

NATO UNCLASSIFIED

NCIA/ACQ/2023/06542  
02 February 2023

To : See Distribution List

Subject : **REQUEST FOR QUOTATION (RFQ) – RFQ-CO-115665-LSF  
Amendment 4**

Reference(s) : A. NCIA/ACQ/2022/07054 – NOI-RFQ-CO-115665-LSF dated 29 July 2022  
B. AC/4-D/2261 (1996 Edn)  
C. AC/4-D(2019)0004-(INV) dated 4 July 2019  
D. C-M(2002)49 – NATO Security Policy  
E. AC/4-DS(2022)0010 dated 1 June 2022  
F. AC/4(PP)D/27263-REV2-ADD21-REV1 + COR1  
G. NCIA/ACQ/2022/07334 RFQ-CO-115665-LSF dated 29 November 2022  
H. NCIA/ACQ/2022/07412 RFQ-CO-115665-LSF (AMDT1 and CRs) dated 14  
December 2022  
I. NCIA/ACQ/2023/06477 RFQ-CO-115665-LSF (AMDT2 and CRs) dated 11  
January 2023  
J. NCIA/ACQ/2023/06516 RFQ-CO-115665-LSF (AMDT3 CRs) dated 23 January  
2023

Dear Madam/Sir,

- 1) The purpose of this Amendment 4 is to publish the responses to the Clarification Requests (CRs) received (Enclosure C).
- 2) Please note the following important information :
  - Book I RFQ Instructions Paragraph 2.3 Quotation Delivery and Quotation Closing sub Paragraph 2.3.1 is revised as follows :
    - 2.3.1 The closing time for the electronic submission of quotations in response to this RFQ is **Tuesday, February 14th, 2023 at 12 :00 Central European Time (CET)**.
  - Book I Quotation Instructions Annex A plus Revised Bidding Sheets (Enclosure D) including NATO Site locations – all changes in Red font ;



- Book II Prospective Contract – Contract Special Provisions – Article 1. Order of Precedence Paragraph 1.1.4.1 and 1.1.5.1 updated to remove application of Book II Part III General Provisions Article 8.1 Performance Guarantee.
- 3) As a direct result of Clarification Requests (CRs), the additional information at Enclosure C herein is provided and must be taken into account by the Offeror when submitting their Offer in response to this RFQ. New Questions and Answers under ADMINISTRATION or CONTRACTING A.1-13 ; PRICE A.1-6 and TECHNICAL A.1-3.
  - 4) The closing date for submission of Offers in response to the RFQ is as follows :
    - **12:00 HOURS (CENTRAL EUROPEAN TIME (CET)) ON TUESDAY 14 FEBRUARY 2023.**
  - 5) With the exception of the revisions mentioned herein, including Amendment 1 (Reference H) Amendment 2 (Reference I) and Amendment 3 (Reference J) all other RFQ documents remain unchanged from their original version as issued on 29 November 2022 (Reference G).
  - 6) The overall security classification of this RFQ is «NATO UNCLASSIFIED».
  - 7) This RFQ remains the property of the NCI Agency and shall be protected in accordance with the applicable national security regulations.
  - 8) This RFQ does not constitute either a financial or contractual commitment at this stage.
  - 9) Offerors are advised that the NCI Agency reserves the right to cancel, withdraw, or suspend this RFQ at any time in its entirety and bears no liability for quotation preparation costs incurred by firms or any other collateral costs if the RFQ cancellation, withdrawal, or suspension occurs.
  - 10) Please send your acknowledgement and receipt of this RFQ Amendment 4 (Enclosure A) and all questions concerning the RFQ to the undersigned at:

Lynne Hurley, Senior Contracting Officer  
E-mail: [RFQ-CO-115665-LSF@ncia.nato.int](mailto:RFQ-CO-115665-LSF@ncia.nato.int)

For the Chief of Acquisition

Lynne S Hurley  
Senior Contracting Officer



Enclosures:

- A. Acknowledgement of Receipt of RFQ-CO-115665-LSF Amendment 4
- B. Not Used
- C. RFQ-CO115665-LSF - Clarification Requests - Questions and Answers, Amendment 4
- D. RFQ-CO-115665-LSF - Book I - Quotation Instructions Amendment 4
- E. RFQ-CO-115665-LSF - Book I – Annex A – Quotation Sheets Amendment 4
- F. RFQ-CO-115665-LSF - Book II - Signature Page Amendment 4
- G. RFQ-CO-115665-LSF - Book II - Part I–Schedule of Supplies and Services Amendment 4
- H. RFQ-CO-115665-LSF - Book II - Part II – Contract Special Provisions Amendment 4
- I. RFQ-CO-115665-LSF – Book II - Part II – Contract Special Provisions Example Annex A Task Order Amendment 4
- J. RFQ-CO-115665-LSF - Book II - Part III – NCI Agency General Provisions Amendment 4
- K. RFQ-CO-115665-LSF - Book II - Part IV – Statement of Work and Sections A1-A8 Amendment 4.



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NCIA/ACQ/2023/06542  
01 February 2023

**Enclosure A**

**ACKNOWLEDGEMENT OF RECEIPT OF RFQ-CO-115665-LSF Amendment 4**

Date:

Please complete and return within 7 calendar days by e-mail to

[RFQ-CO-115665-LSF@ncia.nato.int](mailto:RFQ-CO-115665-LSF@ncia.nato.int)

We hereby advise that we have received the RFQ-CO-115665-LSF Amendment 4 on ....., together with all the enclosures.

Signature .....

Company .....

Address: .....

POC: .....

Tel.: .....

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E-mail: .....



Enclosure B – NOT USED

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

ADMINISTRATION or CONTRACTING					
Serial Nr	RFQ Book	RFQ Section Ref.	OFFERORS QUESTION	NCIA AGENCY ANSWER	Status
A.1	4	Part II, Section 23	Does XXXXX own XXXXX security clearance transfer to NATO SECRET clearance status? What do we need to do for this process?	NCIA confirms Facility Security Clearance (FSC), for all cases a national clearance is not sufficient it has to be a NATO clearance in place, awarded by the National Security Authority (NSA). An FSC, if required by the contract, can be requested by the Contracting Authority (NCI Agency) direct to the respective NSA. As a reminder, FSCs are required for contracts involving classified information NC and above and it is basically an administrative determination by which an NSA/DSA formally recognizes the capacity or reliability of Contractor's facilities to manage, generate or have access to classified information up to a certain level. Depending on the contract requirements and, subject to national laws and regulations, there may be different types of FSCs, as determined by the National Security Authority who must be contacted for further advice.	Closed
A.2	4	Part II, Section 23	Does XXXXX sub-contractors need to hold NATO SECRET clearance for XXXXX to be awarded?	NCIA confirms Contract Special Provisions Article 23 Security apply to the Prime Contractor and all sub Contractors. This includes FSC and/or individual personal security clearances. All personnel on-site at any NATO facility who require unescorted access to a NATO Class 2 area and/or access to NATO Classified material (NC or above) will require at least a NS clearance. This will be a requirement for the successful Bidder (under any Contract award) as a pre-condition to placing of any Task Orders requiring this level of access.	Closed





RFQ-CO-115665-LSF

Book I – Bidding Instructions

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

**ADMINISTRATION or CONTRACTING**

<b>Serial Nr</b>	<b>RFQ Book</b>	<b>RFQ Section Ref.</b>	<b>OFFERORS QUESTION</b>	<b>NCIA AGENCY ANSWER</b>	<b>Status</b>
A.3	4	Part II, Section 23	If a subcontractor does not possess NATO SECRET clearance, what is the process for them to be able to handle?	NCIA confirms that in order to handle NS information any sub Contractor will require a FSC- Instructions to obtain this are mentioned in A1. Contract Special Provisions Article 23 Security apply to the Prime Contractor and all sub Contractors. Please contact your National Security Authority for advice and guidance. This will be a requirement for the successful Bidder (under any Contract award) as a pre-condition to placing of any Task Orders requiring this level of access.	Closed
A.4	4	Part II, Section 23	Per BIS in the XX, "My understanding is that after contract award, the Defense Counterintelligence and Security Agency (DCSA) will issue the NATO Facility Security Clearance Certificate and NATO Personnel Security Clearance Certificates that are required to perform the contract and submit the certificates to SHAPE." Can you verify this statement in regards to NATO SECRET?	NCIA confirms that the FSC certificate (if required) will be sent directly to the NCIA once approved by the NSA. Where proof of an individual's security clearance is required for site access etc, the Contractor will be required to submit a Request for Visit (RFV) through their own National Security Authority channels. Once approved by the NSA, the NSA will send direct to the visit location security department listed on the RFV. For routine/unclassified access to site(s) and/or routine delivery of unclassified materials etc, normal local site security visit application requirements and procedures will apply.	Closed

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

**ADMINISTRATION or CONTRACTING**

<b>Serial Nr</b>	<b>RFQ Book</b>	<b>RFQ Section Ref.</b>	<b>OFFERORS QUESTION</b>	<b>NCIA AGENCY ANSWER</b>	<b>Status</b>
A.5	4	Part II, Section 23	XXXXX has an active XXX clearance. We can show proof. Will that suffice for NATO SECRET clearance.	NCIA confirms for a Facility Security Clearance (FSC), in all cases, a national clearance is not sufficient it has to be a NATO Facility Security Clearance in place, awarded by the National Security Authority (NSA). In line with A1, the declaration that the company meets the NATO FSC requirements will be made by the respective NSA.	Closed
A.6	Covering Letter	Item No 4	We request that the Closing Time for this proposal be extended to Tuesday, 14 FEBRUARY 2023.	NCIA advises there will be no change to the Closing Time for submission of the Offerors proposal to this RFQ. The closing date for submission of Offers in response to the RFQ remains as : 12:00 HOURS (CENTRAL EUROPEAN TIME (CET)) ON TUESDAY 31 JANUARY 2023.	Closed
A.7	Book I	Paragraph 2.3	Petition for a one-week extension of the proposal submission deadline from 31 January to 07 February 2023 for the NCIA RFQ-CO-115665-LSF (Logistics Services Framework).	NCIA confirm a one week extension is granted of the proposal submission deadline which is reflected in this RFQ Amendment 3.  The closing date for submission of Offers in response to the RFQ is : 12:00 HOURS (CENTRAL EUROPEAN TIME (CET)) ON TUESDAY 7 FEBRURY 2023.	Closed

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

**ADMINISTRATION or CONTRACTING**

<b>Serial Nr</b>	<b>RFQ Book</b>	<b>RFQ Section Ref.</b>	<b>OFFERORS QUESTION</b>	<b>NCIA AGENCY ANSWER</b>	<b>Status</b>
<b>A.8</b>	Unknown/NA	NA	Does NSPA require any further company registration similar to the NSPA Source File Registration? Is the NSPA Source File company registration sufficient or even required to bid on this LSF tender?	NCIA confirms it does not require the NSPA company registration. The NSPA Source File company registration is not required.  NCIA will register the successful Contractor in its systems prior to Contract award.	Closed
<b>A.9</b>	Book II, Part III, Prospective Contract	Section 8.1 Performance Guarantee	Section 8.1 Performance Guarantee  What would be the value (or estimated value) of the Performance Guarantee to be provided at contract award? Given this is an IDIQ, how will the total contract price be determined?	NCIA confirms, as per Book I, Quotation Instructions Paragraph 2.6 Bid Guarantee; a Performance Guarantee is not required. Therefore Book II Part III Contract General Provisions Article 8.1 Performance Guarantee does not apply. This has been reflected in Book II Part II Contract Special Provisions Article 1. Order of Precedence Paragraph 1.1.4.1 and 1.1.5.1 herein.	Closed

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

ADMINISTRATION or CONTRACTING					
Serial Nr	RFQ Book	RFQ Section Ref.	OFFERORS QUESTION	NCIA AGENCY ANSWER	Status
A.10	Book II, Part II, Contract Special Provisions	Section 5.1 Contract Type	<p>Section 5.1 Contract Type:</p> <p>5.1.3 From Year 3 (May 2026) until the end of contract period of performance, subject to the exercise of Options, the contract type becomes Fixed-Price with Economic Price Adjustment (FP-EPA), where price indexation for Options shall be applied.</p> <p>5.3 The unit prices in the SSS are valid for the duration of the Contract</p> <p>Section 5.1.3 states that prices are fixed until the end of year 3 when they are adjusted with EPA indices. Section 5.3 states that unit prices in the SSS are valid for the duration of the contract.</p> <p>These clauses seem contradictory. Could NCIA please clarify?</p>	<p>NCIA confirms the Contract Base Period of 3 (three) Years is Firm Fixed Price (FFP) as per Contract Special Provisions Article 5 Price paragraph 5.1.2.</p> <p>Pricing beyond the Contract Base Period of 3 (three) Years FFP is subject to Price Variation in accordance with Contract Special Provisions Article 5 Price and paragraph 5.7 Fixed Price with Economic Price Adjustment (FP-EPA).</p> <p>For the purposes of paragraph 5.3 "The unit prices in the SSS are valid for the duration of the Contract" means - the duration, as determined by the Purchaser, be it Contract Base Period and/or any Option exercised by the Purchaser in writing thereafter. Once the Price formula is applied these Prices become FFP during the Option period agreed. The SSS will be updated by an Amendment to Contract to reflect Price adjustments.</p>	Closed
A.11	Annex A, Bidding Sheets	Annex A, Bidding Sheets (Excel), Tabs: SSS: A.8 Shipments (A.8.1-A.8.6)	<p>Annex A, Bidding Sheets (Excel), Tabs: SSS: A.8 Shipments (A.8.1-A.8.6) "Shipment of pallets from any NATO-country to another NATO-country, excl. overseas from/to USA or Canada"</p> <p>For pricing purposes, should contractors assume the origin and/or destination should be Brussels, as in the price evaluation criteria (CLIN 29)? For example, when pricing the UK SSS, should we assume the per pallet price is UK to/from Brussels? Or should we assume the per pallet price is UK to/from any NATO country?</p>	<p>NCIA confirms:</p> <p>The "SSS" tab of the Bidding Sheets has been updated to clarify that the basis for the pricing therein (A.8.1-A.8.6) is the delivery place [the location(s) that the SSS refer(s) to].</p> <p>The pricing for the UK SSS (A.8.1-A.8.6) must refer to the per pallet price from any NATO country to the UK. In particular, for the UK SSS: services A.8.1 to A.8.3 must refer to the per pallet price from any NATO country, except USA (Norfolk) and CAN (Ottawa), to the UK (non-transatlantic shipment); services A.8.4 to A.8.6 must refer to the per pallet price from USA (Norfolk) or CAN (Ottawa), to the UK (transatlantic shipment).</p>	Closed

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

<b>ADMINISTRATION or CONTRACTING</b>					
<b>Serial Nr</b>	<b>RFQ Book</b>	<b>RFQ Section Ref.</b>	<b>OFFERORS QUESTION</b>	<b>NCIA AGENCY ANSWER</b>	<b>Status</b>
<b>A.12</b>	Annex A Bidding Sheets	Annex A, Bidding Sheets	Annex A, Bidding Sheets (Excel), Tabs: SSS: A.8 Shipments (A.8.1-A.8.6) "Shipment of pallets from any NATO-country to another NATO-country, excl. overseas from/to USA or Canada  If the above answer in the example given is UK to/from any NATO country, then which price would prevail for the shipment – the price on the UK SSS or the price on the destination country's SSS?	Please refer to the answer A.11 above.  NCIA confirm a one week extension is granted of the proposal submission deadline which is reflected in this RFQ Amendment 4.  The closing date for submission of Offers in response to the RFQ is : 12:00 HOURS (CENTRAL EUROPEAN TIME (CET)) ON <b>TUESDAY 14 FEBRUARY 2023.</b>	Closed
<b>A.13</b>	Annex A Bidding Sheets	Annex A Bidding Sheets	Annex A, Bidding Sheets (Excel), Tabs: SSS: A.8 Shipments (A.8.1-A.8.6) "Bidders need to reproduce this tab to reflect the necessary information for all 73 NATO sites..."  Could NCIA please provide a list or clarify the reference of the 73 NATO sites?	NCIA confirms the NATO sites are detailed at: <a href="http://www.nato.int/cps/en/natolive/structure.htm">http://www.nato.int/cps/en/natolive/structure.htm</a> as detailed in Book II, Part IV, SOW, Section 1.2 Contract Scope [11] bullet at the top of Page 3  The list of NATO Site locations is also provided in the updated Bidding Sheets tab "List of locations".	Closed

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

PRICE					
Serial Nr	RFQ Book	RFQ Section Ref.	OFFERORS QUESTION	NCIA AGENCY ANSWER	Status
A.1	Book I RFQ Instructions	Annex A Bidding Sheet	TAB No. 1 You reference "SSS to be reproduced and filled in accordingly to cover all 73 NATO sites." WHAT IS THE EXACT LISTING OF THESE "73" NATO SITES?	<p>NCIA confirms the NATO sites are detailed at: <a href="http://www.nato.int/cps/en/natolive/structure.htm">http://www.nato.int/cps/en/natolive/structure.htm</a> as detailed in Book II, Part IV, SOW, Section 1.2 Contract Scope [11] bullet at the top of Page 3</p> <p>The list of NATO Site locations is also in the updated Bidding Sheets tab "List of locations".</p>	Closed
A.2	N/A	N/A	Historical Volumes: will NCIA please provide historical shipping volumes for the most active project or shipping sites?	<p>NCIA confirms there are no historical shipping volumes. This is a new Programme of work.</p> <p>The "CLIN Summary Base Contract" tab includes notional quantities for the most important sites, reflecting the majority of the anticipated service requirements on a realistic basis. For the "CLIN Summary Base Contract" tab, Bidders/Offerors should build their pricing based on the notional quantities for each sub-CLIN and their related descriptions according to the SOW. The unit prices included in the "CLIN Summary Base Contract" tab must be linked to the "SSS" tab(except from CLIN 30). For the remaining sites listed in the "List of locations" tab but not included in the "CLIN Summary Base Contract" tab, pricing is required in the "SSS" tab based on the assumption that the anticipated qty per service will be one (1).</p>	Closed
A.3	Book I RFQ Instructions / Annex A – Bidding Sheet	Section 5.4.3 1, 2, 3 Profit% 4 Overhead% 5 Transportation% 6 Material handling % 7 Material prices % 8 Labour rates %	Will NCIA please provide additional guidance and instruction on how to complete the 'Rates' tab of the pricing spreadsheet? Discounts are understood, but NTE percentages for Profit (Row 3), Overhead (Row 4), etc. seem to be more suited to a Cost Plus type contract whereas this program is a Firm Fixed Price with EPA. How should contractors calculate these not to exceed percentages? Further, the RFP states that OECD indices are to be used for price escalation in Option Year 1 and 2. But these seem to be also request in Rows 7 and 8 of the Rates Tab. Could NCIA please provide additional guidance?	<p>NCIA confirms, Row 7 (material prices annual escalation %) and row 8 (labour rates annual escalation %) are no longer required and have been removed from the updated Bidding Sheets.</p> <p>The remainder in Section 5.4.3 are required in accordance with Book II Part III Contract General Provisions ANNEX 1 to General Provisions Purchaser's Pricing Principles</p>	Closed

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

PRICE					
Serial Nr	RFQ Book	RFQ Section Ref.	OFFERORS QUESTION	NCIA AGENCY ANSWER	Status
A.4	Annex A – Bidding Sheets	Annex A, Bidding Sheets (Excel), Tabs: Offer Summary & CLIN Summary Base Contract:	<p>CLIN 29 – Shipment of Pallets from Brussels to NATO Sites</p> <p>Per the instructions, contractors are to provide one SSS sheet for each NATO country or group of NATO countries which are to be linked to the corresponding countries on the CLIN Summary Base Contract sheet. SSS sheets include shipping services (A.8.1-6). However these lines (A.8.1-6) are not included in the price evaluation in CLIN 29. CLIN 29 includes shipments from Brussels to various countries (NL, NO, TK, IT, US). In these CLIN 29 line items, should the prices be linked to the SSS sheets for Belgium or the individual SSS sheets for NL, NO, TK, IT, and US?</p>	<p>Please refer to answer A.11 (admin) above.</p> <p>NCIA confirms that services A.8.1 to A.8.6 are reflected both in CLIN 29 of the “CLIN Summary Base Contract” tab (see column D: SOW Reference) and the “SSS” tab.</p>	Closed
A.5	Book I RFQ Instructions	Annex A, Bidding Sheets (Excel), Tabs: Offer Summary & CLIN Summary Base Contract:  CLIN 30 – Price Catalogue	<p>It is unclear how to price CLIN 30. Per the instructions, contractors are to provide one SSS sheet for each NATO country or group of NATO countries. If offerors submit multiple SSS sheets for multiple NATO countries, what should contractors use to price CLIN 30.1? In other words, what prices should be included in CLIN 30.1 and how should the tabs be linked?</p>	<p>NCIA confirms:</p> <p>The Bidding Sheets have been updated to indicate that CLIN 30 must be priced as a stand-alone CLIN and should not be reproduced; therefore CLIN 30 has been disengaged from the SSS.</p>	Closed

CLARIFICATION REQUESTS / RESPONSES

Enclosure C

PRICE					
Serial Nr	RFQ Book	RFQ Section Ref.	OFFERORS QUESTION	NCIA AGENCY ANSWER	Status
A.6	Annex A – Bidding Sheets	Annex A, Bidding Sheets (Excel), Tab: SSS:  Column: (X%) Labor Portion %  Column: (Y%) Material Portion %  Total % (must be 100%)	It is understood that these fields must total 100%; however, is it up to contractors to decide the breakdown?	NCIA confirms:  The Bidders / Offerors will decide and submit the breakdown of labour and material portions, based on their best knowledge of the price build-up of the requested services.	Closed



CLARIFICATION REQUESTS / RESPONSES:

Enclosure C

TECHNICAL					
Serial Nr	RFQ Book	RFQ Section Ref.	OFFERORS QUESTION	NCIA AGENCY ANSWER	Status
A.1	Book I-Quotation Instructions	RFQ Section Ref. 3.5.7	Is the 30 Page "Product Catalogue" to be included with the Technical Proposal?	<p>NCIA confirms the <u>Technical</u> details of the 30 Page "Product Catalogue" must be included with the Offerors RFQ Technical Proposal (<u>excluding any Price detail</u>). Book I RFQ Instructions Paragraph 3.5.7 and 4.5.5.1 includes reference to the requirement for Offerors to submit an "unpriced" <b>technical</b> Product Catalogue under this RFQ Amendment 3.</p> <p>The successful Contractor will work with the Purchaser to finalise the Product Catalogue prior to its launch (inclusive of Price detail and Technical detail) upon Contract award.</p>	<p>Closed</p> <p>Updated 23 January 2023 - Closed</p>
A.2	Book II, Part II, Contract Special Provisions	Section Security 23	<p>Section 23 Security: "23.2 Contractor and Sub-Contractor personnel working on this Contract, visiting or working at NATO or National premises in connection with this Contract shall possess a NATO SECRET security clearance confirmed to the Purchaser by the relevant National Security Authority. This requirement applies to all sub-contracts issued by the Contractor for effort under this prospective Contract."</p> <p>Per the pervious Q&amp;A: "All personnel on-site at any NATO facility who require unescorted access to a NATO Class 2 area and/or access to NATO Classified material (NC or above) will require at least a NS clearance."</p> <p>Will NCIA please confirm whether Logistics Personnel and Labor under Appendix A, A.7 Personnel and Labor (including general labor, forklift drivers, etc.) are required to be NATO SECRET security cleared? Under what circumstances will security escort be provided for such service delivery personnel?</p>	<p>NCIA confirms, any Contractor personnel that is required to work on a NATO site requires an NS clearance, and will need to be able to work unescorted.</p> <p>Examples: personnel operating a forklift at a warehouse on a NATO site; personnel processing pallets of equipment inside a warehouse on NATO site; personnel moving boxes between warehouse and office buildings on NATO site; personnel entering an office building on a NATO site to collect legacy equipment or waste, or to move boxes from a truck outside an office building into an office building.</p>	<p>Closed</p>

CLARIFICATION REQUESTS / RESPONSES:

Enclosure C

TECHNICAL					
Serial Nr	RFQ Book	RFQ Section Ref.	OFFERORS QUESTION	NCIA AGENCY ANSWER	Status
A.3	Book II, Part II, Contract Special Provisions	Section 23 Security:	<p>Section 23 Security: “23.2 Contractor and Sub-Contractor personnel working on this Contract, visiting or working at NATO or National premises in connection with this Contract shall possess a NATO SECRET security clearance confirmed to the Purchaser by the relevant National Security Authority. This requirement applies to all sub-contracts issued by the Contractor for effort under this prospective Contract.”</p> <p>Per the pervious Q&amp;A: “All personnel on-site at any NATO facility who require unescorted access to a NATO Class 2 area and/or access to NATO Classified material (NC or above) will require at least a NS clearance”.</p> <p>Could NCIA please confirm whether services provided under Appendix A, A.8 Shipment Services (including trucking and air freight, including drivers) are required to be NATO SECRET security cleared?</p>	<p>NCIA confirms, any Contractor personnel required to only deliver or collect goods or vehicles to/from a NATO site, must be a citizen of a NATO nation, but do <u>not</u> require NS clearance.</p> <p>Those Contractor personnel who do not hold NS clearance will be escorted by someone from the NCI Agency.</p> <p>Examples: drivers, personnel delivering pallets of equipment to a warehouse on a NATO site; delivering a rented forklift on a NATO site; collecting a waste skip on a NATO site.</p>	Closed

**NATO Communications and Information Agency**



**RFQ-CO-115665-LSF  
BOOK I**

**REQUEST FOR QUOTATION (RFQ) INSTRUCTIONS**

- Provision of -

**Logistics Services and Associated Support**

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## 1. SECTION I - INTRODUCTION

- 1.1 The purpose of this Request for Quotation (RFQ) is to establish one Indefinite Delivery Indefinite Quantity (IDIQ) Contract for the provision of Logistics Services and Associated Support for a basic period of three (3) years plus two 12-month option periods. The following scope will be covered by the resulting Contract(s), referred hereafter as Sections of the Statement of Work (SOW) and the Schedule of Supplies and Services:(SSS):
- 1.1.1. A.1 ISO-Containers
  - 1.1.2. A.2 Temporary Building Structures
  - 1.1.3. A.3 Warehousing
  - 1.1.4. A.4 Waste Disposal
  - 1.1.5. A.5 Vehicles
  - 1.1.6. A.6 Support Equipment
  - 1.1.7. A.7 Personnel and Labour
  - 1.1.8. A.8 Shipments
- 1.2 The items and services that constitute the scope of the different SOW Sections are listed in the prospective Statement of Work (Book II Section IV).
- 1.3 The Contract requirements are set forth in the Contract SSS (Book II Section I) and in the prospective Contract Statement of Work.
- 1.4 This RFQ is issued in accordance with the Procedures set forth in the NATO NCI Agency Basic Ordering Agreement (Plus) (BOA+) Guidance. In accordance thereof, quoting for the project is restricted to companies from participating NATO member nations.
- 1.5 The security of this Request for Quotation is "NATO UNCLASSIFIED".
- 1.6 This RFQ will not be the subject of a public quotation opening.
- 1.7 This RFQ will result in one Contract Award, as a combined evaluation of each individual element of the Administrative, Price and Technical requirements and evaluation criteria herein. Award of the prospective Contract pursuant to this RFQ will be made to the Offeror that has offered the lowest annual average evaluated price to all items, and has been determined to be technically compliant with the requirements of the RFQ in accordance with the evaluation criteria. The Quotation evaluation criteria and the detailed evaluation procedure is described in Section 4 of these Quotation Instructions.
- 1.8 The Offeror must provide a quotation for all items and ensure these elements of their quotation (Administrative, Price and Technical) are provided as separate and complete packages as per the instructions at 3.1.3.

- 1.9** Award of the resulting Contract will be made on a firm fixed unit price basis for all SOW and SSS requirements and will be the detail captured in the Offeror's Catalogue, from which the Purchaser will issue Task Orders (to the successful Offeror);
- 1.10** The solicitation, evaluation and award processes will be conducted in accordance with the terms and conditions contained herein.
- 1.11** The Offeror 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 2.8 of Section 2 of these Quotation Instructions entitled "Requests for RFQ Clarifications".
- 1.12** The target date for Contract award is by April / May 2023.

## 2. SECTION II - GENERAL REQUEST FOR QUOTATION 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 "Offeror" as used herein refers to a firm, consortium, or joint venture which submits an offer 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 Quotations.
- 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 any of the NATO member nations ([https://www.nato.int/cps/en/natohq/nato\\_countries.htm](https://www.nato.int/cps/en/natohq/nato_countries.htm)) contributing to the project.
- 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, manufacturers and service providers, at any tier, shall be from participating countries. All Contractors shall have had a Declaration of Eligibility submitted by their respective Governments prior to the Quotation Closing Date.
- 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** This requirement shall also apply to all personnel involved in this project as a result of subcontracts issued by the Contractor for effort under the prime Contract.
- 2.2.4** Materials, items of equipment down to and including identifiable sub-assemblies shall be manufactured or assembled, including all services provided by a firm from and within a Participating Country.



- 2.2.5** 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 QUOTATION DELIVERY AND QUOTATION CLOSING**

- 2.3.1** The closing time for the electronic submission of quotations in response to this RFQ is **Tuesday, February 14 2023 at 12:00 Central European Time (CET)**.

- 2.3.2** Quotations shall be submitted to the following email address:

[RFQ-CO-115665-LSF@nr.ncia.nato.int](mailto:RFQ-CO-115665-LSF@nr.ncia.nato.int)

## **2.4 LATE QUOTATIONS**

2.4.1 Quotations received at the NCIA e-mail address after the date and time indicated in paragraph 2.3.1 may not be eligible for award.

2.4.1.1 Quotations submitted electronically may be considered late where it can be demonstrated the Offeror failed to complete the entire transmission of the quotation before the closing date and time for receipt of quotations under this RFQ.

### **2.4.2 Consideration of Late Quotations**

2.4.2.1 The Purchaser considers that it is the responsibility of the Offeror to ensure that the quotation submission arrives by the specified RFQ closing time. A late quotation will only be considered for award under the following circumstances:

2.4.2.1.1 a Contract has not already been awarded pursuant to the RFQ, and;

2.4.2.1.2 the quotation was sent to the correct email specified in paragraph 2.3.2 above, and;

2.4.2.1.3 the delay was due solely to the fault of the Purchaser.

### **2.4.3 Receipt of an Unreadable EMail Quotation**

2.4.3.1 If a quotation received at the NCIA's facility by email is unreadable in contravention of these RFQ instructions, the CO shall immediately notify the Offeror that the quotation will be rejected unless the Offeror provides clear and convincing evidence:

2.4.3.1.1 of the content of the quotation as originally submitted, and;

2.4.3.1.2 that the unreadable condition of the quotation was caused by Purchaser software or hardware error, malfunction, or other Purchaser mishandling.

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

2.4.3.3 If it is discovered during either the Administrative, Price or Technical evaluation, that the Offeror has submitted an unreadable email quotation, the Offeror may be determined to have submitted a non-compliant quotation.

## **2.5 QUOTATION VALIDITY**

- 2.5.1** Quotations submitted by the Offerors shall be bound by the term of their Quotation for a period of 6 months starting from the Quotation Closing Date specified at paragraph 2.3.1 above.
- 2.5.2** In order to comply with this requirement, the Offeror shall complete the Certificate of Quotation Validity set forth in Annex B-3. Quotations offering less than the period of time referred to above for acceptance by the Purchaser may be determined to be non-compliant.
- 2.5.3** 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 Quotations which remain under consideration for award.
- 2.5.4** Upon notification by the Purchaser of such a request for a time extension, the Offerors shall have the right to:
- 2.5.4.1 accept this extension of time in which case Offerors shall be bound by the terms of their offer for the extended period of time and the Certificate of Quotation.
  - 2.5.4.2 Validity extended accordingly; or
  - 2.5.4.3 refuse this extension of time and withdraw the Quotation without penalty.
- 2.5.5** Offerors shall not have the right to modify their quotation due to a Purchaser request for extension of the Quotation validity unless expressly stated in such request.

## **2.6 BID GUARANTEE**

**2.6.1** A Bid Guarantee is not required under this RFQ.

## **2.7 MODIFICATION AND WITHDRAWAL OF QUOTATIONS**

**2.7.1** Quotations, once submitted, may be modified by Offerors, 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 Quotation Closing. Such modifications shall be considered as an integral part of the submitted Quotation.

