

## **OWA Hi-VAS (Phase 1) Contractors' Conditions – CABLE MANUFACTURERS**

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## BACKGROUND TO THE CONTRACT

- I. The objective of the Carbon Trust OWA programme is to reduce the cost of offshore wind as well as provide insights regarding industry standard (and best practice) health and safety requirements through a targeted set of research, development and demonstration (RD&D) activities.
- II. The OWA High Voltage Array Systems (Phase 1) project (the "**Project**") is a joint industry project or "Discretionary Project" carried out under the umbrella of the OWA, but outside the core OWA programme.
- III. The Project is being undertaken by the Carbon Trust and the Project Participants (as hereinafter defined).
- IV. The Project is being coordinated and managed by the Carbon Trust in its capacity as the "Lead Participant".
- V. The Contractor has been selected by the OWA Hi-VAS (Phase 1) Parties to assume the role of the Technical Delivery Contractor and provide Services as identified and described in the Agreed Scope of Work.
- VI. The Project Participants will be granted early access to all new innovative solutions that may arise under the Contract, including any of the Contractor's existing concepts which are required to utilise any such innovative solutions, at a lower cost and under competitively advantaged circumstances.

## 1. DEFINITIONS AND INTERPRETATIONS

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

"**Affiliate**" means in relation to each OWA Hi-VAS (Phase 1) Party, a legal entity or company which controls, is controlled by or is under common control with that OWA Hi-VAS (Phase 1) Party. For purposes of this definition only, "control" and "controlled" shall mean (a) the ownership of more than fifty percent (50%) of voting securities or, (b) the ability to elect a majority of directors of, or (c) the exercise of management control over a legal entity, either through contract or otherwise;

"**Agreed Scope of Work**" means the detailed programme of research to implement the Project, and as amended from time to time by decision of the Project Steering Committee of the OWA Hi-VAS (Phase 1) Agreement, with its original version set out in Schedule 2 to the Award Letter;

"**Approved Maximum Cost**" means the Approved Maximum Cost set out in the Award Letter (as amended by the Carbon Trust from time to time);

"**Award Date**" means the date specified as such in the Award Letter;

"**Award Letter**" means the letter from the Carbon Trust to the Contractor confirming the award of the Contract to the Contractor;

"**Business Day**" has the meaning given to it in Condition 26.2(c);

"**Conditions**" means these OWA Hi-VAS (Phase 1) Contractors' Conditions;

"**Contract**" means the Award Letter, these Conditions and the Agreed Scope of Work. 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**" means any person appointed by the Carbon Trust from time to time and notified to the Contractor for the purpose of managing the Contract;

"**Contract Price**" means the price or prices payable to the Contractor by the Carbon Trust under the Contract for the full and proper performance by the Contractor of

the Contract as determined under the provisions of the Contract;

**“Contractor”** means the person appointed by the Carbon Trust for the performance of the Work and Services (including any successors);

**“Contractor’s Employees”** means any employee employed from time to time by the Contractor or by any sub-contractor involved in the provision of the Services;

**“Contractor’s Representative”** means a competent person appointed by the Contractor to be its representative in relation to the performance of the Contract who will receive and act on any directions given by the Contract Manager;

**“Deliverables”** means the individual deliverables including, but not limited to, all data, documentation, reports, minutes and other deliverables to be produced by the Contractor under this Contract;

**“Human Rights”** means all internationally recognised human rights including those set out in the Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights (1966) and the International Covenant on Economic, Social and Cultural Rights (1966) (collectively the International Bill of Human Rights), the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, applicable standards of international humanitarian law, and the Voluntary Principles on Security and Human Rights;

**“Key Personnel”** means any person who, in the Carbon Trust's opinion, is fundamental to the performance of the Contract;

**“month”** means calendar month, unless otherwise defined;

**“Normal Business Hours”** has the meaning given to it in Condition 26.2(c);

**“OWA”** means Offshore Wind Accelerator research, development and demonstration programme;

**“OWA Hi-VAS (Phase 1) Agreement”** means the agreement dated 24 November 2020 which governs the Project, signed by the Carbon Trust, Ørsted Wind Power A/S, RWE Renewables GmbH, ScottishPower Renewables (UK) Limited, Equinor Energy AS (novated to Equinor ASA), Vattenfall Vindkraft A/S, EnBW Energie Baden-Württemberg AG and Shell Global Solutions International B.V., and adhered to by SSE Renewables Services (UK) Limited on 9 August 2021, and any amendment thereof and/or any deed of adherence thereto;

**“OWA Hi-VAS (Phase 1) Parties”** means signature parties to the OWA Hi-VAS (Phase 1) Agreement (listed in Appendix 1), plus any future party who from time to time may join the OWA Hi-VAS (Phase 1) Agreement, each party being individually referred to as an **“OWA Hi-VAS (Phase 1) Party”**;

**“OWA Hi-VAS (Phase 1) Parties’ Information”** means:

- i) non-trivial information concerning the business or affairs or any OWA Hi-VAS (Phase 1) Party that is not in the public domain;
- ii) documented or otherwise registered intellectual property and technical data disclosed by any OWA Hi-VAS (Phase 1) Party to the Contractor for the purposes of the Contract;
- iii) documented or otherwise registered intellectual property and technical data created during or derived from the Work, whether by the Contractor, an OWA Hi-VAS (Phase 1) Party, a sub-contractor or otherwise; and
- iv) all information in whatever form, including data, documents, papers, drawings, diagrams, discs, tapes, prototypes, goods, processes, samples, specifications, formulae, technical, marketing, financial and other information (whether in physical or electronic form, oral or otherwise) including information relating to an OWA Hi-VAS (Phase 1) Party’s or its Affiliates’ business, operations, activities, plans, clients, customers and suppliers which:

- 1) is marked "Confidential";
- 2) is accompanied by a transmittal identifying the information and its confidential nature; or
- 3) if it is disclosed orally or visually, is identified and confirmed as confidential to the Contractor at the time of such disclosure;

**"OWA Hi-VAS (Phase 1) Parties' Property"** means anything issued or otherwise provided in connection with the Contract by or on behalf of the OWA Hi-VAS (Phase 1) Parties, or any of them;

**"Programme"** means any programme or timetable agreed by the parties to the Contract, as detailed in the Agreed Scope of Work, which regulates or specifies the period or periods for the performance of the Services or any part of them, together with any activities ancillary to the performance of the Services or the preparation and submission of reports;

**"Project"** has the meaning given to it in Recital II above;

**"Project Participants"** means the parties, excluding the Carbon Trust, who have signed the OWA Hi-VAS (Phase 1) Agreement or any deed of adherence thereto (each party being individually referred to as a **"Project Participant"**);

**"Sanctions"** means any laws or regulations adopted, maintained or enforced by the United Nations, European Union, the United Kingdom or the United States of America directed at prohibiting or restricting dealings with certain countries, territories, governments or specially designated persons or entities;

**"Sanctions List"** means any list of sanctioned individuals, entities, governments, countries or territories adopted, maintained or enforced under any Sanctions (including the United States List of Specifically Designated Nationals and Blocked Persons, the United States Entity List, the European Union financial sanctions list and any equivalent of the United Kingdom, and any list of parties designated for financial sanctions under United Nations Security Council Resolutions);

**"Service(s)"** or **"Work"** means in either case all work and services as further detailed in the Agreed Scope of Work (as amended from time to time in accordance with Condition 3) which the Contractor is required to carry out under the Contract, and the reference to "Services" shall include "Work" and vice versa;

**"Trade Control Laws"** means laws concerning the import, export, or re-export of goods, software, or technology, or their direct product, including: (a) applicable customs regulations, Council Regulation (EC) No. 428/2009; (b) any sanction regulations issued by the Council of the European Union; (c) the International Traffic in Arms Regulations ("ITAR"); (d) the Export Administration Regulations ("EAR"); and (e) the regulations and orders issued or administered by the US Department of the Treasury, Office of Foreign Assets Control in relation to export control, anti-boycott, and trade sanctions matters; and

**"Transfer Regulations"** means the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended from time to time, and any equivalent applicable laws or regulations in other jurisdictions implementing or mirroring the Acquired Rights Directive (Directive 77/187/EC, as amended by Directive 2001/23/EC).

- 1.2 Any reference to a "person" shall, as the context may require, be construed as a reference to any individual, firm, company, corporation, Government, Trust, Agency or any association or partnership (whether or not having a separate legal personality).
- 1.3 Unless the context requires otherwise, the singular shall include the plural and vice versa, and the masculine shall include the feminine and vice versa.
- 1.4 The headings are inserted for convenience only and shall not affect the interpretation of the Contract.

- 1.5 Reference to any legislative requirement or similar instrument shall be deemed to include reference to any subsequent amendment to them or replacement of them.
- 1.6 In these Conditions, any words following the terms "including", "include", "in particular", "for example" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

## **2. DURATION OF THE CONTRACT**

Subject to the Carbon Trust's rights of termination under these Conditions, the Contract shall be in force from the Award Date and the Services shall be provided throughout the duration of the Contract in accordance with the dates and timetables specified in the Contract, or until the Services are completed in accordance with the Contract.

