

ADDENDUM TO CRANFIELD UNIVERSITY TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES – APPLICABLE TO SUBCONTRACTORS DELIVERING SERVICES IN SUPPORT OF THE ACADEMIC PROVIDER CONTRACT FOR THE DEFENCE ACADEMY

Cranfield University provides academic services to the Secretary of State for Defence in respect to the delivery of a range of educational courses under the scope of a contract entitled Management and Technology Academic Provider for the Defence Academy – Authority Contract Number CBC (PI)/37 (herein referred to as the “AP Contract”) the terms of which permit the University to sub-contract part of those services to the Supplier subject to the Supplier accepting the Special Terms and Conditions set out in this Addendum.

The following Special Terms and Conditions together with the Terms and Conditions for the Purchase of Goods and Services shall constitute a Sub-Contract between University and the Supplier for delivery by the Supplier of part of the services under the AP Contract.

For the avoidance of doubt, these Special Terms and Conditions apply exclusively to the delivery of services in support of the AP Contract.

1. DEFINITION

In addition to the definitions set out in the Terms and Conditions for the Purchase of Goods and Services, the definitions below shall apply:

- 1.1. AP Course(s):** means the educational course(s) for which the Supplier or Sub-Contractor appointed by the Supplier will provide the Services;
- 1.2. Authority:** means the Secretary of State for Defence;
- 1.3. Background Intellectual Property Rights** means all present and future Intellectual Property Rights (excluding any registered or unregistered trade marks, trade names and business names) which are created other than in connection with, or pursuant to, the Sub-Contract but are necessary or required for the use of the Foreground Intellectual Property Rights;
- 1.4. Course Materials** means calculations, designs, design information, specifications, plans, programmes, drawings, graphs, sketches, algorithms, models, samples, mock-ups, manuals, materials, literature and other documents, software, computer generated works, or other works of any nature whatsoever in which copyright and/or design right may subsist now or in the future;
- 1.5. Defence Academy** means the Defence Academy of the United Kingdom located at Faringdon Road, Shrivenham, Swindon, SN6 8LA;
- 1.6. Employee** means any person who is an employee or director of the Supplier or Sub-Contractor or who occupies the position of a director of the Supplier or Sub-Contractor, by whatever title given;
- 1.7. Foreground Intellectual Property Rights** means all present and future Intellectual Property Rights which are created in connection with, or pursuant to, the Sub-Contract;
- 1.8. Secret Matter** means any matter classified under the Official Secrets Acts 1911-1989 connected with the Contract, or its performance which is designated in writing by the University or the Authority as "Top Secret", "Secret" or "Confidential" and shall include any information concerning the content of such matter and anything which contains or may reveal that matter.
- 1.9. Services** means the services as described in the Purchase Order;
- 1.10. Sub-Contractor:** means any sub-contractor or consultant of the Supplier (at any level) engaged in providing the Services;

1.11. Terms and Conditions for Purchase of Goods and Services means the standard terms and conditions used by Cranfield University in the normal course of its business for purchasing goods and services.

2. SUPERSEDED TERMS

Terms and Condition for Purchase of Goods and Services which shall not apply to this Sub-Contract are as follows.

- 2.1** Clause 16.2.3 shall not apply and no personal data of any persons shall be transferred outside of the United Kingdom.
- 2.2** Clause 18 shall not apply to the novation of this agreement. The Supplier hereby consents to this Sub-Contract being novated by the University to whomever it is instructed to novate it to by the Authority.

3. SUPPLIER'S OBLIGATIONS

3.1. Quality Assurances requirements

The Supplier shall and shall procure that any Sub-Contractor shall abide by all quality standards set out by the University. The quality standards notably refer to but are not limited to health & safety at work directives, fire and environmental protection requirements, accreditations, performance management and use of information systems. Requirements will vary on a case by case basis therefore the Supplier undertakes to abide by the quality assurance requirements notified to them prior to entering into this Sub-Contract.

3.2. Payment

Payment will be made within thirty (30) days of receipt and agreement of invoices, submitted monthly in arrears for Services completed to the satisfaction of the University. The Supplier shall include the same payment terms in any sub-contract with a Sub-Contractor.

3.3. Liens

Government furnished items made available to the Supplier or any Sub-Contractor for performance of the Services are the property of the Authority and shall remain so. The Supplier shall not and shall ensure that any Sub-Contractor shall not have any lien on any government furnished items for any sum due by the University to the Supplier or by the Supplier to the Sub-Contractor.

