



Narec General Conditions of Contract for Goods and Services

1 DEFINITIONS AND INTERPRETATIONS

1.1 In these Conditions, unless the context requires otherwise, the following words and phrases shall have the following meanings:

"Affiliates"	any of Narec's subsidiaries (direct or indirect) from time to time (within the meaning of the Companies Act 2006) and any of their respective officers, employees, agents or subcontractors;
"Award Date"	the date of the award of the Contract by Narec to the Contractor, if any or the date specified as the start date for the Contract by Narec;
"Business Days"	a day (not being a Sunday) on which commercial banks in the city of London are open for business;
"Conditions"	these general conditions of contract;
"Confidential Information"	any information disclosed by Narec to the Contractor or otherwise obtained from Narec (however it is conveyed or on whatever media it is stored) including information which relates to the business, affairs, properties, assets, trading practices, developments, trade secrets, Intellectual Property, know-how, personnel, customers and suppliers of Narec, all personal data and sensitive personal data within the meaning of the Data Protection Act 1998 and any commercially sensitive information;
"Contract"	these Conditions and the Specification. In case of discrepancy between these Conditions and other documents forming part of the Contract, these Conditions shall prevail unless otherwise agreed in writing;
"Contract Manager"	the official of Narec, or other person employed in that capacity, appointed by Narec to act on its behalf for the purpose of managing the Contract;
"Contract Price"	the price or prices payable to the Contractor by Narec under the Contract for the full and proper performance by the Contractor of the Contract;



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"Contractor"	the person appointed by Narec for the performance of the Services or supply of the Goods (including any approved successors or assignees);
"Force Majeure"	any cause preventing either party from performing any or all of its obligations which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of the party so prevented including, without limitation, an act of God, war or national emergency, an act of terrorism, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, fire, explosion, flood or storm but not default or delays of suppliers or subcontractors;
"Goods"	all goods, plant or equipment detailed in the Specification and any other goods, plant or equipment which the Contractor is required to supply to Narec under the Contract;
"Intellectual Property"	means any patent, patent application, know how, trade mark, service mark, trade name, registered design, copyright, moral right, design right, database right, semiconductor topography right or any other industrial or commercial right including any application for registration or protection of any of the same anywhere in the world;
"Key Personnel"	any person who, in Narec's opinion, is fundamental to the performance of the Contract;
"Narec"	National Renewable Energy Centre Limited, Eddie Ferguson House, Ridley Street, Blyth, Northumberland, NE24 3AG or any of its Affiliates if they are instead the contracting party;
"Month"	calendar month, unless otherwise defined;
"Personal Injury"	includes without limitation sickness, injury and death;
"Person"	as the context may require, any individual, firm, company, corporation, Government Agency, Narec or any association or partnership (whether or not having a separate legal personality);



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"Service(s)"	all services detailed in the Specification and any other services which the Contractor is required to carry out by Narec under the Contract;
"Specification"	the description of Services or Goods to be performed or supplied under the Contract, specified or agreed in writing by Narec including in Narec's invitation to tender (if any);
"Sub-Contractor"	any person firm or company under contract to the Contractor to perform work or provide professional services and/or supply goods, plant or equipment relating to the Contract; and
"Term"	the term of the Contract specified or agreed in writing by Narec including in any invitation to tender.

- 1.2 Unless the context requires otherwise, the singular shall include the plural and vice versa, and the masculine shall include the feminine and vice versa.
- 1.3 The headings are inserted for convenience only and shall not affect the interpretation of the Contract.
- 1.4 Reference in the Contract to any legislative and statutory requirement or similar instrument shall be deemed to include reference to any subsequent amendment to or enactment of them.

2 DURATION OF THE CONTRACT

- 2.1 Subject to Narec's rights of termination under the Conditions, the Contract commences on the Award Date and the Services shall be provided and/or Goods supplied throughout the Term or until the Contract is terminated in accordance with the Conditions.
- 2.2 Narec reserves the right to extend the Contract for a period of not more than twelve months beyond the Term. The Contract Price shall continue to apply (without increase) during any extension.