## **3. ALTERATION OF REQUIREMENT**

The Carbon Trust reserves the right to alter the requirements of the Contract, as detailed in the Agreed Scope of Work, should this at any time become necessary in the interests of the Project or where acting in accordance with the instructions of the OWA Hi-VAS (Phase 1) Parties. In the event of any alteration of the contractual requirement, payment under the Contract shall be subject to fair and reasonable adjustment to be agreed between the Carbon Trust and the Contractor and recorded in writing.

## **4. DUTY OF CARE**

- 4.1 The Contractor shall perform the Services to the satisfaction of the Carbon Trust and with the standard of skill, care and diligence which a competent and suitably qualified person performing the same Services could reasonably be expected to exercise.
- 4.2 The Contractor shall perform the Services in accordance with all relevant legislative and statutory requirements in force at the date at which the Services are performed.
- 4.3 The Contractor shall perform the Services in accordance with the Contract.
- 4.4 The Contractor acknowledges and agrees that the Contract has been awarded for the purposes of the Project and that all the OWA Hi-VAS (Phase 1) Parties have an interest in its outcome.

## **5. CONTRACTOR'S PERFORMANCE**

- 5.1 The Contractor shall properly manage and monitor performance of the Services and as soon as reasonably practical inform the Contract Manager if any aspect of the Contract is not being or is unable to be performed in accordance with its terms.
- 5.2 The Contractor shall provide all the necessary facilities, materials, equipment, and personnel of appropriate qualifications and experience to undertake the Services. The Contractor shall ensure that all personnel deployed on work relating to the Contract shall have appropriate qualifications and competence, shall be properly managed and supervised, and in these and any other respects be acceptable to the Carbon Trust. If the Carbon Trust gives the Contractor notice that in its reasonable opinion any person should be removed from involvement in the Services, the Contractor shall as soon as reasonably practical take appropriate steps to comply with such notice, and in any event such person shall be removed within fourteen (14) calendar days. The decision of the Carbon Trust regarding the Contractor's personnel shall be final and conclusive.
- 5.3 The Contractor shall:

- (a) give the Carbon Trust, if so requested, a copy of the curriculum vitae of every person who is or may be at any time employed on the Contract or engaged in the provision of the Services; and
  - (b) when present at the facilities of any OWA Hi-VAS (Phase 1) Party, comply (and ensure that its subcontractors, agents and employees comply) with any rules, regulations and any safety and security instructions from the relevant OWA Hi-VAS (Phase 1) Party, including completion of any additional clearance procedures required by the relevant OWA Hi-VAS (Phase 1) Party, and return of any facility passes as required.
- 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 (1) 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 The Contractor shall promptly notify the Carbon Trust, and keep the Carbon Trust informed of all other related business, negotiations, technology licensing, investment or trading activities with OWA Hi-VAS (Phase 1) Parties in which the Contractor or any of its employees or agents are engaged. The foregoing requirement applies where any such activity may impact the performance of the Services or present a potential conflict (pursuant to Condition 36 (Conflicts of Interest)).
- 5.6 The Contractor shall exercise the standard of skill, care and diligence which a competent and suitably qualified person performing the same Services would exercise if dealing with third parties on behalf of the OWA Hi-VAS (Phase 1) Parties in connection with the Contract and ensure that no significant commitments are entered into (unless expressly required under the Contract), without the Carbon Trust's prior written consent.
- 5.7 Nothing in the Contract shall be construed as creating a partnership, a contract of employment or a relationship of principal and agent between the Carbon Trust and the Contractor.
- 5.8 The Contractor acknowledges and confirms that various elements or work packages forming part of the Services may be subject to the Carbon Trust deciding (in certain circumstances, together with the other OWA Hi-VAS (Phase 1) Parties), and the Contractor receiving confirmation from the Carbon Trust, that the Contractor is to perform such work package (such decision usually being described in the Agreed Scope of Work as "Project Steering Committee approval"). This is particularly relevant for "Project Milestone 2", at the end of "Work Package 4", each of which is further detailed within the Agreed Scope of Work. Where "Project Steering Committee approval" applies to the Services, the Contractor shall not commence any work package which is subject to such confirmation (or commence any work packages which are consequent upon, logically to be performed subsequent to or which are dependent on such work packages being commenced or completed) until the Contractor receives written confirmation from the Carbon Trust that the Carbon Trust requires such work package to be delivered.
- 5.9 In the event that the Carbon Trust does not give or decides not to give the confirmation referred to in Condition 5.8, the Contractor shall have no right to receive any payment, monies or compensation in respect thereof or in respect of the work packages which are subject to the requirement for such confirmation.

## **6. REPORTS**

- 6.1 Without prejudice to the obligations relating to the submission of reports or other information as specified under the Contract, the Contractor shall provide such reports or other information regarding the performance of the Services at such time or times, and in such form as the Contract Manager may reasonably require from time to time.
- 6.2 Within five (5) working days following the end of each quarter following the Award

Date, the Contractor shall provide to the Carbon Trust the following information:

- (a) a breakdown of the total costs and expenses incurred by the Contractor in performing the Services in the previous quarter; and
- (b) the total number of hours spent by the Contractor (detailed for different staff grades) in performing the Services in the previous quarter; and
- (c) a summary of the activities performed in the previous quarter; and
- (d) the completion status of the activities performed under the Contract.

## **7. INSPECTION**

During the course of the Contract the Carbon Trust shall have the right to inspect, audit or otherwise examine any of the Services being provided and all related records. The Carbon Trust shall likewise have reasonable opportunity to interview any person engaged in providing Services. The exercise of these rights may occur on any premises of or occupied by the Contractor or at those of any sub-contractor at a reasonable time. The Carbon Trust, through its Contract Manager, shall give reasonable notice to the Contractor of such visits or inspections. The Contractor shall provide free of charge all such facilities as the Carbon Trust may reasonably require for such inspection, audit, interview and examination. In this Condition, Services includes administrative records, planning documents or preliminary work for the Services in whatever form.

## **8. INVOICES AND PAYMENT**

- 8.1 The Carbon Trust shall issue a purchase order(s) authorising the Contractor to undertake the relevant Services. Notwithstanding any other provision of the Contract, the Carbon Trust shall not be liable to pay the Contractor for any Services in connection with the Contract unless and until the Carbon Trust has issued the Contractor with a purchase order, and further the Carbon Trust shall not be liable to pay the Contractor any amount in excess of the amount stated in the purchase order.
- 8.2 The Contractor shall submit invoices in the form required by the Carbon Trust (including electronically if so requested by the Carbon Trust), and in any event within thirty (30) calendar days of the completion of the relevant Services. All invoices shall quote the Contract number, provide a description of the Services completed to date, provide an appropriate breakdown of the amount for payment and, where appropriate, the purchase order number. Invoices shall be addressed as the Carbon Trust may direct.
- 8.3 The Contractor shall submit with the invoice such records as the Carbon Trust may reasonably require to enable the Carbon Trust to verify that the Services referred to in that invoice have been properly performed.
- 8.4 The Contractor shall provide to the Carbon Trust the name and address of the bank, the account name and number, the bank sort code and any other details, in whatever format the Carbon Trust may require to execute payment transactions.
- 8.5 The Contractor shall be paid only in respect of the satisfactory performance of the Services in accordance with the Contract.
- 8.6 Except where otherwise provided in the Contract, the amount payable to the Contractor for the performance of the Services shall be inclusive of all costs of staff, facilities, equipment, materials and all other expenses whatsoever incurred by the Contractor in discharging its obligations under the Contract.
- 8.7 Payment to the Contractor shall be made within forty-five (45) Business Days of the Carbon Trust's receipt of a valid and undisputed invoice, provided that the Carbon Trust is satisfied, acting reasonably, that the Services for which the invoice relates have been performed fully in accordance with the Contract.



**9. VALUE ADDED TAX**

Where applicable, the Contractor shall be paid the amount of any VAT chargeable in respect of the performance of the Services in accordance with the Contract and subject to the provision of valid VAT invoices.

**10. CORPORATE MATTERS AND ANTI-CORRUPTION**

10.1 The Contractor hereby warrants and represents to the Carbon Trust that on the Award Date:

- (a) it is a company duly incorporated or otherwise established in and validly existing under the laws of its country of incorporation or establishment;
- (b) it has taken all necessary corporate or other action to authorise the execution, delivery and performance of the Contract;
- (c) it has the full power and authority to enter into and perform its obligations under the Contract; and
- (d) the Contract will, when executed, constitute lawful, valid and binding obligations upon it in accordance with its terms.