**2.7.2** Modifications to Quotations which arrive after the Quotation Closing Date will be considered as "Late Modifications" and will be processed in accordance with the procedure set forth above concerning "Late Quotations", except that unlike a "Late Quotation", the Purchaser will retain the modification until a selection is made. A modification to a Quotation which is determined to be late will not be considered in the evaluation and selection process. If the Offeror submitting the modification is determined to be the successful Offeror on the basis of the unmodified Quotation, the modification may then be opened. If the modification makes the terms of the Quotation more favourable to the Purchaser, the modified Quotation may be used as the basis of Contract Award. The Purchaser, however, reserves the right to award a Contract to the apparent successful Offeror on the basis of the Quotation submitted and disregard the late modification.

**2.7.3** An Offeror may withdraw its Quotation at any time prior to Quotation Opening without penalty. In order to do so, an authorised agent or employee of the Offeror shall provide an original statement of the Offerors decision to withdraw the Quotation.

## **2.8 REQUESTS FOR RFQ CLARIFICATIONS**

**2.8.1** Offerors, 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.

**2.8.2** All questions and requests for clarification shall be submitted in writing by e-mail. All questions and requests shall 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 2.11 below and shall arrive not later than seven (7) calendar days prior to the stated "Quotation Closing Date". The Purchaser is under no obligation to answer questions submitted after this time.

**2.8.3** Offerors are advised that subsequent questions and/or requests for clarification included in a Quotation shall neither be answered nor considered for evaluation and may be grounds for a determination of non-compliance.

- 2.8.4** 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 Offerors.
- 2.8.5** 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 Offeror in its offer.
- 2.8.6** The Purchaser reserves the right to decline clarification requests that are clearly devised for the purposes of artificially extending the quoting time, i.e. clarifications re-submitted using different wording where such wording does not change the essence of the clarification being requested.

## **2.9 REQUESTS FOR WAIVERS AND DEVIATIONS**

- 2.9.1** Offerors are informed that requests for alteration to, waivers of, or deviations from the Contract Special Provisions, the NCI Agency Contract 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.
- 2.9.2** Requests for alterations to the other requirements, terms or conditions of the Request for Quotations or the Prospective Contract may only be considered as part of the clarification process set forth in paragraph 2.8 above. Requests for alterations to the specifications, terms and conditions of the Contract which are included in a Quotation as submitted may be regarded by the Purchaser as a qualification or condition of the Quotation and may be grounds for a determination of non-compliance.

## **2.10 AMENDMENT OF THE REQUEST FOR QUOTATIONS**

- 2.10.1** 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 Quotation Closing. All modifications will be transmitted to all prospective Offerors by an official amendment designated as such and signed by the Contracting Authority. Such amendments shall be recorded in the Acknowledgement of Receipt, which the Offeror shall complete and enclose as part of its Quotation (See Annex B-6). This process may be part of the clarification procedures set forth in paragraph 2.8 above or may be an independent action on the part of the Purchaser.
- 2.10.2** The Purchaser will consider the potential impact of amendments on the ability of prospective Offerors' to prepare a proper Quotation within the allotted time. The Purchaser may extend the "Quotation Closing Date" at its discretion and such extension will be set forth in the amendment document.

**2.11 PURCHASER POINT OF CONTACT**

**2.11.1** Any communication regarding this RFQ other than Quotation delivery shall be addressed to the attention of:

Attention: Lynne Hurley  
E-mail: [RFQ-CO-115665-LSF@ncia.nato.int](mailto:RFQ-CO-115665-LSF@ncia.nato.int)

**2.12 CANCELLATION OF REQUEST FOR QUOTATIONS**

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

**2.13 ELECTRONIC TRANSMISSION OF INFORMATION AND DATA**

**2.13.1** The Purchaser will endeavour to communicate answers to requests for clarification and amendments to this RFQ to the prospective Offerors by the fastest means possible, including the use of e-mail where the Offerors have forwarded the necessary address information. All Offerors are consequently strongly encouraged to provide accurate email addressing information and notify the Purchaser at the earliest practicable date should any changes occur.

### **3. SECTION III - QUOTATION PREPARATION INSTRUCTIONS**

#### **3.1 GENERAL**

- 3.1.1** Quotations shall be prepared in accordance with the instructions set forth herein. Failure to comply with these instructions may result in the Quotation being declared non-compliant.
- 3.1.2** Offerors shall prepare a complete Quotation which comprehensively addresses all requirements stated herein. The Quotation shall demonstrate the Offeror's understanding of the RFQ and its ability to provide all the deliverables and services listed in the SSS. Incomplete Quotations will be declared non-compliant by the Purchaser. By submission of the Quotation, Offerors shall have affirmed full compliance and acknowledgement of the SOW requirements, and that all the requirements have been taken into account in the pricing of their Quotation.
- 3.1.3** The Offeror shall provide a quotation in compliance of all Administrative, Price and Technical requirements and provide separate Quotation packages for all applicable elements as per the requirements of these Quotation Instructions, to allow for separate evaluation by the Purchaser. As noted in Paragraph 1.8 of the Introduction, this will lead to one Contract award.
- 3.1.4** Offerors shall note that any prospective Contract will be against firm and fixed unit prices. All quantities included in the quotation sheets are for evaluation purposes only.
- 3.1.5** The Offerors shall note that there are no product specifications listed in the SOW, as the Contractors proposed Catalogue will be the definitive offer against the SOW and the SSS, and this Catalogue will be maintained by the Contractor to form the scope of the goods and services to be provided under the SSS and to meet the requirements of the SOW. Offerors shall prepare their offer for the proposed Contractor Catalogue based on the criteria stated in the Quotation Sheets, as well as the general criteria outlined in this section of these Quotation Instructions. Detailed instructions for the proposed Contractor Catalogue are laid out in Section 5.4 of Annex A-2, Instructions for the Preparation of RFQ Quotation Sheets.

#### **3.2 QUOTATION PACKAGE CONTENT AND MARKING**

- 3.2.1** The complete electronic quotation shall consist of three distinct and separated volumes described in the following subparagraphs. Detailed

requirements for the structure and content of each of these packages are contained in these Quotation Instructions.

**3.2.1.1** Part 1: Quotation Administrative Package (paragraph 3.3)

**3.2.1.2** Part 2: Price Quotation (paragraph 3.4)

**3.2.1.3** Part 3: Technical Proposal Package (paragraph 3.5)

**3.2.2** Offerors shall prepare their Quotation, in three (3) emails, adhering to the following requirements:

**3.2.2.1** For the first e-mail the subject line shall read: “RFQ-CO-115665-LSF – Official Quotation for [company name] – Part 1 – Administrative Quotation”.

**3.2.2.1.1** The Administrative Quotation shall contain 1 scanned PDF copy with attributable digital signatures of all the certifications set forth in Annex B hereto. This pdf shall not be larger than 20MB in total, nor encrypted or password protected.

**3.2.3** For the second e-mail the subject line shall read: “RFQ-CO-115665-LSF – Official Quotation for [company name] – Part 2 – Price Quotation”.

**3.2.3.1** The Price Quotation shall contain the completed Quotation Sheets in both 1 Excel and 1 PDF copy, not larger than 20MB total. The completed Quotation Sheets shall be readable and searchable, and not be encrypted or password protected;

**3.2.3.2** In the event the Offeror is unable to provide the items matching the specific requirement in the SOW and SSS, an alternative or equivalent technically compliant price proposal shall be submitted in accordance with Paragraphs 3.5.3 to 3.5.5.

**3.2.4** The Offeror shall provide a third e-mail. The subject line shall read: “RFQ-CO-115665-LSF – Official Technical Proposal for [company name] – Part 3 – Technical Proposal” according to the Contract requirements, comprising of a full and comprehensive Technical Proposal – see paragraphs 3.4.1 to 3.4.10 and paragraph 4.5 herein;

**3.2.4.1** The Technical Proposal shall contain 1 Excel and 1 PDF Copy of the list of all items it is proposing to provide and/or replace, along with the alternative thereto, in accordance with Paragraph 3.5.3 to 3.5.5. All documents contained in the Technical Proposal shall be readable and searchable. The documents shall not be larger than 20MB in total, nor encrypted or password protected.

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

**3.2.6** Multiple emails may be submitted for each part if the content of the file(s) is larger than 20MB per email submission; however, each file must clearly identify the part number and the sequence to which it relates. For example: 123456-ABC - *Company Name*- Part III-Technical Part 1 of 4; 123456-ABC - *Company Name*- Part III-Technical Part 2 of 4 and so forth.

### **3.2.7 Acceptable File Formats**

**3.2.7.1** Unless otherwise directed, files can be submitted in Adobe pdf format.

**3.2.7.2** The Purchaser does NOT accept hard copies of quotations, CDs, thumb drives, or zip files.

## **3.3 ADMINISTRATIVE REQUIREMENTS**

**3.3.1** The Offeror shall include the signed originals of the certifications set forth in Annex B hereto, specifically:

- B-1 Certificate of Legal Name of Offeror
- B-2 Certificate of Independent Determination
- B-3 Certificate of Quotation Validity
- B-4 Certificate of Understanding
- B-5 Certificate of Exclusion of Taxes, Duties and Charges
- B-6 Acknowledgement of Receipt of Amendments to the RFQ (if applicable)
- B-7 Disclosure of Requirements for NCIA Execution of Supplemental Agreements
- B-8 Certification of NATO Member Country of Origin of Delivered Equipment, Services, Material and Intellectual Property Rights
- B-9 Comprehension and Acceptance of Contract Special Provisions and General Provisions



B-10 (1) List of Prospective Sub-Contractors/Consortium Members

B-10 (2) List of Key Personnel

B-11 Certificate of ISO 9001:2008 Compliance, or equivalent;

B-12 Disclosure of Involvement of Former NCI Agency Employment

B-13 Supply Chain Security Self-Attestation Statement

B-14 Certificate Of ISO 27001:2013 Compliance: whereby:

Bidders shall provide documentary evidence that the Bidder possesses and maintains a current certification that is compliant with the requirements of ISO 27001:2013, or an equivalent industry certification for Security Management Systems Requirements.

If the Bidder is presenting a Information Security Management Requirements Certificate, or similar national certificate, that is claimed to be equivalent to ISO/IEC 27001- Security Management Systems Requirements, the burden of proof of such equivalency shall be on the Bidder and such evidence of equivalency shall be submitted with the Certificate at Annex B-14 in the Administrative Package.

Failure to execute this Certificate, or failure to provide documentary evidence of compliance with this requirement may result in a determination of a non-compliant quotation.

The Bidder will be required to maintain a valid certification throughout the duration of the contract.

If the Bidder provides a certification that is scheduled to expire, during the solicitation phase or during the contract performance period, the Bidder will be required to provide evidence that a renewal process has begun and that a renewed certification will be obtained. In such circumstance, the Bidder shall provide a written statement of their intention to renew such certificate in their Administrative Package.

**3.3.2** No alternative versions of Certifications will be recognised and may lead to non-compliance.

**3.3.3** In summary, the Administrative Requirements shall include solely the following documentation:

**3.3.3.1** All certifications in Annex B

### 3.4 PRICE QUOTATION

**3.4.1** The RFQ submission subject line email shall read: "RFQ-CO-115665-LSF – Official Quotation for [company name] – Part 2 – Price Quotation" and include the following documentation and media:

**3.4.1.1** The electronic file "2\_IFB-CO-115665-LSF\_Book I – Bidding Sheets.xls", submitted in both Excel and PDF as part of this RFQ with all yellow highlighted areas filled in.

#### General Rules:

**3.4.2** Offerors shall prepare their Price Quotation by completing the yellow highlighted cells of the Quotation Sheets referred in paragraph 3.2.3 above, in accordance with the instructions specified in Annex A-2.

**3.4.3** The structure of the Quotation Sheets shall not be changed nor should any quantity or item description in the Quotation Sheets. The currency of each SOW and SSS required item shall be shown.

**3.4.4** Offerors 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.

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

**3.4.5.1** the currency is of a "participating country" in the project, and

**3.4.5.2** the Offeror can demonstrate, either through sub-contract arrangements or in its proposed work methodology, that it will have equivalent expenses in that currency.

**3.4.6** Offerors shall be aware that the Quotation will be evaluated in EUR using the exchange rate of the day prior to RFQ closing date.

**3.4.7** Offered prices shall not be "conditional" in nature. Any comments supplied in the Quotation Sheets, which are conditional in nature, relative to the offered prices, may result in a determination that the Quotation is non-compliant.

**3.4.8** The Purchaser, by virtue of its 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 Offeror, therefore, certifies that the prices stipulated in this Contract do not include amounts to

cover such direct taxes or customs duties. Offerors are required to complete the certification to this effect in Annex B-5.

**3.4.9** The Offeror shall be responsible for ensuring that its respective Sub-contractors are aware that the Purchaser is exempt from taxes and customs duties. The Contractor and its respective Sub-contractors are 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.

**3.4.10** The Offeror 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 Offeror's responsibility to inform itself of its liability in each country where such liability may arise.

**3.4.11** Unless otherwise specified in the instructions for the preparation of Quotation 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 2020 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

**3.4.12** The Offerors attention is directed to the fact that Price Quotation shall contain no document and/or information other than the priced Quotation 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.

**3.4.13** Detailed instructions for the application of these instructions can be found in Annex A-2.

## **3.5 TECHNICAL PROPOSAL**

### **General rules:**

- 3.5.1** As outlined in Paragraph 3.2.4 and 3.2.4.1, a fully comprehensive and compliant Technical Proposal is required. In the event that an Offeror is unable to provide the items matching the specific requirement in the SOW Sections and SSS, alternatives and equivalents to meet the requirements may be offered, see paragraph 3.5.3 to 3.5.5 below.
- 3.5.2** The Purchaser acknowledges the possibility that due to the fast moving nature of changes in technology, that at the time of the Quotation, some of

**Amendment 4**

the Agency's requirements may be discontinued, obsolete, or otherwise no longer available, thereby in need of a replacement or substitution.

- 3.5.3** With this acknowledgement, the Purchaser advises that for each Contract Line Item Number (CLIN) in the SSS, Offerors are allowed to propose an alternative (i.e. a replacement or substitution) if due to discontinuation or obsolescence or the Agency's original requirement for this particular item is no longer available.
- 3.5.4** Any alternative proposed shall be: (a) a similar item to the specification and configuration as the Agency's baseline requirement and (b) technically compliant.
- 3.5.5** In such a case, Offerors shall submit their Technical Proposal in one Quotation package per Section (A.1 to A.8), **clearly identifying** replacement or alternative goods and/or services offered, alongside the original RFQ requirements. The proposed alternative item(s) must detail the item description and provide assurances and OEM part number, if applicable - in compliance with the technical specification addressed in the SOW.
- 3.5.6** To facilitate the RFQ and the subsequent evaluation of the Offeror's response to the various sections of the SOW, Quotations shall be organised and submitted in a single technical proposal package, consisting of an initial Service Delivery Plan and an initial Product Catalogue. The technical proposal package shall address all requirements of the SOW (chapters 1-4 and Appendix A).
- 3.5.7** The Offeror shall constrain his submission of the technical proposal package to a maximum of 50 pages for the Service Delivery Plan and a maximum of 30 pages for the **unpriced** Product Catalogue, using a font no smaller than 12pt.
- 3.5.8** The technical proposal package shall demonstrate the Offeror's understanding of the Purchaser's requirements as described in the SOW, and specifically address what will be offered for each requested logistics service, and how each service will be delivered and managed. In addition, the Offeror shall specifically demonstrate how timely and correct delivery of services to all NATO-locations in all NATO-nations will be achieved.
- 3.5.9** The initial Service Delivery Plan of the technical proposal package shall address all requirements of the SOW, but specifically the requirements of chapters 1, 2 and 4. The initial plan shall describe the Offeror's organisation, including sub-contractors, if any, involved in the management and delivery of all services. The initial plan shall describe each service in detail, in terms of what will be delivered and how each service will be delivered and managed, including the process of restoring services when they fail, degrade or otherwise no longer fulfil the requirements of the Contract. The initial plan shall describe how Task Orders will be submitted, managed, executed and monitored, and how the Service Delivery Plan and Product Catalogue shall be managed, as

well as how the bi-annual review meetings shall be conducted. And, the initial plan shall describe how the Offeror shall ensure that each service shall be delivered on time, and shall deliver as required, at each NATO-location in each NATO-nation.

- 3.5.10** The initial Product Catalogue of the technical proposal package shall address all requirements of the SOW, but specifically the requirements of chapter 3 and Appendix A. The initial catalogue shall describe each service with text and illustration. The Offeror shall demonstrate that the catalogue contains all relevant details on function, product, constraints, and characteristics of each service, sufficient to enable Purchaser personnel to understand what is, and what is not provided through the service, and under which conditions, including technical dimensions and characteristics.

## 4. SECTION IV - QUOTATION EVALUATION

### 4.1 GENERAL

**4.1.1** The Purchaser will evaluate Quotations solely based on the requirements in this RFQ. The Contract resulting from this RFQ, will be awarded to the Offeror whose offer, as evaluated by the Purchaser, is the technically compliant lowest annual average priced quotation and in compliance with the requirements of this RFQ.

**4.1.2** The Offeror shall provide a quotation for all elements (Administrative, Price and Technical), and submit multiple quotation packages in accordance with the instructions in Paragraph 3.1.3; each element will be evaluated separately by the Purchaser, based on the documentation provided within that particular quotation package.

**4.1.3** The evaluation of Quotations and the determination as to the compliance or technical adequacy of the supplies and services offered will be conducted solely on the information furnished by the Offeror and contained in the Quotation. The Purchaser shall not be responsible for locating or securing any information not included in that particular Quotation package.

**4.1.4** During the evaluation, the Purchaser may request clarification of the Quotation from the Offeror and the Offeror 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 Quotation and to permit the Offeror to state its intentions regarding certain statements contained therein. The Offeror must not make any alterations or changes to the Quotation regarding technical matters and price at any time.

**4.1.5** The Offeror'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 Quotation to be determined non-compliant.

**4.1.6** The evaluation will be conducted in accordance with the NATO Financial Regulations, the NCIO Financial Rules and Procedures, BC Military Budget Procurement Guidance set forth in the NATO document BC-D(2018)0004 and NSIP Guidance under reference AC/4-D(2019)0004-(INV) dated 4 July 2019.

**4.1.7** The evaluation will be conducted in accordance with the "One Envelope" procedure where the administrative compliance of

the Quotations will be evaluated first. Quotations declared administratively non-compliant may be rejected without further evaluation. Following evaluation for Administrative compliance, the evaluation of the Price Proposal for each Offeror will be undertaken, and subsequently only the Technical Proposals of the apparent lowest priced Quotations will be evaluated for technical compliance with the requirements of the Statement of Work;

**4.1.7.1** A Technical Proposal that is provided and has been evaluated as having failed to satisfy all of the RFQ requirements, will result in a determination of non-compliance for the entire Quotation. In such cases, the Offeror who has submitted the next apparent lowest priced Quotation will be evaluated.

**4.1.8** As noted in Paragraph 1.7, if a single Offeror is evaluated to be the lowest technically compliant Offeror for all Sections of the SOW and SSS requirements in accordance with the evaluation criteria, these will form a single Contract.

## **4.2 ADMINISTRATIVE CRITERIA**

**4.2.1** Prior to commencement of the Price and Technical evaluation, Quotations shall be reviewed for compliance with the Quotation Submission Requirements of this RFQ. These are as follows:

**4.2.1.1** The Quotation was received by the Quotation Closing Date and Time.

**4.2.1.2** The Quotation was submitted and marked properly.

**4.2.1.3** The Administrative Package contains all the requested e-signed copies of the required Certificates and attached as Annex B hereto.

**4.2.2** A Quotation 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** Offerors whose Quotations were assessed as administratively non-compliant will be notified only if their proposal is evaluated as the lowest priced Quotations.

**4.2.4** A Quotation may be determined non-compliant if it is discovered during either the Price or Technical evaluation that the Offeror has taken exception to the Terms and Conditions of the Prospective Contract, or has qualified and/or otherwise conditioned its offer on a modification or alteration of the Terms and Conditions, or the language of the Statement of Work.

## 4.3 PRICE CRITERIA

**4.3.1** Price Evaluation Criteria: The Quotation shall be evaluated against the following criteria:

**4.3.1.1** Completeness and formal compliance of the Price Quotation with all RFQ provisions and Quotation Instructions.

**4.3.1.2** Evaluated annual average of the 3 year fixed firm Prices (based on the Notional Quantities) offered for the requested CLINs in the Quotation Sheets.

**4.3.1.3** The Quotation meets the requirement for Price Realism.

**4.3.2** **Determination of Lowest Evaluated Annual Average Priced Quotation:**

**4.3.2.1** In order to determine the lowest evaluated annual average 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 Quotation Closing Date.

**4.3.2.2** All quantities included in the Quotation sheets are for evaluation purposes only, therefore the Offeror derives no rights from them.

**4.3.2.3.** **The Offeror is to note**, the Purchaser will apply the Price Variation (PV) formula per service for the non-evaluated Contract Option Prices based on the following inputs:

- Portions for labour (X%) and material (Y%), provided by the Offeror per service ( $X\% + Y\% = 80\%$ );
- Service average annual price of years 2023 to 2025 for Option 1, and 2023 to 2026 for Option 2;
- Average quarterly labour and material indices of years 2023 to 2024 for Option 1 ( $L_{1-2}$ ,  $M_{1-2}$ ), and 2023 to 2025 for Option 2 ( $L_{1-3}$ ,  $M_{1-3}$ );
- Quarterly labour and material indices of Q1 2025 for Option 1 ( $L_3$ ,  $M_3$ ), and Q1 2026 for Option 2 ( $L_4$ ,  $M_4$ ).



The Price Variation (PV) formulas for Option 1 (year 4: 2026) and Option 2 (year 5: 2027) are, respectively:

$$P_4 = \frac{P_1 + P_2 + P_3}{3} * \left( 20\% + X\% * \frac{L_3}{L_{1-2}} + Y\% * \frac{M_3}{M_{1-2}} \right)$$

$$P_5 = \frac{P_1 + P_2 + P_3 + P_4}{4} * \left( 20\% + X\% * \frac{L_4}{L_{1-3}} + Y\% * \frac{M_4}{M_{1-3}} \right)$$

Definitions:

$L_{1-2}$ ,  $M_{1-2}$ : Average of indices 2023 Q1 up to 2024 Q4 included;  
 $L_3$ ,  $M_3$ : Indices of 2025 Q1;  
 $L_{1-3}$ ,  $M_{1-3}$ : Average of indices 2023 Q1 up to 2025 Q4 included;  
 $L_4$ ,  $M_4$ : Indices of 2026 Q1;  
 $P_k$ : Service annual price ( $k=1,2,\dots,5$  for years 2023, 2024, ..., 2027).

Sources:

**Labour index**

Subject: Unit Labour Costs  
 Measure: Index, seasonally adjusted  
 Frequency: Quarterly  
[https://stats.oecd.org/viewhtml.aspx?datasetcode=ULC\\_EEQ&lang=en](https://stats.oecd.org/viewhtml.aspx?datasetcode=ULC_EEQ&lang=en)

**Material index**

Subject: Economic Activities - Total Producer Prices – Manufacturing  
 Measure: Index  
 Frequency: Quarterly  
[https://stats.oecd.org/viewhtml.aspx?datasetcode=MEI\\_PRICES\\_PPI&lang=en](https://stats.oecd.org/viewhtml.aspx?datasetcode=MEI_PRICES_PPI&lang=en)

### 4.3.3 Inconsistencies and Discrepancies in Quotation Price Quotation

**4.3.3.1** In case of inconsistencies, discrepancies and/or contradictory pricing information in the different parts of the Quotation price submission and notwithstanding the possibility for the Purchaser, at its sole discretion to obtain clarification from the Offeror, for the purpose of determining the total price of the Quotation, the following order of precedence shall apply:

**4.3.3.2** PDF copy of the completed Quotation Sheets

**4.3.3.3** Microsoft Excel copy of the completed Quotation Sheets

#### **4.3.4 Basis of Price Comparison**

**4.3.4.1** The annual average of the offered evaluated Firm Fixed Price shall be compared, converted to Euro as stated in paragraph 4.3.2 above.

**4.3.4.2** The Quotation will be evaluated against the following criteria:

**4.3.4.2.1** The Offeror has furnished firm fixed unit prices for all items and services listed for each year of the base 3-year evaluated period.

**4.3.4.2.2** All pricing data, i.e., quantities, unit prices, are provided as reflected in the Quotation Sheets;

**4.3.4.2.3** Quotation prices include all costs for items and services supplied, delivered, and supported;

**4.3.4.2.4** The Offeror has provided accurate unit prices of each of the sub-items(s) he has added (if any);

**4.3.4.2.5** The Offeror has provided accurate unit price and total evaluated price for each line item;

**4.3.4.2.6** The evaluated grand total is accurate;

**4.3.4.2.7** The currency of SSS requirements by item is clearly indicated;

**4.3.4.2.8** The Offeror may quote in their own national currency or in EUR, the host nation currency, or they may submit Quotations in multiple currencies only in accordance with paragraph 3.4.5 above;

**4.3.4.2.9** The "SSS" tab has been replicated as many times as necessary (per site or groups of sites or NATO Nations, etc.) to reflect the service unit prices for all NATO sites (not limited to the sites included in the "Offer Summary" tab);

**4.3.4.2.10** The portions of labour and material per SSS requirement by item are provided, being a necessary input for the PV formula;

**4.3.4.2.11** All prices are accurately entered into appropriate columns, and accurately totalled;

**4.3.4.2.12** The Offeror has indicated that in accordance with the treaties governing the terms of business with NATO, all taxes, duties and customs charges from which the Purchaser is exempt are exclude from their prices.

**4.3.4.2.13** Price quotes for each individual item, and totalled prices are accurate and realistic, based on historic data, and/or market and competitive trends in the specified industrial sectors.

#### **4.4 PRICE REALISM**

**4.4.1** Successful Offerors 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 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 Quotation may include the following, amongst others:

**4.4.2.1** Costs considered too low for the amounts and/or types of material and services proposed, based on prevailing market prices for such material and services;

**4.4.2.2** Numerous Line Item prices for supplies and services that are provide at no cost or at nominal prices.

**4.4.3** If the Purchaser has reason to suspect that an Offeror has artificially reduced its prices in order to secure Contract Award, the Purchaser will request clarification of the Quotation in this regard and the Offeror shall provide an explanation on one of the following bases:

**4.4.3.1** An error has occurred in the preparation of the Price Quotation. In such a case, the Offeror shall 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 occurred by the Offeror. In such a case, the Offeror shall petition the Purchaser to remain in the competition and accept the Contract at the offered price, or to withdraw from the competition.

**4.4.4** If an Offeror fails to submit a comprehensive and compelling response on one of the bases above, the Purchaser may determine the Quotation submitted as non-compliant. If the Offeror

responds on the basis of 4.4.3.1 above and requests to withdraw from the competition, the Purchaser may, depending on the nature and gravity of the mistake, allow the Offeror to withdraw.

**4.4.5** If the Purchaser accepts the Offeror's explanation of mistake in paragraph 4.4.3.1 and allows the Offeror to accept the Contract at the offered price, or the Purchaser accepts the Offeror's explanation pursuant to paragraph 4.4.3.3 above, the Offeror shall agree that the supporting pricing data submitted with its Quotation will be incorporated by reference in the resultant Contract. The Offeror 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 (nor ability to recoup such losses) will be made.

## **4.5 TECHNICAL CRITERIA**

**4.5.1** As outlined in Paragraph 3.2.4, a full and comprehensive Technical Proposal is required. In the event that an Offeror is unable to provide the all items matching the specific requirement in the Sections of the SOW and the SSS an alternative or equivalent item may be proposed in accordance with paragraph 3.5.3 to 3.5.5.

**4.5.2** Upon determination of the lowest-priced Quotation as described in Section 4.3 above, and the Technical Proposal provided as per Section 3.5, only the technical proposal of the apparent lowest priced Quotation shall be evaluated against the following criteria:

**4.5.2.1** A list of all the items and services required in the Sections of the SOW and the SSS have been provided, including:

4.5.2.1.1 A **clearly identified** list of the alternative or equivalent items and services – with their description and OEM part number, if appropriate, – to replace items mentioned in herein.

**4.5.3** As noted in Paragraph 3.5.1 the evaluation of alternative items and services will be conducted strictly by comparing the originally requested item and service as a comparative reference; only alternative items or service meeting or exceeding all specifications or requirements of the Agency's baseline item and services will be deemed compliant.

**4.5.4** Technical evaluation sub criteria for the Service Delivery Plan, in descending order of importance:

4.5.4.1. Overall quality and completeness of the Service Delivery Plan and understanding of the requirements of the SOW.

- a. Does the plan address all requirements of the SOW and the SSS?
- b. Are all requirements correctly and completely fulfilled?

#### 4.5.4.2. Quality and completeness of the logistics services offered.

- a. Does the plan list and describe all logistics services requested in the SOW (most notably in SOW Appendix A)?
- b. Does the plan describe Quality and completeness of each service's description text and illustrations.
- c. Does the Quotation completely describe what will be offered for each service and what not?
- d. Is each service described in detail, in terms of function, product and constraints, as well as in terms of its relevant dimensions and other technical characteristics?
- e. Does the plan describe how each service will be delivered and managed?
- f. Does the plan describe how the Offeror will affect service restoration in case of failure, degradation or deviation from Contract requirements?
- g. Is each service compliant with the requirements of the Contract (most notably with Appendix A)?

#### 4.5.4.3. Quality and completeness of service delivery to all NATO-locations in all NATO-nations.

- a. Does the plan cover all NATO-locations in all NATO-nations?
- b. Does the plan describe and ensure timely and correct delivery and provision of services to each location?
- c. Is the Offeror's delivery process compliant with the requirements of the Contract?

#### 4.5.4.4. Quality and completeness of the Offeror's organisation involved in the delivery, provision, and maintenance of the services.

- a. Does the Offeror describe all personnel, roles and responsibilities, including sub-contractors in accordance with the requirements?
- b. Is the Offeror's service delivery organisation sized and skilled to deliver the services in accordance with the requirements of the Contract?

## 4.5.4.5. Quality and completeness of the Task Order process.

- a. Does the Offeror describe the Task Order forms and ordering process?
- b. Are order and process compliant with the requirements of the Contract?

## 4.5.4.6 Quality and completeness of the initial Service Delivery Plan.

- a. Does the Bid contain an initial Service Delivery Plan?
- b. Is the initial Service Delivery Plan in line with the requirements of the RFQ Instructions and the requirements of SOW section 4?

**4.5.5** Technical evaluation sub criteria for the Product Catalogue, in descending order of importance:

## 4.5.5.1. Quality and completeness of the Product Catalogue and understanding of the requirements of the SOW.

- a. Does the Quotation contain an initial **unpriced** Product Catalogue? Is the Product Catalogue compliant with the requirements of the Contract?
- b. Does the initial Product Catalogue contain descriptions of the requested logistics services, in text and illustration? Do the descriptions completely explain what exactly is delivered with each service (i.e. service function and outcome/ product, constraints, dimensions, characteristics)?
- c. Is the initial Product Catalogue explanatory to a degree that it can be used by Purchaser employees to select services, independently and without the need for further information?
- d. Does the initial Service Delivery Plan describe the process for the bi-annual update and maintenance of the Product Catalogue?

## 4.5.5.2. Quality and completeness of the bi-annual review meeting.

- a. Does the initial Service Delivery Plan describe the process for the bi-annual review meeting?

## **5. ANNEX A – QUOTATION SHEETS**

### **A – 1 QUOTATION SHEETS**

(see separate Excel file, “2\_RFQ-CO-115665-LSF\_Book I-Annex A1-Quotation Sheets”)

## A – 2 INSTRUCTIONS FOR THE PREPARATION OF QUOTATION SHEETS

### 5.1 GENERAL REQUIREMENTS

**5.1.1** Offerors are required to insert price and other information (as applicable) in all cells marked in YELLOW in the Quotation Sheets of the SSS and SOW requirement items they are quoting for.

**5.1.2** Offerors shall complete and submit the Quotation Sheets with their Price, or percentage if so requested, per CLIN.

