

Agreement relating to Coverage Assurance Goods and Services

Schedule 4.2 (Commercially Sensitive Information)

FRAMEWORK SCHEDULE 4.2

COMMERCIALLY SENSITIVE INFORMATION

No.	Date	Item(s)	Location of Commercially Sensitive Information	Duration of Confidentiality
1.	08/05/18	Information relating to the way in which the Service works.	Schedule 4.1 (Supplier Solution) Schedule 6.1 (Implementation Plan)	During the term of the Agreement and for three years following expiry of the Agreement.
2.	08/05/18	Information relating to the way in which the Service meets the detailed requirement specification of the Authority.	Schedule 4.1 (Supplier Solution) Schedule 6.1 (Implementation Plan)	During the term of the Agreement and for three years following expiry of the Agreement.
3.	08/05/18	Any designs, specifications, drawings, diagrams, relating to the Service.	Schedule 4.1 (Supplier Solution) Schedule 6.1 (Implementation Plan)	Until such information is no longer of significant commercial value to the respective Party
4.	08/05/18	Any financial information of any kind, including but not limited to: <ul style="list-style-type: none"> • Service Credits; • Delay Payments; • Other financial remedies; • Breakdown of price information (including rates) • Any amendments to the price at any stage of the Agreement; <p>For the avoidance of doubt the last bullet point does not extend to the total price of the contract awarded which may</p>	Schedule 4.1 (Supplier Solution) Schedule 6.1 (Implementation Plan) Schedule 7.1 (Charges and Invoicing)	During the term of the Agreement and for three years following expiry of the Agreement.

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		be disclosed in response to an FOI request		
5.	08/05/18	Information relating to individuals, including any personal data	Schedule 4.3 (Key Personnel)	Until such information is no longer of significant commercial value to the respective Party.

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Schedule 4.3 (Key Personnel)

KEY PERSONNEL

Key Role	Name of Key Personnel	Responsibilities	Phase of the project during which they will be a member of Key Personnel
Supplier Project Manager	[Redacted]	The Supplier's lead representative who shall have overall management and ownership of the Suppliers' delivery of its obligations under this Agreement	All
Responsible Officer for Capability 1 + 2	[Redacted]	Responsible for all technical and operational aspects associated with but not limited to the delivery of Capability 1+ 2 including development, testing, training, support and reporting	All
Responsible Officer for Capability 3	[Redacted]	Responsible for all technical and operational aspects associated with but not limited to the delivery of drive/walk testing including development, equipment testing, support, logistics and reporting	All

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Schedule 4.4 (Sub-Contractors)

SCHEDULE 4.4

SUB-CONTRACTORS

1. In accordance with Clause 33.1 (Appointment of Key Sub-Contractors), the Supplier is entitled to sub-contract its obligations under this Framework Agreement to the Sub-Contractors listed in the table below.
2. The Parties agree that they will update this Framework Schedule periodically to record any Sub-Contractors appointed by the Supplier after the Framework Commencement Date in accordance with Clause 33.1 (Appointment of Key Sub-Contractors).

Sub-Contractor name and address (if not the same as the registered office)	Registered office and company number	Related Good/Service description	Sub-Contract price expressed as a percentage of total projected Charges over the Framework Period	Role in delivery of the Services	Credit Rating Threshold
Metricell Limited	The Big Blue 26 Foundry Lane Horsham RH13 5PX Company number:06052274	Software/Application provision and Support. Operational Support services.	[Redacted]	Provision of the ESN Coverage measurement application and analysis and reporting of information captured during Drive and Walk Testing.	[Redacted] See Note below:

3.

Note: [Redacted]

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Schedule 6.1 (Implementation Plan)

Implementation Plan

1 INTRODUCTION

1.1 This Schedule:

- (a) Defines the process for the preparation and implementation of the Outline Implementation Plan and Detailed Implementation Plan; and
- (b) Identifies the Milestones (and associated Deliverables).