10.2 The Contractor hereby warrants and represents that it has and shall continue to comply with all applicable laws relating to combating bribery and corruption (including any regulations or guidance issued pursuant to such laws) and to implement and maintain appropriate measures to ensure that its officers, directors, employees, agents, representatives and subcontractors will not in connection with the Contract:

- (a) offer, promise, pay, give or authorise any financial or other advantage, or anything else of value, to any other person or organisation, with the intent to exert improper influence over the recipient, induce the recipient to violate his or her duties, secure an improper advantage, or improperly reward the recipient for past conduct;
- (b) offer, promise, pay, give, authorise, request or receive an improper advantage, or accept an offer thereof, in connection with a position, office or assignment; or
- (c) request, receive or accept, for the benefit or himself or anyone else, any financial or other advantage, or anything else of value, as an inducement or reward for violating a duty of loyalty to the Carbon Trust or the other OWA Hi-VAS (Phase 1) Parties, or improperly performing a function that relates in any way to the Contract or to the Carbon Trust or the other OWA Hi-VAS (Phase 1) Parties.

10.3 The Contractor undertakes that throughout the duration of the Contract it will (and shall procure that its contractors and subcontractors will) take effective measures to ensure that its performance of the Contract respects Human Rights consistent with the United Nations Guiding Principles on Business and Human Rights (2011).

10.4 The Contractor undertakes that throughout the duration of the Contract it will, and shall ensure that its contractors and subcontractors will, comply and take effective measures to comply with the rules of international law and national law, as relevant and applicable to the party, in relation to, amongst others, Sanctions and Trade Control Laws:

- (a) embargos, drugs and weapons trafficking, terrorism;
- (b) trade, import and export licenses and customs;
- (c) health and safety of staff and third parties;

- (d) labour, immigration and prohibition of illegal work;
- (e) environment protection;
- (f) financial criminal offences, in particular corruption, fraud, influence peddling (or equivalent offence as it can be provided by the national law applicable to the Contract), swindling, theft, misuse of corporate funds, counterfeiting, forgery and the use of forgeries, and similar or related offences;
- (g) measures to combat money laundering; and
- (h) competition law,

and the Contractor agrees that any breach of Conditions 10.2 or 10.4 is a material breach of the Contract.

- 10.5 Unless otherwise agreed between the parties, the Contractor shall be responsible for obtaining all necessary import and export licenses as required by applicable Trade Control Laws for any goods, software, or technology provided by or on behalf of the Contractor. Where such licenses or authorizations are obtained, the Contractor shall provide the Carbon Trust with written notice of all applicable conditions, including but not limited to those restricting the further export, use or release of the goods, software or technology.
- 10.6 The Contractor shall upon reasonable request by the Carbon Trust give a written statement to the Carbon Trust confirming that the Contractor has complied with all requirements under Conditions 10.2 and 10.4.
- 10.7 The Contractor shall promptly report to the Carbon Trust any act or omission which may reasonably be seen as a breach of this Condition 10. In such instances, the Contractor shall give the Carbon Trust access to all documents which, in the Carbon Trust's reasonable opinion, may be relevant to determine whether such a breach has occurred. The Contractor shall also promptly report to the Carbon Trust any requests or solicitations for advantages or anything of value as mentioned in this Condition 10.
- 10.8 The Contractor represents and warrants that neither it, nor to its knowledge any of its owners, or subcontractors performing work under the Contract is:
- (a) in breach of Conditions 10.2, 10.3 or 10.4;
  - (b) listed on a Sanctions List, or owned (in whole or in part) or otherwise controlled, directly or indirectly, by any person or entity listed on a Sanctions List; or
  - (c) resident in or incorporated under the laws of any country or territory subject to Sanctions,
- and the Contractor undertakes to promptly notify the Carbon Trust in writing should it become aware of any changes in this respect.
- 10.9 The Carbon Trust may terminate the Contract without notice if the Contractor commits or participates in any offence under any law, statute, or regulation relating to anti-bribery and anti-corruption in relation to this or any other contract between the Contractor and the Carbon Trust (and, if the Contractor does, the Carbon Trust shall be entitled to recover from the Contractor the amount of any loss arising or resulting from such termination and/or from the Contractor's commission of or participation in such offence and the amount of value or any such gift, consideration or commission).
- 10.10 The decision of the Carbon Trust in relation to this Condition shall be final and conclusive.

## **11. PUBLICITY AND PROTECTION OF INFORMATION**

- 11.1 The Carbon Trust reserves, for the benefit of the other OWA Hi-VAS (Phase 1) Parties, the exclusive right to disclose to the other OWA Hi-VAS (Phase 1) Parties any information about or connected with the Contract (the "**Contract Information**").
- 11.2 The Contractor shall not disclose any Contract Information to any person unless it is strictly necessary for the performance of the Contract, and authorised in writing by the other party. Subject to Conditions 11.5 – 11.9, the Contractor may however disclose Contract Information to Contractor's Employees without being authorised in writing by the Carbon Trust. The Contractor shall also not grant any right to photograph or film in relation to or in connection with the Services, except with the prior written permission of the Carbon Trust, to whom any press or other enquiry or any such matter should be referred. The Contractor shall comply with any instructions from the Carbon Trust regarding changes to authorisations and other instructions regarding disclosure or non-disclosure.
- 11.3 The Contractor shall treat any OWA Hi-VAS (Phase 1) Parties' Information as confidential information and shall not disclose it to any other person without the express written consent of the Carbon Trust or the individual OWA Hi-VAS (Phase 1) Party concerned, as the case may be.
- 11.4 Conditions 11.2 and 11.3 do not apply in relation to information which: (a) is in or enters the public domain, unless the information concerned entered the public domain as the result of any act or default on the part of the Contractor or any person for whose relevant acts or omissions it is responsible; (b) can be proved to have been independently developed by the Contractor; or (c) can be proved to have come into the possession of the Contractor through disclosure by a third party that owes no obligations of confidentiality towards the relevant OWA Hi-VAS (Phase 1) Party and who did not receive it directly or indirectly from any person who owes such obligations in respect of the information concerned. Nothing in Conditions 11.2 or 11.3 shall prevent any disclosure which is required under any applicable law, regulation or order of a competent court or regulatory authority in any relevant jurisdiction (but only to the extent and for the purpose that disclosure is so required).
- 11.5 Without limitation to Conditions 11.2 and 11.3, but subject to Condition 11.4, the Contractor shall ensure that all OWA Hi-VAS (Phase 1) Parties' Information and Contract Information:-
- (a) is divulged only to the minimum number of persons required to give effect to the requirements of the Contract;
  - (b) is divulged only to the extent essential to each person's action in carrying out (or in connection with) the Contract and that such persons do not further divulge such information; and
  - (c) is properly safeguarded.
- 11.6 Subject to the retention of a copy for proper professional records, the Contractor shall, on written request from the Carbon Trust, deliver up to the OWA Hi-VAS (Phase 1) Parties all OWA Hi-VAS (Phase 1) Parties' Information, all Contract Information, and all documents containing any part of the Work carried out by the Contractor, including but not limited to, documents stored electronically.
- 11.7 The Contractor shall ensure that any contract with:
- (a) its employees; and
  - (b) any contractor which it engages in any way in connection with the Contract,

contains a condition requiring that person to keep all OWA Hi-VAS (Phase 1) Parties' Information and all Contract Information confidential or contain confidentiality provisions no less protective of the Contract Information and/or OWA Hi-VAS (Phase 1) Parties' Information than those within this Condition 11, and shall, if so requested by the Carbon Trust, draw their attention to the requirements of this Condition 11 and obtain from them and deliver to the Carbon Trust a written undertaking in the same terms as this Condition 11 made directly enforceable by the Carbon Trust and the other OWA Hi-VAS (Phase 1) Parties.

- 11.8 The Contractor shall not, in connection with the Contract, communicate with representatives of the general or technical press, radio, television or other communications media unless specifically granted permission to do so in writing by the Carbon Trust.
- 11.9 Except with the prior written consent of the Carbon Trust (which will seek the approval of the relevant OWA Hi-VAS (Phase 1) Party or OWA Hi-VAS (Phase 1) Parties as necessary), the Contractor shall not make use of the Contract Information or any OWA Hi-VAS (Phase 1) Parties' Information otherwise than for the purpose of the Contract.

## **12. DISCRIMINATION**

The Contractor shall not unlawfully discriminate in any form or manner, and shall take all reasonable steps to ensure that all servants, employees or agents of the Contractor and all subcontractors employed in the execution of the Contract do not unlawfully discriminate. This Condition shall not in any way relieve the Contractor of its general obligations to comply with any legislative requirements as provided in Condition 4.2.

## **13. MERGER, TAKE-OVER OR CHANGE OF CONTROL**

The Contractor shall, to the extent legally permitted, forthwith inform the Carbon Trust in writing of any proposal or negotiations which may or will result in a merger, take-over, change of control (where "control" in this context means (a) the ownership of more than fifty percent (50%) of voting securities or, (b) the ability to elect a majority of directors of, or (c) the exercise of management control over a legal entity, either through contract or otherwise), change of name or status. The Contractor shall comply with any request by the Carbon Trust for information arising from this Condition.