3 ALTERATION OF REQUIREMENT

Narec reserves the right to alter the requirements of the Contract as detailed in the Specification, should this at any and all applicable times become necessary.

4 DUTY OF CARE AND PRICE

The Contractor shall perform the Services with all reasonable skill, care and diligence and in accordance with the Contract and any legislative and statutory requirements. Narec's rights under



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these Conditions are in addition to any statutory terms implied in favour of Narec by the Supply of Goods and Services Act 1982 and any other applicable statute. The consideration for the provision of the Services and/or supply of the Goods shall be the Contract Price which shall not be increased without Narec's prior written consent.

5 CONTRACTOR'S PERFORMANCE

- 5.1 The Contractor shall provide the Services and/or supply the Goods in consideration of the payment by Narec of the Contract Price and immediately inform the Contract Manager if any aspect of the Contract is not being or is unable to be performed.
- 5.2 The Contractor shall provide all the necessary facilities, materials and any other equipment, and personnel of appropriate qualifications and experience to undertake the provision of the Services and/or supply of the Goods. All personnel deployed on work relating to the Contract shall have appropriate qualifications and competence, be properly managed and supervised and in these and any other respects be acceptable to Narec. If Narec gives the Contractor notice that any person is to be removed from involvement in the performance of the Contract, the Contractor shall take immediate steps to comply with such notice and indemnify Narec against the consequences of such compliance. The decision of Narec regarding the Contractor's personnel shall be final and conclusive.
- 5.3 The Contractor shall:
 - 5.3.1 give Narec, if so requested, full particulars of all persons who are or may be at any time engaged on the Contract;
 - 5.3.2 comply with any rules, regulations and any safety and security instructions from Narec, and procure such compliance from such persons mentioned in **Condition 5.3.1** above.
- 5.4 The Contractor shall take all reasonable steps to avoid changes to any of the staff designated in the Contract as Key Personnel. The Contractor shall give at least one month's notice to the Contract Manager of any proposals to change Key Personnel and **Condition 5.2** shall apply to the proposed replacement personnel.
- 5.5 Time of performance of the Contractor's obligations shall be of the essence of the Contract. Accordingly, in the event that at any stage the Services or Goods or any part of them, are not performed or delivered to time, then Narec shall be entitled to terminate the Contract forthwith and the provisions of **Condition 16** shall apply.
- 5.6 Nothing in the Contract shall be construed as creating a partnership, a contract of employment or a relationship of principal and agent between Narec and the Contractor.

6 MEETINGS AND REPORTS

- 6.1 The Contractor shall attend all meetings arranged by Narec for the discussion of or making any presentation in relation to matters connected with the performance of the Services, the



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Contractor's costs for the same being included with the Contract Price.

- 6.2 Without prejudice to the submission of any reports as specified under the Contract, the Contractor shall render any additional reports as to the progress of the Services at such time or times, and in such form as the Contract Manager may reasonably require the Contractor's costs for the same being included within the Contract Price.

7 INSPECTION

During the course of the Contract Narec shall have the power to inspect and examine any aspect of the provision of the Services or any part of the Goods at any reasonable time. Where the Contract is being performed on the premises of the Contractor Narec shall on giving reasonable notice to the Contractor be entitled to visit the Contractors' premises and the Contractor shall provide free of charge all such facilities as Narec may reasonably require for such inspection and examination.

8 INVOICES AND PAYMENT

- 8.1 Except where otherwise provided in the Contract, the amount payable to the Contractor for the performance of the Services and/or supply of the Goods shall be inclusive of all incidental costs including all costs of staff, facilities, equipment, materials and all other expenses whatsoever incurred by the Contractor in discharging its obligations under the Contract.
- 8.2 To facilitate payment of the Contract Price the Contractor shall provide the name and address of its bank, the account name and number, the bank sort code and any other details, in whatever format Narec may require.
- 8.3 The Contractor shall submit an invoice to Narec only as specified in the Contract.
- 8.4 The Contractor shall submit with the invoice, such records or details as Narec may reasonably require including, but not limited to time records, expenses incurred, invoices paid or any other documents which would enable Narec to verify the information and the amounts referred to in that invoice, and Narec shall be under no obligation to pay all or part of the Contract Price until such submission has been made to Narec's satisfaction.