**5.1.3** Offerors shall ensure that they meet the Purchaser required completion dates (column) detailed in the Bidding Sheet, which shall commence from the date the Contractor receives the Purchaser issued Task Order.

**5.1.4** The prices shall be included in the appropriate columns and in the currency quoted.

**5.1.5** The evaluated price shall be the annual average price of years 2023-2025. Offerors shall note that any prospective Contract will be for unit prices, and that the evaluation will be based on the lowest annual average evaluated price. The prices entered on the Quotation Sheets shall reflect the total notional items provided. All quantities included in the Quotation sheets are for evaluation purposes only.

**5.1.6** The price of a CLIN submitted in different currencies must be clearly identified. The evaluation will be conducted by converting all prices to Euro by using the exchange rate of the last business day prior to the Quotation closing date.

**5.1.7** Prices shall not include any provision for taxes or duties for which the Purchaser is exempt.

**5.1.8** Offerors shall not introduce any changes or deviations to the Quotation Sheets as provided by the Purchaser, unless otherwise specified.

**5.1.9** Offerors are advised that formulae in the electronic copies of the Quotation Sheets are designed to ease evaluation of the Quotation under this RFQ proposal, and have been inserted in the electronic copies of the Quotation Sheets. Notwithstanding this the Offeror remains responsible for ensuring that their figures are correctly calculated and should not rely on the accuracy of the formulae electronic copies of the Quotation Sheets.



**5.1.10** If the Offeror identifies an error in the spreadsheet, it should notify the Purchaser who will make a correction and notify all the Offerors of the update. Any discounted or reduced prices offered by the Offeror shall be traceable to a CLIN or CLINs at the lowest level.

## **5.2 STRUCTURE OF QUOTATION SHEETS.**

- 5.2.1** The Quotation Sheets provided in MS Office Excel format are organised according to the following structure:
- 5.2.1.1.** Instructions
  - 5.2.1.2.** Automated Checks
  - 5.2.1.3.** Offer Summary
  - 5.2.1.4.** CLIN Summary Base Contract
  - 5.2.1.5.** Rates
  - 5.2.1.6.** SSS
  - 5.2.1.7.** Price Variation Indices
- 5.2.2** The Quotation Sheets corresponds to the SSS of the Prospective Contract. Each item included in the competition is represented by a Quotation Sheet showing the Contract Line Items (CLINs), and a detailed cost breakdown for each item or items.
- 5.2.3** The Offerors shall provide Firm Fixed Unit Prices – or percentages where requested – for all required items in accordance with the format set forth in the Quotation Sheets, and as per the Instructions established in this Annex.
- 5.2.4** The Offeror shall ensure that they meet the Purchaser required completion dates (column) detailed in the Bidding Sheet.
- 5.2.5** The Offeror shall note that any prospective Contract will be for unit prices. All quantities included in the Quotation sheets are for evaluation purposes only.
- 5.2.6** The quantities and orders provided in the document are notional and for evaluation purposes only, yet attempt to reflect the total items and services required to meet a given Scenario of the possible contractual requirements. No rights may be derived from the quantities of items and orders, as Purchaser requirements may vary throughout the period of performance of the Contract.
- 5.2.7** The annual prices and the annual average evaluated price shall be indicated in the appropriate columns and in the currency quoted. The accuracy of the inputs of the Quotation Sheets is the responsibility of the Offeror. The Purchaser may resolve ambiguous computation of prices in its favour.

**5.3 SCHEDULE OF SERVICES AND SUPPLIES (SSS):**

- 5.3.1** The Offeror shall fill in the CLIN Quotation Sheet for the SSS based on the information provided.
- 5.3.2** The prices 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.
- 5.3.3** When completing the Quotation Sheets, the Offeror must provide a unit price for each CLIN and/or Sub CLIN. The Offeror must not group Prices of CLINs. The Offeror shall provide fixed unit prices, for all proposed CLINs provided for in this RFQ. The Offeror may provide the same price for different priced CLIN and/or Sub CLIN, if it chooses to do so.
- 5.3.4** The Offeror must replicate the tab "SSS" by NATO site, or location, or group of locations, or group of NATO Nations, etc., in order to capture the SSS unit prices offered for any possible NATO site (and not limited to the sites included in the "CLIN Summary Base Contract" tab).

**5.4 OFFEROR (CONTRACTORS) CATALOGUE:**

- 5.4.1** The scope of the Offerors Catalogue (CLIN 30) is compliant with the SSS and comprises of all the logistics services categories and sub-categories of the SOW and is fixed firm Priced for 3 Years in total,. The Offerors catalogue shall be maintained by the Offeror. Offerors shall offer, where applicable, further volume discount percentage(s) of the Offeror Catalogue where subsequent Task Order total values are met by the Purchaser .

5.4.3 In assessing the LOGISTICS Services market through this RFQ, the Agency is seeking to compete and encourage through performance, a longer-term relationship and investment with a highly reliable and high performing Contractor. This will be through a novel incremental approach as the relationship and Contract performance is demonstrated. The Contract Period will comprise of an initial three year base Contract Period, which is then further incentivised with two one Year Options, and ultimately with the right long term partnership and high performing Contractor, additional Reward Options for a further two one Year periods. In overall terms, with the right Contractor, business relationship and Contract performance, this could ultimately lead to a seven (7) year Contract Period in the event all Options are exercised. This is in recognition that generally Contractors seek to enter longer term Contracts for business assurance, continuity and to enhance their ability to forecast potential revenue streams into their current and future business models in terms of investments in to Research, Technology and Development opportunities. In this regard the OFFEROR shall provide Not To Exceed (NTE) percentages (%) for General and Administrative Over-Heads; Profit, Material Handling, Transportation, relevant to their current and future business set-up,

operation and construct for the life of any potential Contract Period (these NTE percentages must be provided in the "Rates" tab of the Quotation Sheets.

5.4.3 The Scope of the OFFERORS (CONTRACTORS) CATALOGUE is subject to amendments, it is understood that the percentages and prices provided by the OFFERORS are to remain in place for the entire period of performance of the Contract.

## **6. ANNEX B - CERTIFICATES**

**ANNEX B-1**

**CERTIFICATE OF LEGAL NAME OF OFFEROR**

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

FULL NAME OF CORPORATION: \_\_\_\_\_

DIVISION (IF APPLICABLE): \_\_\_\_\_  
SUB DIVISION (IF APPLICABLE): \_\_\_\_\_

OFFICIAL MAILING ADDRESS  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

E-MAIL ADDRESS \_\_\_\_\_

FAX NO: \_\_\_\_\_

BOA NO: \_\_\_\_\_

POINT OF CONTACT:  
REGARDING THIS QUOTATION:NAME: \_\_\_\_\_  
POSITION: \_\_\_\_\_  
TELEPHONE: \_\_\_\_\_  
E-MAIL ADDRESS: \_\_\_\_\_

ALTERNATIVE POINT OF CONTACT:  
NAME: \_\_\_\_\_  
POSITION: \_\_\_\_\_  
TELEPHONE: \_\_\_\_\_  
E-MAIL ADDRESS: \_\_\_\_\_

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE OF AUTHORISED REPRESENTATIVE

\_\_\_\_\_  
PRINTED NAME  
\_\_\_\_\_

NATO UNCLASSIFIED

RFQ- CO-115665-LSF  
Book I-Quotation Instructions  
**Amendment 4**

TITLE

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**ANNEX B-2**

**CERTIFICATE OF INDEPENDENT DETERMINATION**

1. Each Quotation Offeror shall certify that in connection with this procurement:
  - a. This Quotation has been arrived at independently, without consultation, communication or agreement, for the purpose of restricting competition, with any other Quotation Offeror or with any competitor;
  - b. The contents of this Quotation have not been knowingly disclosed by the Quotation Offeror and will not knowingly be disclosed by the Quotation Offeror prior to award, directly or indirectly to any other Quotation Offeror or to any competitor, and
  - c. No attempt has been made, or will be made by the Quotation Offeror to induce any other person or firm to submit, or not to submit, a Quotation for the purpose of restricting competition.
  
2. Each person signing this Quotation shall also certify that:
  - a. He is the person in the Quotation Offeror's organisation responsible within that organisation for the decision as to the Quotation and that he has not participated and will not participate in any action contrary to 1(a) through 1(c) above, or
  - b. (i) He is not the person in the Quotation Offeror's organisation responsible within that organisation for the Quotation but that he has been authorised in writing to act as agent for the persons responsible for such a decision in certifying that such persons have not participated, and will not participate in any action contrary to 1(a) through 1(c) above, and as their agent does hereby so certify, and
    - (ii) He has not participated and will not participate in any action contrary to 1(a) through 1(c) above.

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company





**ANNEX B-3**

**CERTIFICATE OF QUOTATION VALIDITY**

I, the undersigned, as an authorised representative of the firm submitting this Quotation, do hereby certify that the pricing and all other aspects of our Quotation will remain valid for a period of six (6) months from the Quotation Closing Date of this Request for Quotations.

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company

**ANNEX B-4**

**CERTIFICATE OF UNDERSTANDING**

I certify that

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

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

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company

**ANNEX B-5**

**CERTIFICATE OF EXCLUSION OF TAXES, DUTIES AND CHARGES**

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

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company

**ANNEX B-6**

**ACKNOWLEDGEMENT OF RECEIPT OF RFQ AMENDMENTS**

I confirm that the following Amendments to Request for Quotations RFQ-CO-115665-LSF have been received and the Quotation as submitted reflects the content of such Amendments:

<b>Amendment Number</b>	<b>Date Issued</b>	<b>Date of Receipt</b>

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company

**ANNEX B-7**

**DISCLOSURE OF REQUIREMENTS FOR NCIA EXECUTION OF SUPPLEMENTAL AGREEMENTS**

I, the undersigned, as an authorised representative of .....(*Company Name*), certify the following statement:

1. All supplemental agreements, defined as agreements, documents and/or permissions outside the body of the Contract but required by my Government, and the governments of my sub-Contractors, to be executed by the NCIA as a condition of my firm’s performance of the Contract, have been identified, as part of the Quotation.

2. These supplemental agreements are listed as follows:  
2.1. *[insert the list, if applicable]*

3. Examples of the terms and conditions of these agreements are attached hereto. 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, see.....(*complete, if any*). 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.

4. 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), see .....(*complete, if any*).

5. 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 Quotation Offeror may be cause for the NCIA to determine the submitted Quotation to be non-compliant with the requirements of the RFQ;

6 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 SSS, terms or specifications, the Contract may be terminated by the Purchaser at no cost to either Party.

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company

**ANNEX B-8**

**CERTIFICATION OF NATO MEMBER COUNTRY ORIGIN OF DELIVERED  
EQUIPMENT, SERVICES, MATERIALS AND INTELLECTUAL PROPERTY  
RIGHTS**

The Quotation Offeror 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 provided 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 Contractor to firms, individuals or governments other than within the NATO member countries.

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company

\*This definition purposely excludes components and/or parts (as defined in AcodP-1), which are not subject to this certification.

**ANNEX B-9**

**COMPREHENSION AND ACCEPTANCE OF CONTRACT SPECIAL PROVISIONS  
AND GENERAL PROVISIONS**

The Quotation Offeror hereby certifies that he has reviewed both the Contract Special Provisions, as well as the Contract General Provisions set forth in the Prospective Contract, Book II of this Request for Quotations. The Quotation Offeror hereby provides its confirmation that he fully comprehends the rights, obligations and responsibilities of the Contractor as set forth in the Articles and Clauses of the Prospective Contract. The Quotation Offeror additionally certifies that the offer submitted by the Quotation Offeror 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 if awarded the Contract as a result of this Request for Quotation.

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company



**ANNEX B-10 (1)**

**LIST OF PROSPECTIVE SUB-CONTRACTORS/CONSORTIUM MEMBERS**

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

If no sub-Contractors/consortium members are involved, state this here:

.....  
 .....  
 .....  
 .  
 .....

.....  
 Date

.....  
 Signature of Authorised Representative

.....  
 Printed Name and Title

.....  
 Company

**ANNEX B-10 (2)**

**LIST OF KEY PERSONNEL (See Contract Special Provisions Article 23 SECURITY and Article 30 KEY PERSONNEL refers)**

**Personal Data Protection**

Although NATO, as an international organisation, is not subject to GPR and national data protection law, it is committed to protecting the personal data that it processes. All processing of personal data will be done in accordance with applicable NATO policies and regulations

Name of Key Personnel including Names of Key replacement / backup for Key Personnel	Nationality	Role	Manager Name and Contact Details	Security Clearance Level	Security Clearance Validity dates

If no Key Personnel are involved, state this here:

.....  
 .....  
 .....

Date

.....  
 Signature of Authorised Representative

.....  
 Printed Name and Title

.....  
 Company

**ANNEX B-11**

**CERTIFICATE OF ISO 9001:2008 COMPLIANCE, OR EQUIVALENT**

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

A copy of the 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 Quotation Offeror hereby certifies that, in preparing its Quotation, the Quotation Offeror did not have access to solicitation information prior to such information been authorized for release to Quotation Offerors (e.g., draft statement of work and requirement documentation).

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

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

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

Employee Name	Former NCIA Position	Current Company Position

The Quotation Offeror 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 prohibition covers negotiations, representational communications and/or advisory activities.

Date: .....

Signature: .....

Name & Title: .....

Company: .....

Quotation Reference: .....

**ANNEX B-13**

**Supply Chain Security Self-Attestation Statement**

[Name Contractor]

I hereby as [Contractor] affirm that the security of the supply chain for Commercial off the Shelf communication and information systems products listed in the SSS of the Contract in question has been assessed and found compliant against the Statement of Work requirements of the Contract in question.

I endorse this supply chain security statement for the products within the scope of this contract.

I can supply supporting evidence if required.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Authorised Representative

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company

**ANNEX B-14 CERTIFICATE OF ISO 27001:2013 COMPLIANCE**

I hereby certify that ..... (*Company Name*) is fully compliant with the ISO 27001:2013 Information Security Management and is currently so certified.

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

.....  
Date

.....  
Signature of Authorised Representative

.....  
Printed Name and Title

.....  
Company

## 7. ANNEX C - EXCERPT OF NCI AGENCY AD. 05.00, CODE OF CONDUCT DATED MAY 2017.

### Article 14 PROCUREMENT AND CONTRACTORS

- 14.1 NCI Agency Personnel are required to maintain unquestionable integrity and impartiality in relation to procurements initiated by the NCI Agency.
- 14.2 NCI Agency Personnel shall not disclose any proprietary or contract related information regarding procurement directly or indirectly to any person other than a person authorized by the NCI Agency to receive such information. NCI Agency Personnel shall not disclose any documentation related to a procurement action to any third party without a need to know (e.g., draft statement of work, statement of requirements) unless this is expressly provided under NATO Procurement Regulations or authorized in writing by the Chief of Acquisition. During an on-going selection, NCI Agency Personnel shall not disclose any information on the selection procedure unless authorized by the Chairman of the award committee/board. The NCI Agency Personnel concerned will ensure that proper access controls are put in place to prevent disclosure of procurement information that has not yet been authorized for release for outside distribution, including draft statements of work and requirement documentations.
- 14.3 NCI Agency Personnel will not participate in a source selection if an offer has been provided by a friend, family member, a relative, or by a business concern owned, substantially owned, or controlled by him/her or by a friend, family member or a relative. NCI Agency Personnel appointed as part of an evaluation shall report such links to the Chief of Acquisition immediately upon becoming aware of it.
- 14.4 Contractors and consultants shall not be allowed to participate in the drafting of the statement of work or in the source selection process unless they and their company/employer will be excluded from competition of the related contract. The same will apply to contractors and consultants involved in the definition and development of requirements.
- 14.5 Contractors will be given specific and coherent statements of work, providing precise explanation of how she/he is going to be employed. Tasks to be performed and minimum qualifications are to be well defined from the start. In addition, supervisors will ensure that contractors do not occupy managerial positions within the Agency.
- 14.6 NCI Agency Personnel shall not enter into authorized commitments in the name of NCI Agency or NATO unless specifically authorized. NCI Agency Personnel must abstain from making promises or commitment to award or amend a

contract or otherwise create the appearance of a commitment from the NCI Agency unless properly authorized by the NCI Agency.

- 14.7 NCI Agency Personnel shall not endorse directly or indirectly products from industry. Therefore, NCI Agency Personnel shall not name or make statements endorsing or appearing to endorse products of specific companies.
- 14.8 Industry partners will need to abide with the post-employment measures under this Directive upon submission of their Quotation / proposals to the NCI Agency. As part of the selection process, industry will be requested to agree with an ethical statement.

## **15 INDUSTRY INITIATIVES**

- 15.1 Industry initiatives may include loans, displays, tests or evaluation of equipment and software, requesting NCI Agency speakers at industry gatherings and conferences, inviting speakers from industry to NCI Agency events, consultancy or studies of technical or organizational issues, etc. These initiatives are usually at no cost to the NCI Agency and take place at a pre-contractual phase or before the development of requirements and specifications. While there are benefits associated with the early involvement of industry in the definition of requirements and specifications, this also raises the potential for unfair treatment of potential competitors.
- 15.2 Industry initiatives which go beyond routine interaction in connection with on-going contracts must be reported to and coordinated by the NCI Agency Acquisition Directorate for approval. Industry initiatives shall be properly documented and governed by written agreements between the NCI Agency and the company concerned where relevant. Such agreements may contain provisions describing the nature of the initiative, the non-disclosure of NCI Agency/NATO information, NCI Agency ownership of any resulting work, the NCI Agency's right to release such work product to future competitors for any follow-on competition or contract, the requirement that any studies must provide non-proprietary solutions and/or an acknowledgement that the participating companies will not receive any preferential treatment in the contracting process.
- 15.3 Any authorized industry initiatives must be conducted in such a way that it does not confer an unfair advantage to the industry concerned or create competitive hurdles for potential competitors.

## **16 POST EMPLOYMENT MEASURES**

- 16.1 The NCI Agency will not offer employment contracts to former NCI Agency Personnel who departed less than 2 years earlier, unless prior approval by the General Manager has been received.
- 16.2 Former NCI Agency Personnel will not be accepted as consultants or commercial counterpart for two (2) years after finalization of their employment at NCI Agency, unless the General Manager decides otherwise in the interest of the Agency and as long as NATO rules on double remuneration are observed. Such decision shall be recorded in writing. Commercial counterparts include



owners or majority shareholders, key account managers, or staff member, agent or consultant of a company and/or subcontractors seeking business at any tier with the NCI Agency in relation to a procurement action in which the departing NCI Agency staff member was involved when he/she was under the employment of the NCI Agency. As per the Prince 2 Project methodology, a Project is defined as a “temporary organization that is created for the purpose of delivering one or more business products according to an agreed business case”. For the purpose of this provision, involvement requires (i) drafting, review or coordination of internal procurement activities and documentation, such as statement of work and statement of requirement; and/or (ii) access to procurement information that has not yet been authorized for release for outside distribution, including draft statements of work and requirement documentations; and/or (iii) being appointed as a representative to the Project governance (e.g., Project Board) with access to procurement information as per (ii) above; and/or (iv) having provided strategic guidance to the project, with access to procurement information as per (ii) above.

- 16.3 In addition to Section 16.2 above, former NCI Agency Personnel at grades A5 and above or ranks OF-5 and above are prohibited during twelve months following the end of their employment with the NCI Agency to engaging in negotiations, representational communications and/or advisory activities with the NCI Agency on behalf of a private entity, unless this has been agreed in advance by the NCI Agency General Manager and notified to the ASB.
- 16.4 NCI Agency Personnel leaving the Agency shall not contact their former colleagues in view of obtaining any information or documentation about procurement activities not yet authorized’ release. NCI Agency Personnel shall immediately report such contacts to the Chief of Acquisition.
- 16.5 The ASB Chairman will be the approving authority upon recommendation by the Legal Adviser when the NCI Agency Personnel concerned by the above is the NCI Agency General Manager and will notify the ASB.
- 16.6 NCI Agency Personnel leaving the Agency shall sign a statement that they are aware of the post-employment measures set out in this Directive.
- 16.7 The post-employment measures set out in this Directive shall be reflected in the NCI Agency procurement documents, such as RFQs, and contract provisions.

**8. ANNEX D – CLARIFICATION REQUESTS FORMS**

INSERT COMPANY NAME HERE:

INSERT SUBMISSION DATE HERE:

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

INSERT COMPANY NAME HERE:

INSERT SUBMISSION DATE HERE:

PRICE					
Serial Nr	RFQ Book	RFQ Section Ref.	QUESTION	ANSWER	Status
A.1					
A.2					
A.3					

INSERT COMPANY NAME HERE:

INSERT SUBMISSION DATE HERE:

TECHNICAL					
Serial Nr	RFQ Book	RFQ Section Ref.	QUESTION	ANSWER	Status
A.1					
A.2					
A.3					

**Book 2**

**Framework Contract**

**RFQ-CO-115665-LSF**

**- Provision of -**

**LOGISTICS SERVICES  
AND  
ASSOCIATED SUPPORT**

**Schedule xxx**



<b>NCI AGENCY CONTRACT</b>	
<b>1. Original Number <u>1</u> of <u>1</u></b>	<b>2. Accounting Data :</b> See Schedule of Supplies and Services
<b>3. Contract Number:</b> CO-xxxxxxx-LSF	<b>4. Effective date:</b> See Block 17
<b>5. Contractor:</b>	<b>6. Purchaser: NCIO represented by:</b> The General Manager NCI Agency Avenue Leopold III B-1110 Bruxelles Tel: +32(0)2 707 8278 Fax: +32(0)2 707 8770
<b>7. CONTRACT SCOPE:</b> This Framework Contract is an Indefinite Delivery, Indefinite Quantity (IDIQ) type contract for LOGISTICS SERVICES AND ASSOCIATED SUPPORT for Schedule xxx as per the requirements in the Schedule of Supplies and Services and the Statement of Work.	
<b>8. TOTAL AMOUNT OF CONTRACT:</b>  DDP Destination (Incoterms) FFP <u>0.00 EUR</u>	
<b>9. PERIOD OF PERFORMANCE</b> From the Effective Date of Contract (EDC) (Block 17) for a basic period of 3 years plus 2 year options.	<b>10. LOCATION OF WORK</b> As specified in each Task Order
<b>11. CONTRACT</b> This Contract consists of the following parts and named documents: a) Book 2, Part I, Schedule of Supplies and Services b) Book 2, Part II, Contract Special Provisions c) Book 2, Part III, NCI Agency Contract General Provisions d) Book 2, Part IV, Statement of Work d) Book 2, Part IV, All Applicable Annex's	
<b>12. Signature of Contractor</b>	<b>13. Signature of Purchaser</b>
<b>14. Name and Title of Signer</b>	<b>15. Name and Title of Signer</b>
<b>16. Date signed by the Contractor</b>	<b>17. Date signed by the Purchaser</b>

CLIN	Description	Delivery place	Delivery Date (not later than) EDC : Effective Date of Contract EDTO: Effective Date of Task Order SORP: Start of Rental Period EORP: End of Rental Period	SOW Reference	QTY	Unit Type	Unit Price	Total Price in EUR NSP : Not Separately Priced
<b>1</b>	<b>Contract management</b>							
1.1	Priced Product Catalogue, incl. joint review meetings	NCI Agency (BEL)	EDC + 2 wks (initial version; updates every 6 months)	3	1	document		
1.2	Service Delivery Plan, incl. kick-off meeting	NCI Agency (BEL)	EDC + 2 wks (initial version; updates whenever required)	1, 4	1	document		
<b>A.1</b>	<b>ISO Containers</b>							
A.1.1	Rental of an ISO-container	NATO-site	Task Order specified SORP	2, A.1	1	month	*)	
A.1.2	Delivery, placement, levelling, and removal of an ISO-container	NATO-site	Task Order specified SORP for delivery, placement, levelling; Task Order specified EORP + 2 wks for removal	2, A.1	1	activity	*)	
<b>A.2</b>	<b>Temporary building structures</b>							
A.2.1	Rental of a temporary building structure	NATO-site	Task Order specified SORP	2, A.2	1	month	*)	
A.2.2	Delivery, assembly, disassembly, and removal of a temporary building structure, including optional HVAC and power generator	NATO-site	Task Order specified SORP for delivery and assembly; Task Order specified EORP + 2 wks for disassembly and removal	2, A.2	1	activity	*)	
A.2.3	Rental of an HVAC-system	NATO-site	Task Order specified SORP	2, A.2	1	month	*)	
A.2.4	Rental of a power generator	NATO-site	Task Order specified SORP	2, A.2	1	month	*)	
A.2.5	Power generator servicing and (re-)fueling	NATO-site	When required during rental period of power generator	2, A.2	1	month	*)	
<b>A.3</b>	<b>Warehousing</b>							
A.3.1	Rental of a small warehouse	near NATO-site	Task Order specified SORP	2, A.3	1	month	*)	
A.3.2	Small-scale transportation service	near NATO-site	Task Order specified SORP	2, A.3	1	month	*)	
A.3.3	Rental of a medium-sized warehouse	NATO-nation	Task Order specified SORP	2, A.3	1	month	*)	
A.3.4	Medium-scale transportation service	NATO-nation	Task Order specified SORP	2, A.3	1	month	*)	
<b>A.4</b>	<b>Waste disposal</b>							
A.4.1	Rental of a waste collection container	NATO-site	Task Order specified SORP	2, A.4	1	week	*)	
A.4.2	Delivery and placement of a waste container	NATO-site	Task Order specified SORP	2, A.4	1	activity	*)	
A.4.3	Removal of (full) waste container and disposal of waste	NATO-site	Task Order specified EORP + 2 working days	2, A.4	1	activity	*)	
<b>A.5</b>	<b>Vehicles</b>							
A.5.1	Rental of a small truck	NATO-site	Task Order specified SORP	2, A.5	1	week	*)	
A.5.2	Delivery and collection of a small truck	NATO-site	Task Order specified SORP for delivery; Task Order specified EORP + 2 working days for collection	2, A.5	1	activity	*)	
<b>A.6</b>	<b>Support equipment</b>							
A.6.1	Rental of a forklift	NATO-site	Task Order specified SORP	2, A.6	1	week	*)	
A.6.2	Delivery and collection of a forklift	NATO-site	Task Order specified SORP for delivery; Task Order specified EORP + 1 wk for collection	2, A.6	1	activity	*)	
A.6.3	Rental of a pallet jack	NATO-site	Task Order specified SORP	2, A.6	1	week	*)	
A.6.4	Rental of a dolly	NATO-site	Task Order specified SORP	2, A.6	1	week	*)	
A.6.5	Rental of a stair climber	NATO-site	Task Order specified SORP	2, A.6	1	week	*)	
A.6.6	Rental of a wheeled cart	NATO-site	Task Order specified SORP	2, A.6	1	week	*)	
A.6.7	Delivery and collection of a set of pallet jacks, dollies, stair climbers and wheeled carts	NATO-site	Task Order specified SORP for delivery; Task Order specified EORP + 1 wk for collection	2, A.6	1	activity	*)	
A.6.8	Pallet wrapping foil, including delivery	NATO-site	EDTO + 2 wks	2, A.6	1	roll	*)	
A.6.9	Packaging boxes, including delivery	NATO-site	EDTO + 2 wks	2, A.6	1	box	*)	
A.6.10	Packaging tape, including delivery	NATO-site	EDTO + 2 wks	2, A.6	1	roll	*)	
<b>A.7</b>	<b>Logistics personnel and labour</b>							
A.7.1	Logistics person and 1 week of labour	NATO-site	Task Order specified start date of performance	2, A.7	1	week	*)	
A.7.2	Logistics person and 1 month of labour	NATO-site	Task Order specified start date of performance	2, A.7	1	month	*)	
A.7.3	Round-trip travel of a logistics person to/from NATO-site	NATO-site	before and after Task Order specified period of performance	2, A.7	1	round-trip	*)	
<b>A.8</b>	<b>Shipments</b>							
A.8.1	Shipment of up to 4 pallets from any NATO-country to another NATO-country, excl. overseas from/to USA or Canada	NATO-site	EDTO + 2 wks	2, A.8	1	pallet	*)	
A.8.2	Shipment of 5 up to 15 pallets from any NATO-country to another NATO-country, excl. overseas from/to USA or Canada	NATO-site	EDTO + 2 wks	2, A.8	1	pallet	*)	
A.8.3	Shipment of 16 up to 30 pallets from any NATO-country to another NATO-country, excl. overseas from/to USA or Canada	NATO-site	EDTO + 2 wks	2, A.8	1	pallet	*)	
A.8.4	Oversees shipment of up to 4 pallets from/to any NATO-country not in North America to/from the USA or Canada	NATO-site	EDTO + 2 wks	2, A.8	1	pallet	*)	
A.8.5	Oversees shipment of 5 up to 15 pallets from/to any NATO-country not in North America to/from the USA or Canada	NATO-site	EDTO + 2 wks	2, A.8	1	pallet	*)	
A.8.6	Oversees shipment of 16 up to 30 pallets from/to any NATO-country not in North America to/from the USA or Canada	NATO-site	EDTO + 2 wks	2, A.8	1	pallet	*)	

\*) Bidder may specify prices per location, or specify prices per group of locations, per NATO-nation, or per group of NATO-nations, as long as all NATO-nations in scope of the contract are covered.

ID number	Nation	NATO-site location	related CLIN(s)
1	BEL	Brussels	CLIN 27
2	BEL	Kester	
3	DNK	Karup	
4	FRA	Lyon	
5	GBR	Northwood	CLIN 3
6	GRC	Athens	
7	DEU	Castlegate	
8	ITA	Lughezzano	
9	ITA	Sigonella	CLIN 5, CLIN 29.10-29.12
10	NLD	Brunssum	CLIN 6, CLIN 29.1-29.3, CLIN 28
11	TUR	Izmir	CLIN 7, CLIN 29.7-29.9
12	NLD	The Hague	
13	TUR	Oglananasi	
14	USA	Norfolk	CLIN 8, CLIN 29.13-29.15
15	CZE	Lipnik	CLIN 14
16	DEU	Ramstein	CLIN 2
17	DEU	Uedem	CLIN 15
18	ESP	Torrejon	CLIN 17
19	ITA	Poggio Renatico	CLIN 21
20	LUX	Capellen	
21	NOR	Stavanger	CLIN 29.4-29.6
22	POL	Bydgoszcz	
23	PRT	Monsanto	
24	PRT	Oeiras	CLIN 12
25	BGR	Gorna Malina	CLIN 13
26	DEU	Elmpt	
27	DEU	Geilenkirchen	CLIN 9
28	DEU	Oberammergau	
29	DEU	Wesel	
30	DNK	Haderslev	CLIN 16
31	FRA	Maison Lafitte	
32	FRA	Paris	
33	ESP	Prado del Rey	
34	GRC	Aktion	CLIN 19
35	HRV	Pleso	CLIN 20
36	HUN	Szekesfehervar	
37	ITA	Grazzanise	CLIN 11
38	ITA	La Spezia	
39	ITA	Rome	
40	ITA	Taranto	
41	ITA	Trapani	CLIN 22
42	LTU	Vilnius	CLIN 23
43	GBR	Blandford	CLIN 18
44	NOR	Oerland	CLIN 24
45	ROU	Bucharest	CLIN 25
46	SVK	Ruzomberok	
47	TUR	Konya	CLIN 26
48	ALB	Tirana	
49	BEL	Brussels	CLIN 27
50	BEL	Mons	CLIN 1



51	BGR	Sofia	CLIN 13
52	BIH	Butmir	
53	CAN	Ottawa	
54	CZE	Prague	
55	EST	Tallin	
56	GRC	Atalanti	
57	GRC	Thessaloniki	
58	HRV	Zagreb	
59	HUN	Budapest	
60	HUN	Papa	
61	ISL	Keflavik	
62	KFOR	Pristina	
63	LUX	Senningen	
64	LVA	Riga	
65	POL	Warsaw	
66	SVK	Bratislava	
67	SVN	Ljubliana	
68	TUR	Ankara	
69	DEU	Wiesbaden	
70	ITA	Lago Patria	
71	DEU	Ulm	CLIN 10
72	ITA	Naples	CLIN 4
73	GBR	Stafford	CLIN 18

**NATO Communications and Information Agency**



**RFQ-CO-115665-LSF**

- Provision of -

**LOGISTICS SERVICES  
AND  
ASSOCIATED SUPPORT**

**Contract Special Provisions**

Book II - Part II

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## PART II - CONTRACT SPECIAL PROVISIONS

### 1. Order of Precedence

- 1.1. 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:
  - 1.1.1. The Contract Signature Page (Basic plus any Amendment)
  - 1.1.2. Issued Task Order(s);
  - 1.1.3. Part I – The Schedule of Supplies and Services;
  - 1.1.4. Part II – The Contract Special Provisions; **whereas**
    - 1.1.4.1 **CLAUSE 8, “Performance Guarantee” of the General Provisions does not apply to this contract and is hereby removed;**
  - 1.1.5. Part III – The Contract General Provisions;**whereas**
    - 1.1.5.1 **CLAUSE 8, “Performance Guarantee” of the General Provisions does not apply to this contract and is hereby removed;**
  - 1.1.6. Part IV – The Statement of Work and its Annexes;
  - 1.1.7. The Contractor(s) proposal (Technical Proposal and Price Quotation) dated [*to be inserted at contract award*] and any clarifications thereto, incorporated herein by reference.