## **14. UNSATISFACTORY PERFORMANCE**

- 14.1 Where the Contractor has failed to perform the whole or any part of the Services, to the satisfaction of the Carbon Trust or with the standard of skill, care and diligence which a competent and suitably qualified person performing the same Services could reasonably be expected to exercise, or in accordance with the Contract (including the Agreed Scope of Work and Programme), the Carbon Trust shall give the Contractor notice specifying the way in which its performance falls short of the requirements of the Contract, or is otherwise unsatisfactory.
- 14.2 Where the Contractor has been notified of a failure in accordance with Condition 14.1 the Carbon Trust may either (at the Carbon Trust's sole option):
- (a) request from the Contractor that, at its own expense and as specified by the Carbon Trust, it re-schedules and performs the Services to the Carbon Trust's satisfaction within such period as may be specified by the Carbon Trust in the notice (to be no less than fourteen (14) days), including where necessary, the correction or re-execution of any Services already carried out; or

- (b) if remedying the default is not possible or the Contractor fails to remedy the default within the above mentioned 14-day period, withhold or reduce payments to the Contractor, in such amount as corresponds to the proportion of the Services failing to comply with the requirements of the Contract.

## **15. TERMINATION OF THE CONTRACT**

15.1 Without prejudice to any other power of termination, the Carbon Trust may terminate the Contract without notice, for any of the following reasons:

- (a) the breach by the Contractor of any of Conditions 10 (Corporate Matters and Anti-Corruption) and 11 (Publicity and Protection of Information) herein, or any other material breach of Contract;
- (b) the failure by the Contractor to comply with a notice given under Condition 14 (Unsatisfactory Performance);
- (c) the Contractor ceases or proposes to cease to carry on its business; or
- (d) there is a change of control of the type referred to in Condition 13 (Merger, Take-over or Change of Control), and the Carbon Trust has not agreed in advance in writing to the particular change of control, save that in this event the Carbon Trust shall give thirty (30) calendar days' notice in writing to the Contractor.

15.2 The Carbon Trust shall have the right to immediately suspend or terminate the Contract either in whole or in part without notice and without liability if the Carbon Trust considers that:

- (a) the Contractor has not provided the Deliverables forming part of the Services in accordance with the Contract, to the reasonable satisfaction of the Carbon Trust and in a timely manner; and/or
- (b) activities agreed with the Carbon Trust are not being completed to the timescales and/or quality standards set out in the Contract or otherwise agreed between the Contractor and the Carbon Trust; and/or
- (c) the Services are not likely to be completed within the Approved Maximum Cost.

## **16. BREAK**

16.1 The Carbon Trust shall in addition to its powers under any other of these Conditions have the right to terminate the Contract at any time by giving to the Contractor thirty (30) calendar days' 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.

16.2 Without prejudice to Condition 16.1, if the Contract is terminated by the Carbon Trust under Condition 16.1 the Contractor shall have the right to receive a pro rata payment of the instalment of the Contract Price next falling due for payment. Subject to Conditions 8.5 and 8.7, the pro rata payment shall be based on the proportion of the Work associated with the respective payment instalment that has been completed. The Contractor will supply evidence of this Work and how the proportion is calculated.

## **17. CONSEQUENCES OF TERMINATION**

17.1 Where the Contract is terminated under Condition 15 (Termination of the Contract) or Condition 23 (Insolvency of the Contractor), the following provisions shall apply:

- (a) any sum due or accruing to the Contractor may be withheld or reduced by

such amount as the Carbon Trust in either case considers reasonable and appropriate in the circumstances;

- (b) the Carbon Trust may make all arrangements which are in its reasonable view necessary to procure the orderly completion of the Services including the letting of another contract or contracts; and
  - (c) where the total costs reasonably and properly incurred by the Carbon Trust by reason of such arrangements exceed the amount that would have been payable to the Contractor for the completion of the Services, the excess shall be recoverable from the Contractor, and the Carbon Trust reserves the right without prejudice to any other of its rights to recover such excess by set-off against any amount withheld by the Carbon Trust under Condition 17.1 (a) or as otherwise provided for under Condition 21 (Recovery of Sums Due).
- 17.2 Where the Contract is terminated under Condition 15 (Termination of the Contract) (subject to the Contractor's right to remedy a default within the 14-day period in the case of Condition 15.1(b)) or Condition 16 (Break), the Carbon Trust may, during any notice period:
- (a) direct the Contractor, where the Services have not been commenced, to refrain from commencing such Services, or where the Services have been commenced, to cease work immediately; and/or
  - (b) direct the Contractor to complete in accordance with the Contract all or any of the Services, or any part or component thereof, which shall be paid at the agreed Contract Price or, where no agreement exists, a fair and reasonable price.
- 17.3 Upon termination of the Contract for any reason whatsoever:
- (a) subject to Condition 17.3(b) the relationship of the parties shall cease and any rights or licences granted by the OWA Hi-VAS (Phase 1) Parties under or pursuant to the Contract shall cease to have effect save as (and to the extent) expressly provided for in this Condition 17.3;
  - (b) the provisions of Conditions 6 (Reports), 7 (Inspection), 11 (Publicity and Protection of Information), 20 (Loss or Damage), 21 (Recovery of Sums Due), 22 (Data Protection), 24 (Royalties and Licence Fees), 25 (Retention of Documentation), 26 (Serving of Notices), 27 (Governing Law and Jurisdiction), 28 (Arbitration), 29 (Transfer of Responsibility), 30 (Contractor's Obligations in Connection with Transfer Regulations), 34 (Rights of Third Parties), 39 (Ownership of Intellectual Property and Other Outcomes) and 41 (Remedies) and any provision which expressly or by implication is intended to come into or remain in force on or after termination shall continue in full force and effect; and
  - (c) the Contractor shall immediately deliver up to the relevant OWA Hi-VAS (Phase 1) Parties (or, if the Carbon Trust so requests by notice in writing, destroy) all property of the OWA Hi-VAS (Phase 1) Parties in the Contractor's possession at the date of termination, including all OWA Hi-VAS (Phase 1) Parties' Property and all OWA Hi-VAS (Phase 1) Parties' Information, together with all copies of such information and shall certify that it has done so, and shall make no further use of such information.
- 17.4 The termination of the Contract shall be without prejudice to the rights and remedies of any party, and the other OWA Hi-VAS (Phase 1) Parties, which may have accrued up to the date of termination.
- 17.5 Subject to Condition 16.2, where the Contract terminates for any reason or expires then the Carbon Trust will not be liable to make any further payments to the Contractor.

## **18. ASSIGNMENT, SUB-CONTRACTORS AND SUPPLIERS**

- 18.1 The Contractor shall not transfer, assign, charge, subcontract or otherwise dispose of the Contract or any part of it without the prior written consent of the Carbon Trust which shall not be unreasonably withheld.
- 18.2 The Contractor shall ensure that any sub-contractor complies with all relevant Contractor obligations under the Contract. Any sub-contract shall not relieve the Contractor of his obligations under the Contract. The Contractor must notify the Carbon Trust in writing of the scope and the counterparty of any sub-contract entered into within 7 calendar days of its coming into effect.
- 18.3 Where the Contractor enters into a contract with a supplier or sub-contractor for the purpose of performing the Contract or any part of it, it shall cause a term to be included in such contract which requires payment to be made by the Contractor to the supplier or sub-contractor within a specified period not exceeding thirty (30) calendar days from receipt of a valid invoice as defined by the Contract requirements.
- 18.4 The Contractor shall be wholly responsible for the actions, omissions or defaults of its employees, sub-contractors, consultants, agents and suppliers and their respective employees.
- 18.5 The Carbon Trust, or any chosen nominee acceptable to the Carbon Trust and the Contractor, may attend at any time, without prior notice, any part of any tender process in connection with the Services, or inspect any documents relating to the proposal exercise. The Contractor shall provide the Carbon Trust with a regular updated programme for all tenders underway.
- 18.6 The Contractor shall, if requested to do so by the Carbon Trust for the purposes of audit, provide the Carbon Trust with a copy of any sub-contract placed by the Contractor in connection with the Services.
- 18.7 Notwithstanding any other provision of the Contract, the Carbon Trust may at any time without consent assign, novate or otherwise transfer the benefit and burden of the Contract to any other person provided that in the reasonable view of the Carbon Trust such person is of sufficient standing to be able to discharge the Carbon Trust's liabilities under the Contract. In such circumstances the Contractor, promptly following the Carbon Trust's request, shall execute all such further deeds and documents as the Carbon Trust may require to give effect to such assignment, novation or transfer.

## **19. INSURANCE**

- 19.1 The Contractor shall ensure that it and its sub-contractors, agents and suppliers each take out and maintain at their own expense a policy or policies of insurance with reputable insurers (such policies as a minimum to be consistent with Good Industry Practice) in respect of public liability in an amount of not less than £5,000,000 for each and every claim, professional indemnity for the Services in an amount of not less than £5,000,000 for each and every claim, and employer's liability insurance in an amount of not less than £2,000,000 for each and every claim together with such other insurances as are required by law to be maintained by the Contractor in relation to the provision of the Services.
- 19.2 The Contractor shall ensure that its sub-contractors, agents and suppliers each also take out and maintain at their own expense a policy or policies of insurance with reputable insurers consistent with at least the best industry practice of contractors (who use the standard of skill, care and diligence which a competent and suitably qualified person performing the same Services could reasonably be expected to exercise); such insurance shall be for an appropriate value of cover for any claim arising out of such sub-contractor's, agent's or supplier's services in relation to the provision of the Services, and in any event shall cover public liability, employers liability and professional indemnity for the Services, together with such other insurances as are required by law to be maintained by the sub-contractor in relation

to the provision of the Services.

