Call-Off Schedule 5 (Pricing Details)

# Definitions

* 1. In this Schedule the following definitions shall apply:

|  |  |
| --- | --- |
| **“Eligible Redundant Employee”** | means a Transferring Former Supplier Employee who is compulsorily dismissed by the Supplier by reason of redundancy (as such term is defined in section 139 of the Employment Rights Act 1996) as a result of an economic technical organisational reason entailing changes to the workforce and the Supplier has followed a fair dismissal procedure and complied with all contractual and legislative requirements; |
| **“Initial Financial Model”** | the financial model projecting the anticipated Charges in relation to the provision of Services and the anticipated Redundancy Costs as prepared and agreed in accordance with Paragraph [4.3](#bookmark41) of Part [B](#bookmark37); |
| **“Daily Rate”** | means the respective Monthly Service Charges for the Site that would be payable if the Services were fully operational in respect of the Operational BAU Services divided by the number of days within the relevant Month and multiplied by 0.6; |
| **"Excess Construction Charge"** | means the Costs in relation to those Services to a Site that are subject to survey prior to installation, as described in Paragraph [7](#bookmark17) of Part [A](#bookmark0) of this Schedule; |
| **“Financial Model”** | the Initial Financial Model or the latest Updated Financial Model, whichever has been most recently approved by the Buyer in accordance with Paragraph [4](#bookmark40) of Part [B](#bookmark37); |
| **“Financial Reports”** | the reports listed in the table in Paragraph [5.1](#bookmark52) of Part [B](#bookmark37); |
| **“Financial Representative”** | a reasonably skilled and experienced member of the Supplier’s staff who has specific responsibility for preparing, maintaining, facilitating access to, discussing and explaining the Open Book Data, Financial Model and Financial Reports; |
| **“Financial Transparency Objectives”** | has the meaning given in Paragraph [1](#bookmark38) of Part [B](#bookmark37); |
| **“Firm Price”** | has the meaning given in Paragraph [2.1](#bookmark2) of Part [A](#bookmark0); |

|  |  |
| --- | --- |
| **“Maximum Permitted Profit Margin”** | means a profit margin on the relevant input costs not to exceed ***[REDACTED*** of the relevant input cost (excluding the profit element); |
| **“Monthly Service Charges”** | the periodic payments made in accordance with Paragraph [5](#bookmark6) of Part [A](#bookmark0) in respect of the supply of the Operational BAU Services; |
| **“Operational BAU” or “Operational BAU Services”** | has the meaning given in Paragraph [3.3](#bookmark4) of Part [A](#bookmark0); |
| **“Onerous Contract”** | a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, as defined under International Accounting Standard 37; |
| **“Onerous Contract Report”** | means a report provided by the Supplier pursuant to Paragraph [3](#bookmark39) of Part [B](#bookmark37) to this Schedule; |
| **“Rate Card”** | means the rate card setting out the Supplier Staff day rates as set out in Annex [1](#bookmark53) to this Schedule; |
| **“Redundancy Costs”** | means, in respect of each Eligible Redundant Employee, statutory redundancy pay entitlement (calculated in accordance with Part XI of the Employment Rights Act 1996) and contractual redundancy pay entitlement (which transferred to the Supplier under the Employment Regulations, excluding any entitlement under Regulation 10(2) of the Employment Regulations which transferred to the Supplier under the Employment Regulations) to the extent it exceeds the statutory redundancy pay entitlement, and contractual payment in lieu of notice entitlement (which transferred to the Supplier under the Employment Regulations) where it is not reasonably practicable for that employee to continue in employment during their period of notice; |
| **“Service Catalogue Charges”** | means those Charges applicable to Service Catalogue items as set out in Annex [1](#bookmark53) to this Schedule; |
| **"Service Request"** | Has the meaning given to it in Paragraph [5.12](#bookmark15)[(c)](#bookmark16) of Part [A](#bookmark0); |
| **“Time and Materials” or “T&M”** | has the meaning given in Paragraph [2.2](#bookmark3) of Part [A](#bookmark0); |
| **“Total Monthly Service Charge”** | has the meaning given in Paragraph [5.1](#bookmark7) of Part [A](#bookmark0); and |

|  |  |
| --- | --- |
| **“Updated Financial Model”** | the Financial Model which is updated pursuant to Paragraphs  [4.5](#bookmark42) to [4.11](#bookmark45) of Part [B](#bookmark37) of this Schedule. |

# Part A – CHARGES AND INVOICING

1. **Charges**
   1. The Charges are set out in Annex [1](#bookmark53) to this Schedule.
   2. The Supplier acknowledges and agrees that subject to Paragraph [13](#bookmark34) of this Part [A](#bookmark0) (Adjustment of Charges), the Charges cannot be increased during the Call-Off Contract Period and that no other sums will be payable to the Supplier for the performance of Services.
   3. For the avoidance of doubt, there will be no adjustments to the Charges to reflect any indexation during the Call-Off Contract Period.

# Pricing Mechanisms Firm Price

* 1. “**Firm Price**” is an outcome-based pricing mechanism which means an all- inclusive, total price for delivery against an outcome that cannot be exceeded for the duration of the Call-Off Contract Period. The Buyer is not liable for any cost increases in the Charges should a risk occur, or an assumption prove to be unfounded. The Supplier is responsible for accounting for any costs that determine a Firm Price, including, but not limited to any overheads, administration, depreciation, indexation, travel, subsistence, profit, risk but this is exclusive of VAT.

# Time and Materials

* 1. “**Time and Materials (T&M)”** is an input-based pricing mechanism which means a pricing mechanism whereby the Buyer pays the Supplier based upon the agreed work performed by the Supplier’s employees and Subcontractors, and for materials used in a Project in accordance with this Schedule.
  2. T&M Charges do not apply to the Services as at the Call-Off Start Date. T&M Charges may be applied to Services introduced in accordance with a Project Initiation Request or the Variation Procedure.
  3. Where the Parties agree that a payment is to be calculated by reference to a T&M pricing mechanism:
     1. the Rate Card set out in Annex [1](#bookmark53) to this Schedule shall be used to calculate the relevant resourcing Charges, provided that the Supplier (or its Subcontractor) shall:
        1. not be entitled to include any uplift for risks or contingencies within its Rate Card; and
        2. only be entitled to be paid Charges that have been properly and reasonably incurred, taking into account the Supplier’s obligation to deliver the Services or Project in a proportionate and efficient manner; and
     2. the Supplier shall keep records of hours properly worked by Supplier Staff (in the form of timesheets) and submit a summary of the relevant records with each invoice. If the Buyer requests copies of such records, the Supplier shall make them available to the Buyer within ten (10) Working Days of the Buyer’s request.