### 2. Scope of Work

- 2.1. The purpose of this Contract is to create an Indefinite Delivery, Indefinite Quantity (IDIQ) Framework to enable frequent and swift transactions of specified logistics services and associated support from which the Purchaser may order quantities for delivery to different NATO sites and/or NATO Nations through respective Task Orders (TO).
- 2.2. In order to fulfil that purpose the Contractor shall deliver, in accordance with the Contract requirements, and against the prices specified in the Contract Schedule of Supplies and Services (SSS), the items or services identified in Task Orders (Task Orders (TOs), or Delivery Orders) issued from time to time by the Purchaser, in the manner and at the time and location specified in the Order.
- 2.3. The goods and services to be delivered under this Contract are laid out in Annex A to the Statement of Work (SOW).

### 3. Contract Type

- 3.1. This Framework Contract is an Indefinite Delivery, Indefinite Quantity (IDIQ) type Contract for LOGISTICS SERVICES AND ASSOCIATED SUPPORT procurement with fixed firm prices duly named Logistics Services Framework (LSF). The Contract has no intrinsic monetary value. The Agency will place TOs against this Framework Contract when requirements are identified and funding is available. The Contract includes multiple CLINS and Sub CLINs with prices linked to different locations and quantities, as elaborated in the “Price” Clause of these Special Provisions.

- 3.2. Each Task Order will have a monetary obligation and a detailed CLIN list with corresponding Statement of Work specifications for the Contractor to perform that is within the general scope of this Contract. This Contract will come into effect with the placing of the first Task Order which will constitute the initial obligation.
- 3.3. The Purchaser regards this Contract to be the 'vehicle' for obtaining the logistics services and associated support specified in the Statement of Work, where the Purchaser is charged by NATO to satisfy the requirement. The Purchaser reserves the right to solicit alternative sources when services cannot be achieved by the Contractor in accordance with the Key Performance Indicators (KPIs) obligations at Article 8 herein and/or the Delivery timesales specified in the SSS.
- 3.4. The Purchaser assumes no liability for costs incurred by the Contractor in excess of the stated Firm Fixed Task Order Prices.

#### **4. Purchaser Obligations and Limitations**

- 4.1. The Purchaser's sole obligation under this Contract is limited to the issuance of the initial Order activating the Contract, of which there is no minimum value threshold.
- 4.2. This IDIQ Contract is subject to both time and value limitations. The Purchaser is not to issue any order beyond the period of performance of this IDIQ Contract as per 4.3 below, or the Maximum Total Value of 6,000,000 EUR, whichever comes first.
- 4.3. The Contract is available for the placement of TOs against the SSS for three (3) years from Effective Date of Contract (EDC).
- 4.4. The Period of Performance of the Contract may be extended by the exercise of options in accordance with the "Options" Article 17. of these Special Provisions.

#### **5. Price**

##### 5.1 Contract Type:

- 5.1.1 Firm-Fixed-Price (FFP) subject to Economic Price Adjustment (EPA).
- 5.1.2 From the Effective Date of Contract (EDC) to end of Year 3, the contract shall be FFP.
- 5.1.3 From Year 3 (May 2026) until the end of contract period of performance, subject to the exercise of Options, the contract type becomes Fixed-Price with Economic Price Adjustment (FP-EPA), where price indexation for Options shall be applied.

5.2 The unit prices in the SSS are valid for any specified quantity of logistics services and associated support ordered under the Contract and the relevant TOs.

5.3 The unit prices in the SSS are valid for the duration of the Contract;

5.4 The unit prices per CLIN are subject to multiple locations and quantities. The Task Order will specify every CLIN and/or Sub CLIN. The Fixed Firm associated prices are listed in the SSS.

5.5 For any new or replacement logistics services and associated support to be added to the SOW and/or Product Catalogue, the prices will be proposed by the Contractor via a Request For Change (RFC) form, following the process defined in the "Changes" Clause of these Special Provisions. Should the Purchaser decide that the proposed logistics services and associated support are to be included in the Contract, an equitable price adjustment will be negotiated based on fair and reasonable pricing, and the proposed logistics services and associated support shall be added to the Contract by bilateral modification as per the "Changes" Clause of these Special Provisions.

5.6 Prices for logistics services and associated support quantity and scope replaced due to obsolescence are determined following the process described in the "Obsolescence Replacement" Clause of these Special Provisions.

#### 5.7 Economic Price Adjustment

- a. The price of this contract is subject (upwards or downwards) to adjustment or revision within the limits defined herein:
  - i. Beginning in Year 4 of the contract until the end of the period of performance (for exercise of any options), if a variation occurs in the cost of labour and/or materials forming part of the contract, then the contract price shall be adjusted (upwards or downwards) on a case by case basis, in accordance with the formula in paragraph e below.
  - ii. The revision shall be based on the evolution of the Labour Cost Index and the Producer Price index, as published by OECD statistics.
- b. Once the labour and material allocations and the portion of the contract price subject to price adjustment have been established, they remain fixed through the life of the contract and shall not be modified except in the event of significant changes to the scope or subject to exercise of further Options of the contract.
- c. When a price adjustment for exercise of an Option is due (i.e. Year 2: due date is end of Year 2+1day;(May 2025)), the Contractor shall submit a proposal for price indexation in accordance with this Article to the Purchaser for evaluation and approval, containing the new prices for the respective CLIN(s) subject to labour and/or material price adjustment. The proposal shall be submitted to the Purchaser no later than 60 days after the due date.. The indexed prices will become the new contract price for the Option exercised, after mutual signature of a Contract Amendment. Invoicing and the payment thereafter, can take place following the Contract Amendment.
- d. Economic Price Adjustment Formula
  - i. The Purchaser will apply the Price Variation (PV) formula per service for Contract Option Prices based on the following inputs:

- Portions for labour (X%) and material (Y%), provided by the Contractor per service ( $X\% + Y\% = 80\%$ );
  - Service average annual price of years 2023 to 2025 for Option 1, and 2023 to 2026 for Option 2;
  - Average quarterly labour and material indices of years 2023 to 2024 for Option 1 ( $L_{1-2}$ ,  $M_{1-2}$ ), and 2023 to 2025 for Option 2 ( $L_{1-3}$ ,  $M_{1-3}$ );
  - Quarterly labour and material indices of Q1 2025 for Option 1 ( $L_3$ ,  $M_3$ ), and Q1 2026 for Option 2 ( $L_4$ ,  $M_4$ ).
- e. The Price Variation (PV) formulas for Option 1 (year 4: 2026) and Option 2 (year 5: 2027) are, respectively:

$$P_4 = \frac{P_1 + P_2 + P_3}{3} * \left( 20\% + X\% * \frac{L_3}{L_{1-2}} + Y\% * \frac{M_3}{M_{1-2}} \right)$$

$$P_5 = \frac{P_1 + P_2 + P_3 + P_4}{4} * \left( 20\% + X\% * \frac{L_4}{L_{1-3}} + Y\% * \frac{M_4}{M_{1-3}} \right)$$

**Definitions:**

$L_{1-2}$ , $M_{1-2}$ :	Average of indices 2023 Q1 up to 2024 Q4 included;
$L_3$ , $M_3$ :	Indices of 2025 Q1;
$L_{1-3}$ , $M_{1-3}$ :	Average of indices 2023 Q1 up to 2025 Q4 included;
$L_4$ , $M_4$ :	Indices of 2026 Q1;
$P_k$ :	Service annual price ( $k=1,2, \dots, 5$ for years 2023, 2024, ..., 2027).

**Sources:****Labour index**

Subject: Unit Labour Costs

Measure: Index, seasonally adjusted

Frequency: Quarterly

[https://stats.oecd.org/viewhtml.aspx?datasetcode=ULC\\_EEQ&lang=en](https://stats.oecd.org/viewhtml.aspx?datasetcode=ULC_EEQ&lang=en)**Material index**

Subject: Economic Activities - Total Producer Prices – Manufacturing

Measure: Index

Frequency: Quarterly

[https://stats.oecd.org/viewhtml.aspx?datasetcode=MEI\\_PRICES\\_PPI&lang=en](https://stats.oecd.org/viewhtml.aspx?datasetcode=MEI_PRICES_PPI&lang=en)



- f. Calculations of price increases shall be made as soon as possible after publication of the last index figure relating to the average quarterly labour and material indices of years 2023 to 2024 for Option 1, and 2023 to 2025 for Option 2;
- g. Quarterly labour and material indices of Q1 2025 for Option 1, and Q1 2026 for Option 2.
- h. No further adjustment is allowed, up or down, following revision of any index figure following the application of the detailed index herein.
- i. The index applicable to the formula and to be read from the OECD websites mentioned above, shall be the one from the NATO country where the “majority” of work has been performed and where actual costs have been incurred.. Work performed and where actual costs have been incurred will be determined through all evidenced Task Order execution during the period of performance expended.

Worked Example:

<b>Serial</b>	<b>Place of Performance</b>	<b>Value of actual work performed (in EURO equivalent) €</b>	<b>NATO Country index to be applied to Option 1</b>
<b>Covering Period expended (2023-2025)*</b>			
Task Order 1	Belgium	100,000.00	Italy
Task Order 2	Italy	250,000.00	Italy
Task Order 3	USA	50,000.00	Italy
Task Order 4	Poland	150,00.00	Italy
Task Order 5	Belgium	50,000.00	Italy
Task Order 6	Italy	50,000.00	Italy
<b>Covering Period expended (2026-2027)**</b>			<b>NATO Country index to be applied to Option 2</b>
Task Order 99	Belgium	50,000.00	Poland
Task Order 110	Poland	250,000.00	Poland

\* The index to be applied for the Option 1 to be exercised, based on actual work performed place of performance **and** actual highest value of costs incurred for work performed is Italy, determined as the “majority” where this is calculated at €300,000.00 being the most frequent place **and** highest proportion of value of work delivered during the period of performance expended, as above;

\*\* The index to be applied for the Option 2 to be exercised, based on actual work performed place of performance **and** actual highest value of costs incurred for work performed is Poland, determined as the “majority” where this is calculated at €400,000.00 being the most frequent place **and** highest proportion of value of work delivered during **all the contract period of performance expended (from contract award)**, as above;

j. Maximum Variation

- i. The increase of contract prices shall not exceed 10 % per CLIN irrespective of the actual +/- % variation as calculated by the application of the index provisions herein.
- ii. Calculation and payments shall be made in the same currencies attributable to each deliverable and all the prices may be varied in accordance with this provision unless specifically excluded in the schedule or elsewhere in this contract.

5.8 The Price Variation (PV) formulas for Reward Option(s) will be calculated based on the same methodology.

## 6. Task Orders and Ordering

- 6.1.** Task Orders will be placed on the LSF IDIQ Contractor in accordance with the provisions herein;
- 6.1.1.** The Purchaser will issue a Task Order against this LSF IDIQ Contract (using the proforma at Annex A), detailing the Purchaser specific requirements in accordance with this Contract and the SOW.
- 6.1.2.** The requirements of the LSF IDIQ is to ensure order placement, order receipt, order mobilisation and order delivery, therefore time is of the essence when the Contractor executes and delivers against the Task Order. See also paragraphs 6.4 and 6.5 below.
- 6.1.3.** The Purchaser reserves the right to seek any clarification deemed necessary to reach a conclusive Task Order.
- 6.2.** Task Orders (TO's, or Order) will be issued in writing by the Purchaser and signed by the Purchaser's Contracting Authority. TO's are instruments to initiate Contractor activities and obligate funding to the Contract.
- 6.3.** The Purchaser will initiate the ordering process by issuing a TO detailing the following:
- 6.3.1.** Order Number;
  - 6.3.2.** Effective Date of the Order;
  - 6.3.3.** Total logistics services and associated support required by CLIN;
  - 6.3.4.** Statement of Work reference;
  - 6.3.5.** Schedule and place of delivery and performance;
  - 6.3.6.** Shipping and transportation;
  - 6.3.7.** Total Monetary Value of the Order;

- 6.4. For the purpose of this Contract, an obligation to deliver as per the TO is deemed to exist for the Contractor upon signature by the Purchaser. Counter-signature by the Contractor is not required for any TO under this Contract.
- 6.5. A TO is understood to have been received within 24 hours. See also Article 29 Contractor Participation in Task Order(s).
- 6.6. Orders may be issued from time to time and there are no limitations on the number of TO's that can be issued.

## **7. Comprehension of Contract and Specifications**

- 7.1. The Contractor warrants that it 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.
- 7.2. The specifications and requirements in the Statement of Work set forth the performance requirements for the Contractor's proposed work 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.
- 7.3. The Contractor hereby acknowledges that it 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 that are:
  - 7.3.1. Based upon impossibility of performance, defective, inaccurate, impracticable, insufficient or invalid or superceded goods and/or services, implied warranties of suitability of such goods and/or services, or
  - 7.3.2. Otherwise derived from the aforesaid goods and/or services, and hereby waives any claims or demands so based or derived as might otherwise arise.
- 7.4. Notwithstanding the "Changes" Clause or any other Clause of the Contract, the Contractor hereby agrees that no changes to the aforesaid goods and/or services 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 SSS.

## **8. Key Performance Indicators (KPIs) and Targets**

- 8.1. Contract performance shall be measured through the use of the following KPIs.

**8.1.1.** Delivery on Time (DOT). A log will be maintained by the Contractor and the Purchaser of how many times delivery is late, and to what degree. The maximum timeline for deliveries are listed in the SSS or Task Order, and captured in the applicable TO.

**8.1.2.** Delivery Complete. A log will be maintained by the Contractor of deliveries that are deemed to be complete. The Purchaser will compare this with its delivery inspection records against the amount of goods and/or services ordered per TO. The Purchaser's delivery inspection records will note how many goods and/or services were missing or defective upon inspection, and to what degree. The Purchaser Delivery inspection and acceptance requirements are described in Section 2.1 of the SOW.

**8.1.3.** Delivery Discrepancy Closure. A log will be maintained by the Contractor. The Purchaser will compare this with its Discrepancy reporting, tracking how many days it takes the Contractor between the Purchaser notification of the discrepancy and the closure of a Contractor delivery discrepancy. Delivery discrepancies are described in Section 2.1 of the SOW. The Contractor obligations and compliance criteria are described at Annex B herein.

**8.1.4.** Warranty Resolution. A log will be maintained by the Contractor and the Purchaser of how many days it takes between the notification and the closure of a warranty claim.

**8.1.5.** Up to date logistics services and associated support Product Catalogue. A log will be maintained by the Contractor and the Purchaser capturing whether the goods and/or services records in the Product Catalogue were up to date throughout the Quarter in question. The goods and/or services records in the Product Catalogue requirements are described in the SOW.

**8.2** The measurement methodology and targets of the different KPIs are detailed in Annex B herein.

**8.3** Failure to achieve two (2) "PASS" scores in the Total Quarterly Scores, as outlined in Annex B herein, will give rise to the Purchaser's right to invoke the "Termination for Default" Clause of these Contract Special Provisions.

## **9. Terms of Delivery**

**9.1.** Deliverables under this Contract, shall adhere to the requirements stipulated in the SOW and the resultant Task Order(s).

## **10. Invoices and Payment Terms**

**10.1.** Following Purchaser acceptance of Goods and Services required under the TO, the Contractor shall submit invoices at the completion and acceptance of the TO as per the Clause 11 "Acceptance Procedures".

**10.2.** No payment shall be made with respect to undelivered services and associated support,

supplies, works not performed, documentation not delivered, goods and/or services not rendered and/or incorrectly submitted invoices.

- 10.3.** No payment shall be made for additional items delivered that are not specified in the TO.
- 10.4.** Evidence of the acceptance by the Purchaser shall be attached to all invoices.
- 10.5.** The Contractor shall note that the Purchaser is exempt from customs duties and VAT. The invoice amount shall be exclusive of VAT and exclusive of all Taxes and Duties as per the "Taxes and Duties" Clause of the NCI Agency General Provisions.
- 10.6.** Invoices shall be properly supported with any necessary reports, certification, statements, receipts, written evidence of acceptance by the Purchaser and any other required documentation in accordance with the terms of the Contract.
- 10.7.** The invoice shall contain the following certification:

*"I certify that the above invoice is true and correct, representing a valid claim, and that the delivery of the above described goods and/or services has been duly effected and/or that the above mentioned services have been rendered and the payment therefore has not been received."*

The certification shall be signed by a duly authorised company official on the designated original.

- 10.8.** Invoices referencing "CO-XXX-LSF / Task Order No XXX or Purchase Order No XXX" shall be submitted to:  
[accountspayable@ncia.nato.int](mailto:accountspayable@ncia.nato.int)
- 10.9.** Paper invoices will not be accepted.
- 10.10.** The Purchaser will make payment within 45 days of receipt by NCI Agency of a valid claim and a properly prepared and documented invoice.

## **11. Acceptance Procedures**

11.1 Acceptance is the action by which the Purchaser formally acknowledges that the Contractor has fully demonstrated that TO deliverables are complete or have been performed according to the requirements as described in the SOW and the Schedule of Services and Supplies (SSS).

11.2 In the event the Contractor does not perform services in conformity with the requirements set out in the Contract, the Contractor shall perform all necessary work required to bring its services in conformity with the Contract, upon request of the Purchaser.

## **12. Obsolescence Replacement**

- 12.1. If any goods and/or services specified in the Contract are discontinued by their original providers for commercial or technological reasons, the Contractor shall ensure the original goods and/or services are replaced with a 'like-for-like' alternative in the goods and/or services records in the Product Catalogue with the new versions within a month of any Purchaser written agreement.
- 12.2. If necessary for evaluation by the Purchaser, the Contractor shall provide a demonstration of the proposed alternative 'like-for-like' goods and/or services. Should the Purchaser decide that the proposed goods and/or services be included in the Contract, an equitable price adjustment will be negotiated based on fair and reasonable pricing and the proposed goods and/or services) shall be added to the Contract by bilateral modification under the authority of this Clause.
- 12.3. All changes to the goods and/or services in the Product Catalogue and specification will be periodically formalised in a Contract Amendment, as described in the "Changes" Clause of these Special Provisions.

### **13. Warranty & Support**

- 13.1. The Contractor shall provide warranty and support for all goods and services, including workmanship and all materials provided under this Contract.
- 13.2. The warranty period for all goods and services, including workmanship and all materials, shall be a minimum of one (1) year from the date of acceptance by the Purchaser where no further period is specified.
- 13.3. Should any period of warranty or conditions of the warranty provided by either the Original Equipment Manufacturer (OEM) or the (Sub-)Contractor exceed those required by the Contract, then these periods or conditions may be incorporated in the Contract at the sole discretion of the Purchaser.
- 13.4. Should any warranty case not be closed within one (1) month, the Purchaser will reserve the right to purchase the replacement item from alternative suppliers. The cost of which shall be reimbursed by the Contractor.

### **14. Contract Administration**

- 14.1. 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.
- 14.2. Formal letters and communications shall subsequently be sent by e-mail to the official points of contact quoted in this Contract. Physical copies may be delivered through the following formal communication means; personal delivery, sent by mail/ registered mail/ courier/ or other delivery service.
- 14.3. 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.

**14.4.** All notices and communications shall be effective on receipt.

**14.5.** Official Points of Contact:

Purchaser	Contractor
<b>NCI Agency</b> NATO Headquarters Avenue Leopold III 1110 Brussels Belgium	<b>[Company name]</b> [Address] [Postcode and City] [Country]
For Contractual & Technical matters: The Contracting Officer responsible for this solicitation is Mr. Giacomo Piliago, all Correspondence regarding this Contract should solely be addressed to: Lynne Hurley, Senior Contracting Officer Tel: +31 703 741529 E-mail: <a href="mailto:Lynne.Hurley@ncia.nato.int">Lynne.Hurley@ncia.nato.int</a>	For Contractual matters: Attn: ... Tel: +... E-mail: ...
For technical/administrative matters: Attn: Ron.Spijkerman@ncia.nato.int Tel: N/A	For technical/delivery matters: Attn: ... Tel: +... E-mail: ...

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

## 15. Sub Contracts

**15.1.** The Contractor shall place and be responsible for the administration and performance of all sub-contracts including terms and conditions which it deems necessary to meet the requirements of this Contract in full.

**15.2.** The Contractor shall not place sub-contracts outside the NATO member Nations unless the prior authorisation of the Purchaser has been obtained. Such authorisation will not be granted when the sub-contract involves the carrying out of classified work.

## 16. Changes

**16.1.** The Purchaser intends to manage changes to this Contract using the change management procedure described below.

**16.2.** Request For Change (RFC) is a proposal for changes relevant to the logistics services and associated support of the goods and/or services, their market availability, their obsolescence, or any other technological changes.

- 16.3.** The Contractor shall submit the RFCs in written form only upon prior confirmation from the Purchaser that such changes are necessary in light of varied facts or circumstances which prevent the execution of the Contract in its then current form.
- 16.4.** Any RFC submitted by the Contractor to the Purchaser shall, in any case contain as a minimum the RFC identification number, the rationale for the changes, effected CLIN, new CLIN proposal for newly added items, and any effect to the Schedules, technical solutions, and pricing.
- 16.5.** The Contractor shall provide the RFC template prior to the Kick-off Meeting, and shall update the template based on Purchaser feedback.
- 16.6.** The Contractor shall release RFCs in following conditions and within noted timelines:
- 16.6.1.** Goods and/or services will no longer be available for future orders due to obsolescence (immediately);
  - 16.6.2.** new items are in the market that can replace the existing ones with the same form, fit, function specifications (bi-annually and at Technical Refresh Review Meetings as per the SOW);
  - 16.6.3.** new goods and/or services are required due to the new Purchaser requirements (as requested);
  - 16.6.4.** replacement goods and/or services are required due to the changing Purchaser requirements (as requested).
- 16.7.** The Purchaser will provide written confirmation if the RFC is authorized. In case of RFC rejection, the Contractor shall proceed with the performance in accordance with the Contract.
- 16.8.** The Contractor shall update and release the goods and/or services in the Product Catalogue within 5 business days after authorization of the RFC's in written form by the Purchaser contractual representative.
- 16.9.** The Purchaser may start ordering based on the new goods and/or services in the Product Catalogue prior to the formalization via a Contract Amendment. The Purchaser may decide to amend the Contract after one or multiple RFCs.
- 16.10.** Except as otherwise provided for in this Contract, prices quoted for the changes, modifications, etc. shall remain valid for the entire period of performance validity of this Contract.

## **17. Options**

- 17.1.** The Purchaser may:

**17.1.1.** extend the period of performance of the Contract for up to two further Option



increments of one year each (Option 1 and Option 2);

**17.1.2.** reward the Contractor for Met and/or Exceeded performance against the KPI's (Key Performance Indicators (KPIs) and Targets)) at Annex B herein throughout the Contract duration, by extending the period of performance of the Contract for two further Reward Options of two one year increment periods (Reward Option 1 and 2) or such further period as may be agreed between the parties. The Reward Options shall be exercised independently, sequentially, or both consecutively, when the Option period(s) at paragraph 17.1.1 have been exercised in full. The Reward Options shall be exercised at the sole discretion of the Purchaser by giving six months written notice in the third quarter of the fifth and sixth year of the Contract period (i.e year five and/or year six, commencing from the date of Contract award, or the former (year five) when exercised consecutively);

Worked example(s) :

Year i.e	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028
Contract Start	3 Year Base Contract Period						
Option 1 (scenario 1)			Exercise Option Year 1 (Year 4)	Option1 active			
Option 2 (scenario 2)				Exercise Option Year 2 (Year 5)	Option 2 active		
Option 1 & 2 exercised consecutively (scenario 3)			Exercise Option Year 1 & 2 (Year 4 & 5)	Option 1 & 2 active			
Reward Option 1 (scenario 4)					Exercise Reward Option 1 Year 6)	Reward Option 1 active	
Reward Option 2 (scenario 5)						Exercise Reward Option 2 (Year 7)	Reward Option 2 active
Reward Options 1 & 2 exercised consecutively (scenario 6)					Exercise Reward Option 1 & 2 (Years 6 & 7)	Reward Option 1 & 2 active	

**17.2.** The existence of an option does not imply that it will be exercised.

**17.3.** The options may be exercised at the sole discretion of the Purchaser as follows:

**17.3.1.**The options may be exercised by written notification of the Purchaser;

**17.3.2.**The options may be exercised either together or separately; these will be exercised sequentially, if required by the Purchaser, i.e there is no intended break in the Contract period of performance - Options will be exercised on a rolling basis;

**17.4.** The options are open for exercise at any time from Expected Date of Contract (EDC) to 30 June 2027.

17.5 The Contractor shall measure and report performance against the Reward Option KPIs using the criteria at Annex B herein, reporting to the Purchaser at the same periods as the KPI Balance Scorecard reporting as detailed at paragraph 1.6 of Annex B.

## **18. Liquidated Damages**

**18.1.** If the Contractor fails to:

**18.1.1.**Successfully meet the required performance dates as defined in the Schedule of Supplies and Services, or any extension thereof, or;

**18.1.2.**Deliver and obtain acceptance of the deliverables or to acceptably perform the Services as specified in the Schedule of Supplies and Services, Statement of Work and applicable Task Orders.

**18.2.** 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 Requirements, fixed and agreed Liquidated Damages of 0.1% (one tenth of one per cent) per day of the total payment amount for each Payment Event as scheduled in the "Invoices and Payment Terms" Clause of these Contract Special Provisions.

**18.3.** Liquidated Damages shall be payable to the Purchaser from the first day of delinquency in delivery and shall accrue at the rate specified in the paragraph above to an aggregate sum of all delinquent items not to exceed fifteen percent (15%) of the total value of the Task Order for the performance of which the Contractor is delinquent. These liquidated damages shall accrue automatically and without any further notice being required.

**18.4.** The Contractor shall not be charged with Liquidated Damages when the delay arises out of causes beyond the control and without the fault or negligence of the Contractor. In such event, subject to the provisions of the "Disputes" and "Arbitration" Clauses of the NCI Agency 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 its judgment the findings of fact justify an extension.

**18.5.** In addition, the Purchaser may terminate this Contract in whole or in part as provided in the "Termination for Default" Clause of the NCI Agency General Provisions. In the event of such a termination, the Contractor shall be liable for Liquidated Damages accruing to the date of termination, as well as the excess costs stated in the referred Clause.

**18.6.** The amount of Liquidated Damages due by the Contractor shall be recovered by the Purchaser in the following order of priority:

**18.6.1.** By deducting such Liquidated Damages from the amounts due to the Contractor against the Contractor's invoices;

**18.6.2.** By reclaiming such Liquidated Damages through appropriate legal remedies.

**18.7.** This clause shall be deemed to apply to each issued Task Order.

## **19. Termination for Default**

**19.1.** Clause 39 "Termination for Default" of the NCI Agency General Provisions is hereby supplemented as follows:

**19.2.** The Purchaser reserves the right to, by written notice of default to the Contractor, terminate the whole or any part of this Contract for continuous poor performance, if the Contractor fails to achieve sufficient "PASS" markings in its Total Quarterly Scores in relation to the KPIs established in the "Key Performance Indicators (KPI's) and Targets" Clause of these Special Provisions, in the following case:

**19.2.1.** two (2) consecutive "FAIL" Total Quarterly Scores;

**19.3.** Upon the occasion of the first "FAIL" Total Quarterly Score, the Purchaser shall notify the Contractor to initiate a discussion and request a plan for corrective action for the Contractor to improve its performance.

**19.4.** In case a second consecutive "FAIL" Total Quarterly Score as illustrated above in 19.2.1 occurs, the Purchaser shall issue to the Contractor a written Notice of Termination, signed by the Contracting Authority, stating that continuous poor performance exists, specifying the extent to which performance of Work under the Contract is terminated, and the date upon which such termination becomes effective.

**19.5.** After receipt of a Notice of Termination, the Contractor shall:

**19.5.1.** stop the Work on the date and to the extent specified in the Notice of Termination;

**19.5.2.** place no further orders or Sub-contracts, except as may be necessary for completion of such portion of the work under the Contract as is not terminated;

**19.5.3.** terminate all orders and Sub-contracts to the extent that they relate to the performance of Work terminated by the Notice of Termination.

**19.6.** In the event of a situation as described in Sub-Clause 39.6 of the NCI Agency General Provisions, the Contractor shall provide proof in writing no later than 5 business days after receipt of the Notice of Termination described above.

**19.7.** Continuous poor performance as illustrated above is understood to be an objective reality, based on facts and mutual understanding, and is therefore not open for disputes under the “Disputes” or “Arbitration” Clauses of the NCI Agency General Provisions.

## **20. Force Majeure**

**20.1.** “Force Majeure” means the occurrence of an event or circumstance that prevents a Party (the “Affected Party”) from performing one or more of its contractual obligations under the Contract, provided that: (i) it renders performance impossible; (ii) it is beyond the Affected Party’s reasonable control and without the Affected Party’s cause, fault or negligence; (iii) by its nature it could not have been reasonably foreseen at the time of conclusion of the Contract; and (iv) the effects of it could not reasonably have been avoided or overcome by the Affected Party.

**20.2.** Examples of Force Majeure, provided conditions (i)-(iv) of paragraph [20.1] are all fulfilled, include:

20.2.1 war (whether declared or not), hostilities, invasion, act of foreign enemies, extensive military mobilisation;

20.2.2 civil war, riot, rebellion and revolution, usurped power, insurrection, act of terrorism, sabotage or piracy;

20.2.3 currency and trade restriction, embargo, sanction;

20.2.4 act of authority whether lawful or unlawful, compliance with any law or governmental order, expropriation, seizure of works, requisition, nationalisation;

20.2.5 plague, epidemic, natural disaster or extreme natural event;

20.2.6 explosion, fire, destruction of equipment, prolonged break-down of transport, telecommunication, information system or energy; and

20.2.7 general labour disturbance such as boycott, strike and lock-out, go-slow, occupation of factories and premises.

**20.3.** The Affected Party must give the other party to the Contract (the “Other Party”) written notice without delay detailing the occurrence and its expected duration. The Other Party shall within a reasonable time respond, stating whether it accepts or rejects the occurrence as Force Majeure.

**20.4.** If the Other Party accepts the occurrence as Force Majeure, the Contract shall remain in force but the Parties will be relieved from performance of their obligations (including payment) under Contract, from the date at which the Other Party received written notice, for so long as the effects of Force Majeure continue or for ninety (90) days, whichever is the shorter, provided that:

20.4.1 The Affected Party makes all reasonable efforts to limit the effects of Force Majeure upon performance and to avoid or overcome the effects of Force Majeure;

20.4.2 the suspension of performance is of no greater scope than is necessitated by Force Majeure;

20.4.3 the Affected Party continues to furnish weekly updates by email while the effects of Force Majeure continue detailing reasonable efforts made in accordance with [4.1], and notifies the Other Party immediately when the effects of Force Majeure are avoided or overcome, or cease, and resumes performance immediately thereafter.

- 20.5.** Neither Party shall be in breach of the Contract nor liable for delay in performing, or for failing to perform, its obligations under the Contract, due to Force Majeure.
- 20.6.** Unless otherwise agreed by the Parties, if Force Majeure continues for more than ninety (90) days, the Parties may agree: (a) to a revised delivery schedule at no cost; (b) to a reduction of scope terminating part of the Contract at no cost; or (c) to terminate the whole of the Contract at no cost.

## **21. INSURANCES**

For the entire Contract duration, the Contractor shall provide all necessary insurance(s) for personnel and equipments, provided by the Contractor for the sole purposes of fulfilling the performance and deliverables required under the Contract.