- 19.3 The Contractor shall supply to the Carbon Trust promptly on request the certificates of the insurance policies it is obliged to maintain in accordance with this Condition 19 together with evidence that all premiums have been paid to date. The Contractor agrees not knowingly to do or omit to do anything which would entitle the insurers to wholly or partially avoid liability under any such policy.
- 19.4 If, for whatever reason, the Contractor fails to maintain the insurance described in this Condition or without the approval of the Carbon Trust obtains a different policy of insurance from that which it notified to the Carbon Trust at the time when it submitted its tender, the Carbon Trust may notify the Contractor of the Carbon Trust's requirement that the Contractor make alternative arrangements and if such insurance is not arranged by the Contractor within thirty (30) calendar days of receipt of the notice from the Carbon Trust, the Carbon Trust may make such alternative arrangements as are necessary to protect its interests and recover the cost from the Contractor.
- 19.5 The terms of any insurance or the amount of cover shall not relieve the Contractor or its sub-contractors or consultants of any liabilities under the Contract, their sub-contracts or their terms of commission.

## **20. LOSS OR DAMAGE**

- 20.1 Subject to Condition 20.2, the Contractor shall indemnify the OWA Hi-VAS (Phase 1) Parties and keep each of them fully indemnified against all existing pending or threatened civil, criminal, administrative, regulatory or judicial actions, suits, claims, notices, demands, investigations, proceedings, orders, costs, charges, damages, losses and expenses suffered or incurred by the OWA Hi-VAS (Phase 1) Parties and for any liability to any third party including without limitation regulatory authorities in either case, due to, arising from or in connection with:
- (a) the negligent acts, omissions or defaults of the Contractor or the Contractor's employees, sub-contractors, consultants, agents and suppliers and any of their respective employees in performing the Services;
  - (b) the breach of any provision of the Contract by the Contractor or the Contractor's employees, sub-contractors, consultants, agents and suppliers and all of their respective employees;
  - (c) any defect in the workmanship, materials or design of any goods supplied in connection with the Services; and
  - (d) any infringement or alleged infringement of any patent, copyright, registered design, design right, trade mark, trade name or other intellectual property right for or relating to the Services (or any goods supplied in connection with the Services) unless such infringement has occurred directly as a result of any specification supplied by the OWA Hi-VAS (Phase 1) Parties,

in each case save to the extent that the same is directly attributable to any negligent act of the OWA Hi-VAS (Phase 1) Parties.

- 20.2 With the exception of any liability howsoever arising under or in connection with, or as a result of a breach of, Conditions 10 (Corporate Matters and Anti-Corruption), 11 (Publicity and Protection of Information), 20.1(d) (Loss or Damage), 22 (Data Protection), 24 (Royalties and Licence Fees), or 39 (Ownership of Intellectual Property and Other Outcomes) where such liability shall be unlimited, the Contractor's liability under or in connection with the Contract shall be limited to five hundred thousand pounds sterling (£500,000) and, subject to the maximum extent permitted by law, the Contractor shall not be liable to the OWA Hi-VAS (Phase 1) Parties for any indirect, special, punitive, consequential, exemplary or incidental damages or losses.



- 20.3 Notwithstanding any other provision in the Contract, the Carbon Trust's liability under or in connection with the Contract shall be limited to the lesser of: (i) the Approved Maximum Cost; and (ii) one hundred thousand pounds sterling (£100,000), and the Carbon Trust shall not be liable to the Contractor for any indirect, special, punitive, consequential, exemplary or incidental damages or losses.

## **21. RECOVERY OF SUMS DUE**

Whenever under the Contract any sums of money shall be recoverable from the Contractor by the OWA Hi-VAS (Phase 1) Parties or payable by the Contractor to the OWA Hi-VAS (Phase 1) Parties, the same may be deducted 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 the OWA Hi-VAS (Phase 1) Parties connected to the Agreed Scope of Work (and issued as part of the OWA).

## **22. DATA PROTECTION**

- 22.1 The Contractor shall indemnify each of the OWA Hi-VAS (Phase 1) Parties against all claims and proceedings, and all costs and expenses incurred in connection therewith, made or brought against the OWA Hi-VAS (Phase 1) Parties, or any of them, by any person in respect of loss, damage or distress caused to that person by the disclosure, loss or destruction by the Contractor, the Contractor's servants or agents of any personal data.
- 22.2 In this Condition "personal data" has the meaning given to it in the General Data Protection Regulation (EU) 2016/679 or any successor regulation or legislation.

## **23. INSOLVENCY OF THE CONTRACTOR**

- 23.1 Without prejudice to any other rights of the Carbon Trust under the Contract, the Carbon Trust may immediately terminate the Contract without payment of compensation or other damages caused to the Contractor solely by such termination by giving notice in writing to the Contractor if the Contractor ceases trading or is unable to pay its debts as they fall due, or has any receiver or liquidator appointed over any of its business or assets, or passes a resolution for winding-up, or is the subject of any application, petition or order for administration, winding up, dissolution or bankruptcy, or enters into any composition or voluntary arrangement with its creditors, or is subject to any similar event of insolvency in any other jurisdiction, or if the Carbon Trust reasonably suspects that the Contractor is likely to be subject to any of the events described in this Condition. 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 the Carbon Trust.
- 23.2 The Contractor shall inform the Carbon Trust if the Contractor shall at any time cease trading or become unable to pay its debts as they fall due, or has any receiver or liquidator appointed over any of its business or assets, or passes a resolution for winding-up (other than for the purpose of reconstruction or amalgamation), or is the subject of any application, petition or order for administration, winding up (other than for the purposes of amalgamation or reconstruction), dissolution or bankruptcy or enters into any composition or voluntary arrangement with their creditors or is subject to any similar event of insolvency in any jurisdiction.

## **24. 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 or forming part of the Services (other than intellectual property provided by any of the OWA Hi-VAS (Phase 1) Parties for the purpose of performing the Services) have been

paid and are included within the Contract Price. The Contractor shall indemnify the OWA Hi-VAS (Phase 1) Parties from and against all claims and proceedings, which may be made or brought against the OWA Hi-VAS (Phase 1) Parties (or any of them) and any damages, costs and expenses incurred by the OWA Hi-VAS (Phase 1) Parties (or any of them) in respect of such supply or use of such intellectual property, except where an OWA Hi-VAS (Phase 1) Party's use of such intellectual property is negligent or done so in bad faith, which includes using the intellectual property in a way which is materially different from its normal use, as is reasonable in the circumstances.

## **25. RETENTION OF DOCUMENTATION**

The Contractor shall retain and produce when required (and explain as necessary) such accounts, documents (including working documents) and records as the Carbon Trust, or the Contract Manager, may request, in connection with the Contract, at any time during the Contract and for a period of two (2) years from the date of expiry or termination or such longer period as may be agreed between the Carbon Trust and the Contractor in writing at or before the commencement of the Contract; and afford such facilities as the Carbon Trust may reasonably require for representatives of the OWA Hi-VAS (Phase 1) Parties to visit the Contractor's premises and examine the records under this Condition provided that the Carbon Trust gives at least fourteen (14) days' prior written notice to the Contractor.

## **26. SERVING OF NOTICES**

26.1 Subject to Condition 26.3, any notice or other communication required to be given or served under or in connection with the Contract by the Carbon Trust or any other OWA Hi-VAS (Phase 1) Party shall be in writing and shall be served by either:

- (a) delivery to the Contractor's Representative;
- (b) sending it by pre-paid first-class post to the Contractor's last known place of business or registered office, when it shall be deemed to be served five (5) Business Days after posting in the prescribed manner; or
- (c) delivered via email to EMAIL ADDRESS and EMAIL ADDRESS, where it shall be deemed to have been received at the time of transmission, or, if this time falls outside of Normal Business Hours in the place of receipt, 9:00am on the next Business Day after transmission.

26.2 Subject to Condition 26.3, any notice or other communication required to be given or served under or in connection with the Contract by the Contractor shall be in writing and served by either:

- (a) hand delivery to the Carbon Trust at the following address: Head of Legal and Company Secretary, The Carbon Trust, 4th Floor, Dorset House, 27-45 Stamford Street, London SE1 9NT;
- (b) sending it by pre-paid first-class post to the Carbon Trust at the following address: Head of Legal and Company Secretary, The Carbon Trust, 4th Floor, Dorset House, 27-45 Stamford Street, London SE1 9NT where it shall be deemed to be served five (5) Business Days after posting in the prescribed manner; or
- (c) delivered via email to [Robert.keast@carbontrust.com](mailto:Robert.keast@carbontrust.com) and [tobias.verfuss@carbontrust.com](mailto:tobias.verfuss@carbontrust.com), with a copy to [legal@carbontrust.com](mailto:legal@carbontrust.com) where the Contractor is serving any termination notice or dispute notice in respect of the Contract or similar, where it shall be deemed to have been received at the time of transmission, or, if this time falls outside of 9:00am to 5:30pm ("**Normal Business Hours**") in the place of receipt, 9:00am on the next day other than a Saturday, Sunday or public holiday in England

when banks in London are open for business ("**Business Day**") after transmission.