# Delivery Stages Implementation

* 1. Implementation includes the transition and mobilisation of the Services as detailed within Call-Off Schedule 13 (Implementation Plan and Testing) and the Implementation Plan.
  2. Implementation Charges shall be calculated in accordance with:
     1. the Firm Price payment mechanism;
     2. one-off payments upon completion and acceptance in accordance with the Implementation Milestone Payment Plan within Annex [1](#bookmark53) to this Schedule; and
     3. the Milestone Payments provisions within Paragraph [4](#bookmark5).

# Operational Business as Usual (BAU)

* 1. Operational BAU comprises the day-to-day ongoing Services as detailed within Call-Off Schedule 20 (Specification).
  2. Operational BAU Charges shall be calculated in accordance with:
     1. the Firm Price payment mechanism;
     2. monthly payments in advance in accordance with the Operational BAU prices in Annex [1](#bookmark53) of this Schedule; and
     3. the Monthly Service Charges provisions within Paragraph [5](#bookmark6).

# Projects

* 1. Any applicable Project Charges shall be calculated in accordance with:
     1. the Firm Price pricing mechanism, or, by exception and as requested by the Buyer, the T&M pricing mechanism; and
     2. where applicable:
        1. the Service Catalogue Charges in Annex [1](#bookmark53) to this Schedule; and/or
        2. the Rate Card in Annex [1](#bookmark53) to this Schedule; and
        3. and in accordance with Paragraph [13.2](#bookmark36) of this Schedule; and
     3. the provisions of Call-Off Schedule 26 (Projects).

# Call-Off Contract Exit

* 1. Charges applicable during any Termination Assistance Period shall be determined in accordance with Call-Off Contract 10 (Exit Management).

# Call-Off Contract Variation

* 1. Unless otherwise agreed by the Buyer, Charges for Services introduced via a Variation shall be in accordance with the Firm Price pricing mechanism.

# Optional Services

* 1. Each Optional Service is detailed within Call-Off Schedule 20 (Specification). The Charges for each Optional Service are set out in Annex [1](#bookmark53) to this Schedule.
  2. All Charges (or Charge reduction for Optional Service 1 only) associated with Optional Services must remain valid for the entire Contract Period.

However, it is recognised and agreed by the parties that the Charges (or Charge reduction for Optional Service 1 only) contained in Annex 1 are indicative only and are based on specific parameters / quantities as detailed within the requirements at the time of the Further Competition (e.g., number of Sites, End Users, bandwidth, connectivity technologies, etc)., Upon invoking an Optional Service, the Buyer and Supplier acknowledge that the agreed Charge (or Charge reduction for Optional Service 1 only) will be , based on the indicative values set out in Annex 1, amended to reflect an updated situation at the time of invocation.

# Milestone Payments

**Milestone Payments, Milestone Retentions and Delay Payments**

* 1. All Milestone Payments shall use the Firm Price payment mechanism.
  2. Each invoice relating to a Milestone Payment shall be supported by a Satisfaction Certificate to which the Milestone is associated to.
  3. Each Milestone Payment shall be subject to a Milestone Retention and the deduction of any applicable Delay Payments. Such Milestone Retention shall be released in accordance with Paragraphs 4.8 and 4.9 of this Part [A](#bookmark0) of this Schedule.
  4. The Supplier shall not be entitled to invoice the Buyer for any additional Charges relating to any Milestone.
  5. The Parties agree that the table in Annex 1 in the section headed ‘Implementation Milestone Payment Plan and Delay Payment Milestones’ contains only indicative dates as at the Start Date, and shall be updated when the Outline Implementation Plan is mutually developed into the Implementation Plan in accordance with Call-Off Schedule 13 (Implementation Plan and Testing)”.

# Delay Payments

* 1. Pursuant to Paragraph 6.1 of Part A of Call-Off Schedule 13 (Implementation Plan and Testing), the Supplier shall pay a Delay Payment to the Buyer in respect of that Milestone. Delay Payments shall accrue at the Daily Rate for each applicable Site for which the Delay Payments apply. An example Delay Payment calculation is demonstrated within Annex 3.
  2. Delay Payments in respect of any Milestone shall be shown as a deduction from the amount due from the Buyer to the Supplier in the next invoice due to be issued by the Supplier after the date on which the Delay Payments accrue. If the relevant Milestone is not Achieved by the expiry of the Delay Period Limit and no valid invoice is issued by the Supplier within ten (10) Working Days of expiry of the Delay Period Limit, then the Supplier shall within fifteen (15) Working Days of expiry of the Delay Period Limit:
     1. issue a statement of account to the Buyer in respect of the total amount of the accrued Delay Payments;
     2. pay to the Buyer as a debt a sum equal to the total amount of accrued Delay Payments which have not at that time been deducted from an invoice together with interest on such amount at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from expiry of the Delay Period Limit up to (but excluding) the date of actual payment, whether before or after judgment; and
     3. be in grounds of Default and the Dispute Resolution Procedure.

# Release of Milestone Retentions

* 1. When all Milestones have been Achieved and Satisfaction Certificates issued, the Supplier shall be entitled to invoice the Buyer for an amount equal to all Milestone Retentions.
  2. The Supplier shall provide Milestone Reconciliation Reports as and when required in accordance with the provisions of Paragraph [5](#bookmark51) of Part [B](#bookmark37) of this Schedule.

# Monthly Operational BAU Service Charges

* 1. Monthly Service Charges shall:
     1. use the Firm Price payment mechanism;
     2. be monthly in advance;
     3. be calculated totalling all of the Services within the remaining sub- Paragraphs within this Paragraph [5](#bookmark6) (as bullet pointed below) in accordance with their respective Charges in Annex [1](#bookmark53) to this Schedule:
* Wide Area Network (Paragraph [5.5](#bookmark9));
* Local Area Network (Paragraph **Error! Reference source not found.**);
* Internet Access (IA) Management and Support (Paragraph [5.7](#bookmark10));
* Private Access (PA) Management and Support (Paragraph [5.8](#bookmark11));
* Emergency Response Service (Paragraph [5.9](#bookmark12))
* Mobile Connectivity Service (Paragraph [5.10](#bookmark13))
* Other (Paragraph [5.11](#bookmark14)); and
  + 1. not include Charges for those Services detailed within Paragraph [5.12](#bookmark15) to this Schedule),

to determine the “**Total Monthly Service Charge**”.