9 VALUE ADDED TAX

Any invoice or other request for payment of monies due to the Contractor under the Contract shall, if he is a taxable person, be in the same form and contain the same information as if the same were a VAT invoice for the purposes of Regulations made under the Value Added Tax Act 1994.

10 CORRUPT GIFTS AND PAYMENTS OF COMMISSION

- 10.1 The Contractor shall not receive or agree to receive from any person, or offer or agree to give to any person, or procure for any person any gift or consideration of any kind as an inducement or reward for doing or not doing anything, or for showing favour or disfavour to any person in



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relation to the Contract or any other contract with Narec.

- 10.2 The Contractor shall not conspire with any person to do any of the acts mentioned in **Condition 10.1**.
- 10.3 Any breach by the Contractor of this Condition shall entitle Narec to terminate the Contract and recover from the Contractor the amount of any loss (assessed by reference to **Condition 21**) resulting from such termination (including as a minimum, the Contract Price paid) and recover from the Contractor the amount of value of any such gift, consideration or commission.

11 CONFIDENTIALITY AND DISCLOSURE OF INFORMATION

- 11.1 The Contractor shall:
 - 11.1.1 shall treat all Confidential Information as confidential and safeguard it accordingly; and
 - 11.1.2 shall not disclose any Confidential Information to any other person without the prior written consent of Narec, except to such persons and to such extent as may be reasonably necessary for the proper performance of the Contract.
- 11.2 The Contractor shall take all necessary precautions to ensure that all Confidential Information obtained or received by it in connection with the Contract:
 - 11.2.1 is given only to such staff and professional advisors or consultants engaged to advise it in connection with the Contract as is strictly necessary for the performance of the Contract and only to the extent necessary for the performance of the Contract;
 - 11.2.2 is treated as confidential and not disclosed (without prior approval) or used by any staff or such professional advisors or consultants otherwise than for the purposes of the Contract.
- 11.3 The Contractor shall ensure that staff or its professional advisors or consultants are aware of the Contractor's confidentiality obligations under this Contract prior to any disclosure to them of Confidential Information.
- 11.4 The provisions of **Conditions 11.1 to 11.3** shall not apply to any Confidential Information received by the Contractor:
 - 11.4.1 which is or becomes public knowledge (otherwise than by breach of this Condition);
 - 11.4.2 which was in the possession of the Contractor, without restriction as to its disclosure, before receiving it from Narec;
 - 11.4.3 which is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure;
 - 11.4.4 is independently developed without access to the Confidential Information; or



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- 11.4.5 which must be disclosed pursuant to a statutory, legal or parliamentary obligation placed upon the party making the disclosure.
- 11.5 No information regarding the Services being provided under the Contract or facilities or consent to photograph or film shall be given or permitted by the Contractor except with prior written permission of Narec, to whom any press or other enquiry or any such matter should be referred.

12 DISCRIMINATION

The Contractor shall not unlawfully discriminate within the meaning and scope of the provisions of the Equality Act 2010, Race Relations Act 1976, the Sex Discrimination Act 1995 and shall take all reasonable steps to ensure that all servants, employees or agents of the Contractor and all Sub-Contractors do not unlawfully discriminate. This **Condition 12** shall not in any way relieve the Contractor of his general obligations to comply with any legislative and statutory requirements as provided in **Condition 33**.

13 MERGER, TAKE-OVER OR CHANGE OF CONTROL

The Contractor shall forthwith inform Narec in writing of any proposal or negotiations which may or will result in a merger, take-over, change of control, change of name or status, of the Contractor or the Contractor (being a company as defined in the Companies Act 2006) shall inform Narec of any such change as defined in section 416 of the Income and Corporation Taxes Act 1988. A change of control shall mean in the case of a partnership if as a result of the proposal more than 50% of the partners in any firm shall cease to be partners or those partners who were partners in the firm prior to the change will cease to be 50% or more of the partners in the firm. The Contractor shall comply with any request by Narec for information arising from this **Condition 13**.