- 26.3 Conditions 26.1 and 26.2 do not apply to the service of any proceedings or other documents in any legal action or any arbitration.

## **27. GOVERNING LAW AND JURISDICTION**

The Contract shall be governed by and interpreted in accordance with English Law and subject to Conditions 28 (Arbitration) and 41 (Remedies) the parties agree to submit to the exclusive jurisdiction of the Courts of England and Wales.

## **28. ARBITRATION**

- 28.1 In the event of any dispute arising out of or in connection with the Contract, the parties will in good faith refer that dispute to the decision of the Managing Director of the Contractor and the Chief Operating Officer of the Carbon Trust or other such persons of equivalent status as the parties may respectively have designated for the purpose by notice to the other). If any other OWA Hi-VAS (Phase 1) Party wishes to raise issues arising out of or in connection with the Contract with the Contractor, it shall do likewise. (References to "**parties**" in Condition 28.2 shall be taken to include reference to any Project Participant.)
- 28.2 If within sixty (60) calendar days after any referral has been made pursuant to Condition 28.1, or such further period as the parties shall agree in writing, the parties remain in disagreement, the dispute shall be referred to and finally resolved by arbitration under the Arbitration Rules of the London Court of International Arbitration in force at the date of the referral, which such rules are deemed to be incorporated by reference to this Condition.
- 28.3 Any arbitration commenced pursuant to Condition 28.2 shall be administered by the London Court of International Arbitration.
- 28.4 In any arbitration, the standard London Court of International Arbitration administrative procedures and schedule of costs shall apply.
- 28.5 In any arbitration the appointing authority shall be the London Court of International Arbitration.
- 28.6 The number of arbitrators in any arbitration shall be one.
- 28.7 The place of arbitration shall be London, England.
- 28.8 The language to be used in the mediation or in the arbitral proceedings shall be English.
- 28.9 Judgment upon the award rendered may be entered in any Court having jurisdiction, or application may be made to such a court for a judicial acceptance of the award and an order for enforcement (as the case may be).

## **29. TRANSFER OF RESPONSIBILITY**

- 29.1 In the event that a different organisation is required to take over the Services from the Contractor at the expiry or termination of the Contract, the Contractor shall co-operate in the transfer of the Services, under arrangements to be notified to him by the Carbon Trust.
- 29.2 The transfer or assignment shall be arranged between the Carbon Trust and the Contractor so as to reduce to a minimum any interruption in the Services.
- 29.3 The Contractor shall provide such information and assistance as is reasonably required by the Carbon Trust in order for it to comply with EU procurement regulations (if this is relevant) relating to the selection of a different organisation to take over the Services from the Contractor.

- 29.4 Without prejudice to the generality of Conditions 29.1 and 29.2 the Contractor shall procure if required by the Carbon Trust the assignment, novation or otherwise the transfer of contracts with sub-contractors entered into by the Contractor for the purpose of performing the Contract to the organisation taking over the Services at the expiry or termination of the Contract.
- 29.5 Where the Contractor enters into a sub-contract for the purpose of performing the Contract or any part of it he shall cause a term to be included in such sub-contract which provides for the assignment, novation or otherwise transfer of the sub-contract to the organisation taking over the Services at the expiry or termination of the Contract. A further term shall make provision for the sub-contractor to execute the necessary deeds and documents as the Contractor may reasonably require to give effect to such assignment, novation or transfer.

### **30. CONTRACTOR'S OBLIGATIONS IN CONNECTION WITH TRANSFER REGULATIONS**

- 30.1 Where requested to do so (and in circumstances where the Transfer Regulations might apply) the Contractor shall provide such information (including any changes to and interpretations thereof) in connection with the Transfer Regulations, as the Carbon Trust may require, to the Carbon Trust and/or to any other person authorised by the Carbon Trust who is to be invited to submit a tender in relation to the provision of similar Services, within ten (10) calendar days of the request.
- 30.2 During the eight (8) month period preceding the expiry of the Contract or within any period of notice of termination or notice of break of the Contract, the Contractor shall not without the prior written agreement of the Carbon Trust, which shall not be unreasonably withheld or delayed:
- (a) materially amend the terms and conditions of employment of any employee whose work, wholly or mainly falls within the scope of the Contract; or
  - (b) materially increase the number of employees whose work (or any part of it) is work undertaken for the purposes of the Contract.
- 30.3 The Contractor shall not knowingly do or omit to do anything that may adversely affect an orderly transfer of responsibility for provision of the Services.
- 30.4 For the avoidance of doubt, it is agreed that the Contractor shall assume full responsibility for any redundancy cost and related notice and any liabilities that might arise under the Transfer Regulations for all Contractor Employees upon termination of the Contract. The Contractor agrees to indemnify the Carbon Trust, and any incoming contractor 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 application of the Transfer Regulations in respect of Contractor Employees.
- 30.5 The Contractor's obligations regarding provision of information under this Condition 30 shall be qualified to apply solely to the extent that the Transfer Regulations apply.

### **31. ENVIRONMENTAL REQUIREMENTS**

The Contractor shall provide the Services in accordance with the Carbon Trust's environmental policy, which is to conserve energy, water and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, Volatile Organic Compounds and other substances damaging to health and the environment.

### **32. SEVERABILITY**

If any provision, or part of a provision, of the Contract is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision, or such part thereof, 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, or part, eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the Contract, the Carbon Trust and the Contractor shall immediately commence negotiations in good faith to remedy the invalidity.

### **33. WAIVER**

- 33.1 The failure of the Carbon Trust or the Contractor to exercise any right or remedy shall not constitute a waiver of that right or remedy.
- 33.2 No waiver shall be effective unless it is communicated to either the Carbon Trust or the Contractor in writing.
- 33.3 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.

### **34. RIGHTS OF THIRD PARTIES**

- 34.1 Every OWA Hi-VAS (Phase 1) Party shall have the right be fully informed about the Contract and its performance, and shall have the right to have full view and access to all research activities forming part of the Services. All OWA Hi-VAS (Phase 1) Parties shall equally enjoy the right to receive all reports, records and information arising from the Contract and to inspect the work, technology or equipment developed hereunder.
- 34.2 The OWA Hi-VAS (Phase 1) Parties shall have the joint and several right to enforce any term of the Contract, including without limitation these Conditions. Rights given to the Carbon Trust hereunder shall be deemed to have been given also to every other OWA Hi-VAS (Phase 1) Party, and the obligations expressed to be owed to the Carbon Trust under these Conditions shall be deemed to be owed also to every other OWA Hi-VAS (Phase 1) Party.
- 34.3 Except as expressly provided herein, a person who is not a party to this Contract shall not have any rights to enforce any term of the Contract.
- 34.4 No amendment or variation of this Contract shall be made without the prior written consent of the Contractor and the Carbon Trust.

### **35. SAFETY**

- 35.1 The Contractor shall be responsible for the observance by it, its employees and sub-contractors of all safety precautions necessary for the protection of it, its employees, sub-contractors and any other persons including all precautions required to be taken by or under any legislative and statutory requirements in force at the date at which the Services are performed and any relevant codes of practice (including any rules relating to safety issued by the Carbon Trust from time to time). The Contractor shall where required co-operate fully with the Carbon Trust to ensure the proper discharge of these duties.
- 35.2 Without prejudice to the generality of the foregoing, the Contractor shall at the commencement of the Contract, confirm that appropriate health and safety systems are in place; submit a health and safety summary during or on completion of the Contract, as reasonably directed by the Carbon Trust; and confirm corrective action in the event of serious incident.

### **36. CONFLICTS OF INTEREST**

It shall be the Contractor's responsibility to ensure that no conflict of interest arises in connection with the Services to be carried out under the Contract. Conflicts of interest may arise, by way of example (only), through any circumstances where the Contractor has a direct or indirect commercial competitive interest in anything within the same research area as the Services, but which falls outside of the scope of the Contract and which could affect the Contractor's impartial provision of the Services. The Contractor shall immediately consult the Carbon Trust if there is any uncertainty about whether any such conflict of interest may exist or arise. The fact that such conflict is disclosed and acknowledged shall not detract from the Contractor's obligation of impartiality, and breach of this Condition shall be deemed a material breach of the Contract and the Carbon Trust retains the right to immediately terminate the Contract in accordance with Condition 15.1(a).

### **37. CAPITAL ITEMS**

Any capital item, being a tangible productive asset, acquired or fabricated, which will yield a continuous Service for one year or more, which is essential to the Services, which costs in excess of £1,000 and for which the Carbon Trust has specifically reimbursed the Contractor under the Contract, shall be the property of the Carbon Trust. The Carbon Trust shall have the right to require the Contractor to pass such capital items into the Carbon Trust's possession or to dispose of them. In the latter event the Contractor shall pass any monies realised by the disposal to the Carbon Trust.