* 1. For the Operational BAU Services that are monthly re-occurring and the relevant Service for a given Month:
     1. commences on a day other than the first day of a Month; and/or
     2. ends on a day other than the last day of a Month,

then the Monthly Service Charge for the relevant Month shall be pro-rated based on the proportion of the number of days in the Month for which the Service is provided to the total number of days in that Month.

* 1. While the Total Monthly Service Charge is to be determined in accordance with Paragraph [5.1](#bookmark7) of this Schedule, the Supplier must submit a separate invoice for each Service as detailed within this Paragraph [5](#bookmark6) of this Schedule.
  2. For the avoidance of doubt, the scope summary descriptions of each Service within this Paragraph [5](#bookmark6) of this Schedule are for context only. They are notwithstanding their full Service requirements as detailed within Call-Off

Schedule 20 (Specification).

# Wide Area Network (WAN)

* 1. Each Wide Area Network (WAN) Monthly Service Charge is determined on a ‘Price x Quantity’ basis in accordance with its respective section in Annex [1](#bookmark53) to this Schedule in respect of each Site for which the commencement date of the Wide Area Network (WAN) Service fell in or before that Month.

# Local Area Network (LAN) Support

* 1. Each Local Area Network (LAN) Support Monthly Service Charge will be determined on a ‘Price x Quantity’ basis, in accordance with the section headed ‘Operational BAU: LAN’ in Annex 1.

# Internet Access (IA) Management and Support

* 1. The Internet Access (IA) Monthly Service Charge for its management and support, which is determined by the number of concurrent users as detailed in Annex [1](#bookmark53) to this Schedule for which the respective Services’ commencement date fell in or before that Month. This Service is interchangeably referred to as the Secure Gateway service management and support.

# Private Access (PA) Management and Support

* 1. The Private Access (PA) Monthly Service Charge for its management and support, which is determined by the number of concurrent users as detailed in Annex [1](#bookmark53) for which the respective Services’ commencement date fell in or before that Month. This Service is interchangeably referred to as the Remote Access Service (RAS) management and support.

# Emergency Response Service

* 1. The Emergency Response Service Monthly Service Charge is a recurring charge for each month in accordance with its respective section in Annex [1](#bookmark53).

# Mobile Connectivity Service

* 1. The Mobile Connectivity Service Monthly Service Charge is determined by two components. The first component is on a ‘Price x Quantity’ basis in accordance with its respective section in Annex [1](#bookmark53) to this Schedule in respect of each device in use. The second component of the Mobile Connectivity

Service Monthly Service Charge is a recurring charge for each month in accordance with its respective section in Annex [1](#bookmark53) for the ‘Monthly Service Price for data pool (25Gb per device)’.

# Other

* 1. The Monthly Service Charge for any other Operational BAU Services as permitted by the Buyer is determined in accordance with its respective section in Annex [1](#bookmark53) to this Schedule for which the respective Services’ commencement date fell in or before that Month.

# Services Not Eligible for Call-Off Contract Charge

* 1. All other associated Services required to fulfil Call-Off Schedule 20 (Specification) are not eligible for Charges and are covered as part of the existing Total Monthly Service Charge, thus at the Supplier’s expense. This includes, but is not limited to:
     1. Foundation Services

Foundation Services include IP Address Management, Dynamic Host Configuration Protocol, Domain Name Service, and Network Time Protocol.

* + 1. Security Operations Centre

A service responsible for detecting and responding to cyber-attacks through Protective Monitoring.

* + 1. Service Requests

A Service Request is a low cost and low volume formal request from an End User for a small activity, which is not subject to the Project Initiation Request process. For example, a request for information or advice; to reset a password; or to install a workstation for a new user.

The Supplier shall provide free of charge up to 30 Service Requests per month (not including up to 70 Internet Access or Private Access password logouts which shall be provided at no charge).

# Service Credits

* 1. Service Credits that accrue in accordance with Call-Off Schedule 14 (Service Levels) during a Service Period shall be deducted from the Charges payable for the next following Service Period. The Buyer reserves the right for an invoice to not be payable for a Charge unless all adjustments (including

Service Credits) relating to the Charges for the immediately preceding Service Period have been agreed.

# Minimum Service Period

* 1. Without limiting the Buyer's rights to terminate a Service to a Site, and other than where the Service is terminated as a result of an upgrade or replacement Service to that Site, the Buyer acknowledges and agrees that the Supplier shall be entitled to invoice the Charges in respect of such terminated Service to a Site for a period of no less than twelve (12) months from its corresponding Operational Service Commencement Date. Any changes to a Service or Site shall be subject to Clause 24.

# Excess Construction Charges

* 1. The Buyer acknowledges and agrees that the provision of Services to a Site are subject to survey prior to installation. If as a result of a survey the Supplier determines that it will incur additional costs in excess of those costs it would normally incur, or be charged by third party operators, in the course of installing services similar to the Services ("**Excess Construction Charges**"), and such costs are not reasonably avoidable, it shall be entitled to invoice the Buyer for Excess Construction Charges in respect of the Services subject to the following:
     1. the Supplier shall notify the Buyer in advance of such Excess Construction Charges in each case;
     2. the Excess Construction Charges shall be calculated on a Pass- through Cost basis only; and
     3. the Supplier shall only be entitled to invoice the Buyer for additional demonstrable Costs solely and directly incurred by the Supplier and accepted by the Buyer in accordance with Paragraph [7.2](#bookmark20).
  2. The Buyer may at its sole discretion:
     1. accept the Excess Construction Charge that it wishes the delivery of the Service to proceed; or
     2. agree, where possible, an alternative Service delivery option proposed by the Supplier to avoid or mitigate the Excess Construction Charges; or
     3. cancel the Service at no additional cost,

and in each case shall notify the Supplier in writing within twenty (20) Working Days of the Supplier's notice pursuant to Paragraph [7.1](#bookmark18)[(a)](#bookmark19) above.

* 1. If Excess Construction Charges are agreed pursuant to Paragraph [7.2](#bookmark20) above:
     1. the Supplier shall be responsible for an amount ***[REDACTED]*** towards the Excess Construction Charges for each applicable Site;
     2. the Buyer shall not be responsible for any cost exemptions offered by third party operators (such cost exemption to be evidenced by the Supplier to the satisfaction of the Buyer); and
     3. the Buyer shall be responsible for all agreed Excess Construction Charges in excess of the amounts described in Paragraph [7.3](#bookmark21)[(a)](#bookmark22).

