Months								
3.1	System implementation activities and documents (PSC received, Material's list received, PCA, SecOps)	4.3		IWF Waterloo	Electronic	Lot	1				
3.2	Equipment (software and Hardware) delivery and installation&configuration, including PHST	4.3.3		IWF Waterloo	On site presence	Lot	1				
3.3	Support to security accreditation (Meetings)	4.3.4		IWF Waterloo	Virtual/Teleconference	Set	3				
3.4	Security Accreditation Documentation	4.3.4		IWF Waterloo	Electronic	Each	1				
Sub Total System Implementation											
4	Testing	5	EDC+3 Months								
4.1	Test activities	5.1		IWF Waterloo	On site presence	Lot	1				
4.2	System Test Documentation Package (PMTD, Test plans, Test cases/scripts, Test reports, Test data, Test environment baseline, Existing defects, RTM)	5.1		IWF Waterloo	Electronic	Set	1				
Sub Total Testing											
5	Configuration Management	7									
5.1	Configuration Management activities and deliverables	7		IWF Waterloo	Electronic	Each	1				
Sub Total Config. Mgt											
6	ILS	8	EDC+6 months								
6.1	Integrated Logistics Support Plan (ILSP)	8.1-8.2		IWF Waterloo	Electronic	Each	1				
6.2	Supply Support and Provisioning Documentation	8.3		IWF Waterloo	Electronic	Lot	1				
6.3	Technical Documentation	8.4		IWF Waterloo	Electronic	Each	1				
6.4	Training	8.5		IWF Waterloo	On site presence	Each	2				
6.5	Transportation	8.9		IWF Waterloo	Remote	Lot	1				
Sub Total ILS											
7	Quality Assurance and Quality Control	9	EDC+6 months								
7.1	Quality Assurance and Quality Control activities and deliverables	9		IWF Waterloo	Electronic	CoC	1				
Sub Total QA & QC											
Total Firm Fixed Price-Base Contract											
OPTIONAL CLINs - Evaluated											
CLIN	Description	SOW Reference	Required Completion Date	Delivery Destination	Delivery Form	Unit of measure	Quantity	Unit Price	Total Firm Fixed Price	Investment or O&M	Optional Comments (Mandatory for zero costs lines)
8	O&M (year 1)	10	From FSA to FSA + 1 Year								
8.1	Manpower	10	From FSA to FSA + 1 Year	IWF Waterloo	On site presence	Lot	1				
8.2	Hardware Maintenance	10	From FSA to FSA + 1 Year	IWF Waterloo	On site presence	Lot	1				
8.3	Software Maintenance	10	From FSA to FSA + 1 Year	IWF Waterloo	On site presence	Lot	1				
8.4	Help Desk	10	From FSA to FSA + 1 Year	IWF Waterloo	Remote	Lot	1				
Sub Total O&M yr1											
9	O&M (year 2)	10	From FSA + 1 Year to FSA + 2 Years								
9.1	Manpower	10	From FSA + 1 Year to FSA + 2 Years	IWF Waterloo	On site presence	Lot	1				
9.2	Hardware Maintenance	10	From FSA + 1 Year to FSA + 2 Years	IWF Waterloo	On site presence	Lot	1				
9.3	Software Maintenance	10	From FSA + 1 Year to FSA + 2 Years	IWF Waterloo	On site presence	Lot	1				
9.4	Help Desk	10	From FSA + 1 Year to FSA + 2 Years	IWF Waterloo	Remote	Lot	1				
Sub Total O&M yr2											
10	O&M (year 3)	10	From FSA + 2 Years to FSA + 3 Years								
10.1	Manpower	10	From FSA + 2 Years to FSA + 3 Years	IWF Waterloo	On site presence	Lot	1				
10.2	Hardware Maintenance	10	From FSA + 2 Years to FSA + 3 Years	IWF Waterloo	On site presence	Lot	1				
10.3	Software Maintenance	10	From FSA + 2 Years to FSA + 3 Years	IWF Waterloo	On site presence	Lot	1				
10.4	Help Desk	10	From FSA + 2 Years to FSA + 3 Years	IWF Waterloo	Remote	Lot	1				
Sub Total O&M yr3											
11	O&M (year 4)	10	From FSA + 3 Years to FSA + 4 Years								
11.1	Manpower	10	From FSA + 3 Years to FSA + 4 Years	IWF Waterloo	On site presence	Lot	1				
11.2	Hardware Maintenance	10	From FSA + 3 Years to FSA + 4 Years	IWF Waterloo	On site presence	Lot	1				
11.3	Software Maintenance	10	From FSA + 3 Years to FSA + 4 Years	IWF Waterloo	On site presence	Lot	1				
11.4	Help Desk	10	From FSA + 3 Years to FSA + 4 Years	IWF Waterloo	Remote	Lot	1				
Sub Total O&M yr4											
12	O&M (year 5)	10	From FSA + 4 Years to FSA + 5 Years								
12.1	Manpower	10	From FSA + 4 Years to FSA + 5 Years	IWF Waterloo	On site presence	Lot	1				
12.2	Hardware Maintenance	10	From FSA + 4 Years to FSA + 5 Years	IWF Waterloo	On site presence	Lot	1				
12.3	Software Maintenance	10	From FSA + 4 Years to FSA + 5 Years	IWF Waterloo	On site presence	Lot	1				
12.4	Help Desk	10	From FSA + 4 Years to FSA + 5 Years	IWF Waterloo	Remote	Lot	1				
Sub Total O&M yr5											
13	Decommissioning and Disposal	8.7	EDC of Contract Amendment + 1 month								
13.1	Decommissioning and Disposal at end of requirement	8.7	EDC of Contract Amendment + 1 month	IWF Waterloo	On site presence	Lot	1				
Sub Total Decommissioning and Disposal											
Total Firm Fixed Price-Evaluated Options											

CLIN Summary Instruction:
 Bidders are to populate all yellow cells. Firm fixed prices need to be provided for every CLIN, with no omissions.
 If Bidder decides to keep any CLIN at zero costs the reason for it has to be explained in the corresponding Comments field.

For the CLIN Summary Tab Bidders have 2 options:
 A) Columns may be added to the right of the current table; two columns "Unit Price" and "Total Firm Fixed Price" would be added for each additional currency of the bid;
 B) Bidders may duplicate the CLIN Summary tab for each currency bid.

Note: Any formulas existing in the cells are provided only to assist the bidder and ultimately all calculations are the bidder's responsibility. As such, the contractor may alter any formulas necessary to provide an accurate, clear and traceable bid as required.

Important Note: The total sum of the "Firm Fixed Price" column in this CLIN Summary sheet should equal the grand total from the "Offer Summary" tab. These totals are also required to be traceable to the totals from the details tabs (Labour+Material+Travel+ODC)= Grand Total= CLIN Summary Tab.

*EDC - Effective Date of Contract
 *FSA - Final System Acceptance

RFQ-CO-115317-ESS ELECTRONIC SECURITY SYSTEM FOR INTERIM FACILITY

Note: Please see also the Rates tab where any and all rates included in this bid need to be listed.

CLIN	Labour Category	Currency	Number of man-days							Unit Cost per							Extended cost	Expatriation Allowance (ONLY if applicable)	Profit	Fully burdened cost	Subcontractor / Name of																	
			2021	2022	2023	2024	2025	2026	2027	Man-Day Year 1	Man-Day Year 2	Man-Day Year 3	Man-Day Year 4	Man-Day Year 5	Man-Day Year 6	Man-Day Year 7						Labour rate	Labour rate	Labour rate	Labour rate	Labour rate	Labour rate											
1. Project Management																																						
1.1. Project Management Documents (PMP, PMS, PI)																																						
2. Design																																						
2.1. Design Documentation Package (SDS, PMTP, RTA)																																						
2.2. Design Review																																						
2.3. Site visit documents																																						
3. System Implementation																																						
3.1. System implementation activities and document																																						
3.2. Equipment (software and Hardware) delivery at																																						
3.3. Support to security accreditation (Meetings)																																						
3.4. Security Accreditation Documentation																																						
4. Testing																																						
4.1. Test activities																																						
4.2. System Test Documentation Package (PMTP, Te																																						
5. Configuration Management																																						
5.1. Configuration Management activities and deliv																																						
6. ILS																																						
6.1. Integrated Logistics Support Plan (ILSP)																																						
6.2. Supply Support and Provisioning Documentatio																																						
6.3. Technical Documentation																																						
6.4. Training																																						
6.5. Transportation																																						
7. Quality Assurance and Quality Control																																						
7.1. Quality Assurance and Quality Control activitie																																						
Total Firm Fixed Price- Base Contract																																						
CLIN Description																																						
8. O&M (year 3)																																						
8.1. Manpower																																						
8.2. Hardware Maintenance																																						
8.3. Software Maintenance																																						
8.4. Help Desk																																						
Sub-Total O&M yr1																																						
9. O&M (year 2)																																						
9.1. Manpower																																						
9.2. Hardware Maintenance																																						
9.3. Software Maintenance																																						
9.4. Help Desk																																						
Sub-Total O&M yr2																																						
10. O&M (year 3)																																						
10.1. Manpower																																						
10.2. Hardware Maintenance																																						
10.3. Software Maintenance																																						
10.4. Help Desk																																						
Sub-Total O&M yr3																																						
11. O&M (year 4)																																						
11.1. Manpower																																						
11.2. Hardware Maintenance																																						
11.3. Software Maintenance																																						
11.4. Help Desk																																						
Sub-Total O&M yr4																																						
12. O&M (year 5)																																						
12.1. Manpower																																						
12.2. Hardware Maintenance																																						
12.3. Software Maintenance																																						
12.4. Help Desk																																						
Sub-Total O&M yr5																																						
13. Decommissioning and Disposal Option																																						
13.1. Decommissioning and Disposal Option																																						
Total Firm Fixed Price- Evaluated Options																																						
Total																																						

from calculation, none one formula given in this column is an example only and the Bidder should enter the appropriate formula. Quantity x cost for all years. If the contractor did not apply profit, any or all of these cells can be 0.

Enter profit percentage for labour in yellow cell below:

Profit

Labour table instructions:
This detailed labour table is to be completed by Bidder with all columns populated and shall be expanded to include as many rows as necessary to provide the detail requested. Any unnecessary rows should be deleted (no blank entries). Bidder is required to identify for each item the CLIN it is associated with from the drop down menu. Each column should then be populated using the column-specific instructions in the first row. Bidder may not delete columns or omit information from columns, but may add columns if necessary although it's not anticipated this will be needed.

Note: Any formulas existing in the cells are provided only to help Bidder and ultimately all calculations are the Bidder's responsibility. As such, the contractor may alter any formulas necessary to provide an accurate, clear and traceable bid as required.

Important Note: The total sum of the "Fully burdened cost" column should equal the grand total labour cost to include profit as well as all indirect rates (G&A/Overhead/etc.) associated with labour. These indirect cost rates must be included in the total firm fixed price on the appropriate detailed tab but are no longer required to be broken out separately in the calculations at the bidding stage. However, Bidder is required to include the associated indirect costs in the totals of the detailed tab either:
A) in the base unit costs;
or
B) shown separately by expanding the table columns to show the additional costs due to these indirect rates (similar to the way profit is calculated). Option B is not required at the bidding stage but this detail will be requested from the winning bidder during pre-contract award discussions.

RFQ-CO-115317-ESS ELECTRONIC SECURITY SYSTEM FOR INTERIM FACILITY

CLIN	Equipment Name	Item Description	Currency	Quantity							Unit cost							Extended cost	Profit	Fully burdened cost	Subcontracted/ Name of Subcontractor
				2021	2022	2023	2024	2025	2026	2027	2021	2022	2023	2024	2025	2026	2027				
1. Project Management																					
1.1	Project Management Documents (PMP, PMS, PBS)	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total PM																					
2. Design																					
2.1	Design Documentation Package (SDS, PMTP, RTM)	Insert Purchased Equipment name	Insert Item Description/Model number																		
2.2	Design Review	Insert Purchased Equipment name	Insert Item Description/Model number																		
2.3	Site visit documents	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total Design																					
3. System Implementation																					
3.1	System implementation activities and documents	Insert Purchased Equipment name	Insert Item Description/Model number																		
3.2	Equipment (software and hardware) delivery and	Insert Purchased Equipment name	Insert Item Description/Model number																		
3.3	Support to security accreditation (Meetings)	Insert Purchased Equipment name	Insert Item Description/Model number																		
3.4	Security Accreditation Documentation	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total System Implementation																					
4. Testing																					
4.1	Test activities	Insert Purchased Equipment name	Insert Item Description/Model number																		
4.2	System Test Documentation Package (PMTP, Test	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total Testing																					
5. Configuration Management																					
5.1	Configuration Management activities and delivera	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total Config. Mgt.																					
6. ILS																					
6.1	Integrated Logistics Support Plan (ILSP)	Insert Purchased Equipment name	Insert Item Description/Model number																		
6.2	Supply Support and Provisioning Documentation	Insert Purchased Equipment name	Insert Item Description/Model number																		
6.3	Technical Documentation	Insert Purchased Equipment name	Insert Item Description/Model number																		
6.4	Training	Insert Purchased Equipment name	Insert Item Description/Model number																		
6.5	Transportation	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total ILS																					
7. Quality Assurance and Quality Control																					
7.1	Quality Assurance and Quality Control activities ar	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total QA & QC																					
Total Firm Fixed Price- Base Contract																					
CLIN Description																					
8. O&M (year 1)																					
8.1	Manpower	Insert Purchased Equipment name	Insert Item Description/Model number																		
8.2	Hardware Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
8.3	Software Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
8.4	Help Desk	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total O&M yr1																					
9. O&M (year 2)																					
9.1	Manpower	Insert Purchased Equipment name	Insert Item Description/Model number																		
9.2	Hardware Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
9.3	Software Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
9.4	Help Desk	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total O&M yr2																					
10. O&M (year 3)																					
10.1	Manpower	Insert Purchased Equipment name	Insert Item Description/Model number																		
10.2	Hardware Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
10.3	Software Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
10.4	Help Desk	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total O&M yr3																					
11. O&M (year 4)																					
11.1	Manpower	Insert Purchased Equipment name	Insert Item Description/Model number																		
11.2	Hardware Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
11.3	Software Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
11.4	Help Desk	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total O&M yr4																					
12. O&M (year 5)																					
12.1	Manpower	Insert Purchased Equipment name	Insert Item Description/Model number																		
12.2	Hardware Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
12.3	Software Maintenance	Insert Purchased Equipment name	Insert Item Description/Model number																		
12.4	Help Desk	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total O&M yr5																					
13. Decommissioning and Disposal Option																					
13.1	Decommissioning and Disposal Option	Insert Purchased Equipment name	Insert Item Description/Model number																		
Sub Total Decommissioning and Disposal																					
Total Firm Fixed Price- Evaluated Options																					
Total																					

Populate each line of the table that contains material with the appropriate CLIN from the drop down menu. Note that all CLINs should be accounted for and if there is no to the associated phase include a line for that CLIN and indicate "Not required" or "Not used".

Enter profit percentage for material in yellow cells below.

Profit => 0%

Material table Instructions:
The detailed material table is to be completed by the bidder with all columns populated, and shall be expanded to include as many rows as necessary to provide the detail requested, and any necessary rows should be deleted (no blank entries). The bidder is required to identify for each item the CLIN it is associated with from the drop-down menu. Each column should then be populated using the column-specific instructions in the first row. Bidder may not delete columns, or omit information from columns, but may add columns if necessary, although it's not anticipated this will be needed.

Note any formulas existing in the cells are provided only to help the bidder, and ultimately all calculations are the bidder's responsibility. As such, the contractor may alter any formulas necessary to provide an accurate, clear and traceable bid as required.

Important Note: The total sum of the "fully loaded" cost column should equal the grand total Material cost to include profit as well as all indirect rates (G&A/Overhead/Material handling/etc.) associated with material. These indirect cost rates must be included in the total firm fixed price on the appropriate detailed tab but are no longer required to be broken out separately in the calculations at the bidding stage. However, the bidder is required to include the associated indirect costs in the totals of the detailed tab either A) in the base unit costs or B) shown separately by expanding the table columns to show the additional costs due to these indirect rates (similar to the way profit is calculated). Option B is not required at the bidding stage but this detail will be requested from the winning bidder during pre-contract award discussions.

RFQ-CO-115317-ESS ELECTRONIC SECURITY SYSTEM FOR INTERIM FACILITY

CLIN	Origin/Destination	Year	Currency	Nr of trips	Nr of people	Nr of Days per trip	Cost per roundtrip transportation (Flight, train, etc.)	Per diem rate.	Extended cost	Profit	Total Cost
<p>Populate each line of the table that contains travel with the appropriate CLIN from the drop down menu. Note that all CLINS should be accounted for and if there is no travel associated please include a line for that CLIN and indicate "No travel associated" in column C.</p> <p>Identify the applicable currency. Bidder may choose to enter multiple currencies in one sheet or duplicate the sheet for multiple currencies.</p> <p>Year of expected Travel cost.</p> <p>Number of trips.</p> <p>Number of people for each trip.</p> <p>Number of days per trip.</p> <p>Cost per roundtrip transportation (Flight, train, etc.)</p> <p>Per diem rate.</p> <p>This column should only be expressed as a formula.</p> <p>Profit calculation. Note the formula given in this column is an example only and the Bidder should enter the appropriate formula. If the contractor did not apply profit, any or all of these cells can be 0.</p> <p>Calculated the Total Travel Cost.</p>											
1 Project Management											
1.1	Project Management Docume	Insert Origin/destination							-	0	-
Sub Total PM									-	-	-
2 Design											
2.1	Design Documentation Packa	Insert Origin/destination							-	0	-
2.2	Design Review	Insert Origin/destination							-	0	-
2.3	Site visit documents	Insert Origin/destination							-	0	-
Sub Total Design									-	-	-
3 System Implementation											
3.1	System implementation activit	Insert Origin/destination							-	0	-
3.2	Equipment (software and Har	Insert Origin/destination							-	0	-
3.3	Support to security accreditat	Insert Origin/destination							-	0	-
3.4	Security Accreditation Docum	Insert Origin/destination							-	0	-
Sub Total System Implementation									-	-	-
4 Testing											
4.1	Test activities	Insert Origin/destination							-	0	-
4.2	System Test Documentation F	Insert Origin/destination							-	0	-
Sub Total Testing									-	-	-
5 Configuration Management											
5.1	Configuration Management a	Insert Origin/destination							-	0	-
Sub Total Config. Mgt									-	-	-
6 ILS											
6.1	Integrated Logistics Support F	Insert Origin/destination							-	0	-
6.2	Supply Support and Provision	Insert Origin/destination							-	0	-
6.3	Technical Documentation	Insert Origin/destination							-	0	-
6.4	Training	Insert Origin/destination							-	0	-
6.5	Transportation	Insert Origin/destination							-	0	-
Sub Total ILS									-	-	-
7 Quality Assurance and Quality Control											
7.1	Quality Assurance and Qualit	Insert Origin/destination							-	0	-
Sub Total QA & QC									-	-	-
Total Firm Fixed Price- Base Contract									-	-	-
CLIN Description											
8 O&M (year 1)											
8.1	Manpower	Insert Origin/destination							-	0	-
8.2	Hardware Maintenance	Insert Origin/destination							-	0	-
8.3	Software Maintenance	Insert Origin/destination							-	0	-
8.4	Help Desk	Insert Origin/destination							-	0	-
Sub Total O&M yr1									-	-	-
9 O&M (year 2)											
9.1	Manpower	Insert Origin/destination							-	0	-
9.2	Hardware Maintenance	Insert Origin/destination							-	0	-
9.3	Software Maintenance	Insert Origin/destination							-	0	-
9.4	Help Desk	Insert Origin/destination							-	0	-
Sub Total O&M yr2									-	-	-
10 O&M (year 3)											
10.1	Manpower	Insert Origin/destination							-	0	-
10.2	Hardware Maintenance	Insert Origin/destination							-	0	-
10.3	Software Maintenance	Insert Origin/destination							-	0	-
10.4	Help Desk	Insert Origin/destination							-	0	-
Sub Total O&M yr3									-	-	-
11 O&M (year 4)											
11.1	Manpower	Insert Origin/destination							-	0	-

Enter profit percentage for travel in yellow cell below:

Profit => 0%

Travel table Instructions:
 This detailed Travel table is to be completed by the bidder with all columns populated, and shall be expanded to include as many rows as necessary to provide the detail requested, and any unnecessary rows should be deleted (no blank entries). The bidder is required to identify for each item the CLIN it is associated with from the drop down menu. Each column should then be populated using the column-specific instructions in the first row. Bidder may not delete columns, or omit information from columns, but may add columns if necessary, although it's not anticipated this will be needed.

