

FIRST/Planck

PARTS PROCUREMENT AGREEMENT BETWEEN

PRINCIPAL INVESTIGATORS & ESA

AGREEMENT**Between:**

The EUROPEAN SPACE AGENCY,

(hereinafter called “the Agency” or “ESA”),

located at : 8-10 rue Mario-Nikis, 73738 PARIS CEDEX 15, France

through its European Space Research and Technology Centre,
Keplerlaan 1
2201 AZ Noordwijk
Netherlands

and the suppliers of the Scientific Instruments for ESA’s FIRST Far Infra-red and Sub-millimetre Space Telescope and Planck Satellites

Represented by:

PACS	for	_____
SPIRE	for	_____
HIFI	for	_____
LFI	for	_____
HFI	for	_____

for including the procurement of EEE parts by each of the above groups into the parts procurement system instituted, for the industrial consortium for the FIRST/Planck satellites, by ESA’s prime contractor, yet to be notified to the Scientific Instrument Supplies.

1. **INTRODUCTION**

ESA intends to place a contract with a Prime Contractor yet to be selected for the design, development, manufacture and supply of the FIRST/Planck satellites. In the interests of conserving the overall FIRST/Planck schedule, ESA itself is initiating the contract with the Procurement Agent for the supply of EEE parts in advance of selecting the Prime Contractor, with the intention that the Prime Contractor once selected will take over the contract with the Procurement Agent. ESA will notify the parties hereto of the transfer of the Parts Procurement contract to such Prime Contractor. Until such date the reference herein to the "Prime Contractor" shall be understood to refer to ESA.

The EEE parts are to be procured by the Prime Contractor and the Principal Investigators and/or his representative using a co-ordinated parts procurement system, employing a procurement agent for the parts as defined in the Procurement List. The Co-ordinated Parts Procurement Agent (CPPA) is charged with all aspects of the parts procurement and is advised by the FIRST/Planck Parts Co-ordination Board. The objective of such a procurement method is to achieve the economic and schedule benefits accruing from a maximum standardisation of parts by all members of the industrial consortium and the scientific instruments and of a common parts management for all users requiring EEE parts for the items they supply for the FIRST/Planck satellite.

Five scientific instruments will be integrated into the FIRST/Planck satellites namely the PACS, SPIRE, HIFI, LFI and HFI, each instrument being supplied, outside the terms of ESA's industrial contract for the satellite, by a scientific group. Each of these groups requires EEE parts, the nature of which are suitable to be procured through the co-ordinated system.

In the interests of the overall FIRST/Planck programme, ESA is able to extend to the Principal Investigators and/or his representative the opportunity of procuring their EEE parts through the FIRST/Planck co-ordinated parts procurement system, if Principal Investigators and/or his representative are interested. The purpose of this Agreement is to define the terms and conditions of such participation.

2. **DEFINITIONS**

ESA	The European Space Agency, charged with the realisation of the overall FIRST/Planck satellite mission.
Principal Investigator or Scientific Investigator	Each of the groups PACS, HIFI, SPIRE, LFI and HFI, signatory to this agreement.
Prime Contractor or “Prime”	The Prime Contractor leading the industrial consortium responsible for the design, development, manufacture, verification and delivery.
CPPA	The company responsible to the Prime for the procurement of EEE parts for the FIRST/Planck satellites and for the Scientific Instruments, known as the Co-ordinated Parts Procurement Agent (CPPA).
Scientific Instruments or Experiments	The equipment supplied by the Principal Investigators and/or his representative for integration into the FIRST/Planck satellites.
EEE Parts	High reliability electronic components, radiation hardened as necessary.
Industrial Consortium	The ensemble of the Prime and its sub-contractors responsible for the realisation of the FIRST/Planck satellites.
Purchase Order or order	The commercial instrument by which the Principal Investigator and/or his representative commits himself to take delivery of the EEE parts or parts from the CCPA.
Representative of Principal Investigator	The person acting on behalf of the PI in the FIRST/Planck Procurement Coordination Board