# Redundancy Costs

* 1. Subject to the provisions of this Paragraph [8](#bookmark23), the Buyer shall pay to the Supplier any Redundancy Costs incurred by the Supplier in relation to each Eligible Redundant Employee, within thirty (30) days after issuance of a written demand by the Supplier for such amount subject to the Supplier having provided sufficient information to the Buyer to verify to the reasonable satisfaction of the Buyer compliance with this Paragraph [8](#bookmark23).
  2. The obligation to pay any Redundancy Costs set out in Paragraph [8.1](#bookmark24) above shall not apply in relation to the Eligible Redundant Employee(s) made redundant:
     1. where the relevant Eligible Redundant Employee is identified more than thirty (30) calendar days after the date of a Relevant Transfer; or
     2. to the extent that any Redundancy Costs are attributable to any increases made by the Supplier to any Eligible Redundant Employee's contractual entitlements to redundancy or notice periods; or
     3. in respect of any Eligible Redundant Employee who was in-scope to transfer to the Supplier pursuant to the Employment Regulations but who

objected to such transfer pursuant to Regulation 4(7) of the Employment Regulations; or

* + 1. where the relevant Eligible Redundant Employee’s effective date of termination of employment is not within the six-month period immediately following a Relevant Transfer.
  1. The Supplier shall use reasonable endeavours to:
     1. redeploy any prospective Eligible Redundant Employees within the Supplier; and
     2. mitigate the Redundancy Costs.
  2. The Supplier shall provide:
     1. such documents or information as the Buyer may reasonably require to verify the Redundancy Costs claimed by the Supplier; and
     2. information and relevant supporting documents to explain the process followed by Supplier in compliance with its obligations under Paragraph

[8.3](#bookmark26) above, in each case prior to any payment under Paragraph [8.1](#bookmark24) above.

* 1. If any Eligible Redundant Employee is made compulsorily redundant by the Supplier but is subsequently re-employed by the Supplier or any Affiliate of the Supplier within one (1) year of the date such Eligible Redundant Employee’s employment by the Supplier terminates, the Supplier shall repay the Buyer any payment made by the Buyer to the Supplier pursuant to this Paragraph within thirty (30) days of such re-employment commencing.
  2. The Buyer’s aggregate liability for any Redundancy Costs payable in accordance with Paragraph [8.2](#bookmark25) above shall be capped in the aggregate at the lower of: (a) a figure representing ***[REDACTED]*** and (b) ***[REDACTED]***. The Buyer shall have no liability for any Redundancy Costs incurred by the Supplier in relation to any or all of Eligible Redundant Employee in excess of such amount.
  3. This Paragraph [8](#bookmark23) shall not apply to:
     1. any Relevant Transfer related to Optional Services; and
     2. any cost (including without limitation Redundancy Costs) related to any Supplier Staff who are not the subject of a Relevant Transfer pursuant to this Contract.

# Supplier Profit Margin

* 1. Subject to Paragraph [9.2](#bookmark27) below, the Supplier acknowledges that the Charges are inclusive of a profit margin. In respect of any Charges introduced via a Project Initiation Request or Variation, the Supplier is only entitled to apply a profit element which does not exceed the Maximum Permitted Profit Margin.
  2. The Excess Construction Charges (ECC) are charges on a pass-through basis and no profit margin may be applied to such charges.

# Costs and Expenses

* 1. Unless otherwise agreed by the Buyer, the Charges include any permitted profit element, all costs and expenses relating to the Services and/or the Supplier’s performance of its obligations under this Call-Off Contract and no further amounts shall be payable by the Buyer to the Supplier in respect of such performance, including in respect of matters such as:
     1. any incidental expenses that the Supplier incurs, including travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs required by the Supplier Staff, network or data interchange costs or other telecommunications Charges; or
     2. any amount for any services provided or costs incurred by the Supplier prior to the Call-Off Start Date.

# Innovation Saving

* 1. Where the Parties agree an Innovation Saving in respect of any Innovative Variation, any changes to the Charges shall be calculated and agreed by the Parties in accordance with the procedure set out in Clause 24 of this Call-Off Contract and shall take account of the following principles:
     1. the Supplier shall be entitled to any agreed charge for the relevant Variation where an Innovation Saving is agreed the value of which will be limited to up ***[REDACTED*** after deduction of the agreed charge for the Variation

and any other additional consequential costs to the Buyer relating to the relevant Variation. Such Charges shall be payable in accordance with any agreement reached between the Parties in accordance with Clause 24 of this Call-Off Contract; and

* + 1. any Charge (calculated in accordance with Paragraph [10](#bookmark28) and subject to Paragraph [13](#bookmark34)) in respect of such Innovation Saving (as identified in Paragraph [11.1](#bookmark29)[(a)](#bookmark30) above), will not be subject to the Maximum Permitted Profit Margin.

# Invoicing Procedure

* 1. In addition to the invoicing requirements set out in Clause 4 of the Core Terms, an invoice is only valid if it contains:
     1. the date of the invoice;
     2. a unique invoice number;
     3. the Service Period or other period(s) to which the relevant Charge(s) relate;
     4. the reference number of the purchase order to which it relates (if any);
     5. the dates between which the Services subject of each of the Charges detailed on the invoice were performed;
     6. the pricing mechanism used to calculate the Charges as defined within Paragraph [2](#bookmark1);
     7. any payments due in respect of Achievement of a Milestone, including the Satisfaction Certificate number for each relevant Milestone;
     8. details of any Service Credits or Delay Payments or similar deductions that shall apply to the Charges detailed on the invoice;
     9. the VAT added to the due and payable Charges and the tax point date relating to the rate of VAT shown;
     10. reference to any reports required by the Buyer in respect of the Services to which the Charges detailed on the invoice relate (or in the case of reports issued by the Supplier for validation by the Buyer, then

to any such reports as are validated by the Buyer in respect of the Services);

* + 1. a contact name and telephone number of a responsible person in the Supplier's finance department in the event of administrative queries;
    2. the banking details for payment to the Supplier via electronic transfer of funds (i.e. name and address of bank, sort code, account name and number); and
    3. is submitted no later than three (3) months after the completion of the respective service(s).
  1. The Supplier must submit a separate a separate invoice for each Service as detailed within Paragraph [5.3](#bookmark8).
  2. The Supplier shall prepare and provide to the Buyer for approval of the format a template invoice within ten (10) Working Days of the Call-Off Start Date which shall include, as a minimum, the details set out in Paragraph

[12.1](#bookmark32) together with such other information as the Buyer may reasonably require to assess whether the Charges that will be detailed therein are properly payable. If the template invoice is not approved by the Buyer, then the Supplier shall make such amendments as may be reasonably required by the Buyer.