14 QUALITY OF GOODS

- 14.1 The Contractor shall ensure that the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition.
- 14.2 Narec shall not be deemed to have accepted any Goods until it has had a reasonable time to inspect them following delivery, or, in the case of a latent defect in the Goods, until a reasonable time after the latent defect has become apparent.
- 14.3 If any Goods delivered to Narec are not in conformity with the terms of the Contract, then, without limiting any other right or remedy that Narec may have, Narec may reject those Goods and:
- 14.3.1 require the Contractor to repair or replace the rejected Goods at the Contractor's risk and expense within 25 days of being requested to do so; or
 - 14.3.2 require the Contractor to repay the price of the rejected Goods in full (whether or not Narec has previously required the Contractor to repair or replace the rejected Goods); and



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- 14.3.3 claim damages for any other costs, expenses or losses resulting from the Contractor's delivery of Goods that are not in conformity with the terms of this Contract.
- 14.4 Narec's rights and remedies under this condition are in addition to the rights and remedies available to it in respect of the statutory conditions relating to description, quality, fitness for purpose and correspondence with sample implied into the Contract by the Sale of Goods Act 1979.
- 14.5 The terms of this Contract shall apply to any repaired or replacement Goods supplied by the Contractor.
- 14.6 If the Contractor fails to promptly repair or replace rejected Goods in accordance with this condition, Narec may, without affecting its rights under this condition, obtain substitute Goods from a third party contractor, or have the rejected Goods repaired by a third party, and the Contractor shall reimburse Narec for the costs it incurs in doing so.

15 UNSATISFACTORY PERFORMANCE

- 15.1 If, during the currency of the Contract, the Contractor in the reasonable opinion of Narec fails to perform the whole or any part of the Services, with the standard of skill, care and diligence which a competent and suitably qualified person performing the same Services could reasonable be expected to exercise, or otherwise in accordance with the Contract, Narec may give the Contractor a notice specifying the way in which its performance falls short of the requirements of the Contract, or is otherwise unsatisfactory.
- 15.2 Where the Contractor has been notified of a failure in accordance with **Condition 15.1**, and has failed to remedy it to the satisfaction of Narec within such period of time as is specified in such notice, Narec may:
 - 15.2.1 request that the Contractor at its own expense and as specified by Narec, reschedules and performs the Services to Narec's satisfaction within such period as may be specified by Narec in the request, including where necessary, the correction or re-execution of any Services already carried out; and/or
 - 15.2.2 withhold or reduce payments to the Contractor, in such amount as Narec deems appropriate in each particular case; and/or
 - 15.2.3 hold the Contractor liable to compensate Narec for all reasonable loss and damage in accordance with **Condition 20**;
 - 15.2.4 terminate the Contract in accordance with **Condition 16**.

16 TERMINATION OF THE CONTRACT

- 16.1 Without prejudice to any other power of termination, Narec may terminate the Contract without notice, for any of the following reasons:



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- 16.1.1 the breach by the Contractor of any of **Conditions 5** (Contractor's Performance), **10** (Corrupt Gifts & Payments of Commission), **11** (Confidentiality and Disclosure of Information), or any other material breach of the Contract;
- 16.1.2 the Contractor ceases or proposes to cease to carry on his business;
- 16.1.3 there is a change of control of the type referred to in **Condition 13** (Merger, Take-over or Change of Control), and Narec has not agreed in advance in writing to the particular change of control, save that in this event Narec shall give one month's notice in writing to the Contractor;
- 16.1.4 the Contractor is insolvent as defined in **Condition 25**.

17 BREAK

Narec shall in addition to his powers under any other of these Conditions have power to terminate the Contract at any time and for any or no reason by giving to the Contractor one month's written notice. Upon the expiry of the notice the Contract shall be terminated without prejudice to the rights of the parties accrued to the date of termination.