Note any formulas existing in the cells are provided only to help the bidder, and ultimately all calculations are the bidder's responsibility. As such, the contractor may alter any formulas necessary to provide an accurate, clear and traceable bid as required.

Important Note: The sum of the "Total" cost column on this tab should equal the grand total Travel cost to include any profit as well as all indirect rates (G&A/Overhead/etc.) associated with travel. These indirect cost rates must be included in the total firm fixed price on the appropriate detailed tab but are no longer required to be broken out separately in the calculations at the bidding stage. However, the bidder is required to include the associated indirect costs in the totals of the detailed tab either A) in the base unit costs or B) shown separately by expanding the table columns to show the additional costs due to these indirect rates as separate columns. Option B is not required at the bidding stage but this detail will be requested from the winning bidder during pre-contract award discussions.

11.2	Hardware Maintenance	Insert Origin/destination	-	0	-
11.3	Software Maintenance	Insert Origin/destination	-	0	-
11.4	Help Desk	Insert Origin/destination	-	0	-
Sub Total O&M yr4			-	-	-
12 O&M (year 5)					
12.1	Manpower	Insert Origin/destination	-	0	-
12.2	Hardware Maintenance	Insert Origin/destination	-	0	-
12.3	Software Maintenance	Insert Origin/destination	-	0	-
12.4	Help Desk	Insert Origin/destination	-	0	-
Sub Total O&M yr5			-	-	-
13 Decommissioning and Disposal Option					
13.1	Decommissioning and Dispos	Insert Origin/destination	-	0	-
Sub Total Decommissioning and Disposal			-	-	-
Total Firm Fixed Price- Evaluated Options			-	-	-
Total			-	-	-

RFQ-CO-115317-ESS ELECTRONIC SECURITY SYSTEM FOR INTERIM FACILITY

CLIN	Item Name	Item Description	Year	Currency	Unit Type (Man-Days, lot, etc)	Quantity	Unit cost	Total Cost	Profit	Total Cost
<p>Populate each line of the table that contains ODC with the appropriate CLIN from the drop down menu. Note that all CLIN should be accounted for and if there is no ODC associated please include a line for that CLIN and indicate "No ODC associated" in column C.</p> <p>Identify the applicable currency. Bidder may choose to enter multiple currencies in one sheet or duplicate the sheet for multiple currencies.</p> <p>Unit type, (MD's, lot, etc.)</p> <p>Number of units.</p> <p>Unit cost.</p> <p>This column should only be expressed as a formula.</p> <p>Profit calculation (if applicable). Note: The formula given in this column is an example only and the bidder should enter the appropriate formula. If the contractor did not apply profit, any or all of these cells can be 0.</p> <p>Total ODC cost calculation.</p>										
1	Project Management									
1.1	Project Management Documents (PMP, F	Insert Other Direct Cost item						-	0	-
	Sub Total PM							-	-	-
2	Design									
2.1	Design Documentation Package (SDS, PM	Insert Other Direct Cost item						-	0	-
2.2	Design Review	Insert Other Direct Cost item						-	0	-
2.3	Site visit documents	Insert Other Direct Cost item						-	0	-
	Sub Total Design							-	-	-
3	System Implementation									
3.1	System implementation activities and doc	Insert Other Direct Cost item						-	0	-
3.2	Equipment (software and Hardware) deli	Insert Other Direct Cost item						-	0	-
3.3	Support to security accreditation (Meetir	Insert Other Direct Cost item						-	0	-
3.4	Security Accreditation Documentation	Insert Other Direct Cost item						-	0	-
	Sub Total System Implementation							-	-	-
4	Testing									
4.1	Test activities	Insert Other Direct Cost item						-	0	-
4.2	System Test Documentation Package (PV	Insert Other Direct Cost item						-	0	-
	Sub Total Testing							-	-	-
5	Configuration Management									
5.1	Configuration Management activities and	Insert Other Direct Cost item						-	0	-
	Sub Total Config. Mgt							-	-	-
6	ILS									
6.1	Integrated Logistics Support Plan (ILSP)	Insert Other Direct Cost item						-	0	-
6.2	Supply Support and Provisioning Docume	Insert Other Direct Cost item						-	0	-
6.3	Technical Documentation	Insert Other Direct Cost item						-	0	-
6.4	Training	Insert Other Direct Cost item						-	0	-
6.5	Transportation	Insert Other Direct Cost item						-	0	-
	Sub Total ILS							-	-	-
7	Quality Assurance and Quality Control									
7.1	Quality Assurance and Quality Control ac	Insert Other Direct Cost item						-	0	-
	Sub Total QA & QC							-	-	-
	Total Firm Fixed Price- Base Contract							-	-	-
CLIN	Description									
8	O&M (year 1)									
8.1	Manpower	Insert Other Direct Cost item						-	0	-
8.2	Hardware Maintenance	Insert Other Direct Cost item						-	0	-
8.3	Software Maintenance	Insert Other Direct Cost item						-	0	-
8.4	Help Desk	Insert Other Direct Cost item						-	0	-
	Sub Total O&M yr1							-	-	-
9	O&M (year 2)									
9.1	Manpower	Insert Other Direct Cost item						-	0	-
9.2	Hardware Maintenance	Insert Other Direct Cost item						-	0	-
9.3	Software Maintenance	Insert Other Direct Cost item						-	0	-
9.4	Help Desk	Insert Other Direct Cost item						-	0	-
	Sub Total O&M yr2							-	-	-
10	O&M (year 3)									
10.1	Manpower	Insert Other Direct Cost item						-	0	-
10.2	Hardware Maintenance	Insert Other Direct Cost item						-	0	-
10.3	Software Maintenance	Insert Other Direct Cost item						-	0	-
10.4	Help Desk	Insert Other Direct Cost item						-	0	-
	Sub Total O&M yr3							-	-	-
11	O&M (year 4)									
11.1	Manpower	Insert Other Direct Cost item						-	0	-
11.2	Hardware Maintenance	Insert Other Direct Cost item						-	0	-
11.3	Software Maintenance	Insert Other Direct Cost item						-	0	-

Enter profit percentage for ODC in yellow cell below:

Profit => 0%

ODC table instructions:
 This detailed ODC table is to be completed by the bidder with all columns populated, and shall be expanded to include as many rows as necessary to provide the detail requested, and any unnecessary rows should be deleted (no blank entries). The bidder is required to identify for each item the CLIN it is associated with from the drop down menu. Each column should then be populated using the column-specific instructions in the first row. Bidder may not delete columns, or omit information from columns, but may add columns if necessary, although it's not anticipated this will be needed.

Note any formulas existing in the cells are provided only to help the bidder, and ultimately all calculations are the bidder's responsibility. As such, the contractor may alter any formulas necessary to provide an accurate, clear and traceable bid as required.

Important Note: The sum of the "Total cost" column on this tab should equal the grand total ODC cost to include any profit as well as all indirect rates (G&A/Overhead/etc.) associated with ODCs. These indirect cost rates must be included in the total firm fixed price on the appropriate detailed tab but are no longer required to be broken out separately in the calculations at the bidding stage. However, the bidder is required to include the associated indirect costs in the totals of the detailed tab either A) in the base unit costs or B) shown separately by expanding the table columns to show the additional costs due to these indirect rates as separate columns. Option B is not required at the bidding stage but this detail will be requested from the winning bidder during pre-contract award discussions.

11.4 Help Desk	Insert Other Direct Cost item	-	0	-
Sub Total O&M yr4		-	-	-
12 O&M (year 5)				
12.1 Manpower	Insert Other Direct Cost item	-	0	-
12.2 Hardware Maintenance	Insert Other Direct Cost item	-	0	-
12.3 Software Maintenance	Insert Other Direct Cost item	-	0	-
12.4 Help Desk	Insert Other Direct Cost item	-	0	-
Sub Total O&M yr5		-	-	-
13 Decommissioning and Disposal Option				
13.1 Decommissioning and Disposal Option	Insert Other Direct Cost item	-	0	-
Sub Total Decommissioning and Disposal		-	-	-
Total Firm Fixed Price- Evaluated Options		-	-	-
Total		-	-	-

RFQ-CO-115317-ESS ELECTRONIC SECURITY SYSTEM FOR INTERIM FACILITY

Rate Name	Rate description*	Percentage
[Insert Rate Name]		0%
[Insert Rate Name]		0%
[Insert Rate Name]		0%

EXAMPLE ONLY:		
Name of Rate	Rate description	
Fringe		2%
Overhead		2%
G&A		2%
ABC rate (company	In the case of non-standard rates include a description	x%

Instructions:

Although the rates in this tab do not need to be linked to calculations for purposes of the bid, it is required that Bidders list any and all rates included

***Note: rate description only needed if this is a rate not included in the list below:**

- Overhead
- Fringe
- General & Administrative
- Material Handling
- Profit- Labour
- Profit- Material

EXAMPLE ONLY:					
Labour Category	Currency	Fully burdened daily rate			
		2020	2021	2022	2023
Project Manager	Euro (EUR)	----	----	----	----
Lead Engineer	Euro (EUR)	----	----	----	----
QA Engineer	Euro (EUR)	----	----	----	----
Senior Engineer	Euro (EUR)	----	----	----	----
Junior Engineer	Euro (EUR)	----	----	----	----
Sr Principal Analyst, Program	Euro (EUR)	----	----	----	----
Analyst, Program	Euro (EUR)	----	----	----	----
Sr Principal Engineer, Systems	Euro (EUR)	----	----	----	----
Principal Analyst, Program	Euro (EUR)	----	----	----	----
----	Euro (EUR)	----	----	----	----
----	Euro (EUR)	----	----	----	----
----	Euro (EUR)	----	----	----	----

RFQ-CO-115317-ESS
**ELECTRONIC SECURITY SYSTEM FOR INTERIM
FACILITY**
PART II
CONTRACT SPECIAL PROVISIONS



PART II

SPECIAL CONTRACT PROVISIONS

INDEX OF CLAUSES

ARTICLE 1	ORDER OF PRECEDENCE	3
ARTICLE 2	DISPOSITION OF CHANGES TO THE CONTRACT GENERAL	
PROVISIONS	3	
ARTICLE 3	SCOPE OF WORK	3
ARTICLE 4	PARTICIPATING COUNTRIES	3
ARTICLE 5	TYPE OF CONTRACT.....	4
ARTICLE 6	COMPREHENSION OF CONTRACT AND SPECIFICATIONS....	4
ARTICLE 7	OPTIONS.....	5
ARTICLE 8	SECURITY.....	6
ARTICLE 9	CARE AND DILIGENCE OF PROPERTY	7
ARTICLE 10	KEY PERSONNEL.....	7
ARTICLE 11	NON DISCLOSURE AGREEMENT	9
ARTICLE 12	INDEPENDENT CONTRACTOR.....	9
ARTICLE 13	INSURANCES	10
ARTICLE 14	APPLICABLE REGULATIONS	10
ARTICLE 15	IDEMNITY.....	10
ARTICLE 16	TECHNICAL DIRECTION.....	10
ARTICLE 17	CONTRACT ADMINISTRATION	11
ARTICLE 18	TRANSPORTATION OF EQUIPMENT.....	12
ARTICLE 19	WARRANTY	12
ARTICLE 20	INVOICES AND PAYMENT.....	12
ARTICLE 21	LIQUIDATED DAMAGES	14
ARTICLE 22	SERVICE LEVEL AGREEMENTS AND SERVICE CREDITS	15
ARTICLE 23	SUPPLEMENTAL AGREEMENTS	15
ARTICLE 24	SERVICE MODIFICATIONS.....	16
ARTICLE 25	ENGINEERING CHANGE PROPOSALS (ECP).....	16
ANNEX A	NATO CI AGENCY NON-DISCLOSURE DECLARATION.....	19
ANNEX B	TEMPLATE OF ECP SIGNATURE PAGE	20

ARTICLE 1 ORDER OF PRECEDENCE

- 1.1 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
 - c. Part II - The Contract Special Provisions
 - d. Part III – The Contract General Provisions
 - e. Part IV - The Statement of Work and any Annexes thereto
 - f. The Contractor's Offer

**ARTICLE 2 DISPOSITION OF CHANGES TO THE CONTRACT
GENERAL PROVISIONS**

- 2.1 Article 6 "Authorization to Perform/Conformance to National Laws and Regulations" of the Contract General Provisions is supplemented with Article 20 of the Special Provisions.
- 2.2 Article 11 "Security" of the Contract General Provisions is supplemented with Article 8 of the Special Provisions.

ARTICLE 3 SCOPE OF WORK

- 3.1 The scope of this contract is the provision of Electronic Security System for Interim Facility as described in Part IV, Statement of Work.

ARTICLE 4 PARTICIPATING COUNTRIES

- 4.1 The Contractor may issue subcontracts to firms and purchase from qualified vendors in any contributory NATO nations in the project, namely, (in alphabetical order):
- 4.2 ALBANIA, BELGIUM, BULGARIA, CANADA, CROATIA, THE CZECH REPUBLIC, DENMARK, ESTONIA, FRANCE, GERMANY, GREECE, HUNGARY, ICELAND, ITALY, LATVIA, LITHUANIA, LUXEMBOURG, MONTENEGRO, THE NETHERLANDS, THE NORTH MACEDONIA, NORWAY, POLAND, PORTUGAL, ROMANIA, SLOVAKIA, SLOVENIA, SPAIN, TURKEY, THE UNITED KINGDOM and THE UNITED STATES.
- 4.3 None of the work, including project design, labour and services shall be performed other than by firms from and within participating countries.
- 4.4 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.
- 4.5 The Intellectual Property Rights for all software and documentation used by the Contractor in the performance of the Contract shall vest with firms from and within Participating Countries and no royalties or license fees for such

software and documentation shall be paid by the Contractor to any source that does not reside within a Participating Country.

ARTICLE 5 TYPE OF CONTRACT

- 5.1 This is a Firm Fixed Price Contract. Firm Fixed Prices are established for the supplies and services defined in Part I - Schedule of Supplies and Services.
- 5.2 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.
- 5.3 The Total Contract price is inclusive of all expenses related to the performance of the present contract.
- 5.4 The Total Contract price in this Contract is Delivery Duty Paid (INCOTERMS 2010).

ARTICLE 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.
 - 6.3.1 Based upon impossibility of performance, defective, inaccurate, impracticable, insufficient or invalid specifications, implied warranties of suitability of such specifications, or
 - 6.3.2 Otherwise derived from the aforesaid specifications, and hereby waives any claims or demands so based or derived as might otherwise arise.
- 6.4 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.

ARTICLE 7 OPTIONS

- 7.1 The Purchaser shall have the right to unilaterally exercise any of the listed priced options multiple times at his discretion any time during the performance of the Contract and up to its conclusion at the unit prices listed in the Schedule of Supplies and Services.
- 7.2 Should any options be exercised, the Purchaser will increase the firm fixed price of the Contract via a formal Contract Amendment by the amount of the line items so exercised and the period of performance of the Contract will be extended as mutually agreed when necessary.
- 7.3 The Purchaser may increase the quantity of supplies and services as set forth in any line item of Part I - Schedule of Supplies and Services at the prices stated therein any time during the period of performance of the Contract.
- 7.4 This right can be exercised multiple times for any of the line items, by increasing the firm fixed price of the Contract via a formal Contract Amendment, or by issuing a new contractual instrument.
- 7.5 In this case the Contractor shall honour such right at the same rates and conditions as stated in Part I - Schedule of Supplies and Services. If this right is exercised, delivery of the added items shall be to the same destination as specified in the basic Contract; unless otherwise specified on the written notice.
- 7.6 If the Contract provides for multiple destinations, the Purchaser will specify to which destination(s) the additional quantities are to be shipped. If the Purchaser specifies a destination that is not part of the basic Contract requirements, the Parties will agree to an equitable adjustment as may be required to reflect any additional costs incurred by the Contractor in making such delivery.
- 7.7 In no event shall the Contractor engage in the performance of any options or part thereof without the written consent of the Purchaser Contracting Authority.
- 7.8 In addition to the specific Contract options as identified above, the Purchaser reserves the right to order any foreseeable or additional Contract tasks or service deliverables, listed or not, either occasionally or at a further stage in the life of the project, which it deems necessary for the successful completion of the project. The additional tasks and/or deliverables shall be priced consistently with the rates provided by the Contractor as part of its proposal and included in this Contract by reference.

- 7.9 Except as otherwise provided for in this Contract, Contractor's price quotations for contract changes or modifications shall be provided at no cost to the Purchaser and shall have a minimum validity period of six (6) months from submission.
- 7.10 The Purchaser may, in writing, place an order for such additional tasks throughout the entire Contract period. Such an order may be placed within the framework of this Contract via the issuance of a Contract Amendment or be formulated via the issuance of a new contractual instrument.
- 7.11 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 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.

ARTICLE 8 SECURITY

- 8.1 This Article supplements Article 11 of the Contract General Provisions.
- 8.2 The Contractor is responsible, in accordance with NATO and National Security regulations, for the proper handling, storage and control of any classified documents and information as may be furnished to the Contractor in relation to the performance of the present Contract.
- 8.3 The security classification of the contract is NATO UNCLASSIFIED.
- 8.4 Contractor's personnel visiting or working at Purchaser's facilities in connection with this Contract shall hold a confirmed NATO SECRET security clearance valid for the duration of the Contract at the Effective Date of Contract (EDC). This requirement applies to all sub-Contracts issued by the Contractor for the effort under this prime Contract.
- 8.5 It is the responsibility of the Contractor to ensure that its personnel obtain the required security clearances and transmit this information to the purchaser and to the sites to be visited at least 3 weeks before personnel deployment that the site may perform the appropriate administration.
- 8.6 The Contractor is advised that the personnel security process may be lengthy. The Purchaser bears no responsibility for the failure of the Contractor to secure the required clearances for its personnel or sub-Contractor's personnel within the necessary time.
- 8.7 The Contractor bears full responsibility and liability under the Contract for delays arising from the failure of the Contractor to adhere to the security requirements.
- 8.8 Delay caused by non-compliance of the Security clearance requirements under this Contract, 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 penalties or a determination of Termination for Default by the Purchaser.

- 8.9 All NATO CLASSIFIED material entrusted to the Contractor shall be handled and safeguarded in accordance applicable security regulations.
- 8.10 In the absence of valid security clearances for the Contractor's personnel during the performance of the Contract, the Purchaser reserves the right to terminate the Contract for Default as per the "Termination for Default" Article of the Contract General Provisions.
- 8.11 The Contractor shall be required to handle and may be required to store classified material to the level of "NATO SECRET" in his facility. The Contractor shall have the appropriate facility and personnel clearances.
- 8.12 The Contractor shall note that there are restrictions regarding the carriage and use of electronic devices (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.

ARTICLE 9 CARE AND DILIGENCE OF PROPERTY

- 9.1 The Contractor shall use reasonable care of avoid damaging building, equipment work site premises. If the Contractor damages any such building or equipment, he shall repair the damage as directed by the Purchaser and at no expenses 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.
- 9.2 The Purchaser shall exercise due care and diligence for Contractor's furnished equipment, tools and materials on site premises. The Purchaser will not assume any liability except for gross negligence and willful misconduct.