## **22. INDEMNITY**

22.1 The Contractor will indemnify and hold harmless NATO and its servants or agents, against any liability, loss or damage arising out of or in connection of the Deliverables and Services under this Contract, including the provisions set out in Articles 29 "Patent and Copyright indemnity" and 30 "Intellectual Property" of the NCI Agency General Provisions.

22.2 The Contractor will indemnify NATO and its servants or agents, against claims made against NATO and its servants or agents, by their 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.

22.3 The Contractor will consult with the Agency over the handling of any claim or action to which the provisions of this Article may be relevant and will consult with the Agency over the handling of any such claim and conduct of any such action and will not without prior consultation and without the concurrence of the Agency settle or compromise any such claim or action.

22.4 In the event of an accident resulting in loss, damage, injury or death arising from negligence or wilful intent of an agent, officer or employee of NATO for which the risk has been assumed by the Contractor, the Contractor shall involve the Agency in any investigation into the cause of the accident.

## 23. SECURITY

23.1 Unless specified otherwise in any subsequent Task Order, the security classification of this Contract is NATO UNCLASSIFIED.

23.2 Contractor and Sub-Contractor personnel working on this Contract, visiting or working at NATO or National premises in connection with this Contract shall possess a NATO SECRET security clearance confirmed to the Purchaser by the relevant National Security Authority. This requirement applies to all sub-contracts issued by the Contractor for effort under this prospective Contract.

23.3 It is the responsibility of the Contractor to ensure that his personnel obtain the required security clearances and transmit this information to the sites to be visited in adequate time that the site may perform the appropriate administration. Contractors are 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 within the necessary time. Failure to obtain or maintain the required level of security for Contractor personnel for the period of performance of this Contract shall not be grounds for any delay in the scheduled performance of this Contract and may be grounds for termination under Article 11 and Article 39 of the NCI Agency, Part III - General Provisions.

23.4 The Contractor's Team Members shall possess a valid passport or ID Card and is required to maintain its validity for duration of the Contract.

23.5 All NATO CLASSIFIED material entrusted to the Contractor shall be handled and safeguarded in accordance with the applicable security regulations.

23.6 At the end of the Contract, the Contractor shall deliver all the documentation and information collected and generated in support of this Contract to the Purchaser. This includes a certificate that no copies are retained at the Contractor's facilities.

23.7 In the performance of all works under this Contract, it shall be the Contractor's responsibility to ascertain and comply with all applicable NATO and National security regulations as implemented by NATO and by the local authorities.

23.8 The Contractor shall note that there are restrictions regarding the carriage and use of electronic device (e.g. laptops, cell/mobile telephones) 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.

23.9 Unless specified otherwise in any subsequent Task Order, the IDIQ Statement of Work defines the level of security of information exchanged and used for performance of the Contract.

23.10 In particular, the Contractor undertakes to:

23.10.1. 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;

23.10.2. 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;

- 23.10.3. Abstain from copying by any means, without the authorization of the Purchaser, the national security authority or designated security agency, any classified documents, plans, photographs or other classified material entrusted to him;
- 23.10.4. 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;
- 23.10.5. 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;
- 23.10.6. Deny access to NATO classified information to any person other than those persons authorized to have such access by the national security authority or designated security agency;
- 23.10.7. 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;
- 23.10.8. 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;
- 23.10.9. 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;
- 23.10.10 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;
- 23.10.11. Undertake not to utilize, other than for the specific purpose of the Contract, without the prior written permission of the Purchaser or his authorized representative, any NATO classified information furnished to him, including all reproductions thereof in connection with the Contract, and to return all NATO classified information referred to above as well as that developed in connection with the Contract, unless such information has been destroyed, or its retention has been duly authorized with the approval of the Purchaser. Such NATO classified information will be returned at such time as the Purchaser or his authorized representative may direct;
- 23.10.12. Classify any produced document with the highest classification of the NATO classified information disclosed in that document.

## **24. NCI AGENCY SUPPLIER CODE OF CONDUCT**

**24. 1.** The NCI Agency has a Supplier Code of Conduct located at <https://www.ncia.nato.int/business/do-business-with-us/code-of-conduct.html> and it constitutes part of this Contract.

**24.2.** This Supplier Code of Conduct sets standards and practices for suppliers and their sub-contractors to adhere to when doing business with the NCI Agency in the areas of labour rights, human rights, data protection, ethical conduct and the environment. It contains fundamental, basic principles that any supplier based in a NATO country should already be operating in compliance with.

**24.3.** In the event of any inconsistency in language, terms or conditions with the Contract General Provisions, the Contract General Provisions takes precedence.

## **25. Basic Safeguarding of Contractor Communications & Information Systems (CIS)**

### **25.1. Basic Safeguarding of Contractor Communication and Information Systems (CIS)**

#### **25.1.1. Definitions.** As used in this clause—

*“Contractor Communication and Information System”* means an information system that is owned or operated by a contractor that processes, stores, or transmits NATO Information.

*“NATO Information”* means all information, classified and unclassified, circulated within NATO, whether such information originates in NATO Civil or Military bodies or is received from member nations or from non-NATO sources to include but not limited to:

*NATO Information that is provided by or generated for the Purchaser under a contract to develop or deliver a product or service to NATO, but not including information provided by the Purchaser to the public (such as on public websites) or simple transactional information, such as necessary to process payments. Examples of NATO Information are:*

*NATO technical information that is subject to controls on its access, use, reproduction, modification, performance, display, release, disclosure, or dissemination that is technical data or computer software in nature; such as, research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information, executable code and source code, design details, or formulae and related material that would enable the software to be reproduced, recreated, or recompiled.*

*NATO infrastructure information such as Emergency Management, Infrastructure Security Information, Information Systems Vulnerability Information, Physical Security.*

*NATO security information such as Internal Data or Operations Security, Security Agreement Information, Security Enforcement Information, Transportation Arrangements, Personnel Security Information, Privacy Information, or Sensitive Personally Identifiable Information.*

*“Information”* means any communication or representation of knowledge such as facts, data, or opinions, in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual.

*“Information system”* means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

*“Safeguarding”* means measures or controls that are prescribed to protect information systems.

**25.1.2. Safeguarding requirements and procedures.** The Contractor shall provide adequate security on all contractor CIS. To provide adequate security, the Contractor shall implement, at a minimum:



- 25.1.2.1. For contractor CIS that are part of a cloud computing service or an Information Technology (IT) service or system developed or operated on behalf of NATO shall be subject to the security requirements specified elsewhere in this contract.
- 25.1.2.2. For contractor CIS storing, processing, or transmitting NATO UNCLASSIFIED Information that are not part of a cloud computing service or IT service or system operated on behalf of NATO and therefore not subject to the security requirement specified at paragraph 25.1.2.1 of this clause, the ISO/IEC 27001 security standards shall apply.
- 25.1.2.2.1. The ISO/IEC 27001 certification must have a scope relevant to the services supplied to, or on behalf of, the Purchaser. The scope of certification and the statement of applicability must be acceptable, following review, to the Purchaser, including the application of controls from ISO/IEC 27002 (Code of Practice for Information Security Controls).
- 25.1.2.3. **Other requirements.** This clause does not relieve the Contractor of any other specific safeguarding requirements specified elsewhere in this contract or of other applicable NATO or national regulatory requirements. See also ANNEX C herein.
- 25.1.2.4. The Purchaser reserves the right to audit the Contractor or sub-contractors providing the service within a mutually agreed timeframe. The audit shall cover the overall scope of the service being supplied and the Contractor's, and any sub-contractors', compliance with this clause.
- 25.1.2.5. A breach of these obligations may subject the Contractor to contractual actions in law and equity for penalties, damages, and other appropriate remedies by the Purchaser.
- 25.1.2.6. Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (25.1.2.6), in subcontracts under this contract (including subcontracts for the acquisition of commercial products or services in which the subcontractor may have NATO Information residing in or transiting through its CIS).

## 26. INTERDEPENDENCY

26.1 The parties acknowledge:

- (a) That this Contract specifies Schedule of Supplies and Services (SSS) items that are Firm Fixed Price (FFP) and Price Variation (PV) provision types. These items provide inputs and outputs for requirements A1-A8 as described in the Contract Statement of Work.
- (b) The inputs and outputs will be performed by the Contractor, where the Purchaser will seek to align these with multiple contracts in support of IT Modernisation – Recovery Programme, which will be awarded separately by the Purchaser. The Contractor has no contractual relationship or control over the contractors performing the multiple contracts the Purchaser awards in support of IT Modernisation – Recovery Programme.
- (c) The contracts in support of the IT Modernisation – Recovery Programme include efforts and critical path activities necessary for the timely and successful performance, compliance and completion of this Contract.

(d) The FFP, PV and SSS items in this Contract assume timely delivery schedule compliance by all IT Modernisation – Recovery Programme contractors. The Purchaser reserves the right to share the IT Modernisation – Recovery Programme Master Programme and Project Schedules, to facilitate collaboration across the Programme and multiple contract(s) inputs and outputs with the Contractor.

(e) Timely and compliant Contract performance and delivery under this Contract of FFP, PV and SSS items may be dependent upon the timely performance and delivery of contractors performing respective contracts and/or respective Task Orders across the IT Modernisation – Recovery Programme.

26.2 Based on the foregoing, and notwithstanding any other provision of this Contract, the parties specifically agree to the following:

(a) If the performance of any work under the FFP, PV and SSS items are impacted by the unreasonable delay, deferral, increase or reduction in scope, schedule change, performance, availability of funding or cancellation of the work to be performed under the IT Modernisation – Recovery Programme Master Programme and Project Schedules, the Contractor for this Contract and/or respective Task Orders is requested to notify the Purchaser of potential losses, schedule adjustment or other impacted provisions/requirements of the Contract for the FFP, PV and SSS items affected for which the Purchaser may consider modifying the Contract and/or respective Task Order to take into account.

(b) That changes to the FFP, PV and SSS items authorised as necessary under this provision be correspondingly incorporated into the Contract under the process given at the clause “Changes - Firm Fixed Price and/or Price Variation ” of the Contract General and Special Provisions.

(c) That “impacted” as mentioned in (a) above is defined as a direct causal relationship thus creating a practical or actual impossibility of performance/contract compliance, including but not limited to causality evidenced and demonstrated losses, schedule adjustment, or other provision/requirement of the Contract regarding the ability to timely perform to the pre-existing FFP, PV and SSS contractual and/or respective Task Order requirements.

(d) Nothing in this provision shall cause the Purchaser any additional financial obligation under this Contract, except as specifically authorised under a written Contract amendment and/or Task Order amendment issued and signed by the Purchaser’s Contracting Authority,

26.3 The following principles, agreed by the Purchaser and the Contractor set forth the process for reporting and mitigating Impacts under this Article:

(a) The Contractor shall give the Purchaser initial notice as soon as practical after the possible Impact has or may have occurred under this Clause. Within a reasonable time thereafter, the Contractor shall give written notice to the Purchaser to include dates, nature, and circumstances of the possible impact.

(b) As soon as possible after receipt of the above notice, the Contractor and the Purchaser shall meet to consult on a course of action and jointly use best efforts to mitigate such impacts.

## **27. THIRD PARTY CO-OPERATION**

27.1 Subject to its other obligations under this Contract, the Contractor shall be open, co-operative and provide reasonable (on a “need to know” basis) assistance to the Purchaser to support third party suppliers providing services to the Purchaser or third parties to whom the Purchaser sub-contracts or delegates (or tasks to act in pursuance of) any of its rights and obligations under this Contract (each such third party being a “Purchaser Third Party”. This assistance shall include:

- a. providing such information to the Purchaser about the manner in which the Contractor Deliverables are provided as is reasonably necessary for Purchaser Third Parties to provide their services and deliverables to the Purchaser or carry out such activities as have been delegated to them by the Purchaser;
- b. making information available for, or accepting information from, Purchaser Third Parties (including through Purchaser directed interfaces or information exchanges or interdependencies, involving the Contractor and Purchaser Third Parties);
- c. using its reasonable endeavours to prevent, resolve and limit the impact on the Purchaser of any disputes or disagreements between it and any Purchaser Third Parties; and
- d. meeting with the Purchaser and Purchaser Third Parties to discuss the Contractor Deliverables and the interdependencies of services and deliverables provided by third parties.

27.2 Without limiting the Contractor's obligations, the Contractor shall inform the Purchaser of any disputes or disagreements between it and any of Purchaser Third Parties that may affect the provision of the Contractor Deliverables.

## **28. NATO NATION MEMBER COLLABORATION**

28.1 This Contract is supporting multiple Purchaser projects and is integrating the work of multiple contractors to accomplish its objectives. Therefore the Purchaser will be utilising the deliverables under this Contract along with deliverables under other Contracts to achieve its overall objectives, and requires the intellectual property rights to do so. The Contractor therefore is providing a non-exclusive, transferrable license to the Purchaser to use all

information provided to the Purchaser under this Contract as needed by the Purchase to accomplish its projects, to include the integration of the work of multiple Contractors.

28.2 Without the prior consent in writing of the Purchaser, the Contractor shall not wittingly make use in the performance of the Contract of inventions, designs or technical information which are the subject of any agreement made after the date of the Contract or make any grant of rights in the results of work under the Contract which they know would restrict their freedom to provide the information as required by this clause.

**29. CONTRACTOR PARTICIPATION IN TASK ORDERS**

29.1. Under this Indefinite Delivery Indefinite Quantity (IDIQ) Contract, the Contractor will be monitored by the Purchaser for its response to Task Order(s). Further, the Purchaser reserves the right to fulfil its requirements from sources other than Contractor.

29.2. In the event the Contractor fails to deliver goods and/or services within the agreed timescale for any Task Order for a consecutive period of three months or the issue of up to six Tasks Orders, whichever is soonest, the Purchaser reserves the unilateral right to declare the IDIQ contract in-active, where the Contract will be deemed ‘frustrated’. The Purchaser will notify the Contractor in writing of its decision under these provisions and will cease issuing Task Orders to the Contractor. The existing Task Orders will not be effected.

29.3. In such an event, the Purchaser reserves its rights to select a replacement Contractor, for a place under this IDIQ Contract. The next lowest priced offer in relation to the original IDIQ competition will be used to determine, and within a reasonable time limit, the appointment of a replacement Contractor. Under these provisions the Purchasers decision will be final.

**30. KEY PERSONNEL**

30.1. The key personnel proposed by the Contractor in its Project Management Plan and 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.

30.2. If any options are exercised, the Key Personnel provisions will apply to the option period from the effective date of the Contract.

30.3. 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:

Key Personnel	Name	Function within organisation
Delivery Manager		
Technical Lead		

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**30.4.** Under the terms of this Article, Key Personnel may not be voluntarily diverted by the Contractor to perform work outside the Contract. 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 10 days of the date of knowledge of the prospective vacancy and offer a substitute with equivalent qualifications with no additional costs for the Purchaser.

**30.5.** 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.

**30.6.** In the event of a substitution of any key personnel listed in paragraph 22.3 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;

**30.7.** Evidence that the personnel is qualified in pertinent contract related areas per the SOW.

**30.8.** 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.

**30.9.** 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 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.

**30.10.** 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.

**30.11.** 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 22.5 and 22.6 above.

**30.12.** 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 General Provisions Clause entitled "Termination for Default".

**30.13.** 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.

**30.14.** 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.

**30.15.** 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.

**ANNEX A: SAMPLE TASK ORDER<sup>1</sup>**

[RESERVED]

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<sup>1</sup> This is a sample Task Order, and could be in a different format when the Contract is awarded.

**ANNEX B: KEY PERFORMANCE INDICATORS (KPI)**

**KEY PERFORMANCE INDICATORS (KPIs) SCORECARD**

1. The Contract performance shall be measured on a quarterly basis through the use of the five (5) KPIs listed in the “Key Performance Indicators (KPIs) and Targets” Clause of the Contract Special Provisions.

1.1 Each KPI has a target, and the KPI shall be awarded a percentage score of compliance towards this target during the quarter in question.

1.2 Each KPI score is weighted in terms of its importance to the overall Contract performance via a pre-determined weight.

1.3 The weighted score, per quarter, of the KPIs provides the Total Quarterly Score in percentages. This Total Quarterly Score shall then be reflected in a Pass or Fail manner on the “Overall Scorecard” to allow for ease of visibility.

1.3.1 Pass = 90.1 – 100%

1.3.2 Fail = 0 – 90%

1.4 The Contractor will be responsible for generating the Scorecards, and the Purchaser will provide associated feedback with the Contractor, and discuss the encountered issues and improvements, as required. Based on the feedback provided, the Contractor shall propose an action plan within 10 business days to improve on any identified shortcomings.

1.5 The KPIs shall be measured based on the following criteria and instructions, provided in Table 1 below.

KPI	WEIGHT	MEASUREMENT CRITERIA	INSTRUCTIONS FOR SCORING
<b>Delivery on Time (DOT)</b>	20%	Delay in Business Days	<ul style="list-style-type: none"> <li>• TO Delivery Date means the specified lead time (SSS / TO) after the TO release date.                             <ul style="list-style-type: none"> <li>• Arrived by deadline = 100%</li> </ul> </li> <li>• Arrived maximum of 2 business days late = 95%</li> <li>• Arrived maximum of 5 business days late = 90%</li> <li>• Every additional business day delay = reduction of 5%</li> </ul>
<b>Delivery Complete</b>	20%	Delivery Completeness Percentage	<ul style="list-style-type: none"> <li>• Complete delivery means all items are correctly delivered in quantity, type, and undamaged based on the inspection as per SOW.                             <ul style="list-style-type: none"> <li>• Complete delivery, or above 99% = 100%</li> </ul> </li> <li>• All percentages are rounded up to the nearest %-point.</li> <li>• % is calculated by Items Correctly Delivered / Items Ordered</li> </ul>
<b>Delivery Discrepancy Resolution</b>	20%	Delay in Business Days	<ul style="list-style-type: none"> <li>• Discrepancies are listed and elaborated in SOW.</li> <li>• All discrepancies closed within 10 business days after Purchaser notification = 100%</li> <li>• Every additional business day delay = reduction of 5%.                             <ul style="list-style-type: none"> <li>• No Discrepancies with a TO = 100%.</li> </ul> </li> </ul>



<b>Warranty Resolution</b>	30%	Delay in Business Days	<ul style="list-style-type: none"> <li>• Warranty Claim Initiation Date means the notification by the Purchaser creating a warranty claim via email.</li> <li>• Warranty Claim Resolution Date means the Purchaser confirmation of satisfactory closure, as per SOW.</li> <li>• All Warranty Claims satisfactorily closed within 10 Business days for COTS, or 20 Business days for TEMPEST devices = 100%</li> <li>• Every additional business day delay = reduction of 5%.                         <ul style="list-style-type: none"> <li>• 1 Business day is counted as 24h from the notification.</li> </ul> </li> </ul>
<b>Up to Date Product Catalogue</b>	10%	Yes or No (following Purchaser request via TO)	<ul style="list-style-type: none"> <li>• The Product Catalogue is considered not 'up to date' if a Purchaser request was kept on hold or otherwise delayed due to items no longer being available, while remaining available for selection in the Product Catalogue; unless the alternative replacement was already proposed in writing to the Purchaser. This is further elaborated in SOW.                         <ul style="list-style-type: none"> <li>• Up to date Product Catalogue = 100%</li> </ul> </li> <li>• Notification after submission of a Task Order that the Product Catalogue is not up to date = 0%</li> </ul>

**Table 1 Scorecard Instructions**

1.6 All the above will be detailed by the Contractor in visual form in a Scorecard to be submitted by the Contractor Monthly, Quarterly and Annually.

**ANNEX B KEY PERFORMANCE INDICATORS (KPIs) REWARD OPTION(S)**

## Contract Evaluation Rating Definitions – Logistics Services Framework

## Reward Option KPI Criteria for Year 6 and 7 Options

In accordance with Article 17 Options paragraph 17.1.2, the following criteria will apply to measure the Contractor's performance to qualify for the exercise of the additional 'Reward Option' period(s) under the Contract:

**(a) Exceeded**

Performance meets contractual requirements and exceeds some to the Purchasers benefit. The contractual performance of the element or sub-element being evaluated was accomplished with few minor problems for which corrective actions taken by the Contractor led to requirements being exceeded.

Note: To justify an Exceeded rating, identify multiple events and state how they were of benefit to the Purchaser. A singular benefit, however, could be of such magnitude that it alone constitutes an Exceeded rating. Also, there should have been NO significant weaknesses identified.

**(b) Met**

Performance meets contractual requirements. The contractual performance of the element or sub-element contains some minor problems for which corrective actions taken by the Contractor and led to requirements being met.

Note: To justify a Met rating, there should have been only minor problems, or major problems the Contractor recovered from without impact to the Contract/order. There should have been NO significant 'Not Met' requirements identified. A fundamental principle of assigning ratings is that Contractor will not be evaluated with a rating lower than Met solely for not performing beyond the requirements of the Contract/order.


**(c) Not Met**

Performance does not meet most contractual requirements and recovery is not likely in a timely manner. The contractual performance of the element or sub-element contains a serious problem(s) for which the Contractor's corrective actions appear or were not met.

Note: To justify a Not Met rating, identify multiple significant events in each category that the Contractor had trouble overcoming and state how it impacted the Purchaser. A singular problem, however, could be of such serious magnitude that it alone constitutes a Not Met rating. A Not Met rating should be supported by referencing the management tools used to notify the Contractor of the contractual deficiencies (e.g., management, quality, safety, or environmental deficiency reports, or letters).

**ANNEX C: Security Management / Information Protection**

- 1.1 The Contractor shall, upon request, provide to the Purchaser, a system security plan (or extract thereof) and any associated plans of action developed to satisfy the security requirements of Special Provisions clause, “ Basic Safeguarding of Contractor Communication Information Systems (CIS)”, in effect at the time the solicitation is issued or as authorized by the Contracting Officer, to describe the contractor’s CIS/network(s) where NATO Information associated with the execution and performance of this contract is processed, stored, or transmitted.
- 1.1.1 The Contractor shall, upon request, provide the Purchaser with access to the system security plan(s) (or extracts thereof) and any associated plans of action for each of the Contractor’s tier one level subcontractor(s), vendor(s), and/or supplier(s), who process, store, or transmit NATO Information associated with the execution and performance of this contract.
- 1.2 The Contractor shall identify all NATO Information associated with the execution and performance of this contract. At the post-award conference, the Contractor and Purchaser Project Manager and Contracting Officer shall identify and affirm marking requirements for all NATO Information to be provided to the Contractor, and/or to be developed by the Contractor, associated with the execution and performance of this contract.
- 1.3 The Contractor shall track all NATO Information associated with the execution and performance of this contract. The Contractor shall document, maintain, and upon request, provide to the Purchaser, a record of tier 1 level subcontractors, vendors, and/or suppliers who will receive or develop NATO Information and associated with the execution and performance of this contract.
- 1.4 The contractor shall restrict unnecessary sharing and/or flow down of NATO Information associated with the execution and performance of this contract. The Contractor shall restrict unnecessary sharing and/or flow down of NATO Information and associated with the execution and performance of this contract – in accordance with NATO marking and dissemination requirements and based on a ‘need-to-know’ to execute and perform the requirements of this contract. This shall be addressed and documented at the post-award conference.
- 1.5 The contractor shall develop and store all NATO technical data (e.g., source code) in a secure facility. The contractor shall prevent computer software, in the possession or control of non-NATO entities on non-NATO information systems, from having connections to the network through segregation control (e.g., firewall, isolated network, etc.) and document meeting this requirement in the contractor security plan.
- 1.6 The Contractor shall flow down the requirements of this clause to their tier 1 level subcontractors, vendors, and/or suppliers.
- 1.7 All deliveries should be annotated in the Integrated Master Plan (IMP) for the System Engineering Technical Reviews or as agreed during the post-award conference.

 <p><b>NCIA HQ BRUSSELS</b>          NCI Agency Headquarters,          Boulevard Leopold III,          1110 Brussels, Belgium Brussels,          Belgium</p>	Contract Choose an item.
	Name of the Contractor (selected from EBA)
Task Order <b>1</b> (added manually/edit box) Amendment [0] (edit box) Purchase Order [Insert PO Number] Batch name <b>CSU Mons</b> (edit box)	

Schedule of Supplies and Services (taken from PR but all columns are editable)							
CLIN	Part Number	Description	SOW Reference	Quantity	Unit Cost	Total	Delivery Schedule
1	[Insert]	[Insert]					
2	[Insert]	[Insert]					
Note to the Contractor:							

Grand Total:	
Currency:	

NATO UNCLASSIFIED

Terms and Conditions	
The terms and conditions of Contract Choose an item. (hereinafter referred to as "Contract" or "the Contract") apply to this Task Order.	
The Contractor shall provide goods and services in accordance with the Schedule of Supplies and Services included in this Task Order.	

Contract Administrator:	Lynne S Hurley (from EBA)
E-mail Address:	Choose an item.
Bill to:	NCI Agency Headquarters, Boulevard Leopold III, 1110 Brussels, Belgium
	No paper invoices will be accepted. Please e-mail invoices to the following e-mail address: accountspayable@ncia.nato.int
Payment Terms:	Payment in accordance with the terms and conditions of the Contract.

Shipping and Transportation	
General Delivery to:	(selected from EBA)
Delivery POC:	(edit box)
Contractor shall perform all Integrated Product Support (IPS) / Integrated Logistics Support (ILS) related activities in accordance with the Contract Statement of Work (SOW).	
NCI Agency IPS Point of Contact (POC) for all delivery, warranty and support arrangements is:	
	[Insert Details] E-mail: E-FIT.[Insert Details]

Purchaser Acceptance	Supplier/Contractor Acceptances
Date: _____	Date: N/A _____
	The terms & conditions herein set forth or referred to are accepted
	No countersignature is required from the Contractor on E-FIT Purchase/Task Orders issued pursuant to Article 6.4 of the Contract Special Provisions.
Giacomo Piliago Principal Contracting Officer	Contractor is required to confirm receipt of this order within 1 business day.

**NATO Communications and Information Agency**



**RFQ-CO-115665-LSF**

- Provision of -

**LOGISTICS SERVICES  
AND  
ASSOCIATED SUPPORT**

**Contract General Provisions**

Book II - Part III

NCI Agency – Rev. 04.05.2017

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**REVISION SHEET**

ECP No.	Revision	Date
INITIAL RELEASE	-	October 2017



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## **1. ORDER OF PRECEDENCE**

The Signature Page;

- (1) 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 Contract Schedules, Part I;
  - 1.2 The Contract Special Provisions, Part II;
  - 1.3 The Contract General Provisions, Part III;
  - 1.4 The Statement of Work, Part IV of the Contract;
  - 1.5 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;
- is sold in substantial quantities in the commercial marketplace; and
- 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 or licensed by a third party to the Contractor which is not created in relation to or as the result of work undertaken for any purpose contemplated by the Contract and which is needed for the performance of the Contract or for the exploitation of Foreground IPR.

2.9. Correction

Elimination of a Defect.

2.10. Contract

The agreement concluded between the Purchaser and Contractor, duly signed by both contracting parties. The Contract includes the documents referred to in Clause 1 (Order of Preference).

2.11. Contracting Authority

The General Manager of the NCI Agency, the Director of Acquisition, the Chief of Contracts of the NCI Agency or the authorised representatives of the Chief of Contracts of the NCI Agency.

2.12. Contractor

The person or legal entity from a Participating Country which has signed this Contract and is a Party thereto.

2.13. Day

A calendar day

2.14. Defect

Any condition or characteristic in any Work furnished by the Contractor under the Contract that is not in compliance with the requirements of the Contract.

2.15. Deliverable

Any and all goods (including movable and immovable goods) to be delivered pursuant to the terms of this Contract including, without limitation, building, raw materials, components, intermediate Assemblies, Parts, end products, equipment, documentation, data, software.

2.16. Design Defect

Defect attributable to incompatibility, unsuitability or erroneous application of theory, drawings or formulae.

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, agencies, NATO nations and non-NATO nations to the extent that non-NATO nations are engaged in NATO Purposes.

2.23. NCI AGENCY (NCIA)

The NATO Communications and Information Agency. The NCIA is part of the NCIO. The General Manager of the Agency is authorised to enter into contracts on behalf of the NCI 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.

2.36. Sub-contractor

Any person or legal entity directly or indirectly under Sub-contract to the Contractor in performance of this Contract.

2.37. Third Party IPR

Any IPR owned by a third party not being the Purchaser or the Contractor or its Subcontractor, which is needed for the performance of the Contract or for the exploitation of Foreground IPR. This includes, for example, third party software, including open source software.

2.38. Work

Any deliverable, project design, labour or any service or any other activity to be performed by the Contractor under the terms of this Contract.

**3. AUTHORITY**

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

**4. APPROVAL AND ACCEPTANCE OF CONTRACT TERMS**

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

**5. LANGUAGE**

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

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

- 6.1. The Contractor warrants that he and his Sub-contractors are duly authorised to operate and do business in the country or countries in which this Contract is to be performed and that he and his Sub-contractors have obtained or will obtain all necessary licences and permits required in connection with the Contract. No claim for additional monies with respect to any costs or delay to obtain the authorisations to perform shall be made by the Contractor.
- 6.2. The Contractor acknowledges that he and his Sub-contractors are responsible during the performance of this Contract for ascertaining and complying with all applicable laws and regulations, including without limitation: labour standards, environmental laws, health and safety regulations and export controls laws and regulations in effect at the time of Contract signature or



scheduled to go into effect during Contract performance. Failure to fully ascertain and comply with such laws, regulations or standards shall not be the basis for claims for change to the specifications, terms, conditions or monetary value of this Contract.

**7. FIRM FIXED PRICE CONTRACT**

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

**8. PERFORMANCE GUARANTEE**

8.1. As a guarantee of performance under the Contract, the Contractor shall deposit with the Purchaser within thirty (30) calendar days from the Effective Date of Contract a bank guarantee (the "Performance Guarantee") denominated in the currency of the Contract, to the value of ten per cent (10%) of the total Contract price.

8.2. The Performance Guarantee, the negotiability of which shall not elapse before the expiration of the warranty period, or such other period as may be specified in the Contract, shall be made payable to the Purchaser and shall be in the form of certified cheques or a Standby Letter of Credit subject to the agreement of the Purchaser. In the case of a Standby Letter of Credit, payment shall be made to the Purchaser without question and upon first demand by the Purchaser against a certificate from the Purchaser's Contracting Authority that the Contractor has not fulfilled its obligations under the Contract. The Contractor shall have no right to enjoin or delay such payment.

8.3. Certified Cheques issued to fulfil the requirements of the Performance Guarantee will be cashed by the Purchaser upon receipt and held in the Purchaser's account until the term of the Performance Guarantee has expired.

8.4. The standby letter of credit shall be subject to Belgian Law and shall be issued by (i) a Belgian bank, (ii) the Belgian subsidiary of a foreign bank licensed to provide financial services in Belgium; or (iii) an insurance company licensed to do business in Belgium and belonging to a Belgian banking institution provided the banking institution guarantees explicitly the demand for payment, unless otherwise specified by the Purchaser.

8.5. The Contractor shall request in writing relief from the Performance Guarantee upon expiration of the warranty period or such other period as may be specified in the Contract and such relief may be granted by the Purchaser.

8.6. The Contractor shall be responsible, as a result of duly authorised adjustments in the total contract price and/or period of performance by the Purchaser, for obtaining a commensurate extension and increase in the Performance Guarantee, the value of which shall not be less than ten per cent (10%) of the total contract price (including all amendments), and for depositing such guarantee with the Purchaser, within thirty (30) calendar days from the effective date of aforesaid duly authorised adjustment.

8.7. The failure of the Contractor to deposit and maintain such Performance Guarantee with the Purchaser within the specified time frame, or any extension thereto granted by the Purchaser's Contracting Authority, is a material breach of the Contract terms and conditions subject to the provisions of the Contract regarding Termination for Default.

8.8. The rights and remedies provided to the Purchaser under the present Clause are in addition to any other rights and remedies provided by law or under this Contract. The certificate described in Clause 8.2 above shall not be regarded as a Termination for Default and this Clause is in addition to and separate from the Clause of the Contract detailing termination for default.

8.9. If the Contractor elects to post the Performance Guarantee by Standby Letter of Credit, the form of the document shall be substantially as follows:

**PERFORMANCE GUARANTEE STANDBY LETTER OF CREDIT**

Standby Letter of Credit Number: \_\_\_\_\_

Issue Date: \_\_\_\_\_

Initial Expiry Date: \_\_\_\_\_

Final Expiry Date: \_\_\_\_\_

Beneficiary: NCI Agency, Financial Management,  
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 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.