* 1. Where any invoice does not conform to the Buyer's requirements set out in this Schedule, the Buyer shall promptly return the disputed invoice to the Supplier and the Supplier shall promptly issue a replacement invoice which shall comply with such requirements.
  2. Each invoice shall at all times be accompanied by Supporting Documentation. Any assessment by the Buyer as to what constitutes Supporting Documentation shall not be conclusive and the Supplier undertakes to provide to the Buyer any other documentation reasonably required by the Buyer from time to time to substantiate an invoice.
  3. The Supplier shall submit all invoices and Supporting Documentation as detailed within the Order Form.
  4. All Supplier invoices shall be expressed in sterling or such other currency as shall be permitted by the Buyer in writing.
  5. If the Buyer fails to consider and verify an invoice in accordance with the remainder of this Paragraph [12](#bookmark31), the invoice shall be regarded as valid and undisputed for the purpose of Paragraph [12.3](#bookmark33) of this Schedule after a reasonable time has passed.

# Adjustment of Charges

* 1. Without prejudice to any provision of this Schedule which explicitly provides for Charges to be based on volumes of services, the Charges shall only be varied:
     1. in accordance with Clause 24 of this Call-Off Contract or in the case of Projects in accordance with Call-Off Schedule 26 (Projects);
     2. where all or part of the Charges (including any unit Charges) are reduced as a result of a review of Charges in accordance with Call-Off Schedule 16 (Benchmarking), the relevant Charges shall be deemed amended in accordance with that Benchmarking Report.
  2. In respect of any Project Charges, or Charges for Services introduced via a Variation where such Charges are not set out in Annex [1](#bookmark53) to this Schedule, the Buyer’s reimbursement to the Supplier for any materials, Supplier costs, Subcontractor or other third-party costs is subject to the Supplier:
     1. calculating any proposed Charges in accordance with the principles set out in this Paragraph [10](#bookmark28);
     2. providing evidence of the input costs for providing the Services; including without limitation:
        1. labour and resource costs broken down by Services; hardware and software costs;
        2. where applicable, accommodation and location costs broken down by Site;
        3. hardware and software costs broken down into major asset categories and (in respect of hardware) make and model and (in respect of software) make and version. In addition, separately identifiable costs for licences, licence support, renewal dates and software version upgrades;
        4. an explanation and supporting details of any asset leasing costs applicable to this Call-Off Contract;
        5. depreciation policy applicable to assets (including software and hardware);
        6. pricing of risk / contingency;
        7. financing costs (if applicable) showing the interest rate and calculation and the need to apply financing explained; and
        8. other miscellaneous costs;
     3. providing sufficient evidence in the form of quotes or otherwise agreed by the Buyer (on the relevant organisation’s letterhead, documentation, or correspondence); and
     4. applying no more than the Maximum Permitted Profit Margin to such costs; and
     5. obtaining the Buyer’s written agreement, via the Variation Procedure or Call-Off Schedule 26 (Projects), to such amounts prior to the commencement of work/ provision of the Services.
  3. Subject to Paragraphs [13.1](#bookmark35) and [13.2](#bookmark36) of this Schedule, the Charges will remain fixed for the Call-Off Contract Period.

# Part B – FINANCIAL TRANSPARENCY AND FINANCIAL REPORTING

1. **Financial Transparency Objectives**
   1. The Supplier acknowledges that the provisions of this Part [B](#bookmark37) are designed (inter alia) to facilitate, and the Supplier shall co-operate with the Buyer in order to achieve, the following objectives:

# Understanding the Charges

* + 1. for the Buyer to understand any payment sought from it by the Supplier;
    2. for both Parties to be able to understand the Financial Model and to have confidence that this is based on justifiable numbers and appropriate forecasting techniques;

# Agreeing the impact of Change

* + 1. for both Parties to agree the quantitative impact of any Variations and Projects that affect ongoing costs and to identify how these could be mitigated and/or reflected in the Supplier’s Charges;
    2. for both Parties to be able to review, address issues with and re- forecast progress in relation to the provision of the Services;

# Continuous improvement

* + 1. for the Parties to challenge each other with ideas for efficiency and improvements; and
    2. to enable the Buyer to demonstrate that it is achieving value for money for the tax payer relative to current market prices,

(together the “**Financial Transparency Objectives”**).

# Open Book Data

* 1. The Supplier acknowledges the importance to the Buyer of the Financial Transparency Objectives and the Buyer’s need for complete transparency in the way in which the Charges are calculated.
  2. During the Contract Period, and for a period of seven (7) years following the end of the Contract Period, the Supplier shall:
     1. maintain and retain the Open Book Data; and
     2. disclose and allow the Buyer and/or the Auditors access to the Open Book Data, including for the purposes of Clause 6 (Record keeping and reporting) of the Core Terms.

# Onerous Contracts

* 1. If the Supplier publicly designates the Contract as an Onerous Contract (including where the Supplier has identified the Contract as such in any published accounts or public reports and announcements), the Supplier shall promptly notify the Buyer of the designation and shall prepare and deliver to the Buyer within the timescales agreed by the Parties (and in any event, no later than two (2) months following the publication of the designation) a draft Onerous Contract Report which includes the following:
     1. an initial root cause analysis of the issues and circumstances which may have contributed to the Contract being designated as an Onerous Contract;
     2. an initial risk analysis and impact assessment on the provision of the Services as a result of the Supplier’s designation of the Contract as an Onerous Contract;
     3. the measures which the Supplier intends to put in place to minimise and mitigate any adverse impact on the provision on the Services; and
     4. details of any other options which could be put in place to remove the designation of the Contract as an Onerous Contract and/or which could minimise and mitigate any adverse impact on the provision of the Services.
  2. Following receipt of the Onerous Contract Report, the Buyer shall review and comment on the report as soon as reasonably practicable and the Parties shall cooperate in good faith to agree the final form of the report, which shall be submitted to the Buyer Authorised Representative such final form report to be agreed no later than one (1) month following the Buyer’s receipt of the draft Onerous Contract Report.
  3. Within fourteen (14) Working Days of the final Onerous Contract Report being agreed by the Parties, the Buyer shall review the contents of the report. The Parties shall procure the attendance at the meeting of any key

participants where reasonably required (including the Cabinet Office Markets and Suppliers team where the Supplier is a strategic supplier; representatives from any Subcontractors; and the project’s senior responsible officers (or equivalent) for each Party).