ARTICLE 10 KEY PERSONNEL

- 10.1 The key personnel proposed by the Contractor that satisfy the personnel requirements laid down in the SOW are considered to be key to the performance of this Contract and may not be replaced by the Contractor with substitute personnel without the prior written approval of the Purchaser.
- 10.2 The following personnel are considered to be Key Personnel for successful contract performance and are subject to the provisions of this Article as set forth in the following paragraphs:

Position	Name	Designation Period
Project Manager		EDC thru Contract expiration date
Implementation		EDC thru Contract expiration

Position	Name	Designation Period
Manager		date
Test Manager		EDC thru Contract expiration date
ILS Manager		EDC thru Contract expiration date
Quality Assurance Manager		EDC thru Contract expiration date

- 10.3 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 of a change of key personnel within five (5) days of the date of knowledge of the prospective vacancy and offer a substitute with equivalent qualifications at no additional costs for the Purchaser.
- 10.4 Contractor personnel proposed in substitution of previously employed Contractor Key Personnel shall be interviewed and approved by Purchaser Project Manager before substitution acceptance is granted in writing by the Purchaser contracting Authority.
- 10.5 In the event of a substitution of any key personnel listed in paragraph 10.2 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;
 - Evidence that the personnel is qualified for the execution of the contract.
- 10.6 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.
- 10.7 Furthermore, even after acceptance of a Contractor's staff member on the basis of his/her CV and/or interview, the Purchaser reserves the right to reject the Contractor's staff member, 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 another staff member available within ten (10) working days after the written notification. The Purchaser shall have no obligation to justify the grounds of its decision and its acceptance of staff members shall in no way relieve the Contractor of its responsibility to achieve the contractual and technical requirements of this Contract nor imply any responsibility to the Purchaser.
- 10.8 After acceptance in writing by the Purchaser of a substitution of staff, based on a CV and/or interview, paragraph shall be applicable again, if necessary.

- 10.9 The Purchaser may at any time require the Contractor immediately to cease to employ the above named Key Personnel under the present contract if, in the opinion of the Purchaser, his/her employment is undesirable. The Contractor shall replace any such employee in accordance with paragraph 10.4 and 10.5 above.
- 10.10 In those cases where, in the judgment of the Purchaser, the inability of the Contractor to provide a suitable replacement in accordance with the terms of this Article may potentially endanger the progress under the Contract, the Purchaser shall have the right to terminate the Contract in accordance with the terms of the Contract General Provisions Article entitled "Termination for Default".
- 10.11 Any change of status or reorganization of the Contractor's practice, or any change in the responsibility for the execution of the Contract shall be reported to the Purchaser immediately when the change or reorganization is promulgated.
- 10.12 The Contractor's Key Personnel required to interface directly with the Purchaser's counterparts, shall have the capability to readily communicate (oral and written fluency) in English and to provide, if requested official documents destined for distribution during the course of the Contract in English.
- 10.13 The Purchaser may, for just cause, require the Contractor to remove its 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 for default and the remedies to be sought by the Purchaser.
- 10.14 Each of the Contractor's Key Personnel shall be required to sign Annex A to these Contract Special Provisions: "NCI Agency Non-disclosure declaration."

ARTICLE 11 NON DISCLOSURE AGREEMENT

- 11.1 Notwithstanding Key Personnel shall sign Annex A, all Contractor and Subcontractor personnel working at any NATO Organization / Commands premises or having access to NATO classified / commercial-in-confidence information must certify and also sign the Declaration attached hereto at Annex A and provide it to the Purchaser's Contracting Officer prior to the commencement of any performance under this Contract.
- 11.2 The Contractor shall not apply any Contractor restrictive marking on information assigned or owned by the Purchaser.

ARTICLE 12 INDEPENDENT CONTRACTOR

- 12.1 The Personnel provided by the Contractor in response to this contract 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.

ARTICLE 13 INSURANCES

- 13.1 The Contractor is responsible for providing the necessary insurance for the personnel provided by the Contractor and the equipment as needed on the site and for the performance of the Contract for its entire duration.

ARTICLE 14 APPLICABLE REGULATIONS

- 14.1 The Contractor shall be responsible for obtaining permits or licences to comply with national codes, laws and regulations or local rules and practices of the country of work with respect of any works carried out at the designated work sites stated under this Contract.
- 14.2 The Contractor shall take any necessary measure to protect the life and health of persons working or visiting the work area occupied by him. These measures include compliance with the country of work's safety provisions.

ARTICLE 15 IDEMNITY

- 15.1 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 Deliverables and Services under this Contract.
- 15.2 The parties will indemnify each other against claims made against the other by their own personnel, and their sub-Contractors (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. This indemnification applies only to the extent that the claim is not compensated for by insurance or otherwise.
- 15.3 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 Article 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.
- 15.4 In the event of an accident resulting in loss, damage, injury or death arising from negligence or willful 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.

ARTICLE 16 TECHNICAL DIRECTION

- 16.1 At the site of efforts, the Purchaser may assign Technical Representatives who will monitor work in progress and provide the Contractor personnel with instruction and guidance (within the general scope of work) in performance of their duties and working schedule. The Technical Representatives do not have the authority to change the terms of the Contract or to increase the overall cost, duration or level of effort of the Contract. The Technical Representatives do have the authority, within the general scope of work, to provide direction to the Contractor personnel in performance of their duties.
- 16.2 In case the Contractor believes that any technical direction received from the Technical Representative constitutes a change to the terms, conditions and/or specifications of the Contract, it shall immediately inform in writing the Purchaser Contracting Authority, who will either confirm or revoke such direction. If such direction is confirmed as a change, this change will be formalized by written amendment to the Contract.
- 16.3 Failure of the Contractor to notify the Purchaser Contracting Authority of direction constituting change of the Contract will result in a waiver of any claims pursuant to such change.

ARTICLE 17 CONTRACT ADMINISTRATION

- 17.1 The Purchaser reserves the right to re-assign this contract to a representative(s) for administrative purposes, in whole or in part, provided that the Purchaser shall always be responsible for his obligations under the contract and for actions or lack of actions of its assigned administrator. The Purchaser undertakes to advise the Contractor in writing whenever this right is to be exercised.
- 17.2 All notices and communications between the Contractor and the Purchaser shall be written and conducted in the English language. Contract modifications shall only be valid when received in writing from the General Manager, NCI Agency, and/or the NCI Agency Contracting Authority.
- 17.3 Formal letters and communications shall be sent by e-mail to the official Points of Contact quoted in this Contract.
- 17.4 Informal notices and informal communications may be exchanged by all communication means, including telephone and e-mail. All informal communication must be confirmed by a formal letter or other formal communication to be contractually binding.
- 17.5 All notices and communications shall be effective on receipt.
- 17.6 Official Points of Contact:

Purchaser	Contractor
-----------	------------

NATO Communications and Information Agency (NCI Agency) Boulevard Leopold III B-1110 Brussels Belgium	
For contractual matters: attn: Mr. Giacomo Piliego Principal Contracting Officer Tel: +32 (0)2 707 8173 E-mail: Giacomo.Piliego@ncia.nato.int	For contractual matters: attn: Tel: E-mail:
For technical matters: attn. Project Manager Tel: E-mail:	For technical matters: attn. Tel: E-mail:

or to such address as the Purchaser may from time to time designate in writing.

ARTICLE 18 TRANSPORTATION OF EQUIPMENT

- 18.1 All supplies covered under this Contract shall be transported to final destination 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.
- 18.2 Items shipped under Warranty for repair or otherwise from the NCI Agency (Brussels) to the Contractor shall be the responsibility of the Purchaser.
- 18.3 Transportation of repaired/replaced items shall be the responsibility of the Contractor. These items shall be delivered and installed at final destination.

ARTICLE 19 WARRANTY

- 19.1 The duration of the warranty provided by the Contractor and its Subcontractors for the installation and all supplies procured under this Contract shall be twelve (12) months from the date of Acceptance under this Contract as notified in writing by the Contracting Authority.

ARTICLE 20 INVOICES AND PAYMENT

- 20.1 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.
- 20.2 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.

- 20.3 No payment shall be made with respect to undelivered supplies; works not performed, services not rendered and/or incorrectly submitted invoices.
- 20.4 No payment will be made for additional items delivered that are not specified in the contractual document.
- 20.5 The invoice amount is exclusive of VAT and exclusive of all Taxes and Duties in accordance with Article 26 - "Taxes and Duties" of the Contract General Provisions.
- 20.6 The Purchaser shall not bear any liability related to financial guarantees, which the Contractor is required to provide under this Contract.
- 20.7 The Purchaser is released from paying any interest resulting from any reason whatsoever.
- 20.8 Invoices in respect of any service and/or deliverable shall be prepared and submitted as specified hereafter and shall contain:
- a) Contract number CO-115317-ESS
 - b) Contract Amendment number (if any),
 - c) Purchase Order number PO [...],[TBC]
 - d) The identification of the performance rendered in terms of Contract Line Item Number (CLIN),
 - e) Bank account details for international wire transfers (SWIFT, BIC, IBAN).
- 20.9 The invoice shall contain the following certificate:
- 20.10 "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."
- 20.11 The certificate shall be signed by a duly authorised company official on the designated original.
- 20.12 Invoices referencing "CO-115317-ESS, PO xxx" shall be submitted in electronic format only to:
- accountspayable@ncia.nato.int
- A copy shall be sent to the Point of Contact for contractual matter specified in Article 15.
- 20.13 NCI AGENCY will make payment within 45 days of receipt by the Purchaser of a properly prepared and documented invoice.
- 20.14 The Contractor shall invoice only for completed work or deliveries. Work or deliveries shall be considered as completed once they have been formally accepted in writing by the Purchaser.
- 20.15 The following payments are subject to the Purchaser's Acceptance in writing of all deliverables due to the date specified for the payment.

CLIN to be invoiced	Description	Payment Milestone	Payment Percentage
1	Project Management	Upon design acceptance	40%
		FSA	60%
2	Design	Upon design acceptance	100%
3	System Implementation	CLIN 3.2 acceptance	100% of CLIN 3.2
		FSA	100 % CLIN 3.1, 3.3 & 3.4
4	Testing	FSA	100%
5	Configuration Management	FSA	100%
6	ILS	Upon completion and acceptance of each individual sub-clin	100%
7	Quality Assurance and Quality Control	FSA	100%
8 - 13	Options	Subject to Contract Amendment(s)	Subject to Contract Amendment(s)

ARTICLE 21 LIQUIDATED DAMAGES

21.1 If the Contractor fails to:

- a) successfully meet the delivery schedule of the Deliverables or any specified major performance milestones specified in the Schedule of Supplies and Services to this Contract, or any extension thereof, or
- b) 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 Article 20 of the Contract Special Provisions.

21.2 In addition to the liquidated damages referred to in Clause 21.1, the Purchaser shall have the possibility of terminating this Contract in whole or in part, as provided in Article 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 Article 39 (Termination for Default) of the Contract General Provisions.

- 21.3 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 Article 39 (Termination for Default) of the Contract General Provisions. In such event, subject to the provisions of Article 41 (Disputes) and Article 42 (Arbitration) 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.
- 21.4 Liquidated damages shall be payable to the Purchaser from the first day of delinquency and shall accrue at the rate specified in Clause 21.1 above to 15% of the value of each payment line item individually and an aggregate sum of all delinquent items not to exceed 20% of the value of the total Contract. These liquidated damages shall accrue automatically and without any further notice being required.
- 21.5 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
 - c) By reclaiming such damages through appropriate legal remedies.
- 21.6 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.

ARTICLE 22 SERVICE LEVEL AGREEMENTS AND SERVICE CREDITS

- 22.1 This Article applies to the Operation and Maintenance activities as specified in the Options under CLIN 8 of the Schedule of Supplies and Services.
- 22.2 If the Contractor fails to meet the Service Level Agreements restoration time and Site availability commitment, the Contractor shall be charged with penalties as described and calculated in the relevant section of the Statement of Work as the Purchaser's remedy for the damages directly arising out of the failure to deliver or perform the Services as specified in the SOW without prejudice of Article 39 "Termination for Default" of the Contract General Provisions.
- 22.3 Charged penalties shall be deducted from the invoices covering the service period to which the penalties apply.

ARTICLE 23 SUPPLEMENTAL AGREEMENTS

- 23.1 This Article supplements Article 6 of the Contract General Provisions.
- 23.2 The Contractor has submitted all relevant draft supplemental agreement(s), documents and permissions prior to Contract award, the execution of which by the Purchaser is/are required by national law or regulation. If any supplemental agreements, documents and permissions are introduced

after Contract award, 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 the Article 39 of the Contract General Provisions.

- 23.3 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 finalized and issued by the appropriate governmental authority, are subject to review by the Purchaser.
- 23.4 If such supplemental agreement(s), documents and permissions are contrary to cardinal conditions of the signed Contract between the Parties, and the Purchaser 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.
- 23.5 For the purpose of this Contract the following National mandatory Supplemental Agreements are identified:

Type of Agreement	National Authority of Reference	Subject

ARTICLE 24 SERVICE MODIFICATIONS

- 24.1 The Purchaser shall have the right to increase or decrease the services by item and by service flavour as he deems necessary.
- 24.2 The Purchaser shall inform the Contractor about a change in the services by issuing a service request. Each change in services shall be formalized by means of a Contract Amendment in accordance with Clause 16 "Changes" of the Contract General Provisions.
- 24.3 The delivery date for a new service / effective date of reduction of services will be stipulated in the service request and shall become contractually binding by means of the relevant Contract Amendment.

ARTICLE 25 ENGINEERING CHANGE PROPOSALS (ECP)

- 25.1 Engineering Change Proposals (ECP) as defined in this Clause are proposals for changes relevant to tasks, deliverables, technical requirements, processes, schedules or any other term of the contract which are submitted in written form by the Contractor upon request from the

Purchaser or independently when such changes are necessary in light of varied facts or circumstances which prevent the execution of the contract in its form.

- 25.2 Any Engineering Change Proposal (ECP) submitted by the Contractor to the Purchaser shall, in any case contain as a minimum the following elements:
- a) The signature pages following the template provided in Annex B of the Contract Special Provisions and providing all the information required in this template.
 - b) A sequential number of ECP identification
 - c) Rationale for the changes being proposed
 - d) Illustration of any relevant impact to the performance being rendered including but not limited to those relevant to schedules, technical solutions, requirements and delivery time.
 - e) List of contract documents affected by the changes being proposed.
 - f) Revised copy of the contract documents in native electronic format edited to incorporate the changes being proposed in a way that changes are immediately identifiable.
 - g) Total Firm Fixed Price of the ECP and illustration of cost impacts with respect to the total contract Firm Fixed Price and the single CLINs affected.
 - h) A revised version of the Contract Schedule of Supplies and Services.
- 25.3 The Purchaser shall assess the ECP being proposed by the Contractor and, subject to its sole judgment and without recourse by the Contractor, approve or reject the ECP by the mean of written communication to be dispatched solely by the Purchaser's Contracting Authority.
- 25.4 Any ECP shall be considered as approved only once the signature pages provided in Annex C have been formally signed by the Purchaser's Contracting Authority.
- 25.5 In case of ECP rejection, the Contractor shall proceed with the performance in accordance with the Contract.
- 25.6 Formally approved ECPs shall be treated as interim authorization to proceed with the changes proposed strictly and limited to the scope, content and price as specified in the approved ECP.
- 25.7 The Purchaser shall not be liable for any cost incurred by the Contractor for performance rendered, regardless of the nature or time, associated to ECPs not formally approved by the Purchaser's Contracting Authority.

- 25.8 All formally approved ECPs will be incorporated in the Contract via the issuance of a formal Contract Amendment at the earliest practical time after their issuance.
- 25.9 The production of any ECP regardless of its final approval or rejection shall be at no cost for the Purchaser.

ANNEX A NATO CI 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-115317-ESS

_____ Date	_____ Full name (in block capitals)
_____ Signature	

=====

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-115317-ESS.

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-115317-ESS, 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-115317-ESS, 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.

ANNEX B TEMPLATE OF ECP SIGNATURE PAGE

Contract: CO-115317-ESS	ECP Sequential Number¹:
--------------------------------	---

Requestor²:

<p>Description and Rationale for changes being proposed</p> <p><i>[INDICATE IN DESCRIPTIVE TERM THE REASONS UNDERLINING THE NEED FOR A CHANGE, RESULTING BENEFITS AND/OR RELATED RISKS.</i></p> <p><i>[DESCRIBE IN DETAILED AND BULLETED FORMAT THE CHANGES BEING PROPOSED]</i></p> <p><i>[WHERE THE ECP BEING SUBMITTED IS THE RESULT OF AN INVESTIGATIVE ACTION REQUESTED BY THE PURCHASER INDICATE SUCH CIRCUMSTANCE AND ANY RELEVANT RECCOMANDATION ASSOCIATED WITH THE IMPLEMENTATION OF THE ECP]</i></p> <p><i>[INDICATE SCHEDULE CONSTRAINS ASSOCIATE WITH ECP APPROVAL]</i></p>
--

Impact on Project / Contract (other than price)
--

¹ ECP sequential numbers shall be unique and continuous regardless of the status of the ECP (pending / approved / rejected)

² Indicate requestor in terms of NCIA or Purchaser

[INDICATE IN DESCRIPTIVE TERM AND IN DETAIL THE IMPACT IN TERMS OF SCHEDULE OR ACTIVITIES OR IN ANY OTHER PROJECT DOMAIN RESULTING FROM THE IMPLEMENTATION OF THE CHANGES BEING PROPOSED]

Impact on Contract Price

[INDICATE THE COST IMPACT IN TERMS OF OVERALL INCREMENT OR DECREMENT OF CONTRACT PRICE, IDENTIFY ON WHICH CONTRACT SCHEDULE OF SUPPLIES AND SERVICES CLINs THE CHANGES WILL OCCUR , IN WHICH MEASURE FOR EACH CLIN AND FOR WHICH ACTIVITY IDENTIFIED IN BLOCK 4.]