18 CONSEQUENCES OF TERMINATION AND BREAK

- 18.1 Where the Contract is terminated under **Condition 16** (Termination of the Contract) (without prejudice to any other rights or remedy of Narec), the following provisions shall apply:
 - 18.1.1 any sum due or accruing from Narec to the Contractor may be withheld or reduced by such amount as Narec considers reasonable and appropriate in the circumstances to reflect any loss, damage or additional cost suffered by Narec as a result of such termination;
 - 18.1.2 Narec may make all arrangements which are in its view necessary to procure the orderly completion of the Services or supply of the Goods including the letting of another contract.
- 18.2 Where the Contract is terminated under **Condition 16** (Termination of the Contract) or **Condition 17** (Break), Narec may, during any notice period:
 - 18.2.1 direct the Contractor to refrain from commencing performance of the Contract or where the performance of the Contract has been commenced, to cease work immediately;
 - 18.2.2 direct the Contractor to complete all or any of the Contract which shall be paid at the Contract Price.
- 18.3 On termination of the Contract for any reason, the Contractor shall immediately deliver to Narec:



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- 18.3.1 all copies of information and data provided by Narec to the Contractor for the purposes of the Contract. The Contractor shall certify to Narec that it has not retained any copies of such information or data, except for one copy which the Contractor may use for audit purposes only and subject to the confidentiality obligations in **Condition 11**; and
- 18.3.2 all specifications, programs (including source codes) and other documentation comprised in the deliverables and existing at the date of such termination, whether or not then complete. All Intellectual Property in such materials shall automatically pass to Narec (to the extent that they have not already done so), who shall be entitled to enter the premises of the Contractor to take possession of them.
- 18.3.3 If the Contractor fails to fulfil its obligations under this **Condition 18** then Narec may enter the Contractor's premises and take possession of any items which should have been returned under it. Until they have been returned or repossessed, the Contractor shall be solely responsible for their safe keeping.

19 ASSIGNMENT, SUB-CONTRACTORS AND SUPPLIERS

- 19.1 The Contractor shall not sub-contract or transfer, assign, charge, or otherwise dispose of the Contract or any part of it or the benefit or advantage of it otherwise without the prior written consent of Narec.
- 19.2 The Contractor shall ensure that any Sub-Contractor complies with the Conditions so far as they are applicable. Any sub-contract shall not relieve the Contractor of its obligations under the Contract.

20 INSURANCE

- 20.1 The Contractor shall effect and maintain insurance necessary to cover the Contractor and all his Sub-Contractors for the risks under the Contract and for the avoidance of doubt all the risks as defined in **Condition 21** (Loss or Damage).
- 20.2 Where, in compliance with **Condition 20.1** above the Contractor takes out and maintains professional indemnity insurance, the Contractor shall:
 - 20.2.1 take out and maintain appropriate professional indemnity insurance in respect of its businesses generally throughout the period from the date of commencement of his Services under the Contract and for a period of 6 years from the date of expiry or termination of the Contract; and
 - 20.2.2 ensure that any Sub-Contractor commissioned as a consultant by it takes out and maintains appropriate professional indemnity insurance in respect of their businesses generally throughout the period from the date of commencement of their Services under the Contract or commission and in addition for a period of 6 years from the date of completion as specified in the Contract.



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20.3 The Contractor shall, whenever required by Narec, produce to Narec certificates signed on behalf of the Contractor and its Sub-Contractor's insurers stating that insurance complying with the requirements set out in **Conditions 20.1** and **20.2** above (where applicable) is in force and the period for which it has been taken out.

21 LOSS OR DAMAGE

21.1 Narec will be relying upon the Contractor's skill, expertise and experience in performing the Contract and also upon the accuracy of all representations or statements made and the advice given by the Contractor in connection with the performance of the Services and the validity of any Intellectual Property (and the freedom of such rights from any claim by any third party) conceived, originated, made, supplied, licensed, assigned or developed by the Contractor in connection with the performance of the Contract and the Contractor hereby agrees to indemnify Narec against all loss, damage, costs, legal costs and professional and other expenses of any nature whatsoever incurred or suffered by Narec or any of its Affiliates whether direct or consequential (including but without limitation any economic loss or other loss of turnover profits, business or goodwill) as a result of such reliance.