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.
- 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 when seeking approval to the Contracting Authority but such approval by the Contracting Authority shall in no way relieve the Contractor of his responsibilities to fully achieve the contractual and technical requirements of this Contract.
- 10.6. The Contractor shall, as far as practicable, select Sub-contractors on a competitive basis consistent with the objectives and requirements of the Contract.

## **11. SECURITY**

- 11.1. The Contractor shall comply with all security measures as are prescribed by the Purchaser and the national security authority or designated security agency of each of the NATO countries in which the Contract is being performed. The Contractor shall be responsible for the safeguarding of classified information, documentation, material and equipment entrusted to him or generated by him in connection with the performance of the Contract.
- 11.2. In particular the Contractor undertakes to:

- 11.2.1. appoint an official responsible for supervising and directing security measures in relation to the Contract and communicating details of such measures to the Purchaser on request;
- 11.2.2. maintain, preferably through the official responsible for security measures, a continuing relationship with the national security authority or designated security agency charged with ensuring that all NATO classified information involved in the Contract is properly safeguarded;
- 11.2.3. abstain from copying by any means, without the authorisation of the Purchaser, the national security authority or designated security agency, any classified documents, plans, photographs or other classified material entrusted to him;
- 11.2.4. furnish, on request, information to the national security authority or designated security agency pertaining to all persons who will be required to have access to NATO classified information;
- 11.2.5. maintain at the work site a current record of his employees at the site who have been cleared for access to NATO classified information. The record should show the date of issue, the date of expiration and the level of clearance;
- 11.2.6. deny access to NATO classified information to any person other than those persons authorised to have such access by the national security authority or designated security agency;
- 11.2.7. limit the dissemination of NATO classified information to the smallest number of persons ("need to know basis") as is consistent with the proper execution of the Contract;
- 11.2.8. comply with any request from the national security authority or designated security agency that persons entrusted with NATO classified information sign a statement undertaking to safeguard that information and signifying their understanding both of their obligations under national legislation affecting the safeguarding of classified information, and of their comparable obligations under the laws of the other NATO nations in which they may have access to classified information;
- 11.2.9. report to the national security authority or designated security agency any breaches, suspected breaches of security, suspected sabotage, or other matters of security significance which would include any changes that may occur in the ownership, control or management of the facility or any changes that affect the security arrangements and security status of the facility and to make such other reports as may be required by the national security authority or designated security agency, e.g. reports on the holdings of NATO classified material;
- 11.2.10. apply to the Purchaser for approval before Sub-contracting any part of the work, if the Sub-contract would involve that the Sub-contractor would have access to NATO classified information, and to place the Sub-contractor under appropriate security obligations no less stringent than those applied to his own contract;
- 11.2.11. undertake not to utilise, other than for the specific purpose of the Contract, without the prior written permission of the Purchaser or his authorised representative, any NATO classified information furnished to him, including all reproductions thereof in connection with the Contract, and to return all NATO classified information referred to above as well as that developed in connection with the Contract, unless such information has been destroyed, or its retention has been duly authorised with the approval of the Purchaser. Such NATO classified information will be returned at such time as the Purchaser or his authorised representative may direct;

- 11.2.12. classify any produced document with the highest classification of the NATO classified information disclosed in that document.

**12. RELEASE OF INFORMATION**

- 12.1. Except as otherwise specified elsewhere in the Contract and to the extent that it is demonstratively unavoidable and without prejudice to the Clause 11 (Security), the Contractor and/or his employees shall not, without prior authorisation from the Purchaser, release to third parties any information pertaining to this Contract, its subject matter, performance there under or any other aspect thereof.
- 12.2. The Contractor shall seek the prior written approval of the Purchaser before publishing any press release or disclosing any other information, orally or in writing, in relation to the Contract. The approval of the Purchaser shall be required for both the opportunity and the content of the information.
- 12.3. This provision shall remain in effect after the termination of the Contract and shall cease to apply to any particular piece of information once that information becomes public knowledge other than through an act, default or omission of the Contractor or its Sub-contractors.

**13. PURCHASER FURNISHED PROPERTY**

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

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

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

- 14.1. The term "Purchaser Facilities" as used in this Clause shall be deemed to include sites, property, utilities, ships or vessels and the term "Facility Representative" shall be deemed to refer to the authority designated by the Purchaser responsible for the site, property, utility, ship or vessel.
- 14.2. The Facility Representative shall provide such available administrative and technical facilities for Contractor's personnel working at Purchaser's Facilities for the purpose of the Contract as in the opinion of the Facility Representative may be necessary for the effective and economical discharge of Work. The Facility Representative shall also determine whether these facilities will be provided free of charge to the Contractor or determine what charges are payable. The Contractor shall have no claim against the Purchaser for any such additional cost or delay or any additional cost or delay occasioned by the closure for holidays of said facilities, or other reasons, where this is generally published or made known to the Contractor by the Purchaser or his authorised representatives.
- 14.3. The Contractor shall, except as otherwise provided for in the Contract, make good or, at the option of the Purchaser, pay compensation for all damage occurring to any Purchaser's Facilities occasioned by the Contractor, his servants, agents or Sub-contractors, arising from his or their presence and activities in, and use of, the Purchaser's Facilities; provided that this Condition shall not apply to the extent that the Contractor is able to show that any such damage was not caused or contributed to, by his neglect, or default or the neglect or default of his servants, agents or Sub-contractors, or by any circumstances within his or their control.
- 14.4. All property of the Contractor while at a Purchaser Facility shall be at the risk of the Contractor, and the Purchaser shall accept no liability for any loss or damage, except to the extent that any loss or damage is the result of a wilful act or gross negligence on the part of the Purchaser's employees or agents.

**15. HEALTH, SAFETY AND ACCIDENT PREVENTION**

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

**16. CHANGES**

- 16.1. The Purchaser may at any time, by written order of the Contracting Authority designated or indicated to be a change order ("Change Order") make changes within the general scope of this Contract, including, without limitation, in any one or more of the following:
  - 16.1.1. Specifications (including drawings and designs);
  - 16.1.2. Method and manner of performance of the work, including engineering standards, quality assurance and configuration management procedures;
  - 16.1.3. Marking and method of shipment and packing;
  - 16.1.4. Place of delivery;
  - 16.1.5. Amount, availability and condition of Purchaser Furnished Property.
- 16.2. The Purchaser shall submit a proposal for Contract amendment describing the change to the Contract.
- 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 16.1 above unless this period is extended by the Purchaser.
- 16.4. If any such Change Order causes a decrease in the Contractor's cost of, or the time required for, the performance of any part of the Work under this Contract, whether or not changed by any such order, the Purchaser shall submit a proposal for adjustment within thirty (30) days from the issuance of the Change Order by submitting to the Contractor a written statement describing the general nature and amount of the proposal for adjustment.
- 16.5. Where the cost of property made obsolete or in excess as a result of a change is included in the Contractor's claim for adjustment, the Purchaser shall have the right to prescribe the manner of disposition of such property.
- 16.6. The Purchaser reserves the right to reject the introduction of the change, after the evaluation of the change proposal, even if the Purchaser initiated such change.
- 16.7. Failure to agree to any requested adjustment shall be a dispute within the meaning of the Clause 41 (Disputes). However, nothing in this Clause shall excuse the Contractor from proceeding with the Contract as changed.
- 16.8. No proposal for adjustment by the Contractor for an equitable adjustment shall be



allowed if asserted after final payment and acceptance under this Contract.

- 16.9. Any other written or oral order (which, as used in this paragraph includes direction, instruction, interpretation, or determination) from the Purchaser that causes a change shall be treated as a Change Order under this Clause, provided, that the Contractor gives the Purchaser a written notice within thirty (30) Days after receipt of such order stating (i) the date, circumstances, and source of the order; (ii) that the Contractor regards the order as a Change Order; and (iii) a detailed cost and time analysis of the impact of the change, and that the Order is accepted in writing by the Purchaser as a Change Order. The timely written notice requirement, as detailed above, remains in force in all cases, even where, for example, the Purchaser has positive knowledge of the relevant facts.
- 16.10. All tasks and activities carried out by the Contractor in relation to the processing of the Change Order or in relation to this Clause shall form part of the Contractor's routine work and cannot be charged as additional work.

## **17. STOP WORK ORDER**

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

is terminated for the convenience of the Purchaser the reasonable costs resulting from the Stop Work Order shall be allowed in 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 of these General Provisions entitled "Release from 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:

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

.....

.....

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 unreasonably extend such a period. A decision that the submitted claim is without merit will be identified as such, will be issued in writing by the Contracting Authority and will be conclusive. A decision may only be challenged by the Contractor through the Disputes provisions described herein.

- 18.8. A decision by the Purchaser that the claim has merit will result in a Contracting Authority request to enter into negotiations with the Contractor to arrive at a mutually agreed fair and equitable settlement. The Contracting Authority's decision will contain a target date for the commencement and conclusion of such operations. If the Parties are unable to arrive at an agreement on a fair and reasonable settlement by the target date for conclusion, or any extension thereto made by the Contracting Authority, the latter may declare that negotiations are at an impasse and issue a preliminary decision as to the fair and reasonable settlement and the reasons supporting this decision. The Contractor shall have a period of thirty (30) days to present a rebuttal to the Contracting Authority and request reconsideration of the Contracting Authority's decision. Within sixty (60) days of receipt of the Contractor's request for reconsideration, the Contracting Authority will issue its decision on the request for reconsideration. This timeframe will be respected unless an authorisation is needed from a NATO or other authority, the schedule for which is beyond the Contracting Authority's control. A 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

**NATO UNCLASSIFIED**

Clause 19.1 above are accurate, complete and current, the Purchaser or any Purchaser authorised representative shall have the right of access to the Contractor's facilities to examine, until the expiration of three (3) years from the date of final payment of all sums due under the Contract:

- 19.3.1. those books, records, documents and other supporting data which will permit adequate evaluation and verification of the cost or pricing data submitted; and/or
  - 19.3.2. the computations and projections which were available to the Contractor as of the date of the Contractor price proposal.
- 19.4. The Contractor, subject to the provisions of this Clause, shall require Sub-contractors to provide to the Purchaser, either directly or indirectly:
- 19.4.1. cost or pricing data;
  - 19.4.2. access to Sub-contractor's facilities and records for the purposes of verification of such cost or pricing data; and
  - 19.4.3. a Certificate of Current Cost or Pricing Data, when required.
- 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;
- then the price and/or cost shall be adjusted accordingly and the Contract shall be modified in writing as may be necessary to reflect such.
- 19.6. At the time of negotiating any price, including profit, which is based upon the submission of cost or pricing data by the Contractor, the Contractor shall be required to submit a certificate of current cost or pricing data ("Certificate").
- 19.6.1. Such Certificates will certify that, to the best of the Contractor's knowledge and belief, cost or pricing data submitted to the Purchaser in support of any proposal for a price, price adjustment or claim, are accurate, complete and current, as per the completion of the negotiations or, in the case of a claim, as per the submission date of the claim.
  - 19.6.2. All such Certificates shall be in the format shown below and shall be dated and signed by a responsible officer of the company:

**CERTIFICATE OF CURRENT COST OR PRICING DATA**

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

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

\_\_\_\_\_

Name of Company

\_\_\_\_\_

Signature

\_\_\_\_\_

Printed Name of Signatory

\_\_\_\_\_

Title of Signatory

\_\_\_\_\_

Date of Signature

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

19.7. For all additional or follow-up agreements which are made for Work which are furnished to the Purchaser without competition, the Contractor shall offer prices on a "Preferred Customer" basis, that is offer prices which are as favourable as those extended to any Government, Agency, Company, Organisation or individual purchasing or handling like quantities of 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 Special Contract Provisions, delivery of all items under this Contract shall be made by the Contractor on the basis of "Delivery Duty Paid" (DDP) as defined by the INCOTERMS 2000 (International Chamber of Commerce Publication No. 560). It shall be noted, however, that because the Purchaser is exempted from direct taxes and duty as set forth in Clause 26 (Taxes and Duties), there is no duty to be

paid by the Contractor.

- 20.2. "Delivery" of required Work by the Contractor does not constitute "Acceptance" by the Purchaser for purposes of meeting the requirements of the Contract Schedule where Purchaser acceptance is the stated payment or schedule milestone.
- 20.3. Thirty (30) Days, or such other period as specified in the Contract, prior to the delivery of any shipment of Work, the Contractor shall give prepaid notice of shipment to the Purchaser. The Notice of Shipment shall contain, as appropriate, the request for customs form 302, or equivalent document, which shall enable any carrier to conduct duty free import/export clearance through customs for the Purchaser on behalf of NATO.
- 20.4. The customs form 302 is an official customs clearance declaration issued in advance of shipment by the Purchaser to provide certified information as to the duty free import, export, or transit of NATO consignments between NATO countries.
- 20.5. The Notice of Shipment and request for Form 302 or equivalent document shall contain the following information:
  - 20.5.1. Purchaser's Contract number;
  - 20.5.2. Contract item number, designation and quantities;
  - 20.5.3. destination;
  - 20.5.4. number and description of the packages (gross and net weight);
  - 20.5.5. description of the goods and their value (for custom purpose only, not commercial value)
  - 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:
- 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 be deemed to have accepted the Work without prejudice to any other remedies, when and as soon as any of the following events have occurred:
- 21.16.1. the Purchaser has taken the Work into use, except as specifically provided by Clause 23 (Use and Possession Prior to Acceptance);
- 21.16.2. the Purchaser has not exercised its right of rejection of the Work within any period specified for that purpose in the Contract;
- 21.16.3. there being no period for exercising the right of rejection specified in the Contract, a reasonable time, all the circumstances having been taken into account, has elapsed since inspection of the Work was effected in accordance with the Contract.
- 21.17. Except as otherwise provided in this Contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.
- 21.18. Unless otherwise specified in this Contract, the Contractor shall have or establish, implement and maintain an effective and economical quality control system necessary to satisfy the Contract requirement. The system shall provide for the early and prompt detection of deficiencies, trends and conditions which could result in unsatisfactory quality and for timely and effective corrective action. Objective evidence that the system is effective shall be readily available to the Purchaser and its authorised representatives. Records of all inspection and testing work by the Contractor shall be kept complete and available to the Purchaser's representatives during the performance of this Contract and for such longer periods as may be specified elsewhere in this Contract.

## **22. INSPECTION AND ACCEPTANCE OF DOCUMENTATION**

- 22.1. The Contractor shall provide to the Purchaser a draft version of the required



documentation as provided by the Contract Schedule and the Statement of Work. Review of draft documentation under this Contract will be made by the Purchaser upon the delivery of these items by the Contractor. The review will be conducted by the Purchaser through duly authorised representatives.

22.2. Upon delivery of the draft documentation, the Purchaser will have a period of review as provided by the Statement of Work. At the end of the review period or before if deemed practical by the Purchaser, the Purchaser's comments will be presented to the Contractor in writing. The substance of such comments will pertain to items of error, non-conformity, omission and guidance in relation to the requirements of the Statement of Work.

22.3. Purchaser Review of the delivered items will emphasise the conformity with the requirements of the Statement of Work, thoroughness of analysis, logical bases of conclusions and models and coherence and completeness of presentation. The review process will also examine editorial and grammatical correctness and the suitability and accuracy of graphics supporting the text.

22.4. The Contractor shall, after receipt of Purchaser comments, incorporate changes, revisions and corrections required by the Purchaser and present the revised documentation in final form to the Purchaser for inspection in accordance with the delivery date specified in the Schedule.

22.5. During the review process the Contractor is not required to halt efforts on further tasks as identified in the Statement of Work. The Purchaser, however, shall not be held liable for any work carried out by the Contractor which is based on draft documentation yet to be reviewed.

22.6. Upon receipt of the items in final form, the Purchaser will inspect the items for a period not exceeding two weeks (or as otherwise stated in the Statement of Work). At the end of the inspection, the Purchaser will notify the Contractor that:

22.6.1. the items have been accepted;

22.6.2. the acceptance of the items is deferred pending further revision; or

22.6.3. the items are rejected and significantly fail to meet Contract requirements.

22.7. In the case of Clause 22.6.2 above, the Contractor shall only be responsible for those revisions and corrections requested by the Purchaser and the 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 Special Contract Provisions, the Purchaser shall have the right to take possession of, or use, any completed or partially completed Work under

the Contract at any time, when notified by the Contracting Authority, however such possession or use shall not constitute Acceptance by the Purchaser, as defined in the Contract.

23.2. While the Purchaser has such use or is in such possession, the Contractor shall be relieved of the responsibility for loss or damage to the Work concerned other than that resulting from the Contractor's fault, negligence or defect to the Work.

23.3. If such prior possession or use by the Purchaser delays the progress of the Work or causes additional expense to the Contractor, an equitable adjustment in the Contract price or the time of delivery will be made, in accordance with the Clause 16 (Changes), and the Contract shall be modified in writing accordingly.

## **24. OWNERSHIP AND TITLE**

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

## **25. INVOICES AND PAYMENT**

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

25.2. Invoices in respect of any Work or services shall be prepared and submitted 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);

25.2.6. Details of Bills of Lading or Freight Warrant numbers and weight of shipment shall be identified on each invoice as appropriate.

25.3. In addition, documentary evidence of Acceptance including copies of certificates of conformity shall be submitted together with each invoice. Invoices shall not be submitted to the Purchaser without Acceptance having been previously made by the Purchaser.

25.4. Each copy of the invoice shall contain the following certificate which shall be signed by a duly authorised company official on the designated original invoice:

*"I certify that the above invoice is true and correct, that the delivery of the above described items has been duly carried out and the payment*

*thereof has not been received.*

*Order placed for official use. Exemption from VAT Article 42, §3&3\*of VAT Code for Belgium or Article 151, §1b of the Council Directive 2006/112/EC dd. 28 November 2006 on intra-community purchases and/or services.”*

25.5. All invoices shall be addressed to the *NCIA - Financial Management*

Either at the following addresses:

NCIA  
Financial Management  
Boulevard Léopold III  
1110 Brussels  
Belgium

**OR**

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

[“ncia-fmrc-bel\\_einvoices@ncia.nato.int”](mailto:ncia-fmrc-bel_einvoices@ncia.nato.int)

Once the manner of forwarding the invoice is chosen, the Contractor shall keep this manner throughout the Contract.

25.6. Invoices will be settled by the Purchaser within sixty (60) days of receipt of a properly prepared and submitted invoice.

25.7. The Purchaser shall not bear any cost relating to financial guarantees which the Contractor is required to provide under this contract. The Purchaser is released from any interest resulting from any reason whatsoever.

## **26. TAXES AND DUTIES**

26.1. The Purchaser, by virtue of his status under the terms of Article IX and X of the Ottawa Agreement, is exempt from all direct taxes (incl. VAT) and all customs duties on merchandise imported or exported. The Contractor, therefore, certifies that the prices stipulated in this Contract do not include amounts to cover such direct taxes or customs duties.

26.2. The Contractor shall be responsible for ensuring that his respective Sub-contractors are aware that the Purchaser is exempt from taxes and customs duties. The Contractor (and his respective Sub-contractors) shall be responsible for complying with all applicable national and local legal and administrative procedures to ensure that authorities do not attempt to assess taxes and customs duties on goods and property imported or exported through NATO member nation frontiers under this Contract nor assess direct taxation (VAT) on goods sold to the NCIA 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 NCIA 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 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 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.

- 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:
    - 27.16.1.1. correct the Work;
    - 27.16.1.2. 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;
    - 27.16.1.3. obtain applicable data and reports; and/or
    - 27.16.1.4. charge the Contractor for the costs incurred by the Purchaser.
- 27.17. In no event shall the Purchaser be responsible for any extension or delays in the scheduled deliveries or periods of performance under this Contract as a result of the Contractor's obligations to correct Defects, nor shall there be any adjustment of the delivery schedule or period of performance as a result of the Correction of Defects unless provided by

a supplemental agreement with adequate consideration.

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

## **28. RIGHT OF ACCESS, EXAMINATION OF RECORDS**

- 28.1. The Contractor shall give to the Purchaser and/or his representative(s) full and free access to his premises as and when required for the purpose of this Contract and shall ensure the same right of access to the premises of his Sub-contractors, by the inclusion in any such Sub-contracts of a provision substantially as set forth in this Clause.
- 28.2. The Purchaser and/or his representative(s) shall continue to have such right of access and examination of records as set forth in Clause 28.1 above until final payment under the Contract or the end of the warranty provisions under the Contract, whichever occurs later.
- 28.3. The expiration of the Purchaser's rights as set forth in Clause 28.2 is further subject to the provisions of Clause 19 (Pricing of Changes, Amendments and Claims), where a three (3) year right is established following the agreement of contractual amendments or the settlement of claims based upon the submission of cost and pricing data.
- 28.4. The period of access and examination described in Clause 28.1 above for records not related to cost aspects of a dispute or claim but which relate to issues of fact arising under either proceedings under Clause 41 (Disputes) or Clause 42 (Arbitration), or the settlement of claims made by either Party pursuant to the performance of this Contract, shall continue until such appeals, litigation or claims have been disposed of.

## **29. PATENT AND COPYRIGHT INDEMNITY**

- 29.1. The Contractor shall assume all liability against any and all third party claims that the services, Work and/or parts thereof, in whole or in part, infringe(s) an IPR in force in any countries, arising out of the manufacture, import, export, performance of the services or delivery of Work and/or out of the use or disposal by, or for the account of, the Purchaser of such Services and/or Work. The Contractor shall reimburse and/or indemnify the Purchaser, its officers, agents, employees and/or consultants: (i) for all costs, fees, damages, awards, settlement amounts and any other expenses awarded to the third party right holder against Purchaser and/or the final beneficiaries of the Work in relation to said third party claim; and (ii) for the costs and expenses incurred by the Purchaser in relation to said third party claims, including attorney fees. The Contractor shall be responsible for obtaining any licences necessary for the performance of this Contract and for making all other arrangements required to indemnify the Purchaser from any liability for IPR infringement in said countries.
- 29.2. Each Party shall immediately notify the other of any intellectual property infringement claims of which he has knowledge and which pertain to the Work under this Contract.
- 29.3. This indemnity shall not apply under the following circumstances:
- 29.3.1. Patents or copyright which may be withheld from issue by order of the applicable government whether due to security regulations or otherwise;
- 29.3.2. An infringement resulting from specific written instructions from the Purchaser under

this Contract;

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

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

### **30. INTELLECTUAL PROPERTY**

#### **30.1. Purchaser Background IPR**

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

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

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

#### **30.2. Contractor Background IPR**

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

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

#### **30.3. Foreground IPR**

30.3.1. All Foreground IPR is the property of the Purchaser on behalf of NATO. Consequently, no statement shall be made restricting the rights of the Purchaser in the Foreground IPR.

30.3.2. The Contractor shall ensure that suitable arrangements are in place between its employees, agents, consultants and itself regarding Foreground IPR generated by said employees, agents, Subcontractors and consultants to allow the Contractor to fulfil its obligations under Clause 30.3.1 above.

30.3.3. The Contractor shall be entitled to use Foreground IPR on a non-exclusive, royalty free basis solely for the purpose of carrying out the Work.

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



30.3.5. The Contractor shall provide the Purchaser, at the latest upon delivery of the Work and thereafter for the duration of the warranty and any purchased CLS agreement period, with full documented records of information in relation to the Work, including but not limited to, all drawings, specifications and other data that is necessary or useful to further develop, maintain and operate the Work.

30.3.6. The Contractor shall:

30.3.6.1. do all things necessary and sign all necessary or useful documents to enable the Purchaser to obtain the registration of the Foreground IPR as the Purchaser may require and select; and

30.3.6.2. to execute any formal assignment or other documents as may be necessary or useful to vest title to any Foreground IPR in the Purchaser.

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 prosecuting such application(s).

30.4. Third Party IPR

30.4.1. Where Third Party IPR is the subject of a licence or other agreement between the third party and the Purchaser or the Contractor, the Contractor shall not use any Third Party IPR for the purposes of carrying out work pursuant to the Contract without the prior written approval of the Purchaser. Contractor shall inform Purchaser in advance of any restrictions on the Purchaser's use.

30.4.2. 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.

30.4.3. For COTS equipment, The Contractor shall be responsible for obtaining licences from the Third Party in line with the requirements of the Statement of Work (including numbers and locations of licences).

30.4.4. Where Third Party IPR is the subject of a licence or other agreement between the third party and the Purchaser or the Contractor, the Contractor shall not use any Third party IPR for the purpose of carrying out work pursuant to the Contract without the prior written approval of the Purchaser. The Contractor shall inform the 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 solution are fully compliant with the requirements of this Contract. The Contractor shall disclose in advance the open source license associated with the complemented open source solution. The Purchaser reserves the right to refuse the incorporation of open source solutions that are deemed inadequate for incorporation in a NATO application (e.g. post-back obligations).

30.5. Subcontractor IPR

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

**31. SOFTWARE WARRANTY**

31.1. Statement of the Warranties

31.1.1. The Contractor warrants that each Software delivered under this Contract will conform to all requirements specified in the Contract. This will also include Software design specifications, including software configuration.

31.1.2. Regardless of the Purchaser initiation of or participation in developing Software design or specifications, each Software delivered under this Contract will conform to the essential Performance requirements set forth in this Contract, as those essential Performance requirements measured, 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:

- 31.4.1.1. 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
- 31.4.1.2. Shall apply notwithstanding inspection, acceptance, or any other clauses or terms of this Contract;
- 31.4.2. 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:
  - 31.4.2.1. 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;
  - 31.4.2.2. 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;
  - 31.4.2.3. Equitably reduce the contract price
- 31.4.3. The Purchaser may elect the remedies provided in paragraph 31.4.2.1 or 31.4.2.2 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 31.4.2.2 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 31.4.2.1 and 31.4.2.2 as required by the Contract by virtue of this paragraph 31.4.3, the contract price under this contract shall be equitably adjusted.
- 31.4.4. Election by the Purchaser of the remedy provided under paragraph 31.4.2.1 and 31.4.2.2 above shall not preclude subsequent election of a different remedy under paragraph 31.4.2 if the defect is not successfully eliminated under the prior election with one month of the notification under paragraph 31.2 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 this 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.

- 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 twenty-one (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 manufacturer in a non-NATO country, the Contractor shall be responsible for obtaining Technical Data from the Sub-contractor/supplier and furnishing it to the Purchaser.
- 32.7. Technical Data relating to any Sub-contractor's/supplier's items shall include but not be limited to the name and address of the true manufacturer(s), his/their true reference number(s), drawing or item Part number(s) and applicable data in addition to any Part or reference number(s) allocated by the Contractor, plus draft item identification(s) if required by the Codification Authority.
- 32.8. The Contractor shall provide the Technical Data required for codification of those items ordered with this Contract and also for the pertaining support items ordered with future contracts, including updating information regarding all agreed modifications, design or drawing changes made to the equipment or detailed Parts.

32.9. If the Contractor has previously supplied Technical Data (for the purpose stated in Clause 31.2), the Contractor is to state this fact and indicate to whom they were supplied and the Contractor shall not under normal circumstances be required to make a further supply of the Technical Data already provided. The Technical Data furnished by the Contractor and Sub-contractor(s)/supplier(s) are to be presented in accordance with the requirements for the preparation of item identification(s) as outlined in the Guide for Industry provided by the Codification Authority.

32.10. The Contractor should contact the Codification Authority for any information concerning the NATO codification system. This information is to be found at:

“[http://www.nato.int/structur/ac/135/ncs\\_guide/e\\_guide.htm](http://www.nato.int/structur/ac/135/ncs_guide/e_guide.htm)”

**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 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 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 1.0% (one per cent) per day of the associated payment set forth in the Schedule of Payments provided in the Special Contract Provisions. If no Schedule of Payments is specifically set forth in the Special Contract 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 39.5.

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 15 (20)% of the value of each line item individually and an aggregate sum of all delinquent items not to exceed 15% of the value of the total Contract. These liquidated damages shall accrue automatically and without any further notice being required.

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);

39.1.5. transfer this Contract without the Purchaser's prior written consent;

39.1.6. breaches any provision of this Contract; or

39.2. In the case of any of the circumstances set forth in Clause 39.1 above, the Purchaser shall issue a letter to the Contractor stating that an actual or potential default exists and requiring a response from the Contractor within ten (10) Days that identifies:

39.2.1. in the case of late delivery of Work, when the Contractor shall deliver the Work

and what circumstances exist which may be considered excusable delays under Clause 39.6.

- 39.2.2. in the case of the other circumstances identified in Clause 39.1 above, what steps the Contractor is taking to cure such failure(s) within a period of ten Days (or such longer period as the Purchaser may authorise in writing) after receipt of notice in writing from the Purchaser specifying such failure and identifying any circumstances which exist which may be considered excusable under Clause 39.6.
- 39.3. The Purchaser shall evaluate the response provided by the Contractor or, in the absence of a reply within the time period mentioned in Clause 39.2, all relevant elements of the case, and make a written determination within a reasonable period of time that:
- 39.3.1. sufficient grounds exist to terminate the Contract in whole or in part in accordance with this Clause and that the Contract is so terminated;
- 39.3.2. there are mitigating circumstances and the Contract should be amended accordingly; or
- 39.3.3. the Purchaser will enter a period of forbearance in which the Contractor must show progress, make deliveries, or comply with the Contract provisions as specified by the Purchaser. The Purchaser may apply other remedial actions as provided by this Contract during such period of forbearance. This period of forbearance shall in no event constitute a waiver of Purchaser's rights to terminate the Contract for default.
- 39.4. At the end of the period of forbearance, which may be extended at the Purchaser's discretion, the Purchaser may terminate this Contract in whole or in part as provided in Clause 39.1 if the Contractor has not made adequate progress, deliveries or compliance with the Contract provisions which were the terms of the period of forbearance.
- 39.5. In the event the Purchaser terminates this Contract in whole or in part, as provided in Clause 39.1, the Purchaser may procure, upon such terms and in such manner as the Purchaser may deem appropriate, Work similar to those so terminated, and the Contractor shall be liable to the Purchaser for any excess costs for such similar Work; however, the Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this clause.
- 39.6. Except with respect to the default of Sub-contractors, the Contractor shall not be held liable for a termination of the Contract for default if the failure to perform the Contract arises out of causes beyond the control and without the fault or negligence of the Contractor.
- 39.6.1. Such causes may include, but are not restricted to, acts of God, acts of the public enemy, acts of the Purchaser in its contractual capacity, acts of sovereign governments which the Contractor could not reasonably have anticipated, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor.
- 39.6.2. If the failure to perform is caused by the default of a Sub-contractor, and if such default arises out of causes beyond the control of both the Contractor and Sub-contractor, without the fault or negligence of either of them, the Contractor shall not be held liable for a termination for default for failure to perform unless the Work to be furnished by the Sub-contractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.
- 39.7. If this Contract is terminated as provided in Clause 39.1, the Purchaser, in addition to any other rights provided in this Clause and the Contract, may require the Contractor to transfer



title and deliver to the Purchaser, in the manner and to the extent directed by the Purchaser:

- 39.7.1. any completed Work with associated rights ;
- 39.7.2. such partially completed Work, materials, Parts, tools, dies, jigs, fixtures, plans, drawings, information, and Contract rights (hereinafter called "Manufacturing materials") with associated rights as the Contractor has specifically produced or specifically acquired for the performance of such part of this Contract as has been terminated;
- 39.8. In addition to Clause 39.7, the Contractor shall, upon direction of the Purchaser, protect and preserve property in the possession of the Contractor in which the Purchaser has an interest.
- 39.9. Payment for completed Work delivered to and accepted by the Purchaser shall be at the Contract price.
- 39.10. Payment for manufacturing materials delivered to and accepted by the Purchaser and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and Purchaser, failure to agree to such amount shall be a dispute within the meaning of Clause 41 (Disputes).
- 39.11. The Purchaser may withhold from amounts otherwise due to the Contractor for such completed Work or manufacturing materials such sum as the Purchaser determines to be necessary to protect the Purchaser against loss because of outstanding liens or claims of former lien holders.
- 39.12. If, after notice of termination of this Contract under the provisions of this Clause, it is determined for any reason that the Contractor was not in default under the provisions of this Clause, or that the default was excusable under the provisions of this Clause, the rights and obligations of the Parties shall be the same as if the notice of termination had been issued pursuant to Clause 40 (Termination for the Convenience of the Purchaser).
- 39.13. If after such notice of termination of this Contract under the provisions of this Clause, it is determined for any reason that the Contractor was not in default under the provisions of this Clause and that the Parties agree that the Contract should be continued, the Contract shall be equitably adjusted to compensate for such termination and the Contract modified accordingly. Failure to agree to any such adjustment shall be a dispute within the meaning of Clause 41 (Disputes).
- 39.14. The rights and remedies of the Purchaser provided in this Clause shall not be 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:

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- 40.3.1. stop the Work on the date and to the extent specified in the notice of termination;
- 40.3.2. place no further orders or Sub-contracts for Work, Parts, materials, services or facilities, except as may be necessary for completion of such portion of the Work under the Contract as is not terminated;
- 40.3.3. terminate all orders and Sub-contracts to the extent that they relate to the performance of Work terminated by the Notice of Termination;
- 40.3.4. assign to the Purchaser, in the manner, at the times and to the extent directed by the Purchaser, all of the right, title and interest of the Contractor under the orders and Sub-contracts so terminated, in which case the Purchaser shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and Sub-contracts;
- 40.3.5. settle all outstanding liabilities and all claims arising out of such termination of orders and Sub-contracts, with the approval or ratification of the Purchaser to the extent he may require, which approval or ratification shall be final for all the purposes of this Clause;
- 40.3.6. transfer title and deliver to the Purchaser in the manner, at the times, and to the extent, if any, directed by the Contracting Authority of:
  - 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 shall not be required to extend credit to any Buyer; and
  - 40.3.7.1. may acquire any such property under the conditions prescribed by and at a price or prices approved by the Purchaser; and provided further that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Purchaser to the Contractor under this Contract or shall otherwise be credited to the price or cost of the Work or paid in such manner as the Contracting Authority may direct;
  - 40.3.7.2. complete performance of such part of the Work as shall not have been terminated by the Notice of Termination; and
  - 40.3.7.3. 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 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 this Contract.