Contract documents to be revised as a result of ECP approval

[LIST CONTRACT DOCUMENTATION TO BE REVISED AS A RESULT OF ECP APPROVAL]

Attachments to ECP (Check as appropriate)

- Revised Schedule of Supplies and Services³
- Complete cost break-down sheets⁴
- Revised Statement of Work and/or Annexes⁵
- Other documents (Specify _____)⁶

Submitted by

_____ (Company Name and POC Contact
Details)

_____ (Signature)

Purchaser Determination

_____ (APPROVED / REJECTED)

_____ (Signature)

_____ (Contracting Officer Name)

³ Include document and check if Block 6 of the ECP is to be filled

⁴ Include document and check if Block 6 of the ECP is to be filled

⁵ Include document and check if Block 7 of the ECP is to be filled

⁶ Include document and check if Block 7 of the ECP is to be filled

NATO UNCLASSIFIED

Part III – Contract General Provisions

**NATO COMMUNICATIONS AND INFORMATION
AGENCY**



CONTRACT GENERAL PROVISIONS

V 1.0 dated 16 Oct 2014

Index of Clauses

1.	ORDER OF PRECEDENCE	1
2.	DEFINITIONS OF TERMS AND ACRONYMS.....	1
3.	AUTHORITY	4
4.	APPROVAL AND ACCEPTANCE OF CONTRACT TERMS	4
5.	LANGUAGE	5
6.	AUTHORISATION TO PERFORM/CONFORMANCE TO NATIONAL LAWS AND REGULATIONS	5
7.	FIRM FIXED PRICE CONTRACT	5
8.	PERFORMANCE GUARANTEE	5
9.	PARTICIPATING COUNTRIES.....	9
10.	SUB-CONTRACTS.....	9
11.	SECURITY	10
12.	RELEASE OF INFORMATION	12
13.	PURCHASER FURNISHED PROPERTY	12
14.	CONTRACTOR'S PERSONNEL WORKING AT PURCHASER'S FACILITIES	13
15.	HEALTH, SAFETY AND ACCIDENT PREVENTION	14
16.	CHANGES	14
17.	STOP WORK ORDER	16
18.	CLAIMS	17
19.	PRICING OF CHANGES, AMENDMENTS AND CLAIMS	19
20.	NOTICE OF SHIPMENT AND DELIVERY	21
21.	INSPECTION AND ACCEPTANCE OF WORK.....	23
22.	INSPECTION AND ACCEPTANCE OF DOCUMENTATION	25
23.	USE AND POSSESSION PRIOR TO ACCEPTANCE.....	26
24.	OWNERSHIP AND TITLE	27
25.	INVOICES AND PAYMENT	27
26.	TAXES AND DUTIES.....	28
27.	WARRANTY OF WORK (Exclusive of Software)	30
28.	RIGHT OF ACCESS, EXAMINATION OF RECORDS	33
29.	PATENT AND COPYRIGHT INDEMNITY	33
30.	INTELLECTUAL PROPERTY	34
31.	SOFTWARE WARRANTY.....	37
32.	NATO CODIFICATION	40
33.	RELEASE FROM CLAIMS.....	42
34.	ASSIGNMENT OF CONTRACT	42
35.	TRANSFER AND SUB-LETTING.....	42
36.	PURCHASER DELAY OF WORK.....	42
37.	CONTRACTOR NOTICE OF DELAY	43
38.	LIQUIDATED DAMAGES	43
39.	TERMINATION FOR DEFAULT	44

Part III – Contract General Provisions

40. TERMINATION FOR THE CONVENIENCE OF THE PURCHASER 47

41. DISPUTES 52

42. ARBITRATION 53

43. SEVERABILITY 54

44. APPLICABLE LAW 54

ANNEX 1 TO GENERAL PROVISIONS: PURCHASER'S PRICING PRINCIPLES A1-1

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 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.
- 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

Part III – Contract General Provisions 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.
- 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.

Part III – Contract General Provisions

- 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.
- 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.

Part III – Contract General Provisions

- 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

Part III – Contract General Provisions

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 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:

Part III – Contract General Provisions
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 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

Part III – Contract General Provisions

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 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.

Part III – Contract General Provisions

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 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.

Part III – Contract General Provisions

- 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

Part III – Contract General Provisions
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 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

Part III – Contract General Provisions
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.
- 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

Part III – Contract General Provisions

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);
 - 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

Part III – Contract General Provisions 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 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

Part III – Contract General Provisions

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.
- 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.

Part III – Contract General Provisions

- 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,

Part III – Contract General Provisions
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 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

Part III – Contract General Provisions

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.

.....
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

Part III – Contract General Provisions

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 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

Part III – Contract General Provisions

19.4.3 a Certificate of Current Cost or Pricing Data, when required.

- 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

Part III – Contract General Provisions

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 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

Part III – Contract General Provisions
“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)
 - 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 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:

Part III – Contract General Provisions

- 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 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

Part III – Contract General Provisions
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

Part III – Contract General Provisions
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 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.

Part III – Contract General Provisions

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 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

Part III – Contract General Provisions
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
Batiment Z
Av du Bourget 140
B-1140 Belgium
OR

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

["NCIA-CAPDEV-FMU-BEL_E-INVOICES@NCIA.NATO.INT"](mailto:NCIA-CAPDEV-FMU-BEL_E-INVOICES@NCIA.NATO.INT) (note there is an underscore between BEL and E-INVOICES)

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.

Part III – Contract General Provisions

- 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 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

Part III – Contract General Provisions
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 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 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 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

Part III – Contract General Provisions

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 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.

Part III – Contract General Provisions

- 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 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.

Part III – Contract General Provisions

- 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

Part III – Contract General Provisions

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

Part III – Contract General Provisions
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.

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

Part III – Contract General Provisions

- 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.
- 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

Part III – Contract General Provisions
Contractor, the Contractor shall not use any Third Party IPR for the purposes of carrying out work pursuant to the Contract 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

Part III – Contract General Provisions
essential Performance requirements measured, 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 may be necessary to eliminate the defect, or;

Part III – Contract General Provisions

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

Part III – Contract General Provisions

- 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).
- 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

Part III – Contract General Provisions

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"

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 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 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

Part III – Contract General Provisions
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.
- 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

Part III – Contract General Provisions
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

- 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);

Part III – Contract General Provisions

- 39.1.5 transfer this Contract without the Purchaser's prior written consent; or,
 - 39.1.6 breaches any provision of this Contract.
- 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;
 - 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.

Part III – Contract General Provisions

- 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 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.

Part III – Contract General Provisions

- 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 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,

Part III – Contract General Provisions
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:
 - 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

Part III – Contract General Provisions 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 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

Part III – Contract General Provisions

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 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

Part III – Contract General Provisions
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 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

Part III – Contract General Provisions

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 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

Part III – Contract General Provisions 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 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

Part III – Contract General Provisions
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. A 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 UNCLASSIFIED



RFQ-CO-115317-ESS

**ELECTRONIC SECURITY SYSTEM FOR
INTERIM FACILITY**

PART IV STATEMENT OF WORK

NATO UNCLASSIFIED

TABLE OF CONTENTS

1	Introduction.....	4
1.1	BACKGROUND	4
1.2	PURPOSE.....	4
1.3	SCOPE.....	4
1.4	STANDARDS FOR INTERPRETATION OF THE SOW	4
2	Applicable Documents	5
2.1	NATO DOCUMENTS.....	5
2.2	NON-NATO DOCUMENTS.....	6
3	Milestones	7
3.1	INTRODUCTION	7
3.2	PROJECT MANAGEMENT PLAN.....	7
3.3	SYSTEM DESIGN (SD).....	7
3.4	SYSTEM IMPLEMENTATION	8
3.5	FINAL SYSTEM ACCEPTANCE.....	8
4	Scope of Work until Final System Acceptance (FSA)	8
4.1	PROJECT MANAGEMENT	8
4.2	DESIGN ACTIVITIES.....	11
4.3	IMPLEMENTATION ACTIVITIES.....	15
5	Testing.....	21
5.1	GENERAL REQUIREMENTS FOR TESTING	21
5.2	TEST DEFECT CATEGORIZATION.....	26
6	Document Deliverables Outlines	29
6.1	GENERAL	29
6.2	PROJECT MANAGEMENT PLAN (PMP).....	29
6.3	PROJECT STATUS REPORT (PSR).....	30
6.4	SYSTEM DESIGN SPECIFICATION (SDS).....	30
6.5	REQUIREMENTS TRACEABILITY MATRIX (RTM).....	31
6.6	TEST REPORT	31
7	Configuration Management (CM).....	31
7.1	GENERAL	32
7.2	BASELINES.....	32
7.3	CONFIGURATION AUDITS.....	33
8	Integrated Logistics Support (ILS).....	34
8.1	GENERAL	34
8.2	MAINTENANCE AND SUPPORT CONCEPT.....	35
8.3	SUPPLY SUPPORT	35
8.4	TECHNICAL DOCUMENTATION.....	35
8.5	TRAINING	36
8.6	OBSOLESCENCE MANAGEMENT.....	36
8.7	DECOMMISSIONING AND DISPOSAL	37
8.8	SYSTEM INVENTORY	37
8.9	PACKAGING, HANDLING, STORAGE, TRANSPORTATION (PHST).....	37
8.10	WARRANTY	41
9	Quality Assurance/Control (QA/QC).....	42

Final
V1.1

9.1	GENERAL	42
9.2	CONTRACTOR QUALITY ASSURANCE AND CONTROL	42
9.3	RESPONSIBILITIES OF THE CONTRACTOR AND THE NQAR	42
9.4	CERTIFICATES OF CONFORMITY.....	43
10	Operation and Maintenance (O&M) - Options	43
10.1	OVERVIEW	43
10.2	OPERATION AND MAINTENANCE ACTIVITIES	44
10.3	REPORTING.....	46
Appendix A	System Requirements Specifications.....	48
Appendix B	Purchaser Furnished Equipment (PFE) and Services	54
Appendix C	Security Equipment Locations	55
Appendix D	Fence line.....	63
Appendix E	Underground parking diagram.....	64
Appendix F	Buildings Plans	71

INDEX OF TABLES

Table 2-1	– Configuration Management Reference Documents.....	5
Table 2-2	– NATO Standards Guidance Reference Documents.....	5
Table 2-3	– NATO Security Reference Documents.....	6
Table 2-4	– Other NATO Reference Documents.....	6
Table 2-5	Non-NATO Reference Documents.....	6
Table 2-6	– Non-NATO Reference Documents.....	7
Table 3-1	– Milestone Dates.....	7
Table 4-1	– Security Accreditation Documentation and Contractor Responsibility.....	17
Table 5-1	– Test categories for independent testing.....	22
Table 5-2	– System test documentation package.....	25
Table 5-3	– Definitions for defect categorization.....	27
Table 5-4	– Clasification of defects based on severity.....	27
Table 5-5	– Priority classes for defect classification.....	28
Table 10-1	– Operation and Maintenance periods.....	44
Table 10-2	– Definition of service incident security levels.....	45
Table 10-3	– Definition of service incident security levels.....	46
Table 10-4	– Restoration times.....	46

Final
V1.1

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1 Introduction

1.1 Background

- 1.1.1 The Interim Facility (IF) refers to a facility within a purpose built multi-functional commercial business park housing a variety of enterprises adjacent to the major ring (RO) road in the Brussels suburb of Waterloo. The NCI Agency intends to rent the facility for a 5-year period. The IF requires Electronic Security System (ESS) which include physical barriers, surveillance (CCTV), intrusion detection systems (IDS) and social control mechanisms.

[SOW-1] *Service provisioning, operations and maintenance shall take place at the IFP site (Place du Luxembourg 3-4, 1420 Braine-l'Alleud, Belgium).*

1.2 Purpose

- 1.2.1 This SOW describes the deliverables for the Contractor.
- 1.2.2 Whilst meeting all the requirements stated in this SOW is essential, a critical requirement is to meet the project milestones described described in section 3 of this SOW.
- 1.2.3 The Contractor shall take into consideration this requirement in their planning and execution of the work.

1.3 Scope

- 1.3.1 The requirement is to implement an Electronic Security System (ESS) inclusive of supporting infrastructure, that is capable of electronic badge access control, with CCTV coverage and an Intrusion Detection System (IDS), to meet NATO Security requirements for the new Interim Facility. The contractor will be required to design, implement and test the capability, ensuring full security coverage of the Interim Facility within the area's dictated by NCI Agency. The system will be deployed both internally and externally of the Interim Facility and is required to be weather proof and tamper proof. Initial training for the operators of the Security System is an integral element required prior to the operational transfer to NCI Agency and should be delivered as a "Train the Trainer" package to ensure knowledge retention.

[SOW-2] *The Contractor shall provide all necessary resources including services, personnel, materials, components, equipment, data and documentation needed, except Purchaser Furnished Equipment (PFE).*

1.4 Standards for Interpretation of the SOW

[SOW-3] *The use of shall is defined as follows:*

- *Shall: This requirement is mandatory and must be implemented.*
- *Shall not: means that the definition is an absolute prohibition of the specification.*

2 Applicable Documents

[SOW-4] *The Contractor shall be aware and comply with the documents listed in Section 2 throughout the Contract.*

2.1 NATO Documents

2.1.1 Documents for Configuration Management Purposes

Table 2-1 – Configuration Management Reference Documents.

Abbreviation	Full document Name and Reference
[STANAG 4427 Ed.3]	Configuration Management in System Life Cycle Management. Ed.3, 2014
[ACMP-2000 Ed. A Ver. 2]	Policy on Configuration Management Promulgated
[ACMP-2009 Ed. A Ver. 2]	Guidance on Configuration Management Promulgated
[ACMP-2100 Ed. A Ver. 2]	Configuration Management Contractual Requirements

2.1.2 NATO Standards Guidance

Table 2-2 – NATO Standards Guidance Reference Documents.

Abbreviation	Full document Name and Reference
[STANAG 4728, Ed.2]	System Life Cycle Management. Ed.2, 2015.
[STANAG 6001, Ed.5]	Language Proficiency Levels. Ed.5, 2014.
[STANAG 4280]	NATO Levels of Packaging
[STANAG 4281, Ed.3]	NATO Standard Marking for Shipment and Storage. Ed.3, 2016.
[STANAG 4329, Ed.4]	NATO Standard Bar Code Symbologies – AAP-44(A). Ed.4, 2010.
[STANAG 4107Ed 11]	NATO Standard Mutual Acceptance of Government Quality Assurance
[STANAG 4715]	Biometrics data, Interchange, Watchlisting and Reporting
[ADEP-15]	Biometrics data, Interchange, Watchlisting and Reporting

Final
V1.1

2.1.3 NATO Security Documents

Table 2-3 – NATO Security Reference Documents.

Abbreviation	Full document Name and Reference
C-M(2002)49-COR 12	Security within the North Atlantic Treaty Organisation, 14 th September 2015
AC/35-D/2000-REV7	Directive on Personnel Security, 7 th January 2013
AC/35-D/2001-REV2	Directive on Physical Security, 7 th January 2008
AC/35-D/2002-REV4	Directive on Security of Information, 17 th January 2012
AC/35-D/2003-REV5	Directive on Classified Project and Industrial Security, 13 th May 2015
AC/35-D/2004-REV3	Primary Directive on CIS Security, 15 th November 2013

2.1.4 Other NATO Documents

Table 2-4 – Other NATO Reference Documents.

Abbreviation	Full document Name and Reference
[NCIA AD 06.03.04, 2015]	Agency Directive AD 06.03.04 Test Verification and Validation – 20 th February 2015

2.2 Non-NATO Documents

2.2.1 Reference documents for ACCS, IDS and CCTV.

Table 2-5 Non-NATO Reference Documents.

Abbreviation	Full document Name and Reference
[ISO 1443]	Testing Standard Chip based card stock
[EN50132-7]	Alarm Systems and CCTV Surveillance
[EN50133-1]	Alarm Systems and Access Control Systems
[EN50133-7]	Alarm Systems and Access Control Systems
[Mil STD 461/462]	Testing for Electromagnetic Compatibility

Final
V1.1

2.2.2 Reference documents for Quality and Testing.

Table 2-6 – Non-NATO Reference Documents.

Abbreviation	Full document Name and Reference
[ISO/IEC 15288, 2015]	Systems and software engineering -- System life cycle processes
[ISO/IEC 12207, 2008]	Systems and software engineering -- Software life cycle processes
[AIA/ASD SX000i, 2016]	International guide for the use of the S-Series Integrated Logistic Support (ILS) specifications. Issue 1.1, 2016.

3 Milestones

3.1 Introduction

[SOW-5] *The Contractor shall meet or “exceed” the dates mentioned in the table below. (Note: “Exceed” is to be understood as a situation where the Contractor has delivered earlier than the dates mentioned in the schedule, and the Purchaser has accepted the milestone accordingly).*

Table 3-1 – Milestone Dates.

Milestone	Delivery Date
MS1 Project Management Documentation approved	EDC + 1 month
MS2 System Design approved	EDC + 2 months
MS3 Test Plan approved	EDC + 3 months
MS4 System Implementation complete	EDC + 4 months
MS5 System Accreditation received	MS4 + 4 weeks
MS6 Final System Acceptance achieved	MS5 + 4 weeks

3.2 Project Management Plan

[SOW-6] *The Contractor shall create the Project Management Documentation, as defined in 4.1*

3.3 System Design (SD)

[SOW-7] *The Contractor shall create a System Design, as defined in 4.2.2.*

3.4 System Implementation

[SOW-8] *The Contractor shall implement the system, as defined in section 4.3.*

3.5 Final System Acceptance

3.5.1. FSA is the act by which the Purchaser has evaluated and determined that the implemented capability meets the requirements of the Contract, and that the Contractor has fully delivered all requirements. Criteria:

[SOW-9] *The following criteria shall be met to achieve FSA:*

- *All SOW requirements are met.*
- *All documents are delivered and approved by the Purchaser.*
- *All agreed equipment is delivered, installed, and configured.*
- *All outstanding issues, failures, and deficiencies in relation to the project are closed to the satisfaction of the Purchaser.*
- *The SD is approved by the NATO Security Accreditation Authorities (SAA) – The NATO Office of Security (NOS).*
- *Security accreditation is granted by the SAA. This requires the system has successfully passed the Security Test and Verification (ST&V).*
- *The system has passed all tests and provides the required functionality*
- *The system is compatible with the PFE-provided.*
- *Operation and Maintenance is in place and operational.*

4 Scope of Work until Final System Acceptance (FSA)

4.1 Project Management

[SOW-10] *The Contractor shall identify the following roles: Project Manager, Implementation Manager, Test Manager, ILS Manager and Quality Assurance Manager.*

[SOW-11] *The Contractor shall at all times ensure that:*

- *Adequate resources are applied to all activities undertaken under the contract;*
- *Milestones are achieved in a timely manner;*
- *The project status information is comprehensively reported to the Purchaser in a timely manner;*
- *All risks to project achievement are identified and managed;*
- *Professional standards of project activities and deliverables through the application of QA techniques are applied;*

Final
V1.1

[SOW-12] *The Contractor shall proactively coordinate and collaborate with other parties (NATO, Contractors) as required for the implementation of this project, in close coordination with the Purchaser.*

4.1.1. Project Management Documentation

4.1.1.1. Project Management Plan (PMP)

[SOW-13] *The Contractor shall establish and maintain a PMP which shall describe how the Contractor will implement the totality of the project as specified in this SOW.*

[SOW-14] *The Contractor's 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 this SOW.*

[SOW-15] *The Contractor's PMP shall follow the outline recommended in this SOW 116.*

[SOW-16] *The Contractor's PMP shall be provided to the Purchaser for approval.*

4.1.1.2. Project Master Schedule (PMS)

[SOW-17] *The Contractor shall establish, maintain and deliver as required a PMS (Microsoft Project format) containing all tasks and milestones.*

[SOW-18] *The PMS shall contain the following items unless otherwise stated by the Purchaser:*

- *Contain all events and milestones, in particular site preparation, site installation and activation, planned outages (if any), and ILS-related elements*
- *Delivery times of all documentation to be provided to the Purchaser*
- *Correlate with the products defined in the PBS*
- *Be provided in Microsoft Project format*
- *Identify the critical path for the overall project*
- *Identify the start and finish dates, duration, predecessors, constraints (as necessary) and the total slack of each task*
- *Identify the main project milestones*
- *Identify the "physical" progress for each task*
- *Identify the applicable baseline, and shall show progress against the baseline*
- *Minimise the use of constraints and absolute dates*
- *Identify the main deliverables.*

4.1.1.3. Product Breakdown Structure (PBS)

[SOW-19] *The Contractor shall establish and maintain a PBS, which shall:*

- *Identify all products.*

Final
V1.1

- *Include a hierarchical diagram of all the products having at its topmost product the final product of the overall project.*

[SOW-20] *Describe each product including its quality requirements.*

[SOW-21] *The Product Breakdown Structure (PBS) data shall be consistent with the data set in the Baselines developed in accordance with the Configuration Management (CM) requirements set out in Section 7 of this SOW.*

4.1.1.4. Project Status Report (PSR)

[SOW-22] *The Contractor shall provide a weekly PSR to the Purchaser.*

[SOW-23] *The Contractor's PSR shall at minimum summarise completed, ongoing, and upcoming activities, as well as attached updated PMS.*

[SOW-24] *The Contractor shall organize monthly Project Review Meetings (PRM).*

4.1.1.5. Documentation Delivery and Review

[SOW-25] *The Contractor shall deliver all documents to the Purchaser in English, in electronic format (MS Office unless otherwise stated in this SOW) for review and approval. The Purchaser shall provide reasonable effort to review and approve these documents in a timely manner.*

[SOW-26] *The Contractor shall ensure that any documentation delivered to the Purchaser has been properly reviewed according to Contractor quality management process.*

[SOW-27] *The Contractor shall take into account Purchaser comments and shall issue up other documentation versions as required.*

4.1.1.6. Meetings

[SOW-28] *The Contractor shall attend, organise and conduct meetings as required by the Purchaser.*

[SOW-29] *Except otherwise stated in the Contract, the Contractor shall apply the following provisions to all meetings (including "attendance in person" meetings, video or tele conference meetings, reviews):*

- *The Contractor shall take meeting minutes as required, submit them in draft version to the Purchaser for approval within 2 working days of the meeting.*
- *The participants and mainly the Contractor's representatives shall not regard these minutes as a mechanism to change the terms, conditions or specifications of the Contract nor as a vehicle to alter the design or configuration of equipment or systems. Any such changes shall only be made by authorised mechanisms as set forth in the Contract.*

4.1.1.7. The acceptance of documents by the Purchaser signifies only that the Purchaser agrees to the Contractor's approach in meeting the requirements. This acceptance

in no way relieves the Contractor from its responsibilities to meet the requirements stated in this Contract.

