Schedule 3 (Charges)

1. **How Charges are calculated**

   1.1 The Charges:

   1.1.1 shall be calculated in accordance with the terms of this Schedule;

   1.1.2 cannot be increased except as specifically permitted by this Schedule and in particular shall only be subject to Indexation where specifically stated in the Award Form; and

   1.2 Any variation to the Charges payable under a Contract must be agreed between the Supplier and the Buyer and implemented using the procedure set out in this Schedule.

2. **The pricing mechanisms**

   2.1 The pricing mechanisms and prices set out in Annex 1 shall be available for use in calculation of Charges in the Contract.

3. **Are costs and expenses included in the Charges**

   3.1 Except as expressly set out in Paragraph 4 below, or otherwise stated in the Award Form the Charges shall include all costs and expenses relating to the provision of Deliverables. No further amounts shall be payable in respect of matters such as:

   3.1.1 incidental expenses such as travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs, network or data interchange costs or other telecommunications charges; or

   3.1.2 costs incurred prior to the commencement of the Contract.

4. **When the Supplier can ask to change the Charges**

   4.1 The Charges will be fixed for the first three (3) years following the Contract Commencement Date. After this Charges can only be adjusted in accordance with Paragraphs 5 and 6 below.

5. **Other events that allow the Supplier to change the Charges**

   5.1 The Charges can also be varied (and Annex 1 will be updated accordingly) due to:

   5.1.1 a Specific Change in Law in accordance with Clause 24;

   5.1.2 a review in accordance with insurance requirements in Clause 13;

   5.1.3 a request from the Supplier, which it can make at any time, to decrease the Charges; and

   5.1.4 indexation, where Annex 1 states that a particular Charge or any component is “subject to Indexation” in which event Paragraph 6 below shall apply.

6. When the Charges are linked to inflation

6.1 Where the Charges are stated to be "subject to Indexation" they shall be adjusted in line with changes in the Consumer Price Index ("CPI"). All other costs, expenses, fees and charges shall not be adjusted to take account of any inflation, change to exchange rate, change to interest rate or any other factor or element which might otherwise increase the cost to the Supplier.

6.2 Charges shall not be indexed during the first three (3) years following the Contract Commencement Date.

6.3 Where Annex 1 states a Charge is subject to Indexation then it will be indexed on the date which is three (3) years after the Commencement Date to reflect the percentage change in the CPI since the Commencement Date. They shall be indexed on each following yearly anniversary to reflect the percentage change in the CPI since the previous change.

6.4 Where the CPI Index:

6.5 used to carry out an indexation calculation is updated (for example due to it being provisional) then the indexation calculation shall also be updated unless the Buyer and the Supplier agree otherwise;

6.6 is no longer published, the Buyer and the Supplier shall agree a fair and reasonable replacement that will have substantially the same effect.

Annex 1: Rates and Prices

1. The following will apply to all pricing (shown in Table A below) on this Contract:

   - Pricing is exclusive of VAT.
   - Pricing is shown in £ Sterling.
   - Pricing includes all costs associated to deliver on a Delivered At Place (DAP) basis.
   - Pricing is fixed for the first three (3) years of the Contract.
   - Pricing for the remainder of the contract period (including any extension period) will be subject to Indexation (UK CPI) as set out in Paragraph 6 above.

Table A: Fixed Pricing for three (3) years

Product	Vial Size (ml)	Quantity of kits (for 140 litres)	Fixed cost per kit	Total cost per month
Tuberculin PPD (Avian)	2.0	1,536	[redacted]	[redacted]
Tuberculin PPD (Bovine)				
Tuberculin PPD (Avian)	5.0	1,571	[redacted]	[redacted]
Tuberculin PPD (Bovine)				
			Total Cost	[redacted]

2. A complete pricing breakdown is shown in the attachment below.

Redacted