* 1. The Supplier acknowledges and agrees that the report is submitted to the Buyer on an information only basis and the Buyer’s receipt of and comments in relation to the report shall not be deemed to be an acceptance or rejection of the report nor shall it relieve the Supplier of any liability under this Contract. Any Variations to be agreed by the Parties pursuant to the report shall be subject to the Variation Procedure.

# Financial Model

**Introduction**

* 1. This Paragraph [4](#bookmark40) (Financial Model) describes the content and construction of, and the process for ongoing maintenance of (including updates to), the Financial Model.

# The Financial Model Content and Construction

* 1. The Financial Model shall:
     1. provide sufficient detail for the Buyer to have visibility of all the Charges to be paid in respect of the provision of the Services;
     2. be constructed (in relation to all Charges, calculations and outputs) on a monthly basis;
     3. quote all monetary values in pounds sterling;
     4. quote all costs as exclusive of any VAT;
     5. quote all costs, prices and Charges based on current prices;
     6. in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Buyer to the Supplier from time to time for the purposes of this Contract. The Buyer shall be entitled to modify any template at any time by giving written notice to the Supplier, including a copy of the updated template;
     7. not have any parts which are hidden, protected, locked or made otherwise inaccessible or obscured to review or alteration;
     8. be laid out in a clear and logical manner, clearly showing the flow from inputs, to outputs via appropriate calculations with:
     9. all outputs being consistent with the Charges set out within this Call-Off Schedule 5 (Pricing Details);

1. any formulae showing a clear separation between inputs and calculations; and
2. any column labelling being consistent between worksheets;
3. clearly show the calculation of any financing charges associated with outstanding balances (between costs incurred and Charges received as set out within the cash flow statement); and
4. include a version control sheet that provides visibility of all changes from the previous, approved version of the Financial Model, together with a summary reconciliation of those changes.

# Initial Version of the Financial Model

* 1. The Supplier shall work collaboratively with the Buyer to produce and agree the Initial Financial Model within four (4) weeks of the Call-Off Start Date, and which shall be based on the relevant template set out in Annex [2](#bookmark54) and populated with details of the Charges contained in this Call-Off Schedule 5 (Pricing Details).

# Updates to the Financial Model

* 1. The Supplier shall ensure the Financial Model provides an up-to-date and accurate record of all inputs associated with performance of the Services in accordance with Paragraphs [4.5](#bookmark42) to [4.13](#bookmark47) (inclusive)
  2. The Supplier shall prepare an updated version of the Financial Model for approval by the Buyer in accordance with Paragraphs [4.8](#bookmark43) to [4.12](#bookmark46):
     1. within four (4) weeks of signature of any Variation Form which implements a Variation which affects the Charges; and
     2. in any event, every six (6) Months, or at such other time as may be agreed between the Parties for assurance purposes, using the ‘Six Monthly Contract Reconciliation Report’ template within Annex [2](#bookmark54) to this Schedule.
  3. The Supplier shall adhere to and apply the following principles when preparing any updates to the Financial Model:
     1. all updates shall be consistent with and be made only in accordance with the provisions of this Call-Off Contract;
     2. an update shall only become effective following written approval by the Buyer in accordance with the provisions of Paragraphs [4.8](#bookmark43) to [4.12](#bookmark46);
     3. all revisions shall be auditable and implemented and documented under formal version control protocols agreed between the Parties;
     4. any amendment which is made in order to evaluate the impact of any inputs, modification or other adjustment shall relate only to such inputs, modification or other adjustment; and
     5. no amendment shall affect, in any way whatsoever, the performance of the Services or the format or structure of the Financial Model, save as agreed in accordance with the Variation Procedure.
  4. Prior to the submission of any update to the Financial Model for approval by the Buyer, the Buyer shall have the right, at any time, to review any documentation produced by the Supplier in relation to the development of the Financial Model, including:
     1. details of the Supplier's intended approach to the Financial Model and its development;
     2. copies of any drafts of the Financial Model produced; and
     3. any other work in progress in relation to the Financial Model.

# Approval of updates to Financial Model

* 1. Where the Supplier is required to provide the Buyer with an updated version of the Financial Model, the Supplier shall provide an update to the latest version of the Financial Model and deliver the same to the Buyer for approval in accordance with the relevant timescales set out in Paragraph [4.5](#bookmark42).
  2. The Supplier shall ensure that each version of the Financial Model delivered to the Buyer is certified by a company director of the Supplier, or notified representative with appropriate delegated authority as:
     1. being accurate and not misleading;
     2. reflecting actual costs and revenues from the Call-Off Start Date and being updated for latest future forecasts (as required);
     3. having been prepared in conformity with generally accepted accounting principles within the United Kingdom;
     4. being a true and fair reflection of the information included within the Supplier’s management and statutory accounts;
     5. being capable of audit to source data; and
     6. compliant with the requirements of Paragraph [4.10](#bookmark44).
  3. The Supplier shall:
     1. prepare each Financial Model using the same methodology as that used for the Initial Financial Model; and
     2. not have any other internal financial model in relation to the Services inconsistent with the Financial Model.
  4. Unless the Buyer wishes to dispute the Financial Model in accordance with Paragraphs [4.18](#bookmark49) and [4.19](#bookmark50), the Buyer shall approve the updated Financial Model within thirty (30) days of receipt of the same (or such other period as the Buyer advises the Supplier in writing), at which time it shall become the Updated Financial Model.
  5. Once the Updated Financial Model has been approved by the Buyer, it shall advise the Supplier of its decision in writing and the approved Updated

Financial Model shall become, with effect from the date of such approval, the current Financial Model in place for the purposes of the Call-Off Contract.