[SOW-30] *The Contractor shall remain responsible for updating the documents in the course of the project (to correct errors, inconsistencies, omissions, etc. and to reflect changes in the system design, system implementation, support arrangements) and shall deliver up-to-date versions at FSA.*

4.2 Design Activities

4.2.1. This section outlines the System Design, Integration, Tests, Site Visits and implementation of Electronic Security Services.

[SOW-31] *The Contractor shall undertake a site visit, producing a detailed report of findings to the Purchaser that support the design.*

[SOW-32] *The Contractor shall be responsible for the overall design, integration, and support to security accreditation and system engineering of the Electronic Security Solution throughout the Contract period of performance.*

[SOW-33] *The Contractor shall develop the Electronic Security Solution System Design Specification (SDS) based on an analysis of the Purchaser's requirements meeting the minimum requirements as shown in Appendix's C, D & E.*

[SOW-34] *The active components used for the Electronic Security Solution shall be physically separate from any other network and be used exclusively for the Electronic Security Solution.*

[SOW-35] *The Contractor shall be responsible for integration of the Electronic Security Solution. This means the integration of the various products that constitute the Electronic Security Solution, and the integration) with other NATO systems, as applicable.*

[SOW-36] *The Contractor shall deliver and activate the Electronic Security Solution.*

4.2.2. System Design

4.2.2.1. Design Activities

[SOW-37] *The Contractor shall conduct the necessary Design Activities and develop its own complete design of the Electronic Security Solution at the Preliminary and Final levels, including all interfaces to other systems to meet the SOW requirements.*

[SOW-38] *The Contractor shall keep the system design documentation package up to date throughout project execution, in particular as a result from the site visit and/or in order to obtain approval from SAA (for security aspects).*

[SOW-39] *The Contractor shall ensure that the design is compliant with and covers the System Operations Processes.*

Final
V1.1

4.2.2.2. Electronic Security Solution Design Documentation Package

[SOW-40] *The Contractor shall establish, deliver and maintain up to date Electronic Security Solution Design Documentation Package, comprising of:*

- *The System Design Specification (SDS)*
- *The Security Accreditation Documentation Package (for the portions under Contractor responsibility, see 4.3.4.)*
- *The Requirements Traceability Matrix (RTM)*
- *The Project Master Test Plan (PMTP)*

[SOW-41] *The Design Documentation Package shall be subject to Purchaser approval.*

[SOW-42] *The Contractor shall prove the design through the regime of testing set forth in the Contract and the Contractor shall be responsible in the event that the system proves deficient in meeting the Contractual requirements.*

[SOW-43] *The Contractor shall ensure that in order to maintain clear consistency throughout all documents in the System Design Documentation Package, any update of any of the documents comprised in the System Design Documentation Package shall result in re-delivery of a new version of the complete System Design Documentation Package.*

4.2.2.3. System Design Specification (SDS)

[SOW-44] *The Contractor SDS shall describe the Electronic Security Solution to a level of detail that is sufficient for the Purchaser to be able to ensure that the requirements in the SRS are implemented.*

[SOW-45] *The SDS shall comply with the applicable NATO Security documents (see 2.1).*

[SOW-46] *The SDS shall be developed as per the detailed contents indicated in section 6.4.*

4.2.2.4. Security Accreditation Documentation Package

[SOW-47] *The Contractor shall ensure that the Security Accreditation Documentation Package comprises all documentation mentioned in Section 4.3.4.*

4.2.2.5. Requirements Traceability Matrix (RTM)

[SOW-48] *The Contractor shall develop and maintain a RTM (see Requirements Traceability Matrix (RTM)) that establishes a complete cross-reference between on the one hand the requirements stated in the SRS, System Security Requirements Statement (SSRS), and on the other hand the detailed contents of the SDS in terms of SDS statements and lowest-level CIs.*

4.2.2.6. Design Review

Final
V1.1

[SOW-49] *The Contractor shall organize a Design Review for the Electronic Security Solution Design Documentation Package. The Contractor shall include the following areas in the Design Review:*

- *Electronic Security Solution overall system architecture and interactions*
- *System functionality, modularity and interfaces, breakdown into lowest-level Configuration Items*
- *Off-the-shelf products to be used in the system: the Contractor shall identify the intended product and version, and note if any additional elements (such as macros or plug-ins) are required*
- *Interfaces with other relevant systems*
- *System security design: Presentation of the Risk Assessment Methodology that the Contractor intends to use for the Project, Results of the Risk Analysis, Definition and implementation of the Security measures to counter the risks identified in the Security Risk Assessment (SRA).*
- *Sequence and scope of system tests of the capability and any requirements for Purchaser support and participation*
- *Any change request or off-specification*
- *Any changes to the PBS*
- *Final Allocated Baseline (ABL) and initial Product Baseline (PBL) in accordance with the Configuration Management Section (CM) in this SOW.*
- *Any changes to the PMS*
- *Cost considerations, as applicable*
- *Risk assessment*
- *PMTP traceable to system system/component requirements and acceptance criteria.*

[SOW-50] *The Contractor shall provide a Design Review Report.*

[SOW-51] *The Contractor shall update the Design Documentation Package as per the result of the Design Review.*

[SOW-52] *The final Design is subject to the Purchaser's approval.*

4.2.2.7. Site Visits

4.2.2.7.1 The purpose of the Site Visit is to gather all information of interest in view of the preparation, installation, configuration, on-site testing and support. The Site Visit will be held after the contract award. This section outlines the requirements applicable for site visits.

[SOW-53] *The Contractor shall respect requirements below for every site visit.*

[SOW-54] *For each site visit, the Contractor shall conduct site visit preparatory work and collect data to support project activities.*

Final
V1.1

[SOW-55] *The Contractor shall ensure coherence between site visit results and project documentation (e.g., System Design Documentation Package) at any time.*

4.2.2.7.2 Site Visit Preparatory work

4.2.2.7.3 Site Visit Work Book (SSWB)

[SOW-56] *If required by the Purchaser, the Contractor shall prepare a SSWB of checklists, fill-in forms, installation sketches, contact information, installation specifications, and site data to be collected by the Contractor during the site visit, and any other documentation required to perform site visits.*

[SOW-57] *If required by the Purchaser, the Contractor shall make the SSWB available for Purchaser review and comment before the site visit, and shall maintain and update as necessary during the site visit process.*

4.2.2.7.4 Visit of the site facilities

[SOW-58] *During the Site Visits activities the Contractor shall determine the necessary installation preparations and support arrangements and collect all system implementation-relevant information.*

- *Identification of any input (item of equipment, documentation, information) or work required from the Purchaser and from the Site with indication of suspense date;*
- *List of all system CIs (nature and quantities) to be installed in the site*

[SOW-59] *After the Site Visit the Contractor shall present to the Purchaser his site engineering and installation drawing(s) and identify actions and follow-on activities.*

4.2.2.7.5 Outcomes

[SOW-60] *The Contractor shall produce and deliver a Site Visit Report. The report shall detail accurately and formally the findings from the site visit and all preparatory work required from the Site.*

[SOW-61] *The Contractor shall provide the Site Visit Reports within one week after the respective Site Visit is completed.*

[SOW-62] *At minimum, the Site Visit Report shall include:*

Serial	Requirement
1	Installation & Activation: <ul style="list-style-type: none"> • Stakeholders communication • Schedule of installation activities
2	Logistics <ul style="list-style-type: none"> • Available system location & space • Technical infrastructure • Delivery details
3	Register all findings that require modification of the site infrastructure or change of the agreed implementation scope, if any. For each of the changes the Contractor shall produce a formal change proposal.
4	For each out of scope item that requires either technical support or procurement activity, the Contractor shall offer a proposal to the Purchaser with his recommended solution.
5	Site and network diagrams, and Heat Map, that shall be used as the basis for the As Built Documentation and used in the installation of the site

4.3 Implementation activities

4.3.1. The Purchaser reserves the right to suspend the Contractor's installation and/or activation work for up to ten (10) working days to avoid interfering with or disrupting other activities.

[SOW-63] *The Contractor shall ensure the overall implementation at the site respecting the achievement of milestones as described in SECTION 3.*

4.3.2. Preparations for Installation

[SOW-64] *The Contractor shall provide the Purchaser Project Manager with a draft list of hardware and software to be shipped referring to the requirements list in para 8.8, to include the quantity, model and serial and software details. Provide a list of Contractor's personnel together with a copy of each person's Personnel Security Clearance (PSC - Minimum of NATO SECRET) for those who will be involved in site installation and activation work, to the NCI Agency security office, who may in turn require a "Request for Visit" to be completed.*

[SOW-65] *The Contractor shall monitor the progress of any required Site facilities preparations, and the progress of any required provision of input by the Purchaser and the Site, to ensure timeliness and quality of the preparatory work required from the Purchaser.*

[SOW-66] *The Contractor shall ensure that anything that may delay installation is brought to the attention of the Purchaser Project Manager promptly.*

4.3.3. Site Installation and Activation

Final
V1.1

- [SOW-67] *The Contractor shall perform site installation and activation, which comprises the following activities:*
- *Perform site installation of any Electronic Security Solution elements (Hardware, Software), including establishment of network connectivity between all required components.*
 - *Perform site activation.*
 - *Execute all activities related to security accreditation.*
 - *Execute Physical Configuration Audit (PCA).*
 - *Deliver all documentation associated to site installation and activation.*
- [SOW-68] *The Contractor shall coordinate the start date of the planned installation no later than three weeks before that start date.*
- [SOW-69] *Although the Purchaser will provide the facilities in which the Electronic Security Solution will be installed, the Contractor shall be responsible for timely and complete delivery and installation of all relevant supplies.*
- [SOW-70] *The Contractor shall unpack all Electronic Security Solution equipment at the installation location and dispose of packing materials as directed by the Purchaser's Site POC.*
- [SOW-71] *The Contractor shall connect all equipment to electrical power and communications interfaces provided by the Purchaser.*
- [SOW-72] *The Contractor shall turn on all equipment and configure hardware and software settings.*
- [SOW-73] *The Contractor shall conduct the site activation tests as per the testing process detailed in SECTION 5.*

4.3.4. Security Accreditation

4.3.4.1. Introduction

4.3.4.2. The Electronic Security Solution must achieve security accreditation for it to be granted the authority to go live. To achieve this, the system will need to go through a Security Accreditation process and obtain the security accreditation statement from Security Accreditation Authorities. The Electronic Security Solution will need to demonstrate compliance with the NATO relevant Security Policy, supporting directives and system-specific documentation (e.g., System Security Requirement Statements (SSRS)).

4.3.4.3. The overall SAA for the Electronic Security Solution is the NATO Office of Security (NOS).

- [SOW-74] *The Contractor shall attend SAA meetings as requested by the Purchaser, and shall provide briefings if needed.*

Final
V1.1

[SOW-75] *The Contractor shall take action to follow, carry out the necessary work, and to implement the advice, instructions and changes required by the SAA.*

[SOW-76] *The Contractor shall designate Security SMEs as points of contact for security accreditation and security-related issues.*

4.3.4.4. Security Accreditation Documentation

4.3.4.5. The achievement of the Electronic Security Solution security accreditation will require a prescribed set of security documentation to be produced, using security accreditation documentation templates. The templates will be made available to the Contractor after Contract Award.

[SOW-77] *The Contractor shall produce security accreditation documentation and/or provide inputs to documents in support of the Electronic Security Solution security accreditation. All security related documentation shall be safeguarded and shall not be made publicly available.*

[SOW-78] *The Contractor shall identify and document any COTS products included in the system in the security documentation.*

4.3.4.6. The documentation to be developed to support the Electronic Security Solution security accreditation process is listed in the table; which also summarizes responsibilities related to the development of each document. Column “Baseline/Guidance” lists available templates, relevant NATO Security Directives and Guidance, and similar documentation existing NATO CIS which can be used as an example or initial input. All Security Accreditation documents will be subject to Purchaser and NOS approval.

Table 4-1 – Security Accreditation Documentation and Contractor Responsibility.

Document	Baseline/ Guidance	Contractor Responsibility (<u>The Contractor shall</u>)	Purchaser Responsibility
Generic documentation			
Security Accreditation Plan (SAP)	Latest approved SAP template	None	The Purchaser will provide if required by the SAA.
CIS description	CIS description template NR Reference Baseline	<ul style="list-style-type: none"> • Create the CIS description document based on the CIS description template provided by the Purchaser. • Demonstrate adherence to the NATO CIS Security Reference Baseline. 	<ul style="list-style-type: none"> • Provide template and guidance to the Contractor • Review • Coordination with the SAA

Document	Baseline/ Guidance	Contractor Responsibility (<u>The Contractor shall</u>)	Purchaser Responsibility
Security Risk Assessment (SRA)	SRA template Tool for formal SRA: NATO PILAR	<ul style="list-style-type: none"> • Provide support to Purchaser for SRA development • Address additional technical security requirements from the SRA 	<ul style="list-style-type: none"> • Provide guidance to the Contractor for support • Develop • Review • Coordination with the SAA
Site Security Requirement Statement (SSRS)	SSRS template	<ul style="list-style-type: none"> • Provide support to Purchaser for SSRS development 	<ul style="list-style-type: none"> • Provide template • Develop • Review • Coordination with the SAA
Security Test & Verification Plan (STVP)	STVP template	<ul style="list-style-type: none"> • Support development of STVP 	<ul style="list-style-type: none"> • Provide template and guidance to the Contractor • Develop • Review • Coordination with the SAA
Security Test Report (STR)	STR template	<ul style="list-style-type: none"> • Execute testing • Record results 	<ul style="list-style-type: none"> • Provide test report template • Supervise/witness testing
Security Operating Procedures (SecOPs)	SecOPs	Production and delivery of SecOPs	<ul style="list-style-type: none"> • Provide generic SecOPs template • Review • Coordination with the SAA

4.3.4.7. CIS Description

4.3.4.8. An initial CIS Description Electronic Security Solution will be developed by the Purchaser. The template of this docent will be made available to the Contractor after Contract Award.

[SOW-79] *The Contractor shall update the CIS description document based on the CIS description template provided by the Purchaser, maintain the CIS description during the project, including all relevant information taken from the System Design Documentation Package as required to understand the content of the CIS description document. CIS description shall be standalone document and shall not refer to any document from System Design Documentation Package.*

4.3.4.9. Security Risk Assessments (SRA)

[SOW-80] *The Contractor shall support the development of the SRA, including risks related to modern CIS technologies and Electronic Security Solution specific risks.*

[SOW-81] *The Contractor shall consider any change to be within the technical and financial scope of this Contract whenever the implementation of security measures results in the modification of the design (without introducing*

additional components), other documentation requirements, and changes to configuration of components; no change shall be generated.

4.3.4.10. System-specific Security Requirements Statement (SSRS)

4.3.4.11. A SSRS will be developed, as directed by the SAA, defining the security requirements for the Electronic Security Solution.

[SOW-82] *The Contractor shall support the development of the SSRS to include the minimum levels of security deemed necessary.*

4.3.4.12. Security Test and Verification Plan (STVP)

4.3.4.13. The STVP provides a plan of all security tests. The STVP will be generated by the Purchaser with support provided by Contractor.

[SOW-83] *The Contractor shall support the development of STVP, using the STVP template provided by the Purchaser.*

[SOW-84] *The Contractor shall ensure all security mechanisms are planned for testing.*

[SOW-85] *The Contractor shall execute the STVPs on site, under Purchaser's supervision.*

4.3.4.14. Security Test Report (STR)

[SOW-86] *The Contractor shall produce and deliver a STR, containing results of all security tests specified in the STVP, using the STR template provided by the Purchaser.*

[SOW-87] *The Contractor shall ensure security test identifiers are preserved in the Report as defined in the STVP.*

4.3.4.15. Security Operating Procedures (SecOPs)

4.3.4.16. SecOPs will be developed for the Electronic Security Solution.

[SOW-88] *The Contractor shall deliver and present the latest version of the Electronic Security Solution SecOPs to the SAA for approval, using the template provided by the Purchaser.*

[SOW-89] *The Contractor shall take into account any comments from the reviewers and SAA and shall update the document in order to gain SAA approval of the Electronic Security Solution SecOPs.*

4.3.4.17. Security Documentation Review

4.3.4.18. All documents for security accreditation will be subject to Purchaser and SAA review and approval.

4.3.4.19. The Contractor should expect a number of review rounds per document before it will be approved.

Final
V1.1

- [SOW-90] *The Contractor shall produce Security Documentation under the close supervision and guidance of Purchaser's specialists.*
- [SOW-91] *The Contractor shall submit Security Documentation to the Purchaser for review before submission to SAA for approval.*
- [SOW-92] *The Contractor shall take into account any comments from the reviewers and SAA and shall update Security Documentation in order to gain SAA approval.*

4.3.4.20. Security Mechanisms to be implemented in the Electronic Security Solution

4.3.4.21. The Security Mechanism (SM) to be implemented in the Electronic Security Solution will be based on:

- a. The outcome of the SRA, and
- b. The NATO security related documentation (see 2.1).

- [SOW-93] *The Contractor shall address SRA-recommended changes in security mechanisms in the design.*
- [SOW-94] *The Contractor, in the Electronic Security Solution design, shall include implementation of the Security Mechanisms and provide full traceability of high level security measures requirements down to the implementation level.*
- [SOW-95] *The Contractor shall maintain an end-to-end traceability of the required security measures throughout the project.*
- [SOW-96] *The Contractor shall include any additional security measures resulting from the follow-on risk assessments as part of the end-to-end traceability.*
- [SOW-97] *The Contractor shall design the security mechanisms for Electronic Security Solution to be complementary to and do not overlap with the NATO wide Information Administration (IA) Services capability already provided by other NATO systems.*
- [SOW-98] *The Contractor shall design the Electronic Security Solution security mechanisms to integrate with the existing NATO wide IA Services capability.*
- [SOW-99] *The Contractor shall implement the security mechanisms, approved by the Purchaser after coordination with the SAA, as a part of the Electronic Security Solution design and security accreditation work and shall produce the associated documentation.*

4.3.4.22. Physical Configuration Audit (PCA)

- [SOW-100] *The Contractor shall schedule and chair the PCA.*
- [SOW-101] *The Contractor shall co-ordinate the PCA with the Purchaser's Site POC.*
- [SOW-102] *The Contractor shall produce and deliver a PCA Report.*

4.3.4.23. Documentation

[SOW-103] *The Contractor shall deliver up-to-date documentation as a result of implementation activities.*

5 Testing

5.1 General Requirements for Testing

- 5.1.1. This section defines the generic requirements to be applied by the Supplier to the Test, Verification and Validation (TVV) process, which is required for verification and validation of the requirements set forth under this Contract by the Purchaser.
- 5.1.2. The Electronic Security Solution requires a set of TVV activities to verify its compliance with the Contractual requirements.