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- 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 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 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 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 Purchaser will honour the accounting standards and pricing principles to which the Contractor is required to conform by the national defence authority (or other governing national authority, as applicable) in the country of origin of the Contractor. Where such accounting standards are non-existent or incomplete, or where the Contractor is not required to conform to such standards and principles, 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 as presented in sub-paragraph 5 hereafter.

- (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.

When applicable to be completed in attached Enclosure 1 (Excel Workbook)

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

**CO-115665-LSF**

**Framework for the Provision of Logistics Services**

**Book II - Part IV**

**FRAMEWORK CONTRACT**  
**STATEMENT OF WORK (SOW)**

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# 1 Introduction

## 1.1 Purpose

- [1] The NATO Communications & Information Agency (NCI Agency; the agency) requires a logistics services capability to provide logistics support to various projects across different NCI Agency business areas and NATO locations. The NCI Agency does not currently have a logistics capability that is sufficiently sized or equipped to support a growing demand of internal logistics services and changing logistics requirements. The NCI Agency therefore seeks to obtain a contractual vehicle that will enable the agency to order additional logistics services, associated goods, and associated labour, on demand and tailored to the requirements of new and ongoing projects. This document is the statement of work that implements that desired contractual vehicle.
- [2] This SOW is an Indefinite Quantity & Indefinite Duration (IDIQ) framework contract through which the agency can order logistics services, goods, and labour from a Product Catalogue of priced line items. The agency will select and award this contract to one (1) supplier (which will be referred to as The Contractor in this SOW).
- [3] If and when required, the agency will use the Product Catalogue to order logistics line items by developing a Task Order (TO) that will specify the line items and quantities, together with their pertinent performance criteria and conditions, within the scope and limits set in this SOW. Subsequently, the Task Order will be submitted for execution to the Contractor of the IDIQ framework contract. There is however no guarantee of any work through the IDIQ framework. Task Orders and the task ordering process, as well as the task order competition process are described in the Contract Special Provisions.
- [4] The aim of the Product Catalogue and the Task Order process is to ensure that the agency can select logistics services from a wide enough range of typical logistics activities, and apply them to satisfy the requirements and constraints of agency projects and NATO locations.
- [5] For example: The agency is involved in the delivery, implementation, operation and maintenance of large, multi-component, IT systems in a diverse set of NATO locations, often requiring surge logistics capability to deliver a large amount of equipment to a site in a short period of time. Typical NATO sites do not have the logistics infrastructure and equipment, nor the required logistics personnel, to support such surge logistics activities, and therefore the agency needs to temporarily augment the existing logistics capability using external sources. This contract is intended to be the contractual vehicle that will enable such augmentation activities, and other typical logistics activities.
- [6] This SOW details the performance requirements for the development and maintenance of the Product Catalogue, as well as the specifications and configurations of the various Product Catalogue line items. This SOW is applicable to all Task Orders placed under this Contract, and to all work resulting from this SOW.



[7] The Purchaser may convene a kick-off meeting with the Contractor shortly after Contract Award in order to ensure that the requirements of this SOW, and the method of working together, is understood by both parties. This meeting will be either virtual or take place in either Belgium or the Netherlands. The Service Delivery Plan will be used and discussed at this kick-off meeting.

REQ 1. The Contractor shall attend the kick-off meeting if and when the Purchaser requests such meeting. The meeting shall be held virtually or take place either in either Belgium or The Netherlands. The Contractor shall prepare the meeting and provide minutes of meeting afterwards, within ten (10) working days.

## 1.2 Contract Scope

[8] The scope of this contract includes several strands of work to establish and maintain a diverse and comprehensive, priced logistics services Product Catalogue (also referred to as: the Product Catalogue) and to provide logistics services per awarded Task Order (also referred to as: TO or order). The scope also includes work in support of site access coordination, on-site access, service administration and technical assistance.

[9] Logistics services in scope of this Contract include the following:

- a. Rental of ISO-containers, including transport and accessories, to serve as temporary storage facilities for typical IT equipment.
- b. Rental of industrial fabric building tents/ shelters, including transport, power generation, HVAC, to serve as temporary storage and staging facilities.
- c. Rental and operation of small- and medium-sized warehouses, close to a NATO site, including on-demand transportation of equipment between warehouse and NATO-site.
- d. Rental of small trucks.
- e. Rental of support equipment, such as forklifts, pallet jacks, stair climbers, and wheeled carts.
- f. Provision of packaging tools and materials.
- g. Rental and collection of waste skips, as well as waste disposal.
- h. Personnel and labour for a range of typical logistics activities, such as loading and unloading trucks, packing and unpacking boxes or pallets, sorting equipment or waste, carrying and moving boxes and pallets, et cetera, as well as truck and forklift drivers.
- i. Provision of shipment services to ship standard pallets of equipment from any NATO-location in scope of this Contract to any other NATO-location in scope of this Contract.

[10] Detailed requirements for the above listed services are included in Annex A.

[11] Any and all locations occupied by authorized NATO entities, and their subordinate entities, are in scope of this SOW and any Task Orders resulting from this SOW. An indicative list of NATO-locations is available at:

- <http://www.nato.int/cps/en/natolive/structure.htm>

- [12] The delivery destinations in scope of this Contract are located at static NATO facilities in NATO-member nations. Deployed locations are not in scope of this Contract.
- [13] In addition, any locations at which the rented warehouses will be rented are also in scope of this contract.

## 2 General requirements

- REQ 2. The Contractor shall provide all services, goods, and labour specified in this SOW, and any awarded Task Order resulting from this SOW, conforming to the specifications and configurations, as well as conditions, locations, and timeframes, specified in this SOW and any awarded Task Order.
- REQ 3. The term “Contractor” shall be interpreted to include the entire Contractor/ Sub-contractors team. All requirements in this SOW, which would apply to a Contractor activity, shall apply equally to sub-contractor activities.
- REQ 4. “Shall” and “Shall not” statements shall be interpreted as requirements and are contractually binding. “Should” and “Should not” statements shall be interpreted as requirements that hold a recommendation, only to be ignored by the Contractor with valid reasons. “May” statements shall be interpreted as optional requirements of which the Contractor shall decide whether to implement the requirement or not. “Will” statements are not requirements, but clarifications that explain intent on the part of the Purchaser.
- REQ 5. The order of the SOW requirements shall not be interpreted to specify the order in which they must be carried out unless explicitly stated.
- REQ 6. Whenever reference is made to a section, task, or paragraph, the reference shall be construed to include all subordinate and referenced paragraphs.
- REQ 7. Whenever requirements are stated herein to “include” a group of items, parameters, or other considerations, “include” shall be construed to mean “include, but not limited to.”
- REQ 8. Whenever requirements are stated where the Contractor shall do work in accordance with regulations, then the Contractor shall do all and everything necessary to identify, understand, and comply with any applicable regulations, whether they be regional (such as with EU-regulations), national (i.e. of the host-nation), or specific to a NATO-site (such as regulations issued by the base commander).
- REQ 9. For any law, norm, regulation, standard, and so forth, referenced in the Contract, the applicable version shall be the latest version promulgated at the date of contract signature and during the period of performance. Any goods or services delivered under this Contract shall conform with the so identified applicable law, norm, regulation, standard, and so forth, at the time of delivery and during the period of performance.

## 2.1 Deliveries and service provision

REQ 10. The Contractor shall deliver any and all of the services, goods, and labour specified in the Contract, including SOW and subsequent Task Orders.

REQ 11. The Contractor shall make all and any deliveries from a NATO-nation to any of the static, non-deployed, authorized NATO entities at their direct and subordinate locations, as well as to any of the locations of the warehouses rented under this contract.

[14] Goods delivered to any location in scope will remain there until the goods are removed by the Contractor after the period of performance has ended. No goods will leave the NATO-facilities without the consent of the Contractor.

REQ 12. The Contractor shall deliver all goods, to the location(-s), and within the agreed delivery dates, and under the agreed conditions, requirements, price, quality and terms specified in this SOW and any awarded Task Orders.

[15] Task Orders will specify only goods and services agreed in the Contract and the Product Catalogue, to locations in scope of this SOW, as well as within the agreed delivery dates specified in this SOW, and under conditions specified in the Contract. The Purchaser will order only that which is part of this SOW or which is compliant with the requirements of the Contract.

REQ 13. If the Contractor fails to deliver goods on time, then the Contractor shall notify the Purchaser immediately. Subsequently, the Contractor shall do all and everything necessary to rectify the situation immediately and at no cost to the Purchaser. The Contractor shall also implement any changes necessary to avoid further delays of the delivery and of future deliveries under the Contract.

REQ 14. The Contractor shall develop and submit an Action Plan, at the request of the Purchaser, within ten (10) working days of the Purchaser's request, when the Contractor fails to deliver goods or services on time or not under the conditions specified in the Contract.

REQ 15. If goods are delivered on pallets, then the Contractor shall use the standard Euro-pallet (EUR/EPAL; 1200mm x 800mm), stacked to a height not exceeding 1800mm from the ground and not exceeding 1000kg, except for deliveries to North America, where the Contractor shall use the standard GMA/CBA pallet (48" x 40") instead. The Contractor may deviate from this requirement, but any deviation from this requirement shall be coordinated with, and approved by, the Purchaser, in advance and in time, to ensure that the Purchaser can ascertain that the deviation is acceptable and does not lead to problems or delay at final destination.

REQ 16. The Purchaser will visually inspect any goods delivered at their final destinations, immediately upon arrival, and the Contractor shall witness and support such inspection. If the visual inspection identifies any shortcomings in requirements, specifications, or conditions applicable to the delivery, such as missing goods, wrong goods, damaged goods, non-compliant goods, or incomplete goods, then the Contractor shall do everything necessary to remove the goods,

take back the goods, fix the goods, or replace the goods, remotely or on-site, as necessary, at no cost or delay to the Purchaser.

[16] The Purchaser will not accept any liability, responsibility or take ownership or possession of any goods, equipment or vehicles before successful inspection and instruction (if applicable). Formal acceptance of all goods and services is determined only after inspection and after these have been delivered in full to the satisfaction of the Purchaser.

REQ 17. The Contractor shall do everything and anything necessary to deliver the goods and services to the agreed destinations. This includes development and organisation of any administrative or logistics products required to comply with any applicable national and international laws and regulations regarding aspects such as customs, taxation, insurance, health & safety, dangerous goods, import and export, packaging, handling, storage and transportation.

REQ 18. The Contractor shall deliver any and all goods DDP (Delivered Duty Paid), in accordance with Incoterms 2020. In addition to DDP, the Contractor shall unload any goods 'on the tarmac' at the Purchaser's destination, as agreed in the Task Order. In addition, the Contractor shall move all and any goods, at the instruction of the Purchaser, to the exact final destination, as indicated by the Purchaser. The exact and agreed final destination will be described in the Task Order and may be inside a static or temporary structure, e.g. a warehouse, ISO-container, or (temporary) structure to store pallets of goods, or may be a specific outside area (e.g. an area to place an ISO-container).

REQ 19. In the case of collection of palletized goods from a NATO-site in scope of this Contract, e.g. as part of the Shipment Service, the Contractor shall collect the pallets from the place of origin indicated by the Purchaser, move the pallets to the truck, and load the pallets onto the truck. The place of origin indicated by the Purchaser will normally be 'on the tarmac' outside the Purchaser's storage facility, but may also be inside a static or temporary structure, such as an ISO-container or (temporary) warehouse structure.

REQ 20. The Contractor shall provide all skilled resources and provide and operate all support equipment and auxiliary systems and items, necessary to deliver, collect, load, unload, move and place goods from, to, into or out of their final destinations and places of origin, as indicated by the Purchaser. These places of final destination or places of origin will be on NATO-sites, 'on the tarmac' near the Purchaser's storage facility, or inside the Purchaser's (temporary) storage facility.

REQ 21. The Contractor shall immediately retrieve and remove any equipment, items and materials that are not part of the goods ordered in the Task Order, as well as any auxiliary logistics items and materials that the Contractor used to package, handle, or transport the goods delivered. This shall not include any items or materials required for the essential protection, storage and further handling of the delivered goods, such as the pallets upon which the goods will stay at the agreed destination.

REQ 22. The Contractor shall warrant that any goods and services delivered under this SOW shall conform to fit, form and function, as intended, during the entire period of performance. Any deviation from intended function or performance, whether it be through malfunction or insufficiency, other than through Contractor evidenced abuse or negligence on the part of the Purchaser, shall be corrected by the Contractor immediately, remotely or on-site, as necessary, and at no cost or delay to the Purchaser. The Contractor shall do anything and everything necessary to undertake the correction.

REQ 23. The Contractor shall warrant, and take any actions necessary, to ensure that all goods delivered under this SOW shall arrive at the agreed destination, in sealed consignments, in secure transit cases/vehicles, and to ensure that goods are protected from any tampering and delivered free of malicious components, firmware and software.

REQ 24. The Contractor shall allow and support ad-hoc spot checks and audits by the Purchaser of any part of its supply chain relevant to this Contract, with reasonable prior written notice, to ensure that the supply chain is adequately protected against malicious tampering and external intervention.

REQ 25. The Purchaser will reject, at the Contractor's expense, any goods, equipment or vehicles that do not conform to the requirements of the SOW, or show evidence of any malicious tampering, or pose any risk to the security and safety of NATO. The Contractor shall replace all such goods immediately and at no cost or delay to the Purchaser.

REQ 26. The Contractor shall not use hazardous materials (of any kind) when fulfilling any of the requirements of this SOW, or any awarded task orders.

REQ 27. Safety markings and warning labels shall be attached to any products delivered under this contract, where the handling or operation of such products poses any risk to the health and safety of personnel, objects, or the environment. Such markings shall be readily visible during operation and maintenance and as close as possible to the point of concern.

REQ 28. The Contractor shall execute any and all deliveries in close co-ordination with the Purchaser's logistics POCs, designated in the Task Order.

## **2.2 Site Access and on-site work**

REQ 29. The Contractor shall do all that is necessary to gain timely access to a NATO-site as part of its preparation to move goods, equipment and vehicles to or from a NATO-site, or its preparation to put its personnel to work on a NATO-site. For this purpose, the Contractor shall always, and without exception, submit a Notification of Access to the Purchaser at least ten (10) working days in advance of the planned date of access. The notification shall include:

- reference to Contract line items and Task Order numbers;
- date/time slots of access;

- name; birth date, place and country; nationality and security clearance details of every person who is going to work on-site, including a copy of passport or national ID-card;
- name and nationality of every vehicle driver, as well as vehicle make, model, colour and license plate of every vehicle to be used on-site;
- list of goods, equipment or vehicles to be delivered on site, including any goods, equipment and vehicles not ordered by the Purchaser, but required by the Contractor to fulfil the requirements of the Contract or Task Order;
- Contractor's request for information in support of organizing site access.

[17] The Purchaser will anticipate and support site access by providing data such as coordinates of exact location and points of contact, as well as site access instructions (e.g. gate/security instructions) in the Task Order or in the Purchaser's response to the Contractor's requests for information in the Notification of Access.

REQ 30. Contractor personnel required to access any of the locations in scope of this SOW shall have the nationality of one of the NATO-nations. This includes any truck drivers, whether directly employed by the Contractor, or their sub-contractors, or their freight forwarders, or any other entity the Contractor uses to fulfil the requirements of the contract. Contractor personnel required to work (unescorted) on a NATO-site shall also have the required NATO security clearance.

REQ 31. The Contractor shall comply with the legislation and regulations of the respective Territorial Host Nation (THN) concerning health & safety, incident prevention and hygiene at work.

REQ 32. The Contractor shall have a Duty of Care and make legal arrangements for the protection of life and security of its personnel and to provide medical assistance whenever and wherever required due to work place accidents. The same legal arrangements shall be applied to sub-contractor personnel under Contractor's responsibility.

REQ 33. When working at the Purchaser's facilities, the Contractor shall comply with all NATO-site safety and security directives. The detailed procedures, instructions and guidance shall be obtained from the site commander, site principal, site security manager, or site Health & Safety manager, respectively, at the pertinent site.

REQ 34. The Contractor shall be responsible for the provision of any and all Personal Protective Equipment (PPE) for its employees, commensurate with the activities and scope of work stipulated in this contract. The PPE shall be compliant with all applicable Host Nation regulations.

## **2.3 Service administration**

REQ 35. The Contractor shall designate a Service Delivery Manager (SDM), for the entire duration of the Contract, who shall direct and co-ordinate all Contractor activities resulting from this SOW or any awarded Task Order. The SDM shall be the Contractor's primary interface and single point of contact for the Purchaser.

REQ 36. The SDM shall be responsible for fulfilling the requirements of the Contract and subsequent Task Orders.

REQ 37. The SDM shall attend any meetings required by the Purchaser under this Contract, at reasonable notice.

REQ 38. The Contractor shall maintain basic and concise, but adequate and sufficient logs of all activities performed under the Contract. The logs shall register the following:

- date of receipt of a Task Order and Task Order Reference;
- date of completion of a Task Order (multiple dates if orders were completed in phases, in entirety, or for re-delivery);
- details of exactly what was delivered under each Task Order, in time, type, and quantity;
- details of exactly what was removed/ collected from each NATO site, in time, type, and quantity;
- details of each visit paid to a NATO-location, in time, type, and personnel details;
- meeting details of each meeting between Contractor and Purchaser, which includes the annual product catalogue review meetings, as well as any requests for technical assistance.

REQ 39. If and when requested by the Purchaser, the Contractor shall submit all logs to the Purchaser within five (5) working days.

## **2.4 Technical Assistance**

REQ 40. The Contractor shall provide (remote) technical assistance during the Contractor's business hours. The Purchaser shall be allowed to contact the Contractor and request/ receive help regarding the goods and services being delivered under this contract. For this purpose, the Contractor shall provide the Purchaser with a phone number, point of contact details, and office hours.

REQ 41. The Contractor shall make available its Subject Matter Experts (SMEs) in order to provide qualified technical expertise, if and when the Purchaser requests that an SME be used to provide the technical assistance. The Purchaser shall be allowed to contact such SMEs directly to follow up on any technical assistance requests. The Contractor's SMEs shall be fully trained and competent to answer detailed technical questions on the design, specifications, function, operation and maintenance of the goods and services delivered under this Contract.

REQ 42. The Contractor shall provide basic and concise, but adequate and sufficient instruction on how to handle, operate and maintain (especially preventive maintenance) any of the goods, equipment or vehicles ordered under the SOW. This instruction shall be provided by a qualified person, on site at the place and time of delivery of such goods, equipment or vehicles. This instruction shall ensure that the Purchaser is made aware also of any idiosyncrasies and health & safety hazards related to the effective and safe handling, operation and maintenance of

such goods, equipment or vehicles. The Contractor shall ensure that any such instruction shall be of a quality sufficient to enable the Purchaser to correctly and safely handle, operate and use the goods and services.

REQ 43. The Contractor shall deliver sufficient and adequate documentation, in the English language, together with all and any goods, equipment or vehicles to ensure that the Purchaser can handle, operate and maintain products during the period of performance. This includes operation/user manuals, preventive maintenance manuals (such as for monitoring equipment health and performance, preventive cleaning, and filling consumables), health & safety instructions, as well as instructions to contact the Contractor in case of failures or problems.

### **3 Product Catalogue**

[1] The Product Catalogue will be the way in which the Purchaser will identify which logistics services are to be ordered from the Contractor. The Purchaser will order logistics services by selecting them from the Product Catalogue and agreeing them with the Contractor in a Task Order, together with agreed delivery details, such as delivery location, delivery dates, local points of contact, local delivery instructions, and other delivery related conditions or instructions. The Product Catalogue will be a more comprehensive and detailed version of all the requirements and the priced line items of the Schedule of Supplies and Services (SSS).

REQ 44. The Contractor shall develop, submit and maintain a priced Product Catalogue of logistics services throughout the Contract. This Product Catalogue shall contain the Product Catalogue requirements and respective line items for all goods, equipment, vehicles, materials, and logistics services requested under the Contract, and as specified in the SSS.

REQ 45. The Product Catalogue shall describe each line item in more comprehensive detail, fully explaining what is offered under that line item, in both text and illustration, clearly explaining the function, outcome/product, constraints and characteristics of the service offered under that line item. This includes relevant characteristics, such as weight, dimensions, capacity, as well as configuration options, handling restrictions, delivery lead times and any special conditions.

REQ 46. The Product Catalogue shall present sufficient information to allow Purchaser personnel to select services from the catalogue independently and without the need to retrieve essential information from elsewhere.

REQ 47. The Contractor shall deliver the first Product Catalogue within two (2) weeks of Contract Award.

REQ 48. The Contractor shall update the Product Catalogue to improve the quality and content of the Product Catalogue or to reflect change in catalogue items or to reflect contractual changes. The Contractor shall update the Product Catalogue twice a year, throughout the Contract, at six-month intervals, starting from the delivery date of the first Product Catalogue.



REQ 49. The Contractor shall organise and conduct a joined Contractor and Purchaser (virtual) product catalogue review meeting two (2) months before each release date of the Product Catalogue. These meetings shall be used to examine and discuss whether changes to the Product Catalogue line items are required and accepted or rejected by the Purchaser. Purchaser agreed line item changes to the Product Catalogue may lead to contract amendments, but only at the specific direction of the Purchaser. Changes may be proposed by both the Contractor and the Purchaser. The Contractor shall not update the Product Catalogue if both parties agree that there are no changes necessary.

[2] The Contractor is allowed to propose, for the Purchaser's approval, an alternative Product Catalogue line item (e.g. changing, amending, replacing, adding or deleting a line item) if due to discontinuation or obsolescence of the item, or if an alternative item provides better value to the Purchaser.

REQ 50. The Contractor shall use the product catalogue review meetings also to discuss other items specific to the Contract, including:

- Any changes to the Service Delivery Plan;
- reporting on the current schedule and status of active Task Orders;
- reporting statistics on the Contractor's performance;
- reporting on any open issues and action items resulting from the Contractor's Action Plans or the Purchaser's requests for Technical Assistance;
- advising the Purchaser on any technology roadmaps that could provide potential gains for the Purchaser;
- advising the Purchaser on any difficulty or problem foreseen for future deliveries and service provision.

## **4 Service Delivery Plan**

[3] The Service Delivery Plan will be the way in which the Purchaser will ensure that the Contractor correctly implements all contract requirements. This plan will be a living document in which the Contractor explains in detail what will be delivered with each service and how, when and where each service will be delivered to the Purchaser.

REQ 51. The Contractor shall develop, deliver and maintain a Service Delivery Plan (SDP) for the duration of the Contract period of performance. The SDP shall explain in detail how the Contractor shall fulfil all requirements of the Contract. The SDP shall especially include:

- a. A description of the Contractor's organisation, describing which Contractor personnel will be involved in the delivery of services and the fulfilment of the requirements of this Contract, in terms of their roles and responsibilities, and including their contact details where appropriate. This shall include the Service Delivery Manager, any personnel used for service delivery, help desk personnel and technical SMEs, as well as any sub-contractors employed to deliver the services.

- b. A description of each and all services provided under this Contract, explaining, per service, in detail what will be provided exactly, and how each service will be delivered and managed, including service administration, site access, working on-site, and provision of documentation, instruction and technical assistance.
- c. A description of the procedures and step-by-step instructions to maintain and amend the SDP and Product Catalogue, as well as the organisation and conduct of the Product Catalogue review meetings.
- d. A description of the procedures and step-by-step instructions to affect change, restoration or remediation of services, in case service delivery fails, degrades, or does no longer fulfil the requirements of the Contract.
- e. A description of the procedures and step-by-step instructions to submit, manage, execute, and monitor Task Orders and Task Order execution using the Task Order process.
- f. A description of how the Contractor shall organise itself to ensure timely delivery to, and collection from, each and every NATO-location, bearing in mind that each NATO location comes with specific logistics challenges, such as: climatic challenges (e.g. Norway during winter, Sicily during summer), geographical challenges (e.g. remote locations, such as: ACT in Norfolk, USA; AGS-base in Sicily; LANDCOM in Izmir, Turkey), and regulatory challenges (e.g. customs, import-export, dangerous goods).

REQ 52. The Contractor shall update and resubmit the SDP whenever changes are required and whenever any part of the plan no longer is accurate or precise.

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## Appendix A Logistics services requirements

[18] This appendix specifies all requirements for the SSS and Product Catalogue line items.

### A.1 ISO-containers

[19] The Purchaser intends to use ISO-containers to temporarily store goods and equipment in anticipation of installation into one or more of a NATO site's buildings. In most cases, this will be typical IT-equipment. Equipment will be stored in boxes on pallets inside a container.

REQ 53. The Contractor shall provide an ISO-container rental service. The Contractor shall offer separate Catalogue line items for the rental of one or more containers, and for the delivery, placement, levelling and collection of one or more containers.

REQ 54. The Contractor shall rent out 20 feet standard, dry, general purpose ISO-containers, in accordance with ISO 6346, ISO-code 22G0, or equivalent. The Container shall have double locking doors at least at one end. Doors shall be equipped with locking box. Padlocks type CISA 285 66, or equivalent, with key (or keys), shall be provided with each container. Sufficient padlocks shall be supplied to fully lock the container.

REQ 55. The container shall be fully functional, as intended, weatherproof, wind and watertight, compliant with the full range of environmental conditions specified in REQ 89. Containers shall not have damaged door seals, corrosion, or damage to doors, roof, sides, or flooring. Containers shall be inspected and repaired by the Contractor before delivery to the Purchaser.

REQ 56. The container shall have interior dimensions and load bearing capacity sufficient to store at least ten (10) standard EUR/EPAL pallets (EUR-1), each 1200mm by 800mm, when packed not higher than 1800mm from the ground, and not exceeding 1000 Kg (in practice, most, if not all, pallets will be below 400Kg).

REQ 57. The contractor shall deliver a ramp together with the container, if so indicated in the Task Order. The contractor shall place the ramp in front of a container, as directed by the Purchaser. The ramp shall be capable of moving pallets, up to 1000Kg, into or out of the container by use of a pallet jack, dolly or wheeled cart. The ramp shall also allow the Purchaser to move it easily from one container to another container without the help of support equipment. The Purchaser intends to use at most one ramp per Task Order, per NATO-site, even if the Task Order requires the delivery of multiple containers per Task Order, per NATO-site.

REQ 58. The rental period shall be per calendar month. The Contractor may, in addition, offer per a different rental period, if such period will be to the advantage of the Purchaser. The Contractor shall allow one or more rental extensions per the same period for containers already rented by the Purchaser.

REQ 59. The Contractor shall deliver containers to any of the NATO locations in scope of the Contract. Containers shall be delivered, placed, and levelled before the Task Order specified start of the rental period.

REQ 60. The Contractor shall bring everything necessary to unload the container and place it at the exact position indicated by the Purchaser. This shall include, for example, a crane, or equivalent hoisting and placement capability.

REQ 61. The Contractor shall place the container at level. For this purpose, the Contractor shall do everything necessary to level the containers, such that doors can safely be opened and containers can safely be operated. This shall include the provision and placement of any type of spacers required for the leveling, such as paving slabs or timbers.

[20] The Purchaser intends to place containers on firm, dry, level surfaces, such as concrete, tarmac or paving, so that container levelling and safe opening of container doors is facilitated as much as possible.

REQ 62. The Contractor shall organise all and everything necessary to remove containers and levelling materials, as well as collect padlocks and keys from the NATO-sites, after the rental period has ended.

REQ 63. At most two (2) calendar weeks after the rental period has ended, the Contractor shall come on site and remove the Container. The Contractor shall bring everything necessary to move and load the container on its truck.

REQ 64. The Contractor shall plan and coordinate the delivery and removal sufficiently in advance of the respective start and end date of the rental period. No containers shall be delivered, placed, or removed without prior coordination and approval from the Purchaser. For this purpose, the Contractor shall submit a Notice to the Purchaser at least two (2) weeks in advance of the delivery and removal dates. The Contractor shall allow the Purchaser sufficient time to check if no further rental extension is required or to coordinate the delivery, placement and removal with the host site commander.

## **A.2 Temporary building structures**

[21] The Purchaser intends to use a temporary building structure to create a temporary working space to process goods and equipment. In most cases, this will be typical IT-equipment. Typically, goods stored in an ISO-container will be moved to the building structure and processed there to prepare it for further dissemination to the site's buildings. Goods and equipment will be stored in boxes, possibly on pallets, inside the structure.

REQ 65. The Contractor shall provide a rental service for a temporary building structure with optional HVAC and power generator. The Contractor shall offer separate Catalogue line items for:

- the rental of the structure;
- the delivery, assembly, disassembly, and removal of the structure, including the optional HVAC and optional power generator;

- the optional rental of an HVAC-system;
- the optional rental of a power generator;
- the optional servicing of the power generator and HVAC during the requested rental period (i.e. fuel replenishment, filter changing, preventive maintenance, inspections, et cetera).

REQ 66. The Contractor shall rent out a temporary building structure that can be easily and quickly assembled or disassembled. The structure shall not have damage to doors, roof, sides, or flooring. Structures shall be inspected and repaired by the Contractor before delivery to the Purchaser.

REQ 67. The structure shall have a neutral colour, suitable for a NATO-military environment (e.g. white, beige, grey).

REQ 68. The structure shall have an impervious, reinforced, and anchored ground skirt, sufficient to prevent ingress of moist, dust, and insects.

REQ 69. The Contractor shall perform any (preventive) maintenance required to keep the structure operational and functional at all times during the rental period.

REQ 70. If at any time during the rental period, the structure, or the optional HVAC and power generator, become damaged or faulty, such that they no longer perform their intended function, at no fault to the Purchaser, then the Contractor shall immediately restore the damage and function at no cost or delay to the Purchaser.

REQ 71. The Contractor shall ensure that the structure can be used as a temporary working space for up to four (4) Contractor and Purchaser personnel, in accordance with all applicable regulations relevant to a working environment. The Contractor shall provide and install any and all health & safety measures and devices, including emergency doors, emergency lighting, fire detection, et cetera, if and when required by applicable regulations.

REQ 72. The structure shall have interior dimensions of at least 50 m<sup>2</sup> of usable floor area with vertical walls of at least 2m and inner usable height of at least 3m, measured from the floor up.

REQ 73. The structure shall have a load bearing capacity sufficient to store at least twenty (20) standard EUR/EPAL pallets (EUR-1), each 1200mm by 800mm, packed not higher than 1800mm from the ground, and not exceeding 1000 Kg, as well as offering sufficient working space to unpack, process, and repack the pallets. The structure shall hence have the loadbearing capacity to accommodate up to 20 such pallets, as well as a crew of four (4) personnel with materials and tools (e.g. pallet jack, dolly, packaging materials).