21.2 In addition to the indemnity referred to in **Condition 21.1** the Contractor shall indemnify Narec against any loss of property, and Personal Injury and any other loss, damage, costs, legal costs and professional and other expenses of any nature whatsoever incurred or suffered by Narec whether direct or consequential (including but without limitation any economic loss or other loss of turnover profits business or goodwill) as a result of:

21.2.1 any breach by the Contractor of its contractual obligations arising under the Contract; and

21.2.2 any representation or tortious act or omission including negligence arising under or in connection with the Contract.

21.3 Narec shall notify the Contractor as soon as practically possible of any claim made, or proceedings brought against Narec in respect of any loss or damage for which Contractor might be liable.

21.4 In this **Condition 21** loss or damage includes:

21.4.1 loss or damage to property;

21.4.2 Personal Injury;

21.4.3 loss of profit or loss of use; and

21.4.4 any other loss.

22 RECOVERY OF SUMS DUE

22.1 Whenever under the Contract any sums of money shall be recoverable from or payable:



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- 22.1.1 by the Contractor to Narec, the same may be deducted at the sole option of Narec from any sum then due, or which at any later time may become due, to the Contractor under the Contract or under any other contract with Narec or any of its Affiliates;
- 22.1.2 by Narec to the Contractor, the same shall be paid by the Contractor free of any set off or counterclaim (save as provided above).

23 RISK

The risk in Goods delivered to Narec shall pass to Narec on the first to occur of the final payment of the Contract Price or Narec's written acceptance of the Goods.

24 DATA PROTECTION

- 24.1 The Contractor shall comply fully with all data protection legislation from time to time in force.
- 24.2 The Contractor shall indemnify Narec against all claims and proceedings, and all costs and expenses incurred in connection therewith, made or brought against Narec by any person in respect of information subject to the Data Protection Acts of 1984 and 1998 which claims would not have arisen but for some act, omission, misrepresentation or negligence on the part of the Contractor or its Sub-Contractors.

25 INSOLVENCY OF THE CONTRACTOR

- 25.1 The Contractor shall inform Narec:
 - 25.1.1 if being an individual, or where the Contractor is a firm, any partner in that firm, shall at any time become bankrupt, or shall have a receiving order or administration order made against him, or shall make any composition or arrangement with or for the benefit of his creditors, or shall make any conveyance or assignment for the benefit of his creditors, or shall purport to do so, or if in Scotland he shall become insolvent or notour bankrupt, or any application shall be made under any bankruptcy Act for the time being in force for sequestration of his estate, or a trust deed shall be granted by him for the benefit of his creditors; or
 - 25.1.2 if being a company, it passes a resolution, or the Court makes an order, that the company be wound up otherwise than for the purpose of solvent reconstruction or amalgamation, or if a receiver or manager on behalf of a creditor shall be appointed, or if circumstances shall arise which entitle the Court otherwise than for the purposes of amalgamation or reconstruction to make a winding-up order; or
 - 25.1.3 if the Contractor otherwise becomes unable to pay its debts or they fall due (within the meaning of section 123 if the Insolvency Act 1986 for a company) or suffers anything on analogous to any of the above in any justification.
- 25.2 If any of the events in **Condition 25.1** occur (whether or not the Contractor has informed Narec)



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Narec may at any time by notice in writing summarily terminate the Contract without compensation to the Contractor. Provided always that such termination shall not prejudice or affect any right of action or remedy which shall have accrued before that date or shall accrue thereafter to Narec.