- [TVV 1] *The Contractor shall support the Purchaser during TVV events as describe in this SOW.*
- [TVV 2] *The Contractor shall demonstrate to the Purchaser that there is a testing process in place for the development stages of this project.*
- [TVV 3] *The Contractor shall strictly follow the TVV process, document templates and guidance provided by the Purchaser unless officially agreed otherwise by the Purchaser.*
- [TVV 4] *The Contractor shall provide the Purchaser with all TVV material developed and used under this contract.*
- [TVV 5] *The Contractor shall support post go-live activities during the Operation & Maintenance period, to evaluate the capability performance that could not be assessed, if any, during earlier test events.*
- [TVV 6] *Progress and result measurement shall be approved by the Purchaser and focused on items identified in PMTP.*
- [TVV 7] *The Contractor shall record test results in the test management tool set. All results of all formal acceptance testing performed during a given day shall be recorded in the test management tool. The Contractor shall provide these test results within 24 hours following the execution of any test.*
- [TVV 8] *The Contractor shall define and make use of KPIs as identified in PMTP, for quality improvement, to provide solutions and update the plans the achievement of defined objectives like coverage of risks, requirements, supported configurations, supported operational scenarios, etc.*
- [TVV 9] *For each event supporting a test phase, the Contractor shall follow TVV process defined in PMTP to perform the following activities:*
- *Planning and management of the test event*
 - *Design and development of all tests cases and associated documentation required under this Contract*
 - *Test Readiness Review (TRR)*
 - *Conduct all testing*

- *Test Review Meeting (TRM) to report and agree on the results*
- *Closure of the of test events (including the final version of all test artefacts created during the test event)*
- *Possible event re-run or amalgamated fix cycle to correct non-compliances and defects.*

Table 5-1 – Test categories for independent testing.

Test Phases	Scope	Purchaser Involvement
Engineering Tests	Internal tests executed during development phase of the system to ensure the system/software conforms to their design specifications.	Review: Test Reports
Qualification Tests	<p>Tests executed to verify the design and manufacturing process, ensure the system meets necessary design requirements, and provide a baseline for subsequent acceptance tests.</p> <p>Possible tests:</p> <ul style="list-style-type: none"> • Operational Robustness Testing • Mechanical Environmental Testing • Environmental Control Testing • Physical Functional System Testing • Product Safety Testing • User Interface Testing 	<p>Review: Test Plan, Test Cases/ Scripts, Test Report, Test Data, Test Environment Baseline, Existing defects.</p> <p>Participate: Test Readiness Review (TRR), Test Execution, Test Results Review.</p>
IV&V Assessment	<p>To determine whether or not a system satisfies user needs, functionality, requirements, and user workflow processes etc. before it gets into operation.</p> <p>To ensure verification of quality criteria, for the following tests must be performed during the IV&V Assessment:</p> <ul style="list-style-type: none"> • System Integration Test (SIT) – Requirements based testing, focused on verifying integration of the different components together and with any external interface as defined by the SOW • User Acceptance Test (UAT) – Scenario based testing, focused on validating the system as per user needs. • Security Tests – Tests focused on ensuring the security criteria are met. • System Acceptance Test (SAT) – Tests focused on ensuring compliance 	<p>Review: Test Plan, Test Cases/Scripts, Test Report, Test Data, Test Environment Baseline, Existing defects</p> <p>Participate: TRR, Test Execution, Test Results Review</p>

Test Phases	Scope	Purchaser Involvement
	<p>with the requirements outlined in the SOW.</p> <p>These events may be merged into fewer events, subject to Purchaser approval.</p>	
Site Acceptance Testing	<p>To ensure that the specific site/node is installed properly per site/node installation plan and the service meets the requirements stated in the SRS. Site Acceptance Testing is also to ensure compatibility and integration of the product with the site environment.</p> <p>Migration related tests are also covered under this tests. This includes integration with PFE.</p> <p>This event may also be merged into the IV&V Assessment event, subject to Purchaser approval.</p>	<p>Review: Test Plan, Test Cases/Scripts, Test Report, Test Data, Test Environment Baseline, Existing defects</p> <p>Participate: TRR, Test Execution, Test Results Review</p>
Operational Test and Evaluation	<p>To demonstrate that all components of the System/Application have been integrated (including other systems) to meet all the requirements of the SRS as well as all security requirements defined in the Security Accreditation Documentation Package.</p> <p>Ensure end to end delivered system works as expected and can interoperate with other Purchaser equipment.</p> <p>This event will involve the end users.</p> <p>This event may also be merged into the IV&V Assessment event, subject to Purchaser approval.</p>	<p>Review: Test Plan, Test Cases/Scripts, Test Report, Test Data, Test Environment Baseline, Existing defects</p> <p>Participate: TRR, Test Execution, Test Results Review</p>

[TVV 10] The Contractor shall convene a Test Readiness Review (TRR) at least one week prior to the events. The TRR shall ensure that all entry criteria for events have been met. Documentation that requires review by the Purchaser prior to a TRR shall be provided no less than 1 week prior to TRR.

[TVV 11] The Contractor shall provide all items under scope as defined in the Event Test Plan one week before the TRR meeting. The Purchaser has the right to cancel the TRR and/or formal test event if the evidence demonstrates that execution of the test event will not be effective.

[TVV 12] The Contractor shall convene a Test Review Meeting (TRM) within 1 business day after test event completion. The TRM shall ensure that the event results and defect categorization is agreed upon.

Final
V1.1

- [TVV 13] *The Contractor shall use the Purchasers' categorization nomenclature for all defects and non-compliances.*
- [TVV 14] *The Contractor shall describe in the event test plan what training (if required) will be provided to test event participants prior to formal TVV events.*
- [TVV 15] *The start and/or ending of any test session shall be subject to the Purchaser approval. In the event that critical issues are encountered which impact the process of the testing or if the other functions depends on the failed test cases, the Purchaser has the right to stop the testing for Contractor's investigation. The tests can only re-start if Purchaser agrees to continue testing from the point of failure or re-start testing from the beginning.*
- [TVV 16] *During formal TVV phases, a daily progress debrief shall be scheduled. Participation to the daily progress debrief will be agreed between Purchaser and Contractor. The aim of the debrief is to get a common understanding on what tests were run, which passed, which failed, and whatever defects were reported during the day.*
- [TVV 17] *For each test event, the Contractor shall provide log of the event, including but not limited to individual test results, test execution durations, deviations during execution.*
- [TVV 18] *At the end of the project, the Contractor shall provide the final version of all artefacts (regardless of format) created during the execution of all test, verification and validation activities.*
- [TVV 19] *The Contractor shall maintain the Requirement Traceability Matrix (RTM) which includes all functional and non-functional requirements from APPENDIX A. This will take place throughout the Contract execution to demonstrate that the verification and validation methods can successfully verify requirements and that those requirements are tracked. The Contractor shall deliver the RTM to the Purchaser for approval.*
- [TVV 20] *The Contractor shall produce and maintain the Verification Cross Reference Matrix (VCRM) which defines how the requirement will be verified at each of the TVV activities:*
- *The verification method: Inspection, Analysis, Test or Demonstration*
 - *Correspondent test phase(s) for each requirement*
 - *Coverage Status*
- The Contractor may propose to combine the VCRM and RTM, subject to Purchaser approval.*
- [TVV 21] *The Contractor shall provide the Purchaser with updates (via the automated tools as applicable) to the RTM and VCRM daily during the execution of an event, and following the conclusion of each event. A workflow for updating the RTM and VCRM shall be proposed by the Contractor and approved by the Purchaser.*
- [TVV 22] *The Contractor shall provide a System Test Documentation Package, following documentation templates provided by the Purchaser that is comprised of the following documents.*

Table 5-2 – System test documentation package.

Work Product Name	Sent to Review/ Approve
The Project Master Test Plan (PMTP)	<i>with the System Design Documentation Package</i>
Test Plans for individual test events including test design specifications	<i>3 months before test event</i>
The Security Test & Verification Plans (STVP)	<i>2 months before test event</i>
Any submitted test Waivers together with supporting material	<i>4 weeks before test event</i>
The Test Cases/Scripts/Steps	<i>4 weeks before test event</i>
Status Reports	<i>Periodically (to be set in PMTP)</i>
The Test Reports	<i>1 week after test event</i>
The Requirements Traceability Matrix (RTM) updated with test-related information	<i>First with PMTP and update per test event</i>
Verification Cross Reference Matrix (VCRM)	<i>First with PMTP and update per test event</i>

[TVV 23] If applicable, the Contractor shall develop and validate any Test Harnesses, simulators and stubs, including all script/code/data/tools required to execute the planned functional and non-functional tests in the Test Environment. The Test Harnesses for PFE will be provided by the Purchaser.

[TVV 24] The Contractor shall produce a Project Master Test Plan (PMTP) to address the plans for each V&V activities listed in this document.

[TVV 25] The Contractor shall describe all formal test, verification and validation activities in the PMTP with a testing methodology and strategy that fit the development methodology chosen by the project. The methodology shall also be fit-for-use and appropriate for the size and complexity of the Contractor's proposed solution.

[TVV 26] The Contractor proposed testing methodology shall describe the method of achieving all the test phases.

[TVV 27] The Contractor shall describe in the PMTP how the following objectives will be met:

- Compliance with the requirements of the Contract*
- Verification that the design produces the capability required*
- Compatibility among internal system components*
- Compliance with the SRS requirements*
- Compliance with external system interfaces and/or systems*
- Confidence that system defects are detected early and tracked through to correction, including re-test and regression approach*

- *Compliance with Purchaser policy and guidance (i.e. security regulations, etc.)*
- *Operational readiness and suitability*
- *Product Quality Criteria*
- *Identify which platform(s) to be used for the test events and the responsibilities for operation and maintenance of the environment*

[TVV 28] The Contractor shall describe in the PMTP:

- *“Entry”, “Suspension”, “Resumption” and “Exit” criteria for each of the formal test events*
- *Schedule for the provision of the test related deliverables and detail the conduct of testing*
- *defect/non-conformances reporting and management process during the performed tests*
- *Contractor’s approach to Test Reviews including Test Readiness Reviews and Test Results Reviews for each test event*

[TVV 29] The Contractor shall obtain the approval of the Purchaser regarding the environments the formal events will take place on and in requesting the approval, indicate what support is required from the Purchaser to configure and prepare the environment. This includes any required data from the Purchaser required for the test event. If a reference environment is to be use, it shall be formally controlled using configuration management tools, and each baseline that will enter into a contractual event shall be delivered to the Purchaser for approval prior to TRR.

[TVV 30] The Contractor may request a Test Waiver if the Contractor has previously successfully completed qualification testing to national, or international standards for assemblies, subassemblies components or parts. The Purchaser, after review of test waivers and analysis of their impact, reserves the right to require test and certification of the modified equipment at no cost to the Purchaser. The Purchaser has the right to reject any test Waiver.

- *If the Purchaser grants the waiver, the Contractor shall execute the Testing in accordance with the waiver.*
- *With respect to a requested waiver, the Contractor shall certify that the test environment to be implemented is identical to that which was originally used for testing, or advice the Purchaser of design/construction changes which affect form, fit or function.*
- *The Contractor shall record and log all waiver requests along with their resolution submitted for the Purchaser’s approval.*

5.2 Test Defect Categorization

[TVV 31] Should a failure occur during testing, a failure report shall be raised by the Contractor and a preliminary investigation shall be immediately carried out in

order to classify the failure according to its severity and its priority following the definitions below.

Table 5-3 – Definitions for detect categorization.

Category	Definition
Severity	<p>The severity of a failure is the degree of impact that the failure has on the development or operation of a component or system or user function.</p> <p>The severity of the failure shall initially be proposed by the tester but shall officially be set in agreement with all the stakeholders. When agreement cannot be reached the Purchaser’s PM will set the severity.</p>
Priority	<p>The priority of a defect defines the order in which defects shall be resolved.</p> <p>The priority of the defect shall initially be proposed by the tester but shall officially be set in agreement with all the stakeholders. When agreement cannot be reached the Purchase’s PM will set the priority.</p>

5.2.1 Severity

[SOW-104] According to their severity, failures shall be classified as one of the following.

Table 5-4 – Clasification of defects based on severity.

Critical	<ul style="list-style-type: none"> • Functional failure that inhibits users from accomplishing a primary task (Functional). • Failure of an user requirement. • Inability to install system software in accordance with provided documentation (Portability/Documentation). • Occurrence of a transient error and/or infinite loops/system hanging (Reliability). • System/application crashes on major functions or unsuccessful recovery (Functional or Reliability). • Loss of data, inconsistent results (database/data integrity problems) or corruption of database (Reliability). • Inaccurate result or calculation of essential function (Usability). • Poor reliability or performance which may degrade the overall operation/functioning of the system (Performance Efficiency). • Failure of a Security function or cause of security violation (Security). • Failure of exchange of information/data with its affiliates or with its shared environment (Compatibility).
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Major	<ul style="list-style-type: none"> • Failure of a function or defect that impacts the normal system operation but an user acceptable workaround exists (Functional). • Absence of or incorrect validity checks in accordance with user specification or as expected by the software (Reliability). • Display of a misleading information resulting in confusing or incorrect processing (Usability). • Slow response time of common user functions (Performance Efficiency). • Editing the same field/record/data concurrently causing database integrity problems (Reliability).
Minor	<ul style="list-style-type: none"> • * Failure of a non-essential function that does not impact the normal operational use of the application (Functional). • Defects that does not impact the overall quality of the software.
Cosmetic	<ul style="list-style-type: none"> • The failure is related to the enhancement of the system where the changes are related to the look and feel of the application, and not part of the usability requirements of the system. (Usability).

5.2.2 Priority

[SOW-105] *According to their priority, failures shall be classified as one of the following:*

Table 5-5 – Priority classes for defect classification.

Priority Class	Description
Urgent	The defect shall be resolved as soon as possible.
Medium	The defect shall be resolved in the normal course of development activities. It can wait until a new build or version is created.
Low	The defect is an irritant which should be repaired, but repair can be deferred until after more serious defects have been fixed.

5.2.3 Requirements Traceability Matrix (RTM)

[SOW-106] *The Contractor shall extend the Requirements Traceability Matrix (RTM) to reflect the results of all previous test sessions, and show how the tests and any test Waivers relevant to the test session demonstrate the associated requirements.*

[SOW-107] *The Contractor shall extend the RTM to ensure that the Purchaser can verify compliance throughout the project.*

[SOW-108] *The Contractor shall produce the RTM, which will track all the functional and non-functional the requirements.*

[SOW-109] *The Contractor shall ensure that the testable and non-testable requirements are linked to the Requirements Traceability Matrix*

[SOW-110] *In the RTM, the Contractor shall maintain full traceability between the functional, the developmental and the product baselines, so that the Purchaser can verify their compliance throughout the Contract.*

Final
V1.1

- [SOW-111] *The RTM shall be kept up to date by the Contractor in order to reflect any changes during the implementation of the project, in a timely manner (i.e., within one (1) week of change occurring).*
- [SOW-112] *The Contractor shall provide the RTM in a format compatible with the current version of Microsoft Excel.*
- [SOW-113] *The Contractor shall submit the RTM document to the Purchaser for review and approval.*
- [SOW-114] *The Contractor shall trace all test cases in the Requirements Traceability Matrix.*
- [SOW-115] *The Contractor shall update the RTM to provide traceability from tests completed to contracted requirements and provide the updated Matrix to the Purchaser in soft copy format.*

5.2.4 For further details on RTM see paragraph 6.5.

6 Document Deliverables Outlines

6.1 General

6.1.1. This section describes the outline content of a subset of all deliverables (management products and specialist products) to be provided by the Contractor under this Contract.

6.2 Project Management Plan (PMP)

- [SOW-116] *The Contractor shall ensure that the PMP comprises of the following sections unless otherwise agreed to by the purchaser:*
- *An 'Organisation' section describing the Contractor's organisation for this project according to the requirements. This section shall include an organisational chart showing the members of the Contractor's Project Team (including the members of the Contractor PMO) and showing their respective responsibilities and authority. This section should also include proposed Project Communication Plan.*
 - *A 'Project Planning' section describing the Contractor's processes supporting the development and maintenance of the PBS, and PMS according to the requirements.*
 - *A 'Risk management' section describing the Contractor's processes supporting Risk Management by the Contractor.*
 - *A 'System Engineering' section describing the Contractor approach to these activities according to the requirements in this SOW.*
 - *A 'System Implementation' section describing the Contractor approach to these activities according to the requirements in this SOW*
 - *An 'Operation and Maintenance' section describing the Contractor approach to these activities according to the requirements in this SOW.*

- A 'Testing' section describing the Contractor approach to these activities according to the requirements in this SOW.

6.3 Project Status Report (PSR)

[SOW-117] *The Contractor shall be submitted every week and ensure that the PSR summarises activities, including (but not limited to):*

- *Changes in key Contractor personnel;*
- *Summary of Contract activities during the preceding month, including the status of current and pending activities;*
- *Progress of work and schedule status, highlighting any changes since the preceding report;*
- *CSA report addressing all products in the Project Breakdown Structure;*
- *Change Requests status;*
- *Off-Specifications status;*
- *Test(s) conducted and results;*
- *Summary of any site visits conducted;*
- *Plans for activities during the following reporting period;*
- *Provisional financial status and predicted expenditures.*

6.4 System Design Specification (SDS)

[SOW-118] *The Contractor shall include, at a minimum, the following information in the SDS document:*

- *System Architecture:*
 - Diagrams: logical architecture, physical architecture, external interfaces, network etc...*
 - Topology for the system;*
 - Routing, Transport, and connectivity*
- *Administration model design (Administrative groups and permissions, administrative roles)*
- *System Functionalities*
- *Functional breakdown of the Electronic Security Solution*
- *Performance*
- *Equipment*
 - Physical breakdown of the operational the Electronic Security Solution components into hardware/software CIs (including the number of licenses for each software CI)*
 - Identification of all COTS included in the system.*

- iii. *CSA reports addressing all system CIs*
 - iv. *All configuration information (parameters, settings, etc.) for all components*
- *Description of how the system complies with SRS requirements*
 - *Description of how the system complies with all security requirements and with the Security Mechanisms referenced in this document.*
 - *Description of how the Segregation Requirements are met*

6.5 Requirements Traceability Matrix (RTM)

[SOW-119] *The Contractor shall ensure that the RTM includes the following information (but is not limited to):*

- *List of all functional and non-functional requirements*
- *List of all numbered requirements in the SRA and the SSRS.*
- *For each requirement, two-way traceability between the requirement and the design feature that implements the requirement.*
- *For each requirement, identification of any Off-specifications associated with the requirement.*
- *For each requirement already successfully tested: identification of the test(s) or test waiver(s) on the basis of which the requirement was demonstrated.*
- *For each requirement not yet successfully tested: identification of the test(s) or test waiver(s) that are intended to demonstrate the requirement; identification of the associated problem report.*

6.6 Test Report

[SOW-120] *The Contractor shall provide at least the following information with the test report:*

- *Test procedure*
- *Date when the test was run*
- *Test result (Pass, Fail, Not run). If “fail”, identification of the associated problem report*
- *Any annotations by the Purchaser’s representative*
- *Comments*
- *Contractor representative signature*
- *Purchaser representative signature*
- *Identification of the PBL under test*
- *Identification of the data set used to conduct the test session*

7 Configuration Management (CM)

7.1 General

- 7.1.1. The configuration of a product is the activity of structuring and interconnection of the hardware and software of a system for its intended application.
- 7.1.2. The Configuration Management (CM) is a process of identifying and documenting the characteristics of a facility's structures, systems and components (including computer systems and software), and of ensuring that changes to these characteristics are properly developed, assessed, approved, issued, implemented, verified, recorded and incorporated into the facility documentation.
- 7.1.3. CM applies procedures and tools to establish and maintain consistency between products and product requirements. CM establishes a structure for products and product configuration information and selects, defines, documents and baselines product attributes in sufficient detail to support the product lifecycle.