User	A company, organisation or institute using EEE parts common with other FIRST/Planck users.
Attrition Quantities	The quantity of parts above the basic requirements to build the satellite equipment boxes and Scientific Instruments, deemed necessary to constitute a spares holding to rectify failures of parts or breakages etc.
Non-recurring costs	The fixed costs charged by manufacturers to validate the integrity of a part produced (for example, lot acceptance testing, destructive parts analysis etc).
FPCB	FIRST/Planck Parts Co-ordination Board
Surcharge	The amount charged by the CPPA for his efforts in acting as parts procurement agent (for example specification writing, source inspection etc).
Recurring Costs	The price of the individual parts including delivery c.i.f. as defined in the purchase order, exchanging the non-recurring costs and surcharge.

3. RIGHTS AND OBLIGATIONS

The Principal Investigator and/or his authorised representatives involved in the Scientific Consortium responsible for the development of a particular instrument (PACS, HIFI, SPIRE, LFI and HFI) shall be entitled to place orders for EEE parts with CPPA adding to those of the industrial consortium and the scientific instruments, thereby benefiting from the economies originating from the scale of purchasing and from the more favourable amortisation of the fixed costs of the parts procurement exercise.

The Principal Investigators and/or his representative shall pay the costs of their participation, as defined herein, to the Parts Procurement Agent as provided for herein, within the defined times. The Principal Investigators and/or his representative shall respect the requirements of the parts procurement system as set forth herein and shall act in accordance with the directions given from time to time by ESA and/or the Prime Contractor to avoid consequential impacts on the parts procurement for the industrial consortium for the FIRST/Planck satellites and for other Scientific Instruments.

Nothing contained herein shall be construed as an obligation of whatsoever nature, financial or otherwise, for ESA or for the industrial consortium, to the Principal Investigators and/or his representative, beyond using their best efforts for procuring parts for the scientific instruments.

4. PROCEDURE

4.1 General

The FIRST/Planck Parts Co-ordination Board (FPCB) is the advisory board to the Prime Contractor charged with the co-ordination, synthesis and technical control of the EEE parts requirements for all users procuring EEE parts through the Procurement Agent. Its composition, duties and rules are set out in Appendix 1 to this agreement. A flow chart showing the general arrangement of the operation of the co-ordinated parts procurement is also included in Appendix 1. Appendix 1 forms part of this agreement.

The FPCB defines in detail the requirements for each individual part type and will raise a Part Approval Document (PAD), detailing per part, the manufacturing, packaging and qualification status and the proposed procurement specification, following discussion in the Board. The PAD, after approval by the Prime Contractor and/or ESA, is forwarded to the procurement agent on the basis of which quotations will be obtained for the part, and orders will be placed.

4.2 Participation of Principal Investigators in the FPCB

Each Principal Investigator and/or his representative shall nominate one representative to co-ordinate the requirements of the scientific instrument and to participate in the FPCB as provided for in paragraph 2.1 of Appendix 1 hereto. The Principal Investigators and/or their representatives shall observe the rules of the FPCB and shall treat the consequent decisions of ESA as final for the parts procurement. Should the representative be of the opinion that any such final decision is inappropriate as concerns the procurement of a particular part for the Principal Investigators and/or his representative, then he may recommend to the Investigators that such part or parts be procured outside of the co-ordinated system at the risk of the said Investigators.

4.3 Placing Orders

- 4.3.1** Following the Prime Contractor and/or ESA decision, acting on the advice of the FPCB, and following the approval of the PAD, the Principal Investigator and/or his representative shall confirm by fax to the CPPA the parts types and quantities (including attrition quantities) he intends to order thereby indicating the order number they will use for ordering the part. This information will be used by the CPPA to confirm

prices and delivery of the parts. In case the price and delivery dates does not meet the requirements of the Principal Investigator and/or his representative requirements he may decide via other means.