REQ 74. The structure shall have at least two (2) doors. At least one door shall function as an emergency door, single swing type with panic hardware. At least one other door shall function as entrance and exit for cargo, sufficiently wide to move standard EUR/EPAL pallets (1200mm x 800mm x 1800mm) in and out of the structure, with the help of a forklift. The cargo door shall have a ramp, capable of

moving pallets, up to 1000Kg, into or out of the structure by use of a pallet jack, dolly or wheeled cart.

REQ 75. The structure shall be lockable and secured to prevent unauthorized access to stored equipment. The Contractor shall provide hardened-steel, shrouded, closed-shackle padlocks, suitable for indoor and outdoor use. Padlocks shall have a minimum 5-pin cylinder lock mechanism, and provided with two keys. Sufficient padlocks shall be supplied to fully lock the structure. The structure shall have padlock fittings that provide a level of security commensurate with the provide padlocks.

REQ 76. The structure shall come equipped with adequate and sufficient lighting, power sockets, and associated power distribution components, as determined by applicable regulations for working in a warehouse environment. The Contractor shall also ensure that the lighting, as well as the optional HVAC can be connected to the site's external mains power supply (230V, 50Hz, or Territorial Host Nation (THN)-equivalent voltage and frequency) and otherwise to the optional power generator. Lighting shall provide at least 200 lux throughout the structure. There shall be at least four (4) 230V, 50Hz power sockets (or THN-equivalent voltage and frequency) available for general purpose use, such as powering a PC or laptop.

REQ 77. The rental period shall be per calendar month. The Contractor may, in addition, offer per a different rental period, if such period will be to the advantage of the Purchaser. The Contractor shall allow one or more rental extensions per the same period for the structure already rented by the Purchaser.

REQ 78. The Contractor shall deliver the structure, and optional HVAC and power generator, to any of the NATO locations in scope of the Contract. The structure shall be delivered before the start of the rental period specified in the Task Order.

REQ 79. The Contractor shall bring everything necessary to unload the structure and optional systems, and place it at the exact position indicated by the Purchaser. This shall include, for example, a crane, or equivalent hoisting and placement capability.

REQ 80. The Contractor shall place the structure, and optional systems, at level. For this purpose, the Contractor shall do everything necessary for the levelling effort, such that doors can safely be opened and pallets can safely be stored inside. This shall include the provision and placement of any type of spacers required for the leveling, such as paving slabs or timbers.

[22] The Purchaser intends to place the structure and optional systems on firm, dry, level surfaces, such as concrete, tarmac, paving, or compacted soil/gravel. Surfaces may be frozen or covered with snow/ice, have minor bumps and depressions, and may be inclined up to 5% in any direction.

REQ 81. The Contractor shall do all and everything required to place and assemble the structure and optional systems fully at the beginning of the rental period, as well as disassemble and remove fully at the end of the rental period. The Contractor shall bring any equipment and materials required to do so.

Placement, assembling, disassembling and removal shall require no involvement of any kind from the Purchaser.

- REQ 82. At most two (2) calendar weeks after the rental period has ended, the Contractor shall come on site and remove the structure and the optional HVAC and power generator . The Contractor shall bring everything necessary to move and load the structure and optional systems on its truck.
- REQ 83. The Contractor shall plan and coordinate the delivery, assembly, disassembly, and removal sufficiently in advance of the respective start and end dates of the rental period. No structure shall be delivered, assembled, disassembled, and removed without prior coordination and approval from the Purchaser. For this purpose, the Contractor shall submit a Notice to the Purchaser at least two (2) weeks in advance of a delivery or removal date. The Contractor shall allow the Purchaser sufficient time to check if no further rental extension is required or to coordinate the delivery, (dis-)assembly, or removal with the host site commander.
- REQ 84. If so requested by the Purchaser via the Task Order, the Contractor shall deliver and install the optional HVAC-system together with the structure.
- REQ 85. If so requested by the Purchaser via the Task Order, the Contractor shall deliver and install the optional power generator together with the structure.
- REQ 86. If so requested by the Purchaser via the Task Order, the Contractor shall service the power generator to keep it fueled and operational during the rental period. The Contractor shall organise all and everything, including fuels, necessary to accomplish the servicing.
- REQ 87. The structure and the optional HVAC and power generator shall comply with all regulations applicable to such systems, including EU and THN legislation, norms, regulations, and standards. This includes any health & safety regulations; fire prevention and fire fighting regulations; noise regulations; pollution regulations; Petroleum, Oil & Lubricants (POL) regulations, et cetera, as well as any applicable regulations issued by the site commander. The Contractor shall do all and everything necessary to identify, learn, and apply such laws, regulations, and standards. The Contractor shall also provide any materials and equipment required to comply with the pertinent regulations. This may include fire extinguishers, smoke detectors, First Aid kits, et cetera.
- REQ 88. The Contractor shall certify, producing the required documentation in accordance with the applicable laws and standards, that all systems, including materials and internal equipment, are designed and certified for life safety in accordance with the relevant safety and firefighting legislation as applicable, and all component items shall meet the minimum requirements of the THN's fire retardant specifications or other international standards as may be specified into the applicable law and standards.
- REQ 89. The structure and the optional HVAC and power generator shall remain functional throughout the full range of environmental conditions specified in Allied



Environmental Conditions and Test Publications (AECTP) 230, conditions A1 (Extreme Hot Dry) to C0 (Mild Cold). These conditions include:

- ambient temperatures ranging between -19 °C and +49 °C, over a variety of terrain at elevations up to 1.000m;
- waterproof, operational, and safe under peak daily rainfall of 0.8 mm/min combined with steady winds of up to 31 m/s and gusts up to 50 m/s from any direction;
- snow loads of 150 kg/m<sup>2</sup> minimum without significant distortion and any damage, while simultaneously supporting snow cleaning operations;
- ice accumulation shall not damage or prevent the equipment from functioning.

REQ 90. The HVAC system shall be capable of maintaining inside temperatures within the range 18 °C to 27 °C, under the specified AECTP 230 conditions.

REQ 91. The HVAC system shall provide an adequate air change rate and sufficient fresh air to maintain carbon dioxide, temperature and humidity levels within acceptable limits inside the structure when it is used for its intended purpose, under the specified AECTP 230 conditions.

REQ 92. The capacity of the power generator, including the size of the fuel tank, shall be defined by the Contractor taking into account that the generator shall provide power to all electrical devices provided by the Contractor, including lighting, optional HVAC, as well as a minimum four (4) 230V, 50Hz sockets (or THN-equivalent voltage and frequency).

REQ 93. The power generator shall not exceed the noise limit of 65 dBA at full load at a distance of about 7 meters from the exhaust (in accordance with ISO 1996-1:2016).

REQ 94. The Contractor shall ensure that all electrical components are grounded as required per regulation. This includes installation of e.g. copper conductive rods and suitable cables for equipotential connections.

### **A.3 Warehousing**

[23] The Purchaser requires the option to rent warehouses to be used as temporary storage and staging facilities, in case no on-site static facilities are available or if the NATO-site does not allow the creation of on-site temporary structures.

[24] The Purchaser requires the option to rent both small- and medium-sized warehouses. Small warehouses are intended to process small amounts of equipment, on a same-day, on-demand basis, between the local warehouse and the NATO-site. Medium-sized warehouses are intended to process larger amounts of equipment, on a weekly, planned basis, between the warehouse and multiple NATO-locations in a region covering one or multiple NATO-nations. For example, one medium-sized warehouse may be used as a central warehouse location for all NATO-nations in Europe.

[25] The Purchaser requires also the option to include transportation services with each warehouse in order to move equipment between the warehouse and a NATO-site. The Purchaser intends to move equipment from warehouse to NATO-site, or vice versa, on a regular basis.

REQ 95. The Contractor shall provide a rental service for warehouses and also provide a transportation service between a warehouse and a NATO-site. The Contractor shall offer separate Catalogue line items for:

- the rental of a small warehouse, local to any NATO-site in scope of the contract;
- the rental of a medium-sized warehouse, centrally placed in a NATO-nation to serve one or more NATO-sites in one or more NATO-nations;
- the provision of a small-scale transportation service between a small, local warehouse and a NATO-site;
- the provision of a medium-scale transportation service between a medium-sized, central warehouse and one or more NATO-sites;

REQ 96. The Contractor shall rent out small warehouses, local to any NATO-site in scope of the Contract. The small warehouse shall have at least fifty (50) m<sup>2</sup> usable floor area.

[26] The Purchaser intends to use the small warehouse to store a maximum of twenty (20) pallets and leave additional space to process the pallets.

REQ 97. The Contractor shall ensure that the small warehouse is sufficiently close to its associated NATO-site to enable a maximum of two (2) round trips per day between the warehouse and the NATO-site, one in the morning and one in the afternoon. A round trip is understood as the two-leg journey to move from warehouse to NATO-site and back, or vice-versa.

REQ 98. The Contractor shall rent out medium-sized warehouses, centrally placed in a NATO-nation to serve multiple NATO-sites in scope of the Contract. The warehouse shall have at least two hundred (200) m<sup>2</sup> usable floor area.

[27] The Purchaser intends to use the medium-sized warehouse to store a maximum of one hundred and fifty (150) pallets and leave additional space to process the pallets.

REQ 99. The Contractor shall provide a warehouse manager as part of the rental of any warehouse, for the duration of the rental. The Contractor's warehouse manager shall be present at the warehouse during the Contractor's normal working days and working hours, but at a minimum of eight (8) working hours per day, five (5) working days per week, minus the Contractor's official holidays.

REQ 100. Warehouses shall be dedicated to the Purchaser. No parties other than the Contractor and the Purchaser shall be able to access or use the warehouse. No goods other than the Purchaser's goods shall be stored in the warehouse.

REQ 101. The Contractor shall ensure that a warehouse can be used as a temporary working space for Contractor and Purchaser personnel, in accordance with all applicable regulations relevant to a working environment, including adequate restroom facilities. The Contractor shall ensure that any and all health &

safety measures and devices are present, including emergency doors, emergency lighting, fire detection, et cetera, if and when required by applicable regulations.

REQ 102. The Contractor shall do all and everything necessary to ensure that any equipment stored in the warehouse is secured and protected against theft, damage, and malicious tampering, continuously and at all times.

REQ 103. The Contractor shall ensure that sufficient and adequate infrastructure and support equipment is available to load and unload trucks with boxes or pallets of equipment. The Contractor shall operate any such infrastructure and support equipment to load and unload trucks.

REQ 104. The Contractor shall ensure that sufficient and adequate infrastructure and support equipment is available inside the warehouse to handle and move pallets of equipment inside the warehouse. The Contractor shall operate any such infrastructure and support equipment to handle and move pallets.

REQ 105. The Purchaser shall have the right to access the warehouse at all times and work as required by the Purchaser.

[28] The Purchaser intends not to access or use the warehouse without supervision of the Contractor's warehouse manager. In cases of emergency, the Purchaser intends to request temporary, on-demand extensions of warehouse opening hours and commensurate manager's duty hours.

REQ 106. The Purchaser shall have the right to inspect and reject the warehouse offered by the Contractor. If the warehouse does not fulfil the requirements of the Contract, the Purchaser shall reject the warehouse after inspection. In such case, the Contractor shall immediately provide an alternative warehouse, at no cost or delay to the Purchaser.

REQ 107. If specified so on the Task Order, the Contractor shall provide a small-scale transportation service for the duration of the rental period. The time and duration of the small-scale transportation service shall coincide with the rental time and duration of the associated small, local warehouse.

REQ 108. The small-scale transportation service shall consist of a Contractor provided and operated small truck and driver. The truck and driver shall be available during the same working days and working hours as the Contractor's warehouse manager. The truck shall be capable of transporting at least four (4) standard EUR/EPAL pallets (EUR-1), each 1200mm by 800mm, packed not higher than 1800mm from the ground, and not exceeding 1000 Kg.

REQ 109. As part of the small-scale transportation service, the Contractor shall execute shipments between a small warehouse and its associated, local NATO-site, at the direction and request of the Purchaser. The Purchaser will request at most two (2) round-trip shipments per day between warehouse and NATO-site.

REQ 110. If specified so on the Task Order, the Contractor shall provide a medium-scale transportation service for the duration of the rental period. The time and duration of the medium-scale transportation service shall coincide with the rental time and duration of the associated medium-sized, central warehouse.

REQ 111. The medium-scale transportation service shall consist of a Contractor provided and operated large truck and driver. The truck and driver shall be available during the same working days and working hours as the Contractor's warehouse manager. The truck shall be capable of transporting at least thirty (30) standard EUR/EPAL pallets (EUR-1), each 1200mm by 800mm, packed not higher than 1800mm from the ground, and not exceeding 1000 Kg.

REQ 112. As part of the medium-scale transportation service, the Contractor shall execute shipments between a medium-sized warehouse and any NATO-site that is reasonably reachable by truck, at the direction and request of the Purchaser.

[29] The Purchaser will request at most two round-trip shipments from that warehouse per week.

[30] The Purchaser will not request shipments between a medium-sized warehouse and a NATO-site that is not reachable by truck or that does not allow two (2) round-trip shipments per week between that warehouse and that NATO-site.

REQ 113. The Contractor shall do all and everything to provide, organise, and execute shipments under small-scale and medium-scale transportation services, including loading and unloading trucks, including providing and operating any support equipment necessary for loading and unloading, including arranging of site-access, and including fulfilling any logistics-related requirements, such as insurance coverage, customs formalities, et cetera.

REQ 114. As part of the small-scale and medium-scale transportation services, the Contractor shall fulfil the requirements of chapter 2.

#### **A.4 Waste disposal**

[31] The Purchaser modernizes and replaces ICT-equipment on NATO-sites on a regular basis. The Purchaser does so through regular procurement, installation and replacement programmes. Anytime when such programmes are executed, waste is created which needs to be removed from NATO-sites. The waste is typically the waste resulting from the packaging and logistics processing of packaged and palletized Commercial off the shelf (COTS) Information and Communication Technology (ICT)-equipment, such as empty cardboard boxes, paper, plastic wrapping, polystyrene filling materials, and small metal waste such as staples, as well as wooden pallets which will no longer be used by the Purchaser. This waste is in principle unsorted and non-flattened.

[32] In support of reverse logistics of waste, the Purchaser requires the capability to order waste disposal services through the placement of industrial-sized waste containers, such as skips or dumpsters (not small-sized wheeled bins or trash cans), and the collection and disposal of waste, including unused pallets, on a weekly basis.

[33] The Purchaser intends to place the waste containers on firm, dry, level surfaces, such as concrete, tarmac or paving, close to a building where the waste is typically created.

[34] The Purchaser intends to order waste disposal services per specific NATO-site per Task Order, specifying the exact locations on the NATO-site where to place the containers, how many containers, as well as the rental period per container. The Purchaser intends to have waste collected once per week.

REQ 115. The Contractor shall provide a waste collection and disposal service. The Contractor shall offer separate Catalogue line items for:

- the rental of waste collection containers (skip or dumpster);
- the delivery and placement of waste containers;
- the removal of waste collection containers from a NATO-site, and the subsequent disposal of the collected waste.

REQ 116. The Contractor shall rent out standard open-top waste containers with covering sheet/tarp, or standard closed-top waste containers with door/lid. The waste containers shall be waste skips or dumpsters, with a capacity of at least 5 m<sup>3</sup> when covered with sheet/tarp or with door/lid closed.

REQ 117. The waste container shall be capable of collecting typical ICT packaging waste, such as empty cardboard boxes, paper, plastic wrapping, polystyrene filling materials, and small metal waste such as staples.

REQ 118. The waste container shall be capable of protecting the contents against rain, water ingress, and wind. The Contractor shall ensure that no waste can be swept out of the container by any weather condition.

REQ 119. The Contractor shall rent out the number of containers as specified in the Task Order, and for the duration specified in the Task Order, in multiples of a calendar week.

REQ 120. The Contractor shall place the containers at the locations specified in the Task Order.

REQ 121. The Contractor shall do anything necessary to deliver, unload, place, level, load, and collect containers. The Contractor shall bring any materials and support equipment required to do so. This shall include a crane or equivalent hoisting and placement equipment. If and when required, the Contractor shall do everything necessary to level the containers. This shall include the provision and placement of any type of spacers required for the leveling, such as paving slabs or timbers.

REQ 122. The Contractor shall do all and anything necessary to load, collect and dispose of pallets no longer used by the Purchaser. The Purchaser will not put pallets into the waste container, but place them close to the container, in time for pickup.

REQ 123. The Purchaser shall be allowed to extend the rental period of a container by an additional week or multiples of weeks.

REQ 124. Within two (2) working days after the rental period has ended, the Contractor shall collect and remove the (full) container. The Contractor shall organise all and everything necessary to remove the (full) container.

REQ 125. The Contractor shall dispose of the waste collected, in accordance with all applicable national and local waste disposal laws and regulations.

## A.5 Vehicles

[35] The Purchaser intends to use small trucks to move small amounts of equipment (up to 4 pallets), quickly and on-demand, between a designated storage facility and an on-base building where the equipment will be installed. The designated storage facility may be the base's warehouse, or a rented, local warehouse near the base, or a temporary storage facility created on-base, such as with rented ISO-containers.

REQ 126. The Contractor shall provide a rental service for a small truck. The Contractor shall offer separate Catalogue line items for:

- the rental of the truck;
- the delivery and collection of the truck.

REQ 127. The Contractor shall rent out a small truck, per calendar week. The truck shall be capable of storing at least four (4) standard EUR/EPAL pallets (EUR-1), each 1200mm by 800mm, packed not higher than 1800mm from the ground, and not exceeding 1000 Kg per pallet.

REQ 128. Vehicles shall be designed and manufactured to comply with all and any applicable THN laws and safety regulations, standards and requirements.

REQ 129. When delivered to a NATO/EU-country, the vehicles shall be designed and manufactured to comply with applicable European Union (EU) safety regulations, standards and requirements, including the following:

- Regulation (EC) No 661/2009 of the European Parliament and of the Council of 13 July 2009 concerning type-approval requirements for the general safety of motor vehicles, their trailers and systems, components and separate technical units intended therefor
- Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, amending Regulations (EC) No 715/2007 and (EC) No 595/2009 and repealing Directive 2007/46/EC
- Certificate of Conformity in accordance with Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers
- Roadworthiness Certificate in accordance with Directive 2014/45/EU of the European Parliament and of the Council of 3 April 2014 on periodic roadworthiness tests for motor vehicles and their trailers and repealing Directive 2009/40/EC

REQ 130. Vehicles shall be provided with all THN-required documentation, including the Certificate of Conformity and Roadworthiness Certificate.

REQ 131. Vehicles shall be provided with all auxiliary equipment and devices (e.g. fire extinguisher, first aid kit) as required by the respective THN law and regulations.

REQ 132. Vehicles shall be insured in compliance with respective THN law and regulations, including third-party liability insurance.

REQ 133. The small truck shall have the capability to load and unload pallets off and onto the ground, into and out of the truck, by way of tail lift or crane or similar mechanism. This mechanism shall be part of the vehicle or carried by the vehicle.

REQ 134. Driving the truck shall require no more than Category B of an EU driving license. It shall also not require any other certification or training.

REQ 135. The Contractor shall deliver the truck to the location specified in the Task Order and within the timeframe specified on the Task Order. After the rental period has ended, the Contractor shall collect the truck from the same location within two (2) working days.

## **A.6 Support equipment**

[4] To support the delivery and roll-out of typical ICT-equipment on NATO-sites, in general, and specifically the handling of (pallets of) ICT-equipment, the Purchaser needs to be able to rent support equipment (forklifts, pallet jacks, and dollies), as well as to procure packaging materials (such as foils, tape, and cardboard boxes) to load pallets with goods.

[5] As part of roll-out and installation activities, the Purchaser needs to be able to move pallets and boxes near on-site buildings, using forklifts and pallet jacks, and inside buildings with pallet jacks, dollies, and other such support equipment.

REQ 136. The Contractor shall provide a support equipment rental service. The Contractor shall offer separate Catalogue line items for:

- the rental of forklifts, pallet jacks, dollies, stair climbers, and wheeled carts;
- the procurement and delivery of pallet wrapping foils, packaging boxes, and packaging tape, all required to package boxes of ICT-equipment and pallets of ICT-equipment boxes;
- the delivery and collection of rented support equipment;

REQ 137. The Contractor shall rent out forklifts, pallet jacks, dollies, stair climbers, and wheeled carts, as specified in the Task Order.

REQ 138. The Contractor shall provide pallet wrapping foils, packaging boxes, and packaging tape, as specified in the Task Order.

REQ 139. The Contractor shall deliver rented equipment and purchased materials to the locations as specified by the Task Order. The Contractor shall bring, organize and operate any materials and equipment necessary to unload and place the goods. This shall include a crane or equivalent hoisting and placement equipment, if necessary.

REQ 140. Forklifts shall be standard warehouse, 'sit-down rider', electric forklifts, capable of driving outside (with pallet; all weather) on firm, dry, level surfaces, such as concrete, tarmac or paving, as well as driving inside warehouses.

REQ 141. Forklifts shall be capable of lifting and moving standard EUR/EPAL pallets (EUR-1), each 1200mm by 800mm, when packed not higher than 1800mm

(including height of pallet), and not exceeding 1000 Kg (in practice, most if not all pallets will be below 400Kg).

REQ 142. Forklifts shall be capable of loading a standard 20" ISO container (ISO 6346 code 22G0; interior dimensions: width = 2,35m and height = 2,39m).

REQ 143. Forklifts shall be designed and manufactured to comply with all and any applicable THN laws and safety regulations, standards and requirements.

REQ 144. When delivered to a NATO/EU-country, forklifts shall be designed and manufactured to comply with applicable European Union (EU) safety regulations, standards and requirements, including the following:

- DIRECTIVE 2006/42/EC of the European Parliament and of the Council of 17 May 2006 on machinery, and amending Directive 95/16/EC

REQ 145. Forklifts shall be provided with all THN-required documentation, including the Certificate of Conformity.

REQ 146. Forklifts shall be provided with all auxiliary equipment and devices (e.g. fire extinguisher, first aid kit) as required by the respective THN law and regulations.

REQ 147. Vehicles shall be insured in compliance with respective THN law and regulations, including third-party liability insurance.

REQ 148. Pallet jacks shall be standard, hydraulic, manual pallet jacks, capable of moving standard EUR/EPAL (EUR-1) pallets (same dimensions and weight as specified above), for short distances inside buildings (warehouses, office buildings) as well as outside (firm, dry, level surfaces, such as concrete, tarmac or paving).

REQ 149. Pallet jacks shall be designed and manufactured to comply with all and any applicable THN laws and safety regulations, standards and requirements.

REQ 150. When delivered to a NATO/EU-country, pallet jacks shall be designed and manufactured to comply with applicable European Union (EU) safety regulations, standards and requirements.

REQ 151. Pallet jacks shall comply with ISO 3691-5:2014 Industrial trucks, Safety requirements and verification, Part 5: Pedestrian-propelled trucks, or equivalent THN standard.

REQ 152. Pallet jacks shall be provided with all THN-required documentation, including the Certificate of Conformity.

REQ 153. Dollies shall be standard 2-wheel hand trucks, capable of moving (inside or outside, as specified above) one or a few boxes typical for packaging typical ICT-equipment.

REQ 154. Stair climbers shall be standard double independent 3-wheel/3-spindle (each at 120°) hand trucks, capable of moving large, unwieldy items up or down stairs, and over curbs or steps, as well as capable of functioning as a regular dolly as specified above.

REQ 155. Wheeled carts shall be 4-wheeled, square horizontal platforms approx. 600mm x 800mm, with side panels approx. 800mm in height, preferably foldable.



Wheeled cart shall be capable of moving up to 200Kg of IT equipment in such a way that the equipment cannot fall off the side when the cart is moved.

REQ 156. Wrapping foils shall be standard, non-pre-stretched, fiber film foil on a roll, approximately 50cm by 300m, light version, approximately 17 micron, capable of being used to wrap pallets manually, with the use of a foil roll holder. Wrapping foils shall be delivered including foil holder.

REQ 157. Packaging boxes shall be the double-wall, foldable, corrugated cardboard boxes typically used to move house. Dimensions shall be approx. 500x300x400mm. Boxes shall be sturdy enough to contain IT-equipment, such as laptops, keyboards, mice, cables, etcetera, and stack up to four boxes high.

REQ 158. Packaging tape shall be the typical, approx. 50mm wide, plastic adhesive tape, capable of taping shut the above specified packaging boxes.

[36] Example pictures of what the Purchaser expects are below. The Contractor however is free to offer other (similar) products as long as the requirements of this contract are fulfilled.





REQ 159. Within one (1) week after the period of performance has ended, the Contractor shall collect and remove all remaining rented equipment. The Contractor shall organise all and everything necessary to load and remove the equipment.

## A.7 Personnel and labour

[37] The Purchaser requires the option to augment its staff temporarily with temporary Contractor personnel to execute typical logistics tasks, such as: wrapping and unwrapping of pallets; packing and unpacking of boxed equipment; inspecting and power-on testing of typical IT-equipment; sorting of equipment; moving and carrying boxes across base and inside buildings; loading and unloading of trucks; driving forklifts; placing equipment on desks; collecting legacy equipment and moving it to a specified location on base; collecting packaging waste and moving it to a specified place, sorting packaging waste for the purpose of segregated recycling; logistics administration and management, et cetera.

REQ 160. The Contractor shall provide logistics personnel and labour per period of time at any NATO-location in scope of the Contract, as requested per Task Order. The Contractor shall offer separate Catalogue line items for:

- One working week of logistics personnel and labour (five working days), including subsistence costs, excluding travel;

- One working month of logistics personnel and labour, including subsistence costs, excluding travel;
- Two legs of travel, to and from a NATO-site in scope of this Contract, including travel time, travel fare, and subsistence costs;

REQ 161. The Contractor shall provide logistics personnel capable of typical logistics tasks, including, but not limited to:

- wrapping and unwrapping of pallets;
- packing and unpacking of boxed equipment;
- inspecting and power-on testing of typical IT-equipment;
- sorting of equipment (creating bundles/kits/sets of IT-equipment);
- implementing small changes to equipment bundles/kits/sets, such as adding or removing small accessories;
- moving and carrying boxes across base and inside buildings;
- loading and unloading of trucks, including operation of typical support equipment, such as forklifts, pallet jacks, and vehicle tail lifts and cranes;
- placing equipment on a user's desks in support of user migration activities;
- collecting legacy equipment and moving it to a specified location inside a building or on base;
- operating (driving) small trucks (requiring EU driving license B) on base to move small amounts of (palletized) equipment across a NATO-site;
- operating (driving) forklifts (requiring THN licenses and certifications) on base to load and unload pallets of equipment;
- collecting packaging waste and moving it to a specified place inside a building or on base;
- sorting packaging waste for the purpose of segregated recycling;
- various logistics administration and management tasks, such as logging equipment movements; logging part numbers and serial numbers; applying asset ID stickers to equipment; logging users and their equipment, as part of user migration activities; logging legacy equipment, intended for disposal.

[38] The Purchaser will include a task description in the Task Order.

REQ 162. The Contractor shall do all and everything required to ensure that its Contractor personnel can work legally and safely at a Purchaser's NATO-site, in accordance with all applicable national laws and regulations, as well as in accordance with the NATO-site commander's regulations and directions. The Contractor shall do all and everything required to identify and apply any such laws, regulations, and directions.

REQ 163. The Contractor's personnel on-site shall have the security clearances required by the pertinent NATO and national authorities.

REQ 164. The Contractor's personnel shall be fully trained, certified, and qualified to perform the logistics tasks specified in the Task Order. This includes pertinent driver's license for trucks and pertinent licenses/certificates for forklifts.

REQ 165. The Contractor's personnel shall work on a NATO-site or on/at any of the warehouses rented under this Contract.

REQ 166. The Contractor's personnel shall work during normal Purchaser working days and working hours, for a duration of eight (8) working hours per day, and five (5) working days per week, minus the Purchaser's holidays. In exceptional cases, to be agreed by the Contractor, the on-site Contractor personnel shall work outside Purchaser's regular working hours.

REQ 167. The Contractor's personnel shall execute the work at the direction of the Purchaser, and within the scope of work specified by the pertinent Task Order. The Contractor's personnel shall coordinate all work with the Purchaser and seek approval from the Purchaser for any and all activities, before such activities are commenced.

REQ 168. At least ten (10) working days prior to arrival on-site, the Contractor shall provide the Purchaser the following information regarding the personnel who will perform on-site work:

- full name;
- date and place of birth;
- passport or national ID-card number;
- nationality;
- security clearance and expiration date;
- vehicle make, model, colour and license plate (if applicable).

[39] Correct and timely announcement to the Purchaser of personnel data is essential to ensure timely acceptance and on-boarding of that personnel by the Purchaser. Without timely registration and on-boarding, personnel will not be allowed to enter a NATO-site or work on a NATO-site.

REQ 169. The Purchaser reserves the right to reject personnel offered by the Contractor, if that personnel cannot perform tasks in accordance with the requirements of this Contract, and as requested by the Task Order. In such case, the Contractor shall replace the rejected personnel immediately at no cost or delay to the Purchaser.

REQ 170. The Purchaser reserves the right to dismiss the Contractor's personnel, if that personnel cannot perform tasks to the satisfaction of the Purchaser (i.e. sub-standard performance or failure to execute an assigned task), or if that personnel fails to comply with any of the Purchaser's or NATO-site commander's regulations and directions. In such case, the Contractor shall replace the dismissed personnel immediately at no cost or delay to the Purchaser.

## A.8 Shipment services

[40] The Purchaser requires the option to order the collection, transportation, and delivery of any count of pallets of equipment from any NATO-location to any other NATO-location, in scope of the Contract.

REQ 171. The Contractor shall provide shipment services for the collection, transportation, and delivery of standard pallets of NATO goods (typically IT-equipment) from any NATO-location in scope of the contract to any other NATO-location in scope of the Contract. The Contractor shall offer separate Catalogue line items for:

- The shipment of up to 4 pallets from any NATO-location to another NATO-location, excl. overseas from/to USA or Canada;
- The shipment of 5 up to 15 pallets from any NATO-location to another NATO-location, excl. overseas from/to USA or Canada;
- The shipment of 16 up to 30 pallets from any NATO-location to another NATO-location, excl. overseas from/to USA or Canada;
- The overseas shipment of up to 4 pallets from/to any NATO-location not in North America to/from the USA or Canada
- The overseas shipment of 5 up to 15 pallets from/to any NATO-location not in North America to/from the USA or Canada
- The overseas shipment of 16 up to 30 pallets from/to any NATO-location not in North America to/from the USA or Canada

[41] The Purchaser intends to size shipment orders up to 4 pallets to accommodate shipment by van or small truck; 5 to 15 pallets to accommodate shipment by half truck, and 16 to 30 pallets to accommodate shipment by full truck.

[42] The Purchaser will offer all goods on pallets, packaged, and ready for transport, either 'on the tarmac' outside, or 'on the floor' inside the Purchaser's (temporary) storage facility on a NATO-site.

[43] The Purchaser will use standard Euro-pallets (EUR/EPAL; 1200mm x 800mm), stacked to a height not exceeding 1800mm from the ground, or to a height not exceeding 1400mm in case of air freight, and not exceeding 1000kg, except for deliveries from/to North America, where the Contractor may use the standard GMA/CBA pallet (48" x 40"), or similar, instead. The Contractor may request the Purchaser to abide by other height and weight restrictions if the Contractor's mode of transport necessitates such measures.

REQ 172. The Contractor shall collect the Purchaser's goods on the date and at the place so indicated on the Task Order.

REQ 173. The Contractor shall deliver the Purchaser's goods within the delivery date so indicated on the Task Order. The Contractor shall deliver shipments not involving overseas transit within two (2) calendar weeks after date of collection. The Contractor shall deliver shipments involving overseas transit within four (4) calendar weeks after date of collection. If the Contractor prefers to ship overseas, where a reasonable and practicable transportation route exists that does not

involve overseas shipment, then the Contractor shall deliver the shipments within two (2) calendar weeks after date of collection.

REQ 174. The Contractor shall select the route and mode of transportation.

REQ 175. When providing the Shipment Service, the Contractor shall fulfill all requirements of SOW chapter 2.