26 DRAWINGS, SPECIFICATION, SOFTWARE, DESIGNS AND INTELLECTUAL PROPERTY

- 26.1 Any drawings, specification, software, designs or other data (including working documents, maps and photographs) completed or provided in connection with the Contract shall become or, as the case may be, remain the property of Narec and be delivered up to Narec on completion or termination of the Contract. Where Narec has agreed to accept modern storage media, drawings and other documents shall be supplied by the Contractor in the agreed form.
- 26.2 All Intellectual Property arising from the performance of the Contract ("**Resulting IP**") shall vest in and be the absolute property of Narec, and accordingly, in consideration of the mutual undertakings under the Contract, the Contractor hereby assigns to Narec with full title guarantees all such Intellectual Property therein and all for the full term during which the said rights and any renewals of extensions shall subsist.
- 26.3 For the avoidance of doubt, Narec shall be entitled to use the Resulting IP or any part thereof for any purpose whatsoever without limitation or licence.
- 26.4 The Contractor agrees to execute any documents necessary to assign to Narec all right, title and interest in the Resulting IP and to do all such acts and things as Narec may determine are necessary or desirable in connection with any such assignment.
- 26.5 The Contractor shall indemnify and hold harmless Narec against any damages (including costs) that may be awarded to or agreed to be paid to any third party in respect of any claim or action that the Intellectual Property referred to above infringe the intellectual property rights of any third party (an "**Intellectual Property Infringement**").
- 26.6 In the event of an Intellectual Property Infringement the Contractor shall forthwith make without charge to Narec such alterations, modifications, or adjustments to the Intellectual Property and/or the Goods as shall be necessary to make them non-infringing.

27 RETENTION OF DOCUMENTATION

The Contractor shall retain and produce when required such accounts, documents (including working documents) and records as Narec, or the Contract Manager, may request, in connection with the Contract, at any time during the Contract and for a period of 2 years from the date of expiry or termination or such longer period as may be agreed between Narec and the Contractor in writing and afford such facilities as Narec may reasonably require for his representatives to visit the Contractor's premises and examine the records under this Condition.



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28 TITLE

Title to Goods delivered to Narec shall pass to Narec on delivery and unloading at Narec's premises.

29 SERVING OF NOTICES

29.1 Any notice required to be given or served under the Contract by Narec shall be sufficiently given or made if it is in writing and sent by first-class post (air-mail if overseas) to the Contractor's last known place of business or registered office, when it shall be deemed to be served on the day which is five Business Days after the date of posting.

29.2 Any notice required to be given or served under the Contract on Narec shall be deemed to be served only upon actual receipt by an officer of Narec.

30 CONTRACT DOCUMENTS

30.1 In any case of discrepancy between these Conditions and other documents forming part of the Contract these Conditions shall prevail unless the inconsistent provision of such other document is expressed to be, or if the context indicates it to be, an amendment of these Conditions and the same have been effected in accordance with **Condition 30.4**.

30.2 These Conditions shall prevail over any conditions contained, or referred to, in the Contractor's quotation, confirmation of order, or specification, or other document supplied by the Contractor, or implied by law, trade custom, practice or course of dealing.

30.3 The Contractor's quotation for Services or Goods constitutes an offer by the Contractor to supply the Services on these Conditions. No offer placed by the Contractor shall be accepted by the Narec other than by the Narec issuing a written and executed purchase order or acceptance of the quotation for Services, at which point a contract for the supply and purchase of the Services on these Conditions will be established. The Contractor's standard terms and conditions (if any) attached to, enclosed with or referred to in any quotation, specification or other document shall not govern the Contract.

30.4 Any variation of any provision of this Contract must be effected in writing signed by the Chief Executive or the Contract Manager, and no purported variation by any other means shall bind Narec.

31 ROYALTIES AND LICENCE FEES

The Contractor shall ensure that all royalties, licence fees or similar expenses in respect of all Intellectual Property used in connection with the Contract, have been paid and are included within the Contract Price. The Contractor shall indemnify Narec from and against all claims and proceedings, which may be made or brought against Narec and any damages, costs and expenses incurred by Narec in respect of such supply or use.