### **38. APPROVED MAXIMUM COST**

This is a capped time and material Contract. The Carbon Trust will not accept liability for any expenditure, costs, expenses or monies beyond the Approved Maximum Cost authorised by the Carbon Trust or any subsequent variation thereto. The Carbon Trust reserves the right to vary the Approved Maximum Cost by notice in writing to the Contractor. If at any time the Contractor considers that the Services cannot be completed without exceeding the Approved Maximum Cost, it shall immediately submit to the Carbon Trust a full written explanation of the reasons together with a detailed forecast of the excess. The Carbon Trust shall not accept any liability for any actual or forecast excess until a formal written amendment has been made to the Contract.

### **39. OWNERSHIP OF INTELLECTUAL PROPERTY AND OTHER OUTCOMES**

#### **39.1 DEFINITIONS**

In this Condition:

**"Background Intellectual Property"** means in relation to an OWA Hi-VAS (Phase 1) Party (or its Affiliates) or the Contractor, intellectual property rights, methodologies, tools, technologies, knowledge, data and know how, owned, developed or acquired by the OWA Hi-VAS (Phase 1) Party (or its Affiliates) or the Contractor as at the Award Date, or developed by the OWA Hi-VAS (Phase 1) Party (or its Affiliates) or the Contractor independently from this Agreement following the Award Date;

**"Exploit"** means make any commercial or industrial use or exploitation of (including outside the scope of the Project), and this includes permitting Affiliates active in offshore wind to make any such use or exploitation. The terms **"Exploiting"** and **"Exploitation"** shall be construed accordingly; and

**"Intellectual Property Rights"** shall mean copyrights, rights in the nature of copyright, Community designs, unregistered design rights, registered designs, inventions, patents, database rights and all other intellectual property rights of any

description throughout the world (including any applications, and the right to apply for any of the foregoing);

**"Results"** shall mean any document, item, material, software, methodologies, tools technologies, knowledge, data, know-how or other work created, developed or acquired for the purposes of the Services or in connection with the Services by the Contractor or by any third party engaged by the Contractor or working under the Contractor's direction or supervision. This shall include any invention, innovation and design.

### 39.2. **OWNERSHIP OF THE RESULTS**

- (a) The Contractor shall own all Intellectual Property Rights in the Results but hereby grants to the Carbon Trust a perpetual, irrevocable, worldwide, non-exclusive, royalty-free licence (sub-licensable to the other contractors in the OWA Hi-VAS (Phase 1) Project and to the other OWA Hi-VAS (Phase 1) Parties (with the right for each OWA Hi-VAS (Phase 1) Party to sub-licence to its contractors and joint venture or collaboration partners (and potential joint venture partners) working with it on wind farm projects and/or its Affiliates)) to use and access the Results for all purposes, and in such manner as it (or the relevant OWA Hi-VAS (Phase 1) Party) may see fit to enable it (or the relevant OWA Hi-VAS (Phase 1) Party) to enjoy the intended benefits of participating in the Project.
- (b) To the extent that any of the rights referred to in Condition 39.2(a) include, require the use of and/or rely upon any Background Intellectual Property of the Contractor, the Carbon Trust shall not acquire any right or interest in or to such Background Intellectual Property and the Contractor hereby grants the Carbon Trust a non-exclusive, irrevocable, worldwide, royalty free, perpetual licence (sub-licensable to the other OWA Hi-VAS (Phase 1) Parties (with the right for each OWA Hi-VAS (Phase 1) Party to sub-licence to its Affiliates, contractors and joint venture or collaboration partners (and potential joint venture partners) working with it on wind farm projects and/or its Affiliates)) to use and copy such Background Intellectual Property solely for the purposes of all activities in connection with the Project and for the purpose of Exploiting the Results.
- (c) To the extent that any Background Intellectual Property of the Contractor is required by the OWA Hi-VAS (Phase 1) Parties to allow the OWA Hi-VAS (Phase 1) Parties to carry out any OWA project, the Contractor hereby grants a non-exclusive, royalty-free licence for access and use rights to such Background Intellectual Property to all OWA Hi-VAS (Phase 1) Parties (with the right to sub-licence to (i) other contractors that have been awarded a contract by the Carbon Trust to carry out work in relation to any other OWA project, (ii) other participants of other OWA projects, (iii) OWA Hi-VAS (Phase 1) Parties' Affiliates, (iv) others engaged in the Project, and (v) any joint venture partner (or potential joint venture partner) working with the relevant OWA Hi-VAS (Phase 1) Party on wind farm projects) for the sole purpose of the OWA, but not (except as provided for under Condition 39.2(b) or as may subsequently be agreed with the Contractor) for commercial use or Exploitation or any other use whatsoever.
- (d) The Contractor has identified in Appendix 2 to these Conditions the Background Intellectual Property that it will provide under or in connection with the Services. At the point the relevant Services and/or the Results are delivered to the Carbon Trust, the Contractor will inform the Carbon Trust whether such work contains or uses or relies upon the Contractor's Background Intellectual Property and specifically identify and detail such Background Intellectual Property. Where the Contractor does not indicate that any Work produced by the Contractor pursuant to the Contract (including the Results) contains or uses or relies upon the Contractor's

Background Intellectual Property, the Contractor acknowledges and agrees that the Carbon Trust and the other OWA Hi-VAS (Phase 1) Parties can presume that such Work (including the Results) does not contain, use or rely upon the Contractor's Background Intellectual Property.

- (e) In respect of the Background Intellectual Property of an OWA Hi-VAS (Phase 1) Party that is identified in Appendix 3 to these Conditions (if any) which will be provided to the Contractor to allow the Contractor to carry out the Services, Carbon Trust hereby grants a non-exclusive, royalty free licence for access and use rights to such Background Intellectual Property to the Contractor for the sole purpose of performing the Services, but not for commercial use or Exploitation or any other use whatsoever.

### **39.3 USE OF OTHER COPYRIGHT MATERIAL**

- (a) The Contractor shall be responsible for obtaining and providing written evidence to the Carbon Trust of any and all authorities from the copyright holder for any material to be included in the Results of the Contract for which the Contractor or the Carbon Trust are not the beneficial holders of the copyright.
- (b) The Contractor hereby warrants that the Results do not violate any existing copyright or other third party right, and that to the best of the Contractor's knowledge all facts and statements in the Results are true. The Contractor hereby agrees to indemnify the Carbon Trust and the other OWA Hi-VAS (Phase 1) Parties from any loss, injury or damage (including any legal costs, expenses, compensation claims or disbursements made by the Carbon Trust or the other OWA Hi-VAS (Phase 1) Parties in respect of any claim) occasioned to the Carbon Trust or the other OWA Hi-VAS (Phase 1) Parties in consequence of any breach of this warranty.

### **39.4 PATENTING OF RESULTS**

- (a) The Contractor shall take all required steps to secure and maintain such patents and other Intellectual Property Rights within the Results or otherwise derived from the Contract that are commercially reasonable, which, for the avoidance of doubt, shall include protection of such Intellectual Property Rights at least within the United Kingdom, Norway, the EU and the United States of America in accordance with such treaty obligations as may apply. The Contractor will be further responsible for obtaining: (i) a sound legal opinion on their intellectual property position; (ii) commercial freedom to operate; and (iii) any third party intellectual property licences required, at no additional cost to the OWA Hi-VAS (Phase 1) Parties beyond any payment made to the Contractor for, and any other assistance provided to the Contractor in connection with, the Services under this Contract. The Carbon Trust shall have the right to intervene in the event the Contractor fails to comply with this Condition 39.4(a), in accordance with Condition 39.4(c).
- (b) Where commercially viable, the Contractor shall promptly commercially exploit the Results of this Contract. After completion of the Contract, the OWA Hi-VAS (Phase 1) Parties (collectively or individually) shall be entitled to "preferred customer status" in any subsequent commercial arrangement with the Contractor. "Preferred customer status" for this purpose means that any commercial arrangement between the Contractor and any OWA Hi-VAS (Phase 1) Party in respect of the Results will be reasonable, offered in good faith, and demonstrate clear substantial advantage for the OWA Hi-VAS (Phase 1) Party in comparison to existing market rates and other conditions applicable to comparable goods or services. The Carbon Trust shall have the right to intervene in the event that the Contractor fails to comply with this Condition 39.4(b), in accordance with Condition 39.4(d).
- (c) If in its reasonable opinion, the Carbon Trust determines that the Contractor has not evidenced a reasonable effort to secure and maintain such patents



and other Intellectual Property Rights within the Results, it will notify the Contractor in writing of such concerns and require the Contractor take remedial steps within 90 calendar days. If the Contractor fails to effectively remedy the default within such period the Carbon Trust may at its option and discretion, intervene and secure the protection of such Intellectual Property Rights. The Contractor shall reimburse the Carbon Trust in full for all costs incurred in executing its right of intervention plus a reasonable sum to reflect the time and resource invested by the Carbon Trust in doing so.