* 1. The Supplier shall maintain soft copies of each version of the Financial Model approved by the Buyer throughout the Contract Period.
  2. If the Supplier fails to deliver an Updated Financial Model then the Buyer shall in its absolute discretion have the right to invoke an audit to establish the data and/or information required to complete the Updated Financial Model or requested in connection with Subcontractor(s). The costs of such an audit shall be borne by the Supplier. In the first instance, both Parties shall work together to ensure the Updated Financial Models are submitted as requested.
  3. During the Contract Period, and for a period of eighteen (18) Months following the end of the Contract Period, the Supplier shall make available the Financial Representative at reasonable times and on reasonable notice to answer any queries that the Buyer may have on the Financial Model, any of the Financial Reports detailed in Paragraph [5](#bookmark51), and/or the Open Book Data.
  4. If the Supplier becomes aware of the occurrence, or the likelihood of the future occurrence, of an event which will or may have a material effect on the following:
     1. the Costs incurred (or those forecast to be incurred) by the Supplier; and/or
     2. the forecast Charges for the remainder of the Contract Period,

the Supplier shall, as soon as practicable, notify the Buyer in writing of the event in question detailing the actual or anticipated effect. For the avoidance of doubt, notifications provided in accordance with this Paragraph [4.16](#bookmark48) shall not have the effect of amending any provisions of this Contract.

# Visibility Through the Financial Model

* 1. Upon request from the Buyer and in accordance with the principles of Open Book Data, the Supplier shall promptly provide to the Buyer details of the elements used to make up any Charges, including:
     1. the Supplier's total fixed price for the Services and/or Deliverables;
     2. the margin included in that total fixed price;
     3. a list of the agreed prices against each Service in the Financial Model;
     4. a list of the costs underpinning those prices for each Service in the Financial Model, being the price less the mark up / margin;
     5. a summary of the costs broken down against each Service and/or Deliverable;
     6. explanation of any underlying assumptions regarding:
        1. overtime rates;
        2. standard hours;
        3. accommodation charges; and
        4. discounts applied;
     7. the total price for performance of the Services broken down by volume, unit cost and margin;
     8. any additional activities, costs and risks that may impact the Buyer and which are not already covered by the Charges;
     9. an explanation of the type and value of risk and/or contingency associated with the provision of Services, including the amount of money attributable to each risk for example:
        1. strategic/commercial;
        2. economic/financial/market;
        3. legal and regulatory;
        4. organisational/management/human factors;
        5. political;
        6. environmental;
        7. technical/operational/infrastructure;
     10. an explanation and supporting details of any actual financing costs applicable to the Call-Off Contract;
     11. an explanation and supporting details of any actual asset leasing costs applicable to this Call-Off Contract;
     12. a statement of the Supplier's actual cashflow for the Contract Period;
     13. the actual Charges profile for each Service Period;
     14. the costs and expenses to be incurred by any of its Subcontractors or third party suppliers; and
     15. any additional information as the Buyer reasonably requires.

# Dispute

* 1. If the Buyer, at any time, disputes any version of the Financial Model it may request such further information from the Supplier as it requires prior to delivering a decision on whether it accepts or rejects the relevant Financial Model.
  2. In the event that the Buyer and the Supplier are unable to reach agreement on the Financial Model, the matter shall be referred for determination in accordance with the Dispute Resolution Procedure.

# Key Subcontractors

* 1. The Supplier shall, if requested by the Buyer, provide (or procure the provision of) a report or reports including the level of information set out in the Financial Model in relation to the costs and expenses to be incurred by any of its Key Subcontractors.
  2. Without prejudice to Clause 6 of the Core Terms, the Supplier shall:
     1. be responsible for collecting and auditing the financial data required from Key Subcontractors and for any associated costs and expenses incurred or forecast to be incurred; and
     2. on written request by the Buyer, provide the Buyer or procure that the Buyer is provided with:
        1. full copies of audit reports for the Key Subcontractors. The Buyer shall be entitled to rely on such audit reports; and
        2. further explanation of, and supporting information in relation to, any audit reports provided.

# Other Financial Reports

**Provision of the Financial Reports**

* 1. In addition to the Financial Model, the Supplier shall provide to the Buyer all the following Financial Reports in accordance with Table 1 below. The contents and format of each shall be as per its respectively named template within Annex [2](#bookmark54) of this Schedule.

Table 1: Financial Reports

|  |  |  |
| --- | --- | --- |
| **Financial Report** | **Purpose** | **Occurrence and Frequency of**  **submission** |
| Onerous Contract Report | A report to inform the Buyer if the Supplier considers the Contract has become an Onerous Contract in accordance with Paragraph [3](#bookmark39) of this Part [B](#bookmark37). | Occurrence: only when the Supplier considers the Contract has become an Onerous Contract |

|  |  |  |
| --- | --- | --- |
|  |  | Frequency: Promptly notify the Buyer of the designation and shall prepare and deliver to the Buyer within the timescales agreed by the Parties (and in any event, no later than two  (2) months following the publication of the designation. |
| Milestone Reconciliation Report | Provides the actual Charges against the anticipated Charges during the Implementation, including financial details regarding the Milestone Retention payments.  A final Milestone Reconciliation Report shall be agreed and signed off by both Parties after the final Milestone Retention payment.  This is referenced within Paragraph [4](#bookmark5) of Part [A](#bookmark0) of Call-Off Schedule 5 (Pricing Details). | Occurrence: for the period of the Implementation only  Frequency: Within one  (1) Month after the payment of each Milestone Payment or Milestone Retention payment. |

# Review and Approval of Other Financial Reports

* 1. The Financial Reports shall constitute Transparency Reports and shall be subject to review and approval in accordance with the provisions of Call-Off Schedule 1 (Transparency Reports).

**Annex** **1 – Charges**

**Acronyms**

|  |  |
| --- | --- |
| BAU | Business As Usual |
| CDR | Committed Data Rate |
| DIA | Dedicated Internet Access |
| ERS | Emergency Response Service |
| HLD LAN | High Level Design LAN |
| IA | Internet Access |
| LAN | Local Area Network |
| LLD LAN | Low Level Design LAN |
| SFIA | Skills Framework for the Information  Age |
| WAN | Wide Area Network |
| IA | Internet Access |
| PA | Private Access |

**Implementation Milestone Payment Plan and Delay Payment Milestones**

All Milestones are subject to Delay Payments.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| # | Milestone Title | Start | Finish | Price (£) | Milestone Retention (£) | Cumulative Retention (£) |
| ***REDACTED]*** | | | | | | |

# Operational BAU: WAN

***Fixed Services***

Each WAN Monthly Service Charge is determined on a ‘Price x Quantity’ basis, whereby:

* the ‘Price’ is as identified within the below table; and
* the ‘Quantity’ is in respect of each Site for which the commencement date of the WAN service fell in or before that Month.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | | | Operational BAU (Run and Maintain) (£) | | | |
| Monthly Service Charge Per Site | | | |
| Service | Tier | Min CDR  (mbps) | Bearer Size (mbps) |  | 25% CDR  applied | 50% CDR  applied | 75% CDR applied | 100% CDR  applied |
|  | | | | | | | | |
| ***[REDACTED]*** | | | | | | | | |
|  | | | | | | | | |
| ***[REDACTED]*** | | | | | | | | |

***Non-Fixed Services***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | | | | Operational BAU  (Run and Maintain) (£) |
| Service | Service | Tier | Data Allowance |  | Monthly Service |
|  |  |  | (Gb) Per Month | Charge Per Site |
| ***[REDACTED]*** | | | | ***[REDACTED]*** |
|  |

# Operational BAU: LAN

Each LAN Monthly Service Charge is determined on a ‘Price x Quantity’ basis, whereby:

* the ‘Price’ is the monthly unit charge as identified within the below table; and
* the ‘Quantity’ shall mean the total number of units in use at each Site in the relevant Month.

|  |  |  |
| --- | --- | --- |
| Item |  | Monthly Service Charge per item (£) |
| ***[REDACTED]*** | ***[REDACTED*** |

**Operational BAU: IA Management & Support and PA Management & Support**

|  |  |  |
| --- | --- | --- |
| Internet Access (IA) - Management and  Support |  | Monthly Service Charges  (£) |
| ***[REDACTED]*** | ***[REDACTED]*** |
|  | | |
| Private Access (PA) - Management and  Support |  | Monthly Service Charges  (£) |
| ***[REDACTED]*** | ***[REDACTED]*** |

**Operational BAU: Emergency Response Service**

|  |  |  |
| --- | --- | --- |
| Item |  | Monthly Service Price (£) |
|  |  |  |
| ***[REDACTED]*** |  | ***[REDACTED]*** |

**Operational BAU: Mobile Connectivity Services**

The Mobile Connectivity Service Monthly Service Charge is determined by the below two components:

1. a ‘Price x Quantity’ basis, whereby:
   1. the ‘Price’ is the as identified by the ‘Monthly Service Price per connection per device (£)’ figure within the below table; and
   2. the ‘Quantity’ is in respect of each device in use.
2. the recurring charge as identified by the ‘Monthly Service Price for data pool (25Gb per device)’ figure within the below table.

|  |  |
| --- | --- |
| ***[REDACTED]*** | ***[REDACTED]*** |
|  |  |
| ***[REDACTED]*** | ***[REDACTED]*** |

# Service Catalogue

**Generic Service Catalogue Items**

For purposes of a definition, a small site is defined as under 50 FTE listed against it in the Master Site List ; a large site is 50 or more FTE listed against it in the Master Site List.

All LAN Installation Service Catalogue Charges are exclusive of the provision of the hardware itself. after the delivery of the Implementation Plan, the Buyer will be responsible for purchasing any additional required hardware and licensing for LAN Services at its own discretion either via the Project Initiation Request (PIR) process or via a third-party.

|  |  |  |
| --- | --- | --- |
| Ref | Service Catalogue Item | Charge (£) |
| ***REDACTED]*** | | |

**Implementation-specific Service Catalogue Items**

Each of the Supplier’s ‘Operational BAU: WAN’ Charges are also treated as a separate Service Catalogue item. The Buyer may, at its discretion, invoke these Implementation-specific Service Catalogue Items as required (e.g., when opening a new site that requires installation of circuits) after the delivery of the Implementation Plan.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Fixed Services** | | | | | | | |
|  | | | | | | | |
|  | | | | | Implementation Charges (£) | | |
| Service | Tier | Min CDR  (mbps) | Bearer Size (mbps) |  | Circuit Install Price | HW  Install Price | HW  Price |
|  | | | | | | | |
| ***[REDACTED]*** | | | |  | ***[REDACTED]*** | | |
|  | | | | | | | |
| ***[REDACTED]*** | | | |  | ***[REDACTED]*** | | |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Non-Fixed Services | | | | | | |
|  | | | | | | |
|  | | | | | Implementation Charges  (£) | |
| Service | Service | Tier | Data Allowance |  | Hardware | Hardware |
|  |  |  | (Gb) Per Month | Install Price | Price |
| ***[REDACTED]*** | | | | ***[REDACTED]*** | |

# Rate Card

|  |  |  |  |
| --- | --- | --- | --- |
| SFIA 8  Code | SFIA 8 Skill | Skill 8  Level | Day Rate  (£) |
| ***[REDACTED]*** | | | |

**Optional Services**

**Optional Service 1: In-housing of the Security Operations Centre**

Upon invoking, this Optional Service incurs a Charge deduction.

The Supplier anticipates that the monthly Charge deduction for this Optional Service shall be between

***[REDACTED]*** to ***[REDACTED]***, depending on the Supplier’s allocated resources. Any monthly Charge deduction shall be taken from each Total Monthly Service Charge.

**Optional Service 2: Enterprise Broadband Service**

The Supplier anticipates that the monthly Charges for this Optional Services are as per the two tables below.

|  |  |
| --- | --- |
| Enterprise Broadband VEB SOGEA & FTTP | Monthly Rental Charge |
| ***[REDACTED]*** | ***[REDACTED]*** |
|  | |
| ***[REDACTED]*** | ***[REDACTED]*** |

|  |  |
| --- | --- |
| Complete Connectivity | Monthly Rental Charge |
| ***[REDACTED]*** | ***[REDACTED]*** |

**Optional Service 3: Transforming DDTS Supported Network Services**

The Supplier anticipates that the monthly Charge for this Optional Service is ***[REDACTED]***.

**Optional Service 4: Mobile Connectivity Service (Fleet Vehicles & Offices)**

***[REDACTED]***

**Optional Service 5: Network Service for Geomatics**

***[REDACTED]***

# Annex 2 – Financial Model and Financial Reporting Templates

|  |  |
| --- | --- |
| **Financial Model/Report** | **Template** |
| Initial Financial Model | The Initial Financial Model template is within the Supporting Contractual Documents section below |
| Onerous Contract Report | As per Paragraph [3](#bookmark39) of Part [B](#bookmark37) to this Schedule. |
| Milestone Reconciliation Report | The Milestone Reconciliation Report template is is within the Supporting Contractual Documents section below |
| Six Monthly Contract Reconciliation Report | The Six Monthly Contract Reconciliation Report template is within the Supporting Contractual Documents section below |

**Annex 3 – Example Delay Payments Calculation**

Please see the Supporting Contractual Documents section below.