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32 CONTRACTOR'S OBLIGATIONS IN CONNECTION WITH TUPE

- 32.1 Where requested to do so the Contractor shall provide such information (including any changes to and interpretations thereof) in connection with The Transfer of Undertakings (Protection of Employment) Regulations 1981 (TUPE) (as amended), as Narec may require, to Narec and/or to any other person authorised by Narec who is to be invited to submit a tender in relation to the provision of similar Services or Goods, within 10 days of the request.
- 32.2 During the 8 month period preceding the expiry of this Contract or within any period of notice of termination or notice of break, the Contractor shall not without the prior written agreement of Narec, which shall not be unreasonably withheld or delayed:
- 32.2.1 materially amend the terms and conditions of employment of any employee whose work, wholly or mainly falls within the scope of this Contract; or
- 32.2.2 materially increase the number of employees whose work (or any part of it) is work undertaken for the purposes of this Contract.
- 32.3 The Contractor shall not knowingly do or omit to do anything which may adversely affect an orderly transfer of responsibility for provision of the Services. The Contractor agrees to indemnify Narec and its Affiliates and assigns fully and to hold them harmless at all times from and against all actions, proceedings, claims, expenses, awards, costs and all other liabilities whatsoever in any way connected with or arising from or relating to the provisions of TUPE.

33 SEVERABILITY

If any provision of the Contract is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions of the Contract shall continue in full force and effect as if the Contract had been executed with the invalid, illegal or unenforceable provision eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the Contract, Narec may immediately terminate the Contract without prejudice to its accrued rights.

34 WAIVER

- 34.1 The failure of Narec to exercise any right or remedy shall not constitute a waiver of that right or remedy.
- 34.2 No waiver shall be effective unless it is communicated to the Contractor in writing.
- 34.3 A waiver of any right or remedy arising from a breach of contract shall not constitute a waiver of any right or remedy arising from any other breach of the Contract.

35 STATUTORY OBLIGATIONS

- 35.1 The Contractor shall comply with all legislation relating directly or indirectly to the provision of the Services.



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- 35.2 The Contractor will comply with the above legislation in so far as it places obligations upon Narec in the performance of its obligations under the Contract.
- 35.3 The Contractor notes particularly that Narec may be required to provide information relating to the Contract or the Contractor to a person in order to comply with its obligations under these provisions.

36 FORCE MAJEURE

- 36.1 Neither party to this Contract will be deemed to be in breach of this Contract or otherwise liable to the other party in any manner whatsoever for any failure or delay in performing its obligations under this Contract due to Force Majeure.
- 36.2 If a party's performance of its obligations under the Contract is affected by Force Majeure:-
 - 36.2.1 it will give written notice to the other party, specifying the nature and extent of the Force Majeure, immediately upon becoming aware of the Force Majeure and will at all times use all reasonable endeavours to bring the Force Majeure event to an end, and whilst the Force Majeure is continuing, mitigate its severity;
 - 36.2.2 the date for performance of such obligation will be deemed suspended only for a period equal to the delay caused by such event; and
 - 36.2.3 it will not be entitled to payment from the other party in respect of extra costs and expenses incurred by virtue of the Force Majeure.
- 36.3 If the Force Majeure in question continues for more than three months or one quarter of the Term, whichever is shorter, either party may give written notice to the other to terminate the Contract. The notice to terminate must specify the termination date, which must not be less than 15 days after the date on which the notice is given, and once such notice has been validly given, the Contract will terminate on that termination date.
- 36.4 If the Contract is terminated in accordance with **Condition 34.3**, then neither party will have any liability to the other except that rights and liabilities which accrued prior to such termination will continue to exist.

37 SURVIVAL OF TERMS

Terms of the Contract, including these Conditions, which are capable of surviving its termination shall do so.

38 THIRD PARTY RIGHTS

A person who is not a party to the Contract shall not have any rights under or in connection with it, save for Affiliates as expressly provided in the Contract.



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39 LAW

The Contract shall be governed by and interpreted in accordance with English Law and shall be subject to the exclusive jurisdiction of the Courts of England and Wales, although Narec may serve proceedings or take enforcement action in any other jurisdiction.