Quarterly Delivery Note

Scope, milestones and termination — internal circulation only

Following the quarterly review held on 3 September, this note records the agreed scope, the delivery milestones and the conditions under which either party may terminate. It supersedes the draft circulated in July. Where a clause here conflicts with the framework agreement, the framework agreement prevails, except in respect of the payment schedule set out in section three, which is intended to replace it entirely.

The supplier shall deliver the first increment within six weeks of signature, and each subsequent increment at intervals of no more than four weeks. An increment is deemed delivered when it has been deployed to the staging environment and the acceptance tests recorded in appendix B have passed. Delivery outside working hours does not shorten the acceptance window, which runs for five working days from the notice of delivery.

Invoices are payable thirty days from receipt. The client may withhold payment for an increment that has failed acceptance, but only in respect of that increment and only until the failure is remedied. Interest on late payment accrues at the statutory rate. Neither party may set off sums owed under this note against sums owed under any other agreement without the written consent of the other.

Either party may terminate on sixty days written notice. On termination the supplier shall hand over all work in progress, including source code, build configuration and documentation, in a form that a competent third party could continue. The client shall pay for work completed and accepted up to the date of termination.