- (d) If in its sole opinion the Carbon Trust determines that the Contractor has not evidenced a reasonable effort to commercially exploit the Results in accordance with Condition 39.4(b) it will notify the Contractor in writing of such concerns and require the Contractor to take remedial steps within 90 calendar days. If the Contractor fails to effectively remedy the default within such period the Carbon Trust may, at its option and discretion, intervene and procure the commercial exploitation of the Results, whether such exploitation means the Carbon Trust or the OWA Hi-VAS (Phase 1) Parties or any of their Affiliates using the Results for their own purposes, or in accordance with Condition 39.4(e).
- (e) In exercising the right of intervention set forth in Condition 39.4(d), the Carbon Trust (or its designated representative) shall act as trustee of any royalty fees or other revenue stream generated from the commercial exploitation of such Intellectual Property Rights (where applicable). The Carbon Trust shall be entitled to receive, directly from any royalty fees or other revenue stream from the commercial exploitation of the Intellectual Property Rights, a sum equal to all costs incurred by the Carbon Trust in exercising its right of intervention, plus it shall receive a reasonable sum to reflect the time and resource invested by the Carbon Trust in doing so, plus a reasonable portion of any net proceeds (which shall reflect the Carbon Trust's facilitation of the commercial exploitation) until such Intellectual Property Rights expire.
- (f) In the event that the Contractor is subject to any of the circumstances specified in Conditions 23.1 and/or 23.2, the Carbon Trust shall have the right of first refusal to purchase all Intellectual Property Rights accruing to the Contractor pursuant to this Contract.

#### **39.5 PUBLICATION OF RESEARCH RESULTS**

- (a) The Carbon Trust reserves the right to determine together with the OWA Hi-VAS (Phase 1) Parties whether the Results of the Services shall be published and, if so, on what conditions. In this Condition, 'publication' and cognate terms include any method, whether written, oral or visual, by which information relating to the Work or the Results is disclosed to persons other than the Contractor, its employees, any other contractor on the OWA Hi-VAS (Phase 1) Project, and the OWA Hi-VAS (Phase 1) Parties.
- (b) The Contractor shall not publish any information related to the Work or the Results without the prior written agreement of the Carbon Trust.
- (c) The Contractor shall not, without the prior written agreement of the Carbon Trust, use or permit any other person to use the Work or the Results for any thesis or degree.
- (d) If information is to be published in writing, the Contractor shall submit a draft of the proposed publication to the Carbon Trust together with the name of the journal in which it is to appear, or details of the form in which it is to be published. The Carbon Trust may make its agreement to the publication conditional upon specified amendments to the draft being made.

- (e) Any publication shall contain an acknowledgement that the Work was carried out under contract with the Carbon Trust and is published with the Carbon Trust's agreement.
- (h) Any publication by the Contractor shall be at the Contractor's cost, including the cost of any copyright fees.
- (i) The Contractor shall within ten days of the date of any permitted publication supply the Carbon Trust free of charge with as many copies of any publication as the Carbon Trust may reasonably request.

#### 39.6 LICENSING OF THE RESULTS

- (a) The Contractor shall be entitled to apply for a non-transferable, non-exclusive licence in respect of information owned or controlled by the Carbon Trust for purposes outside of the Contract. The Carbon Trust reserves the right to decide in its absolute discretion whether such an application shall be granted.
- (b) The Carbon Trust reserves the right to grant at any time to any third party a licence to use and exercise and to manufacture and sell articles embodying any of the Results.

#### 39.7 FURTHER ASSURANCE

The Contractor shall execute such further documents and do all such acts as may be necessary or desirable to give full effect to this Condition 39.

#### 40. FORCE MAJEURE

Neither party shall be liable for any delay in performing or for failure to perform its obligations hereunder if the delay or failure results from any cause or circumstance whatsoever beyond its reasonable control, including any breach or non-performance of the Contract by the other party (hereinafter "**event of force majeure**"), provided the same arises without the fault or negligence of such party and provided that the affected party notifies the other immediately upon becoming aware of the event of force majeure. If an event of force majeure occurs, the date(s) (where applicable) for performance of the obligation affected shall be postponed for as long as is made necessary by the event of force majeure, provided that if any event of force majeure affecting the Contractor continues for a period of or exceeding sixty (60) calendar days, the Carbon Trust shall have the right to terminate the Contract forthwith by written notice to the Contractor. Each party shall use its reasonable endeavours to minimise the effects of any event of force majeure. For clarity, a Covid-19 Event shall not be considered an event of force majeure.

#### 41. REMEDIES

Without prejudice to any other rights or remedies that the Carbon Trust may have, the Contractor acknowledges and agrees that damages would not be an adequate remedy for any breach of certain Conditions of the Contract by the Contractor. Accordingly, the Carbon Trust shall be entitled, without proof of special damages, to the remedies of injunction, specific performance or other similar remedies or other equitable relief for any threatened or actual breach of the terms of the Contract in accordance with Condition 27 (Governing Law and Jurisdiction) and/or in the jurisdiction in which the threatened or actual breach is occurring or may occur.

#### 42. JOINT AND SEVERAL LIABILITY

Unless expressly provided otherwise in this Contract, in the event that the Contractor consists of more than one person, (each person a "**Co-obligor**"), the Co-obligors shall be jointly and severally liable for the Contractor's obligations and liabilities arising under this Contract.

#### **43. ENTIRE AGREEMENT**

The Contract, plus any executed addendums incorporated herein or future supplemental agreement(s), constitutes the entire agreement between the parties with respect to its subject matter. All prior agreements, whether or not agreed or offered and all conditions and warranties whether express or implied statutory or otherwise and all representations, statements, negotiations, understandings and undertakings either written or oral are superseded hereby (other than fraudulent misrepresentation on which a party can be shown to have relied).

#### **44. COVID-19 EVENT**

- 44.1 For the purpose of this Condition, a "**Covid-19 Event**" means any circumstance arising, directly or indirectly, from the spread or threatened spread of the COVID-19 virus or the mitigation thereof, including, without limitation, (i) the advice, order or other decision or instruction of the World Health Organisation or any other (non-) governmental authority or any change in law, customs, licenses or consents in any jurisdiction, (ii) a decision or measure by the Contractor or Carbon Trust on the basis of its health and safety policies or duty of care towards its employees, (iii) a failure of a sub-contractor or supplier of the Contractor to deliver services or equipment in relation to this Contract, (iv) shortage of personnel on the Contractor's, its sub-contractor's or supplier's vessels or sites, or (v) restrictions on trade or movement of goods, services or people.
- 44.2 If a party is prevented or delayed from commencing or performing any of its obligations under this Contract by a Covid-19 Event occurring at any time, then it shall notify the other party thereof and of the likely impact to those obligations, including the effect on the scope and timeline of delivery of the Services.
- 44.3 Subject to each party using reasonable endeavours to continue compliance with its obligations under this Contract in so far as reasonably practicable, the time for performance by the respective party of those obligations, including all affected milestone dates, shall be extended by a period as mutually agreed on by the parties, acting reasonably, to reflect the delay caused by the Covid-19 Event.

## APPENDIX 1

### ***OWA Hi-VAS (Phase 1) Parties***

<b>The Carbon Trust</b>	a company incorporated under the laws of England and Wales and limited by guarantee (company number 4190230), and having its registered office at 4th Floor, Dorset House, 27-45 Stamford Street, London SE1 9NT
<b>Ørsted Wind Power A/S</b>	a company incorporated under the laws of Denmark (company number 31849292), the principal office of which is situated at Kraftværksvej 53 Skærbæk, 7000 Fredericia, Denmark
<b>Scottish Power Renewables (UK) Limited</b>	a company incorporated in Northern Ireland (registered number: NI028425), the registered office of which is situated at The Soloist, 1 Lanyon Place, Belfast, Northern Ireland BT1 3LP
<b>Equinor ASA</b>	a company registered under Norwegian law (registered number: NO923609016), the principal office of which is situated at Forusbeen 50, 4035 Stavanger, Norway
<b>Shell Global Solutions International B.V.</b>	a company incorporated in The Netherlands (registered number: 27155370), the registered office of which is situated at Lange Kleiweg 40, Rijswijk, 2288 GK, The Netherlands
<b>RWE Renewables GmbH</b>	a company incorporated under the laws of Germany (Amtsgericht Essen, registration number HRB 29653), the registered office of which is situated at Kruppstr. 74, 45145 Essen, Germany
<b>Vattenfall Vindkraft A/S</b>	a company incorporated in Denmark (registered number: DK31597544) and having its registered office at Exnersgade 2, 6700 Esbjerg, Denmark
<b>EnBW Energie Baden-Württemberg AG</b>	a company incorporated under the laws of Germany (legal registered number 107956), the registered office of which is situated at Durlacher Allee 93, 76131 Karlsruhe, Germany
<b>SSE Renewables Services (UK) Limited</b>	a company incorporated in Northern Ireland under registered number NI043294 whose registered office is at Millennium House, 25 Great Victoria Street, Belfast, Northern Ireland BT2 7AQ

## **APPENDIX 2**

### **Contractor's Background Intellectual Property**

## **APPENDIX 3**

### **OWA Hi-VAS (Phase 1) Parties' Background Intellectual Property**