[SOW-121] *The Contractor shall be responsible for establishing and maintaining an effective Configuration Management (CM) organisation to implement the CM programme and manage the CM functions (configuration identification and documentation, configuration control, configuration status accounting, configuration audits.)*

[SOW-122] *The Contractor shall establish and maintain the CM policies, processes and practices using STANAG 4427 Ed. 3 and underpinning ACMPs (ACMP-2000, ACMP-2009, ACMP-2100) and ISO 10007:2017 as a guidance.*

[SOW-123] *The Contractor shall implement the CM activities for any HW, SW, FW, customization and document provided, used or defined in the frame of the project and shall integrate the COTS elements-data in order to implement a unique CM framework.*

7.2 Baselines

[SOW-124] *The Contractor shall define the CI trees (Baselines), hierarchically structured, clearly defining each node/leaf as CI, HWCI, CSCI, HWP (Hardware Parts) or CSC (Computer SW Component) in accordance with the guidelines provided in the above defined ACMPs and ISO.*

[SOW-125] *The Contractor shall define and deliver, as a minimum the following Baselines:*

- *Allocated Baseline (@ Design review): it starts to be developed at the beginning of the design phase; it is established and "frozen" at the end of the design phase (also known as "as-designed" baseline);*
- *Product Baseline (@ Installation/Integration/Test): It starts to be developed at the beginning of the production phase. It is established and "frozen" at the end of the production phase.*

[SOW-126] *In case of changes/modifications to the baselines, the Contractor shall provide the Purchasers an updated version.*

[SOW-127] *Each element of the PBL shall include as minimum (but not be limited to) the following pieces of information (in accordance with the type of item):*

Final
V1.1

- *Position in the structure (hierarchical level or indenture code);*
- *Physical location (Reference Designator or similar positional code) coherent with the As-Built Drawings and manuals;*
- *Type of Configuration Item (CI, HWCI, CSCI, HWP, CSC);*
- *Item identifiers (Part Number – P/N, Cage Code, Nomenclature, revision/issue, release);*
- *Asset Data (Price UOM, MOQ, start of warranty/license validity);*
- *Inventory Data (Serial Number - S/N or License number if applicable).*

[SOW-128] *The Contractor shall map each PBL element to the relevant CI documentation such as:*

- *For HWCI/HWPs: specifications, datasheet, Certificates of Conformity (CoC), Items Setting Documents (ISD – how to configure HW/SW/FW);*
- *For HWCI/CIs: interconnection diagrams, interface specifications/control documents, Test procedures, Test records, integration data, customization/setting procedures;*
- *For CSCI/CSCs: SW Release Notes (SRN), SW test data records, SW metrics (type of language, Line of Code, number of function points), SW Source Code (if specifically generated or modified/adapted/customised in the frame of the project), SW Installation files, SW Version Description Documents (VDDs), SW installation/customization procedures, SW settings, SW operating manual.*

7.3 Configuration Audits

7.3.1. Functional Configuration Audit (FCA) is the formal examination of functional characteristics of a configuration item, or system to verify that the item has achieved the requirements specified in its functional and/or allocated configuration documentation.

[SOW-129] *In this Contract, the FCA shall primarily consist of reviews of all the component-based requirements of the Contract, Contract documentation, tests or test results where necessary, to demonstrate the full compliance with the functional requirements of allocated components delivered to the Purchaser.*

7.3.2. Physical Configuration Audit (PCA) is the formal examination of the 'as-built' configuration of a configuration item and system against the technical documentation to verify the product baseline.

[SOW-130] *In this Contract the PCA shall consist of a review and verification of design documentation against the delivered system and individual system components. The PCA shall also include a review of system-wise functional and performance requirements that were not reviewed at FCA.*

[SOW-131] *The FCA and the PCA shall be conducted at a relevant time during project execution to be agreed between the Contractor and the Purchaser.*

[SOW-132] *The Contractor shall conduct a Functional Configuration Audit with a system verification activity to provide confidence on the product readiness before starting formal acceptance testing at Purchaser's premises.*

8 Integrated Logistics Support (ILS)

8.1 General

8.1.1 This section addresses the ILS requirements of the project. The purpose of this section is to ensure that the Contractor uses sound and best practices support approaches to plan, implement and support the capability procured through this Contract.

[SOW-133] *The Contractor shall appoint an ILS manager who shall report to the Contractor's PM and be the point of contact to interface with the Purchaser ILS officer.*

[SOW-134] *An ILS Plan describing all aspects of support and how the Contractor proposes to meet the ILS requirements shall be provided in a draft version within 6 weeks following Contract Award.*

[SOW-135] *The Contractor's ILS Plan or a dedicated In Service Support Plan (ISSP) shall explain in detail the In Service Support processes in order to achieve the Purchaser's availability and restoration time targets. The ILSP/ISSP shall be considered as life-cycle documents and updated throughout the contract duration.*

[SOW-136] *The Contractor shall incorporate ILS activities and deliverables into the PMS or set up and manage a separate sub-ILS schedule.*

[SOW-137] *The Contractor's ILS/ISSP Plan shall as a minimum, describe the Contractor's approach for each of the following element:*

- Details the Contractor's support Point of Contacts
- Maintenance and Support concept,
- Supply Support and Spares concept
- Details of the Contractor's Help-Desk (email, phone number etc.)
- Technical Documentation
- Training
- Packaging Handling Storage and Transportation (PHST),
- Obsolescence Management
- Decommissioning and Disposal

[SOW-138] *The Purchaser's POC for all requirements laid out in section Integrated Logistics Support and Configuration Management will be:*

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8.2 Maintenance and Support concept

- [SOW-139] *The Contractor shall develop and maintain the Electronic Security Solution Maintenance and Support Concept that defines the maintenance and support environment, constraints, locations, procedures, artefacts, organisation and personnel skills to maintain the capability.*
- [SOW-140] *The Contractor shall ensure the Maintenance and Support Concept defines the Maintenance and Support tasks at any level of support and at any level of maintenance.*
- [SOW-141] *The Contractor shall define all levels of the Support process and their interfaces to the other processes, including the existing NCIA Service Desk.*
- [SOW-142] *The Contractor shall be fully responsible for the provision of the required processes, procedures and resources (manpower, skills, tools, spares and consumables) required for the planning, implementation and operational support at all levels for the capability procured the frame of this contract.*

8.3 Supply Support

- [SOW-143] *The Contractor shall define his approach on the Provision of Spares, Tools and Consumables in the ILSP/ISSP.*
- [SOW-144] *The Contractor shall provide his own Spares, Tools and Consumables required to support the System during the Implementation, Warranty and In Service (O&M) phase.*
- [SOW-145] *The Supply Support concept including all Spares, Tools and Consumables shall be sufficient to support a 24/7 uninterrupted operation of the capability and shall take into account the restoration time requirements and possible supply support delays.*
- [SOW-146] *The Contractor shall identify all items which will be stored at the site or at the Contractor's repair facility and/or which may need transportation between the site and the Contractor's or vendor's repair facilities or depot.*
- [SOW-147] *The Contractor shall provide a Recommended Spare Parts List (RSPL), Recommended Consumable Items (RCIL) and Recommended Tools and Test equipment list (RTTL) for items to be stored at the Purchaser's site.*

8.4 Technical Documentation

- [SOW-148] *The Contractor shall provide all the technical documentation for Electronic Security Solution as applicable to safely operate, troubleshoot, support and maintain the solution in accordance with the agreed support concept.*
- [SOW-149] *Technical documentation shall be provided in English, as soft copy and shall consist (as a minimum) of:*
- *Training documentation*
 - *Operation and User Manuals*
 - *Maintenance and Administration Manuals (as applicable)*

- *OEM manuals for COTS products (Hardware and Software)*

8.5 Training

8.5.1 General Requirements:

[SOW-150] *The contractor shall create a training plan to support the training requirements of the designated operators of the capability.*

[SOW-151] *The Contractor shall provide training for the Electronic Security Solution support staff. The training shall focus on the activities to be executed by NCIA in relation to User Management, Reports Management, and Security Management.*

[SOW-152] *The Contractor shall provide training for the Electronic Security Solution operators. The training shall include instructions on how to operate each aspect of the electronic security solution.*

8.5.2 Training Materials

[SOW-153] *The Contractor shall deliver training documentation, which may be composed of the following:*

- *Training syllabus (course title, course description, learning objective, concepts/functions/features presented in the course, evaluation tools),*
- *Student handbook*

[SOW-154] *For the development of training material, the Contractor shall reuse existing OEM COTS documentation and other manuals to the maximum extent possible.*

8.6 Obsolescence Management

[SOW-155] *The Contractor shall immediately report to the Purchaser any upcoming obsolescence issues related to the assets procured through this contract*

[SOW-156] *The Contractor shall quarterly investigate and report all issues related to:*

- *end of production*
- *end of sale (including last buy opportunity)*
- *end of support*
- *change of Form Fit and Function (FFF) (i.e.: item technically incompatible or unsupported)*

8.6.1. Reporting on obsolescence issues shall include a mitigation strategy, including alternatives and an impact assessment on:

Final
V1.1

- *system function and performance*
- *support*
- *costs*
- *schedule*

8.7 Decommissioning and Disposal

8.7.1. No decommissioning of Purchaser's existing installation is foreseen.

[SOW-157] *The Contractor will be responsible for disposal of any equipment, parts or packing material remaining from implementation or maintenance activities on-site.*

8.7.2. Decommissioning at the end of the Lease Contract (optional).

[SOW-158] *The Contractor shall provide as an option the cost of decommission of all the elements included in this scope of works and return the interim facility to original state once the period of the lease contract is finished.*

8.8 System Inventory

[SOW-159] *The Contractor shall provide the Purchaser's ILS POC with a System Inventory in electronic Microsoft Excel format at least (10) working days before the first delivery of equipment.*

[SOW-160] *The System Inventory shall include all items furnished under this Contract, as follows:*

- *All equipment*
- *All support equipment – i.e., all tools, test equipment, etc. (where applicable);*
- *All Purchaser Furnished Equipment (PFE; where applicable);*
- *All documentation*

8.9 Packaging, Handling, Storage, Transportation (PHST)

8.9.1 Packaging

[SOW-161] *The Contractor shall, for the purpose of transportation, package, crate, or otherwise prepare items in accordance with the best commercial practices for the types of supplies involved, giving due consideration to shipping and other hazards associated with the transportation of consignments overseas.*

[SOW-162] *The Contractor shall produce and provide packing lists that accompany each shipment, which will include the following:*

- *The Purchaser's Purchase Order number*
- *The NATO project number*

Final
V1.1

- *Names and addresses of the Contractor and the Purchaser;*
- *Names and addresses of the Carrier, Consignor and Consignee (if different from Contractor or Purchaser)*
- *Final destination address and POC;*
- *Method of shipment*
- *For each item shipped: Contract Line Item Number (CLIN) number as per the SSS; nomenclature; part number; serial number; and quantity*
- *For each box, pallet and container: box/pallet/container identification number and number of boxes/pallets/containers; weight; dimensions*

[SOW-163] *The Contractor shall ensure that one copy of the packing list is fastened in a weather-proof, sealed envelope on the outside of each box, palette and/ or container, and one packing list put inside each container/box.*

8.9.2 Handling and Storage

[SOW-164] *The Contractor shall be responsible for all handling and storage of equipment, packages, boxes and containers during the project.*

[SOW-165] *The Contractor shall also be responsible for organising and operating any handling equipment and storage facilities required.*

8.9.3 Transportation

8.9.3.1 The Purchaser will not be liable for any storage, damage or any other charges involved in such transportation of supplies prior to the actual acceptance of such supplies at destination.

8.9.3.2 The Purchaser will not be liable for any storage, damage or any other charges involved in such transportation of supplies prior to the actual acceptance of such supplies at destination.

8.9.3.3 The Purchaser will not accept responsibility and/or ownership of the equipment before acceptance is complete.

8.9.3.4 All packages, boxes will be inspected visually by the Purchaser's POC at final destination to ensure that no damage has occurred during transport and that all packages, boxes and containers detailed in the packing list have been accounted for.

[SOW-166] *The Contractor shall provide the Notice of Shipment:*

- *One (1) week prior to the delivery of any shipment of supplies in accordance with the instruction of the Purchaser*

[SOW-167] *This notice shall be provided electronically and shall include the following information:*

- i. *Purchaser Contract Number*
- ii. *Contract line Item Number (CLIN), designation and quantities*
- iii. *Name and address of the Contractor, Purchaser and Consignor*

Final
V1.1

- iv. *Final destination address and POC*
- v. *Manufacturer, Manufacturer Part Number, Nomenclature, Items Description, Quantity, Serial Number*
- vi. *Number of packages/containers, dimensions and gross weight*
- vii. *Consignor's and Consignee's name and address*
- viii. *Mode of shipment (e.g.: road, air, sea)*
- ix. *Date of shipment*
- x. *Number of the Form 302 used (if required)*
- xi. *Final/Partial Shipment*
- xii. *For each item shipped: Contract Line Item Number (CLIN) number as per the SSS; nomenclature; part number; serial number; and quantity*
- xiii. *For each box, pallet and container: box/pallet/container identification number and number of boxes/pallets/containers; weight; dimensions*

[SOW-168] *The Contractor shall provide an Inventory Material Data Sheet (MDS) at least 10 working days before each shipment, based on MDS template to be provided by the Purchaser.*

[SOW-169] *The Contractor shall be responsible for customs clearance of all shipments into the destination countries. It is the Contractor's responsibility to take into account delays at customs. The Contractor shall therefore consider eventual delays and arrange for shipment in time. Under no circumstances can the Purchaser be held responsible for delays incurred, even when utilising Purchaser provided Customs Form 302.*

[SOW-170] *Prior to a Contractor shipment, the Contractor shall request the issue of a Customs form 302 at least 10 (ten) working days prior to shipment. The requested 302 forms will be sent to the Contractor by courier. The original 302 forms shall accompany the shipment. Note: No fax or electronic copy will be used, nor provided to the Contractor*

[SOW-171] *If a country refuses to accept the Form 302 and requires the payment of customs duties, the Contractor shall pay these customs duties and the Purchaser shall reimburse the Contractor the actual cost when presented with all supporting documents for proof of payment. Before making any payment to customs, the Contractor shall immediately inform the Purchaser and obtain a written statement clearly stating why the Country refuses to accept the Form 302 from the Customs Officer. This statement must be attached to any claim for refund of the charges*

[SOW-172] *The Contractor shall ship all required software, documentation, and installation or testing tools to the locations designated by the Purchaser.*

[SOW-173] *The Contractor-delivered equipment will be subject to Purchaser ILS and security checking processes.*

[SOW-174] *The Contractor shall be responsible for resolving any loss incurred in shipping to the NCI Agency facility.*

Final
V1.1

- [SOW-175] *All goods delivered shall be delivered to the destination specified by the Purchaser.*
- [SOW-176] *All materials covered under the Contract, including items being returned after warranty repair, shall be shipped Delivered Duty Paid (DDP) to the addresses specified in accordance with current INCOTERMS published by the International Chamber of Commerce.*
- [SOW-177] *In case a shipment is composed of one or more pallets, a pallet shall be defined as the standard Euro-pallet (EUR/EPAL; 1200mm x 800mm), packed to a height as close as practicable to a total maximum height of 1800mm, and not exceeding a total weight of 1000 Kg.*
- [SOW-178] *The Contractor shall be responsible for any insurance covering transportation and shipment.*

8.9.4 Supply chain security

- [SOW-179] *The Contractor shall warrant that all supplies furnished under this Contract are genuine and free of malicious components, firmware and software.*
- [SOW-180] *The Contractor shall ensure that all equipment to be delivered are protected from malicious tampering during storage and transportation up to the point of delivery.*
- [SOW-181] *The Contractor shall confirm in the MDS, per item, that the items to be delivered have been checked for technical integrity and protected from malicious tampering.*
- [SOW-182] *The Contractor shall also identify in the MDS, per item, the identity of the supplier of the item and the identities of suppliers of major components thereof.*
- [SOW-183] *The Contractor shall allow and support ad-hoc spot checks and audits by the Purchaser of any of his supply chain security measures at any of the Contractor's locations.*
- [SOW-184] *The Purchaser reserves the right to reject any equipment delivered which does not conform to the description provided in the MDS or shows evidence of tampering. The Contractor shall replace such rejected goods at no cost to the Purchaser.*

8.9.5 Assumptions, Limitations and Exclusions:

- 8.9.5.1. The purchaser will not be responsible for delays incurred, even when utilizing Purchaser provided Custom Forms 302, under any circumstances.

[SOW-185] *Items to be returned for repair/exchange from a site to the Contractor, shall be transported through Contractor arrangements.*

- 8.9.5.2. The Purchaser cannot be held responsible for any delays in implementation in the case of unavailability of facilities or materials with the exception of PFE equipment or facilities.

[SOW-186] *The Contractor shall be solely responsible to acquire alternative facilities/material to assure proper storage, handling etc.*

Final
V1.1

[SOW-187] *The Contractor shall not be responsible for the correction of defects in Purchaser Furnished Equipment or Property.*

[SOW-188] *All items shall be delivered at Contractor's expense.*

[SOW-189] *Deliverables received at NCI Agency facilities shall remain under Contractor's responsibility until formal acceptance.*

[SOW-190] *The Contractor shall be responsible for all charges relating to storage, damage and ancillary costs in the transporting of all the items and supplies and for any shipment loss.*

[SOW-191] *The Purchaser shall not be liable for any storage, damage or any other charges involved in such transportation of supplies prior to Acceptance.*

8.9.5.3. Where manufacture is under Government Quality Assurance Authority (GQAA) surveillance, there is a requirement for Certificates of Conformance to be included with packing containers, three each per pack, one inside and two outside in a waterproof envelope.