3.4. Intellectual Property Rights

- 3.4.1.** For the avoidance of doubt nothing in these Special Terms and Conditions shall be construed as affecting the ownership of Background Intellectual Property Rights.
- 3.4.2.** The Supplier hereby grants and shall procure that any Sub-Contractor grants to the University a perpetual, irrevocable, non-exclusive, non-transferable (other than to any party to which this agreement may be novated) world-wide licence (with the right to grant further sub-licences), to use, copy, distribute or modify all Background Intellectual Property Rights in the Course Materials for AP Courses.
- 3.4.3.** All Course Materials, reports and other documents and materials and all Foreground Intellectual Property Rights arising out of the performance by the Supplier and any

Sub-Contractors of his duties hereunder relating to the Services are hereby assigned to and shall vest in the University absolutely. The Supplier shall include terms and conditions in any sub-contracts it may have with Sub-Contractors to effect such ownership.

- 3.4.4.** The Supplier shall not and shall procure that any Sub-Contractor shall not introduce any software that is not commercially available without written consent of the University.

3.5. Official Secrets Act and Secret Matters

The Supplier shall:

- 3.5.1** take all reasonable steps to ensure that all employees or agents of the Supplier and any Sub-Contractor engaged in provision of the Services on any Secret Matter in connection with the Sub-Contract are given formal notice that the Official Secrets Acts 1911-1989 apply to them and will continue so to apply after the expiry or earlier termination of the Sub-Contract; and
- 3.5.2** if directed by the University or the Authority, ensure that any employee or agent of the Supplier or any Sub-Contractor shall sign a statement acknowledging that, both during the term of the Sub-Contract and after its expiry or earlier termination, he is bound by the Official Secrets Acts 1911 - 1989 (and where applicable by any other legislation). Where the Service involves the disclosure of secret matters, the Supplier shall, and shall procure that any Sub-Contractor shall submit to the secrecy and security arrangements as directed by the University and/or the Authority.

3.6. Security Requirements

- 3.6.1** The Supplier shall procure that its employees or agents and the employees or agents of its Sub-Contractors shall comply with the Statement of Security Policy applicable to the Defence Academy as amended from time to time.
- 3.6.2** Unless they have the written authorisation of the University or the Authority to do otherwise, the employees or agents of the Supplier and any of his Sub-Contractors shall not, either before or after the completion or termination of the Sub-Contract, do or permit to be done anything which they know or ought reasonably to know may result in a Secret Matter being disclosed to or acquired by a person in any of the following categories:
- (a) who is not a British citizen;
 - (b) who does not hold the appropriate authorisation from the University or the Authority for access to the material with a protective marking;
 - (c) in respect of whom the University or the Authority has notified the Supplier in writing that the Secret Matter shall not be disclosed to or acquired by that person;
 - (d) who is not an employee, agent or Sub-Contractor of the Supplier; or
 - (e) who is an employee or agent of the Supplier or Sub-Contractor and has no need to know the information for the performance of the Sub-Contract.
- 3.6.3** Unless it has the written permission of the University or the Authority to do otherwise, the Supplier shall ensure that its employees and agents and the employees and

agents or any Sub-Contractors shall, both before and after the completion or termination of the Sub-Contract, take all reasonable steps to ensure that:

- (a) No photograph of, or pertaining to, any Secret Matter shall be taken and no copy of or extract from any Secret Matter shall be made except to the extent necessary for the proper performance of the Sub-Contract;
- (b) Any Secret Matter is at all times strictly safeguarded in accordance with the Statement of Security Policy applicable to the Defence Academy and, upon request, is delivered up to the University of the authority who shall be entitled to retain it.

3.6.4 The Supplier shall and shall procure that any Sub-Contractor shall

- (a) Provide to the University or the Authority:
 - (i) upon request, such records giving particulars of those employees who have had at any time, access to any Secret Matter ;
 - (ii) upon request, such information as the University or the Authority may from time to time reasonably require so as to be satisfied that the Supplier, it's Sub-Contractors and their respective employees and agents are complying with their obligations under this Schedule, including the measures taken or proposed by the Supplier so as to comply with its obligations and to prevent any breach of them; and
 - (iii) full particulars of any failure by the Supplier, it's Sub-Contractors and their respective employees or agents to comply with any obligations relating to Secret Matters arising under this Sub-Contract immediately upon such failure becoming apparent;
- (b) ensure that, for the purpose of checking the Supplier's and any Sub-Contractor's compliance with the obligations set out herein, representatives of the University and/or the Authority shall be entitled at any time to enter and inspect any premises used by the Supplier or Sub-Contractor which are in any way connected with the Sub-Contract and/or the provision of Sub-Contractor Services and inspect any document or thing in any such premises, which is being used or made for the purposes of the Sub-Contract and/or the provision of Sub-Contractor Services. Such representatives shall be entitled to all such information as he may reasonably require.

3.6.5 If, at any time either before or after the expiry or earlier termination of the Sub-Contract, the Supplier, Sub-Contractor, or any of their respective employees or agents, discovers or suspects that an unauthorised person is seeking, or has sought, to obtain information directly or indirectly concerning any Secret Matter, the Supplier or Sub-Contractor shall forthwith inform the University and the Authority of the matter with full particulars thereof.