- 4.3.2** On acceptance of price and delivery dates as confirmed by the CPPA, the Principal Investigator and/or his representative shall use the standard form purchase order, a copy of which is attached in Appendix 2 hereto. This purchase order shall be despatched to arrive at the CPPA before the closing date as previously specified by the CPPA and agreed by the FPCB. Appendix 2 forms part of this agreement.
- 4.3.3** The CPPA will deliver the parts to the Principal Investigators and/or his representative to agreed locations specified on the purchase order and accepted by CPPA. The delivery will be made c.i.f., and at the time of despatch the Principal Investigator and/or his representative will be advised by CPPA of shipping details (Airwaybill number etc) to enable the Principal Investigator and/or his representative to whom they are consigned to initiate customs clearance as necessary.
- 4.3.4** The Principal Investigator and/or his representative, shall within three working days of being notified of the shipping details confirm receipt or otherwise of the parts to the CPPA and copy to ESA/ESTEC.
- 4.3.5** Within fifteen working days of his confirming receipt of the parts, the Principal Investigator and/or his representative shall confirm his acceptance or rejection of the parts to CPPA. In the event of rejection of the parts, the Principal Investigator and/or his representative shall state his reasons for rejection and follow the standard non-conformance procedure.
- 4.3.6** In the event of a rejection by the Principal Investigator and/or his representative he shall agree with CPPA the actions necessary to resolve the issue and notify ESA.
- 4.3.7** Principal Investigators and/or his representative and their representatives authorities shall respect the terms and conditions of the standard purchase orders as agreed with the CPPA in full.

5. FINANCIAL ARRANGEMENTS

- 5.1** The Principal Investigator and/or his representative shall pay the price (recurring costs) of the parts which have been delivered and accepted in accordance with the terms and conditions of the purchase orders. The Principal Investigator and/or his representative shall pay such invoices within thirty days after receipt of the invoice.
- 5.2** ESA will pay to CPPA the total non-recurring costs and surcharge of the overall parts procurement, to the exclusion of the special cases specified below.
- 5.3** The Principal Investigator and/or his representative shall pay to CPPA any additional parts costs be it recurring or non-recurring caused by his non-respect of the order closing-date notified to him by CPPA and accepts any price impact thereby caused.
- 5.4** Should the Principal Investigator and/or his representative change the quantities ordered on a purchase order, such change may be accommodated without a change in price provided such change is notified to CPPA prior to January 2003. After such date, CPPA has the right to make a new quotation for the part concerned and the Principal Investigator and/or his representative shall pay the newly quoted price, including the additional surcharge applicable thereto.
- 5.5** Should the Principal Investigator and/or his representative have notified his intention under 4.3.1 above to order a specific part for which he is the sole user thereby causing CPPA to undertake a specific activity (for example writing specifications, evaluation or radiation activity etc.), and subsequently decides not to proceed with placing the order, then at the request of ESA and upon presentation of an account, the Principal Investigator and/or his representative and/or his representative shall pay the cost of such effort. If CPPA in such a case has undertaken no effort, then the decision of the Principal Investigator and/or his representative not to proceed with the order may be without charge.
- 5.6** Should the Principal Investigator and/or his representative cancel, in whole or in part, a purchase order, then he shall be liable for the costs of such cancellation notified to him by CPPA.

6. LAW AND ARBITRATION

- 6.1** This agreement shall be governed by the laws of
- 6.2** Any dispute arising out of the interpretation or execution of the agreement shall, at the request of either party, be submitted to arbitration
- 6.3** The arbitration proceedings shall take place in
- 6.4** Any dispute arising out of this agreement shall be finally settled in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators designated in conformity with those rules.
- 6.5** The award shall be final and binding on the parties; no appeal shall lie against it. The enforcement of the award shall be governed by the rules of procedure in force in

The parties hereto accept the terms and conditions of this agreement on the dates stated:

For ESA/ESTEC

Date: FIRST/PLANK Project Manager

For PACS

Date: PACS-PI, A. Poglitsch

For SPIRE

Date: SPIRE-PI, M. Griffin

For HIFI

Date: HIFI-PI, T. de Grauw

For LFI

Date: LFI-PI, N. Mandolesi

For HFI

Date: HFI-PI, J.L. Puget