[SOW-192] *The packages or containers in which supplies are transported shall, in addition to normal mercantile marking, be marked with the following data on a separate nameplate (or transfer or stamping if nameplate is not practical): System/sub-system denomination; Purchaser Contract number; Contract Item Number Manufacturer's name and address; Shipping address.*

[SOW-193] *The Contractor shall be aware that, due to NATO security constraints all failed magnetic and electronic media storage (e.g.: hard disks/drives) can only be repaired or replaced on-site and cannot be removed and/or returned to the Contractor for repair. Defect magnetic and electronic media storage devices (e.g.: Compact Discs (CD), Disk Array, diskettes, hard drives, USB memory devices) will therefore be destroyed on-site by the Purchaser. Defect magnetic and electronic media shall therefore be replaced by the Original Equipment Manufacturer at no extra cost to the Purchaser.*

[SOW-194] *If the Contractor becomes aware at any time before acceptance by the Purchaser that a defect exists in any supplies, the Contractor shall promptly correct the defect.*

8.10 Warranty

[SOW-195] *The Contractor shall provide his own spare parts, tools and test equipment to maintain the system to the required performance level up to Final System Acceptance (FSA) and during the In Service (O&M) phase if contracted.*

[SOW-196] *The Contractor shall provide a warranty for a period of at least twelve (12) months for the hardware and the software starting at FSA.*

- [SOW-197] *If the Contractor becomes aware at any time before acceptance by the Purchaser that a defect exists in any supplies, the Contractor shall coordinate with the Purchaser and promptly correct the defect.*
- [SOW-198] *In the event that the Contractor Logistics Support option starting at FSA is not exercised, the Contractor shall replace any defect devices with new devices by end of the next business day, at no additional cost to the Purchaser.*
- [SOW-199] *During the warranty period, the Contractor shall be responsible for supplying all COTS hardware and software upgrades and updates.*
- [SOW-200] *The Contractor shall be responsible for the provision of any alternative or superseding items, should the original part be no longer available, ensuring compliance with the original design provided by this Contract.*

9 Quality Assurance/Control (QA/QC)

9.1 General

- [SOW-201] *The Contractor shall include a Quality Assurance Plan as part of the Project Management Plan (PMP) describing how the Contractor proposes to meet the Quality Assurance and control requirements as described in this Section.*
- [SOW-202] *Quality Assurance and Audits Control System*
- [SOW-203] *The Purchaser in this contract applies the NATO Standardisation Agreement, STANAG 4107 Ed. 9 “Mutual Acceptance of Government Quality Assurance” which the Contractor shall herewith accept and agree to.*
- [SOW-204] *The Contractor shall be ISO 9001 or AQAP 2110 certified and shall fulfil the general requirement of STANAG 4107 Ed. 9.*

9.2 Contractor Quality Assurance and Control

- [SOW-205] *The Contractor’s QA/QC System relevant to performance under this contract shall be subject to review and surveillance by the Purchasers QA representative.*
- [SOW-206] *The Contractor shall include in orders placed with his Sub-Contractor(s) and Supplier(s), the QA/QC requirements necessary to ensure the supplies and services covered by the Sub-contract(s) and/or Purchase Orders conform to the requirements of the prime contract.*

9.3 Responsibilities of the Contractor and the NQAR

- [SOW-207] *The Purchaser may delegate the Quality Assurance to the appropriate Government Quality Assurance Authority (GQAA) in accordance with STANAG 4107.*

Final
V1.1

- [SOW-208] *The GQAA, when accepting the STANAG 4107 Request for GQAA Services, appoints his QA Representative(s) (QAR).*
- [SOW-209] *The Purchaser, through their own Quality Assurance, however, will retain the overall supervisory and liaison authority concerning all QA/QC matters, and for this purpose will use their own QA Personnel.*
- [SOW-210] *The term “National QAR” (NQAR) shall apply to any of the Purchaser appointed QARs, whether nominated by the GQAA or by Purchaser QA.*
- [SOW-211] *During the entire contract implementation, the NQAR(s) within their own rights, defined in the contract applicable AQAPs, shall assure the Contractor’s and Sub-Contractor’s compliance with all contractual requirements.*

9.4 Certificates of Conformity

- [SOW-212] *When satisfied that the products and/or services provided by the Contractor are in conformance with the terms of this contract, a Certificate of Conformity (CoC) will be delivered.*
- [SOW-213] *The preparation of the CoC(s) shall be the responsibility of the Contractor.*
- [SOW-214] *The Contractor shall supply a Certificate of Conformity (CoC) for all equipment provided under this contract for all quantities contained in each contract line item.*

10 Operation and Maintenance (O&M) - Options

10.1 Overview

10.1.1. This section defines the O&M requirements requested from the Contractor.

10.1.2. O&M requirements shall cover the following elements: Contractor manpower, Hardware maintenance (including replacement of spares if needed), Software maintenance (yearly license fees) for software delivered by the Contractor Security and Help Desk Services.

[SOW-215] *During the In Service (O&M) phase if the option is activated by the purchaser, the Contractor shall include the following Contractor Logistics Support Services:*

- *24/7 Help-Desk Service*
- *Contractor’s personnel on-site interventions*
- *Corrective and Preventative Maintenance of Hardware and Software using Contractor owned resources*
- *Contractor owned Spares, Tools and Consumables on-site stock management*

Final
V1.1

- *Software license management and coverage of license fees for Contractor delivered Software*
- *Sustainment of system functionality*
- *Update and Maintain System documentation relevant to the Design, Operation and Support of the Electronic Security Solution.*
- *Performance reporting*

[SOW-216] *The requirements in this Section shall be understood in addition to the requirements defined in other Sections of this contract.*

[SOW-217] *The Contractor shall start O&M at FSA for a period of one year, with additional options that may be activated by the purchaser.*

[SOW-218] *The Contractor shall be responsible to maintain the Electronic Security Solution as NO-CO (NATO-Owned Contractor-Operated).*

10.1.3. Five (5) periods of support are distinguished as shown in table below and will be activated individually as and when needed:

Table 10-1 – Operation and Maintenance periods.

	#	From:	To:
Support	1	FSA	FSA + 1 year
	2	FSA + 1 year	FSA + 2 years
	3	FSA + 2 years	FSA + 3 years
	4	FSA + 3 years	FSA + 4 years
	5	FSA + 4 years	FSA + 5 years

10.2 Operation and Maintenance activities

[SOW-219] *To ensure service availability and performance, the Contractor should perform maintenance activities outside of the normal working hours (Mon-Fri between 7h00-19h00). The Contractor will notify the Customer of any planned maintenance work that entails a system interruption and which has an anticipated type of impact on the Service, regardless of whether this work will take place within or outside the planned maintenance period. Such notification shall be given five business days before the start of the work in question.*

[SOW-220] *The Contractor shall perform preventative and corrective maintenance on the OEM equipment. This maintenance includes the repair or replacement of a*

faulty component and a Software upgrade for bug fixing where such an upgrade is available from the OEM.

[SOW-221] *Software Maintenance shall be executed within an agreed timeframe, dependant on the severity of the security vulnerability or other potential weaknesses in the network, the hardware, or management software are identified. This mitigation action shall take place timely such that the network remains hardened / protected as per NATO guidance / directives.*

[SOW-222] *The Contractor shall ensure a Service Desk is available, acting as a Single Point of Contact (SPOC) for the Purchaser. It is accessible 24/7 by phone and e-mail for all operational matters related to the procured services.*

[SOW-223] *The Contractor shall ensure that Change, Incident and Problem Management processes are documented, used and communicated to the Purchaser.*

10.2.1. Incident Management handles possible problems affecting the Service in a proactive and a reactive manner. Proactive Incident Management is initiated in the monitoring systems while reactive Incident Management starts with a call from the Purchaser. An incident severity is assigned by the Purchaser to each reported issue, whether proactively or reactively. The definition of the severity levels will be agreed with the purchaser and contractor prior to the Critical Design Review (CDR).

Table 10-2 – Definition of service incident security levels.

Incident Severity	Definition
Severity 1	The Electronic Security System, or part of the Electronic Security System is interrupted, ceasing to function and cannot be brought online.
Severity 2	Electronic Security System is affected but not interrupted (e.g. brief disruptions, reduced performance).
Severity 3	Electronic Security System is not directly affected (e.g. an information request, reconfiguration request, etc.).

[SOW-224] *During the O&M period, the Contractor shall maintain and update all Release packages to incorporate any changes to system software, hardware or configurations.*

10.2.2. Service Level Agreements (SLA) and KPIs

[SOW-225] *The Contractor shall establish a process to monitor the Purchaser defined KPI's used to measure the performance of the Electronic Security Solution.*

[SOW-226] *The Contractor shall provide Quality of Service (QoS) to the Purchaser based on: (1) the resolution time for incidents; and (2) the maximum values for a number of QoS performance indicators (end-to-end delay, packet loss and jitter).*

Table 10-3 – Definition of service incident security levels.

Initial feedback	Within 15 minutes
Intervention Window	Business days (Monday-Friday from 7:00 to 19:00 Severity Incidents 2 & 3)
Service restoration after Severity 1 Incidents	4 hours (24/7)
Service restoration after Severity 2 Incidents	8 hours
Service restoration after Severity 3 Incidents	Next Business Day (NBD)
Annual availability	99.90%

[SOW-227] *If the Contractor fails to meet the SLA Restoration time and Site availability commitments for severity 1 incidents, the Purchaser will be entitled to claim Service Credits, which will be determined as stated in Para 5.2.1 prior to the Critical Design Review between the Purchaser and The Contractor in addition to the exact definitions of Severity. The Purchaser will claim no more than 15% of the yearly fee for missed restoration targets. The Contractor shall stipulate the relevant service credit scheme that will be used for service restoration and service availability guarantees. At a minimum, the following shall be provided by the Contractor:*

Table 10-4 – Restoration times.

Guaranteed	4h – Service Credit for each instance Severity 1 Incident time is not met.
4h → 8h	2% of yearly fee based on a monthly average.
8h → 24h	5% of yearly fee based on a monthly average.
> 24h	10% of yearly fee based on a monthly average.

[SOW-228] *The Contractor shall implement and document processes to record all events relating to the security of the Electronic Security Solution, in a form of audit logs.*

10.3 Reporting

10.3.1. SLA reporting

With SLA reporting, the SLA KPIs of the service are calculated on the basis of the number of Trouble Tickets registered with the Service Desk, and reports are generated accordingly.

The following aspects are covered:

- Compliance with the Service restoration time;
- Compliance with the Service restoration time for all trouble tickets;

Final
V1.1

- Annual availability (based on the Trouble Tickets registered by the Purchaser) expressed as a percentage.

[SOW-229] *The Contractor shall provide SLA reporting on the compliance of the Purchaser's contracted service with the Service Levels (SLA) defined in the Contract.*

Appendix A System Requirements Specifications

A.1 Perimeter Intrusion Detection System (PIDS) and Intrusion Detection System (IDS)

[SRS 1] *A Perimeter Intrusion Detection System (PIDS) shall be fitted to the Perimeter Fence (both, the 2.1m fence and the 1.25m fence around the VIP Parking area) and a Building Intrusion Detection System (BIDS) shall be fitted to all the windows at the ground level (Floor 0) of the building with the ability to be monitored by the SCC. The BIDS shall detect unauthorised opening or breakthrough of windows. The Contractor shall select the technology to be used to best suit the site location, terrain and climate and shall provide a rationale and evidence in support of his choice. The Contractor shall seek specific approval from the Purchaser in the event that technologies other than fence-mounted vibration, taut-wire, cut sensor or a video intelligent system integrated with various types of sensors (for example, volumetric, vibration and magnetic balance window sensors) are selected.*

The PIDS shall provide 24-hour all-weather surveillance and shall be used with integrated CCTV coverage, Video Motion Detection (VMD), and shall have a detection level of at least 98% and a False Alarm Rate (FAR) not to exceed 1perKm/4month (US MIL Std 461/462, or its national equivalent). *The BIDS shall be based on a combination of shell and volumetric with overlapping redundancy to compensate for individual weakness and to minimise the FAR.*

[SRS 2] *The PIDS and BIDS shall provide an audible and visual alarm to the Security Force that shall require a positive acceptance and confirmation of the alarm, by the operator, before the alarm can be accepted and cancelled. The selected system shall allow alarm assessment and investigation and shall also enable the Security Force to distinguish between false alarms and those actually caused by human intrusion.*

A.2 Perimeter Lighting

[SRS 3] *It shall be possible to selectively illuminate the security fences and the buffer zone between the inner and outer fences at the VIP Parking. It shall, further, be possible to select either a manual or an automatic response to activation of an alarm on both security fences.*

[SRS 4] *The Site Access Points shall be provided with suitable lighting, and controls, to reveal approaching vehicles and pedestrians and allow the Security Force to identify them, verify passes and carry-out vehicle searches. The lighting system shall be designed and installed in order to aid concealment of the Security Force within the site SCC whilst allowing its personnel to observe the area.*

[SRS 5] *Security lighting shall not cause any adverse effects to adjacent roadways or neighbouring buildings, nor shall it ideally illuminate guards or patrols. Most importantly it shall form an integrated part of the selected surveillance system.*

A.3 Closed Circuit Television (CCTV)

[SRS 6] *The contractor shall install a Closed Circuit Television (CCTV) system that shall allow continuous surveillance of the IFP site according to the following table:*

Description	Coverage
Perimeter of the Main Building.	360 degrees Dual coverage (at least 2 cameras)
Delivery bays for Supply and Restaurant/Café.	Single coverage (at least one camera)
Emergency exits from the Main Building.	Single coverage (at least one camera)
Access/ Exit points to the Main Building and the Underground parking.	Single coverage (at least one camera)
Outside doors to the Main Building.	Single coverage (at least one camera)
Outer perimeter of the Compound (Perimeter Fence) and VIP Parking fence.	100% coverage of the fences with overlapping camera zones
Crossing points between Controlled Zone/ Administrative Zone/ Security Areas	Single coverage (at least one camera)
Additional security sensitive locations	Single coverage (at least one camera)
Automated Access Control Systems (AACS) inside and outside of the building	Single coverage (one camera with the possibility to override AACS)

[SRS 7] The CCTV system shall be capable of operating in low light conditions.

[SRS 8] Under all specified light conditions the system shall be capable of:

- Monitoring people, within coverage, out to a minimum distance of 50m beyond the site perimeter.*
- Detecting people at the site perimeter and anywhere within the security fences.*
- Recognising people at site entrances and all operations-critical building entrances (such as underground parking).*
- Identifying people entering Class I areas.*

Final
V1.1

- [SRS 9] *Design of the final CCTV configuration shall be in accordance with EN50132-7, EN50133-1, EN50133-7, or Home Office Publication 14-9, 09-05, and 55-06, or an equivalent national specification.*
- [SRS 10] *Outside CCTV cameras shall be building mounted. Any installations shall achieve a minimum camera height of 5m above local ground level.*
- [SRS 11] *The contractor shall provide full specifications of their selected CCTV camera models to an equivalent level of detail of the illustrative specifications provided at the Appendix C, D & E. Moreover, the Bidder shall provide full justification of their selection, especially where an inferior performance is offered compared with the illustrative specification.*
- [SRS 12] *The SCC shall be provided with sufficient monitoring screens to ensure that all PTZ cameras and, in addition, a minimum of half of the fixed camera images can be viewed simultaneously.*
- [SRS 13] *It shall be possible to select, using either a graphics-based or some other intuitive interface, any camera image for viewing. Furthermore, it shall be possible to automatically display images of any zone in which an alarm sensor is activated.*
- [SRS 14] *Images shall be provided in either a mosaic or whole-screen display, minimum size 20". An active or black screen CCTV monitoring configuration is acceptable but individual screens shall display no more than 4 views per screen.*
- [SRS 15] *If LCD-based screens are used, the models selected shall provide suitable contrast and response times, in particular, for display of video images.*
- [SRS 16] *The CCTV system shall provide all of the means necessary to simultaneously record images from all installed cameras. Recording shall be possible by manually selecting the desired camera feed. In addition, it shall be possible to select automatic recording for individual or groups of cameras covering a defined site zone in response to activation of an alarm sensor.*
- [SRS 17] *The resolution and refresh rate of recorded CCTV images shall be appropriate to the environment being monitored. The storage capacity of the system shall be determined such that it is possible to record thirty-one (31) days' images with no significant loss of quality over the original displayed images.*
- [SRS 18] *It shall be possible to write operator-selected stored images to archive media with the following characteristics:*
- *CD-RW or DVD-RW, primarily for shorter image clips.*
 - *It shall be possible to play back recorded images. The playback software shall:*
 - i. *Have variable speed control including frame by frame, forward and reverse viewing.*
 - ii. *Display single and multiple cameras and maintain aspect ratio i.e. the same relative height and width.*
 - iii. *Display a single camera at full resolution.*

- iv. *Permit the recording from each camera to be searched by time and date.*
- v. *Allow printing and/or saving (e.g. bitmap) of pictures, with time and date.*
- vi. *The time and date associated with each picture shall be clearly legible.*

[SRS 19] It shall be possible to export either video clips or still images at a quality level equivalent to the original displayed images and in a format suitable for use as evidence. Once exported to removable media it should be possible to replay the files immediately; this requires that metadata (principally date and time) is preserved during export.

[SRS 20] Exported images shall be viewable on any recent, standard Windows or Mac PC or shall include any software necessary to achieve this without any software license limitations regarding number of users or devices upon which the exported images can be stored or displayed.

[SRS 21] It shall be possible to configure the recording system such that all images older than a pre-determined age are automatically deleted. The age range shall be configurable by a system operator or supervisor and shall allow retention for a minimum period of sixty (60) days.

A.4 Public Announcement (PA)

[SRS 22] The contractor shall install a public announcement system at the IFP site

[SRS 23] The contractor shall make sure the public announcement system is audible at every location within the IFP site (including the inner perimeter)

[SRS 24] The contractor shall ensure the PA system can be operated by a standalone microphone at the Site Security Centre

A.5 Automatic Access Control System (AACS)

[SRS 25] The site shall be provided with a fully integrated Automatic Access Control System (AACS) compatible with NATO AMIS Card System (MIFARE DESFIRE EV 1 4K RFID chip) iaw Reference ISO 14443 testing standard Chip-based cardstock and compliant with STANAG 4715 and AEDP15.

[SRS 26] The contractor SHALL install AACS systems in the following locations::

- a. *Building D1 Floor 0, main building entrance and stairwell entrance as shown in Appendix C.*
- b. *Building D1 Floor 1 stairwell entrance as shown in Appendix C.*
- c. *Building D1 Floor 2 stairwell entrance as shown in Appendix C.*
- d. *Building D1 Floor 3, stairwell entrance and room marked IDS as shown in Appendix C.*
- e. *Building D2 Floor 0, main building entrances as shown in Appendix C*

- f. *Building D2 Floor 1 stairwell entrance as shown in Appendix C.*
- g. *Building D2 Floor 2 stairwell entrance as shown in Appendix C*
- h. *Building D2 Floor 3, stairwell entrance and room marked IDS as shown in Appendix C*
- i. *Gate access from the perimeter fence to the inner compound as shown in Appendix D.*
- j. *Building access from underground car park as shown in Appendix E.*

[SRS 27] *The contractor SHALL make sure access for individuals and vehicles at any entrance/exit point can be remotely overridden by the guard force in the Security Control Centre (SCC)*

[SRS 28] *The AACS shall be ISO 14443 testing standard Chip-based cardstock compliant with STANAG 4715 and AEDP-15.*

[SRS 29] *The Contractor SHALL ensure all AACS components that are provided as PFE (defined in ANNEX B) are integrated into the AACS.*

A.6 Security administration

[SRS 30] *The various security systems shall provide all means necessary to administer the system. Specifically, this shall include, but is not limited to, all facilities and means necessary to:*

- a. *Set automatic recording and archiving of CCTV images and event logs.*
- b. *Control automatic switching of all site lighting, including security lighting whether by time of day, ambient light conditions or triggered by an event such as an alarm sensors.*

[SRS 31] *The Contractor SHALL make sure that at any given time, an up-to-date overview of all personnel currently in the building can be generated at the SSC.*

[SRS 32] *The Contractor SHALL make sure all logging data and recordings are accessible to the Customer using commonly available, non-proprietary, and open-source file formats.*

[SRS 33] *It shall be possible to allocate privileges to users of security system administration functions in accordance with the following principles:*

- a. *Users – able to access and enter information in to security logs; accept alarms; switch on/off security lighting; select for display and record CCTV images and control PTZ cameras; issue visitors and prepare permanent passes for issue, in accordance with the AMIS requirements described in ISO 14443 testing standard Chip-based cardstock compliant with STANAG 4715 and AEDP-15.*
- b. *Supervisors – able to perform all user functions and, in addition, authorise and activate passes for permanent staff and modify automatic security functions and activate/de-activate the Alternate SCC.*

Final
V1.1

- c. Administrators – able to perform all user and supervisor functions and, in addition, to add, modify or remove user and supervisor privileges.*
- d. Security Administrators: - able to grant/reject access to the different Security Areas/Entrance Points/Exit Points by programming permissions on the AMIS Cards and to produce and programme visitor badges accordingly.*

Final
V1.1

Appendix B Purchaser Furnished Equipment (PFE) and Services

B.1 The Purchaser will provide the Contractor with the following:

B.1.1 Security Doors, Vehicle Access Points, Turnslides, and other Entry Points to the Perimeter and the Building. Detailed in Appendix C.

B.1.2 The perimeter fence, as per Appendix D.

B.1.3 The exact measurements and dimensions of the fence that is shown in Appendix D.

B.1.4 The Parking Plan, as per Appendix E.

B.1.5 The Building Plans, as per Appendix F.

B.1.6 The existing 77 badge reading systems, which shall be integrated with the AACS by the contractor with an override capability within the control center.

B.1.7 The AMIS system, which is the NATO security system to create badges and assign/update privileges to badges based on the standards described in STANAG 4715 and AEDP-15.