3.7 Sub-Contracts

3.7.1 If the Supplier proposes to enter into a sub-contract with a Sub-Contractor which will involve the disclosure of a Secret Matter to the relevant Sub-Contractor, the Supplier shall:

- (a) submit to the University for approval of the University and the Authority the name of the proposed Sub-Contractor, a statement of the work to be carried out and any other details known to the Supplier which the University and the Authority shall reasonably require;

(b) if directed by the University or the Authority, incorporate into the Sub-Contract the terms of this Addendum and such secrecy and security obligations as the University and the Authority shall reasonably direct within twenty (20) business days after receipt of a submission under sub-clause 3.7.1. (a) above;

(c) inform the University and the Authority immediately it becomes aware of any breach by the Supplier or Sub-Contractor of any secrecy or security obligation.

3.7.2 The University shall be entitled to terminate the Sub-Contract immediately if the Supplier or any Sub-Contractor is in breach of any obligation under this Addendum or to require the Supplier to terminate any of its sub-contracts with its Sub-Contractors where the circumstances of the breach:

(a) jeopardise the secrecy or security of the Secret Matter; and

(b) present a threat to the national security of the United Kingdom,

and the Authority or the University has notified the Supplier that a security breach has occurred.

3.7.3 In the event that a Sub-Contractor to the Supplier terminates their sub-contract or that such sub-contract is terminated by the Supplier otherwise than in accordance with 3.7.1 or 3.7.2 above the Supplier must inform the University immediately.

3.8 Audit

For the purpose of the National Audit Act 1983, the Comptroller and Auditor General may examine any document the Supplier or any Sub-Contractor owns, holds or is otherwise within the Supplier's or Sub-Contractor's control and may require that The Supplier or Sub-Contractor shall produce such oral or written explanations as they consider necessary. This requirement shall not include the carrying out of an examination under section 6(3)(d) of the National Audit Act 1983. The Supplier shall procure that any of its Sub-Contractors comply with this clause 3.8.

3.9 Recording

3.9.1 The Supplier shall, and shall procure that any Sub-Contractor shall, ensure that it has kept records of books of account in accordance with best accountancy practice with respect to the Sub-Contract showing in detail administrative overhead, capital and revenue expenditure and such other item as required by the University and/or the Authority to conduct cost audits for verification of cost expenditure or estimated expenditure.

3.9.2 On or before the termination or expiry of the Sub-Contract, the Supplier shall, and shall procure that any Sub-Contractor shall, ensure that all documents or computer records in its possession, custody or control, which contain information relating to students, staff or other user of the Defence Academy are delivered up to the University and/or Authority as appropriate.

3.9.3 Upon termination or expiry of the Sub-Contract, the Supplier shall, and shall procure that any Sub-Contractor shall, comply with all reasonable requests to provide information relating to the Supplier's or Sub-Contractor's costs of operating and maintaining the Service.

3.10 Personal Data

The Supplier shall only undertake the processing of personal data reasonably required for the performance of the Service and shall not transfer any personal data to any country or territory outside the European Economic Area.

3.11 Request from Press

The Supplier shall not, and shall procure that their and their Sub-Contractor's respective staff and agents shall not, communicate with representatives of the press, television, radio or other communication media on any matter concerning the Services without written approval of the University.

3.12 Investors in People

Sub-Contractor shall, and shall procure that their Sub-Contractors shall assist the University with its obligations in respect of the Defence Academy achieving and maintaining the Investors in People Standard as required from time to time and for the duration of the Sub-Contract.

4. INTERPRETATION

If there are any inconsistencies between these Special Terms and the Terms and Conditions set out in the Terms and Conditions for the Purchase of Goods and Services, the terms set out in the Special Terms and Conditions shall prevail.

5. MANDATORY POLICIES

The Supplier undertakes, and shall procure that any Sub-Contractor undertakes, to comply and abide by the University's Mandatory Policies which are available by following the links below;

1. Modern Slavery

https://intranet.cranfield.ac.uk/finance/PolicyProcedures/Modern_Slavery_Policy.pdf

2. Bribery Policy

https://intranet.cranfield.ac.uk/finance/PolicyProcedures/Anti_bribery_policy.pdf

3. Ethics Code

<https://intranet.cranfield.ac.uk/hrd/polsprocsforms/Policies%20Procedures%20and%20Forms%20List/EthicsCode.pdf>

4. Security Policy

<https://intranet.cranfield.ac.uk/it/PoliciesandProcedures/InformationSecurityPolicy.pdf>

5. Health and safety statement

https://intranet.cranfield.ac.uk/safety/Health_and_Safety/HSPolicySatatement.pdf

6. Environment

https://intranet.cranfield.ac.uk/EnergyEnvironment/PolsProcsForms/CU-ENV-POL-01_Environmental-Policy-Signed%202017.pdf