2 OUTLINE IMPLEMENTATION PLAN

2.1 The Outline Implementation Plan is set out in Annex 2.

2.2 All changes to the Outline Implementation Plan shall be subject to the Variation Procedure and, for the avoidance of doubt, the Supplier shall not be entitled to postpone any of the Milestones using the Variation Procedure or otherwise (except in accordance with Clause 18.2 (*Authority Cause*) of the Contract Terms and Conditions).

2.3 Following the Supplier kick-off meeting the Outline Implementation Plan will be refined to develop the Detailed Implementation Plan.

3 APPROVAL OF THE DETAILED IMPLEMENTATION PLAN

3.1 The Supplier shall submit a draft of the Detailed Implementation Plan to the Authority for approval within 20 Working Days of the Commencement Date.

3.2 The Supplier shall ensure that the draft Detailed Implementation Plan:

- (a) incorporates all of the Milestones and Milestone Dates set out in the Outline Implementation Plan;
- (b) includes (as a minimum) the Supplier's proposed timescales in respect of the following for each of the Milestones:
 - (i) the completion of each design document;
 - (ii) the completion of the build phase;
 - (iii) the completion of the pilot or implementation phase
 - (iv) training and roll-out activities;
- (c) clearly outlines all the steps required to implement the Milestones to be achieved in the next 12 months and continuing until the expiry of the Contract Period together with a high-level plan for the rest of the Contract, in conformity with the Authority Requirements;
- (d) clearly outlines the required roles and responsibilities of both Parties, including staffing requirements; and
- (e) is produced using a software tool as specified, or agreed by the Authority.

3.3 Prior to the submission of the draft Detailed Implementation Plan to the Authority in accordance with Paragraph 3.1, the Authority shall have the right:

- (a) to review any documentation produced by the Supplier in relation to the development of the Detailed Implementation Plan, including:
 - (i) details of the Supplier's intended approach to the Detailed Implementation Plan and its development;
 - (i) copies of any drafts of the Detailed Implementation Plan produced by the Supplier; and
 - (ii) any other work in progress in relation to the Detailed Implementation Plan; and
 - (b) to require the Supplier to include any reasonable changes or provisions in the Detailed Implementation Plan.
- 3.4 Following receipt of the draft Detailed Implementation Plan from the Supplier, the Authority shall:
- (a) review and comment on the draft Detailed Implementation Plan as soon as reasonably practicable; and
 - (b) notify the Supplier in writing that it approves or rejects the draft Detailed Implementation Plan no later than 20 Working Days after the date on which the draft Detailed Implementation Plan is first delivered to the Authority.
- 3.5 If the Authority rejects the draft Detailed Implementation Plan:
- (a) the Authority shall inform the Supplier in writing of its reasons for its rejection; and
 - (b) the Supplier shall then revise the draft Detailed Implementation Plan (taking reasonable account of the Authority's comments) and shall re-submit a revised draft Detailed Implementation Plan to the Authority for the Authority's approval within 20 Working Days of the date of the Authority's notice of rejection. The provisions of Paragraph 3.4 and this Paragraph 3.5 shall apply again to any resubmitted draft Detailed Implementation Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.
- 3.6 If the Authority approves the draft Detailed Implementation Plan, it shall replace the Outline Implementation Plan from the date of the Authority's notice of approval.

4 UPDATES TO AND MAINTAINANCE OF THE DETAILED IMPLEMENTATION PLAN

- 4.1 Following the approval of the Detailed Implementation Plan by the Authority:
- (a) the Supplier shall submit a revised Detailed Implementation Plan to the Authority every Month starting 1 Month from the Commencement Date until MS14;
 - (b) without prejudice to Paragraph 4.1(a), the Authority shall be entitled to request a revised Detailed Implementation Plan at any time by giving written notice to the Supplier and the Supplier shall submit a draft revised Detailed Implementation Plan to the Authority within 10 Working Days of receiving such a request from the Authority (or such longer period as the Parties may agree provided that any failure to agree such longer period shall be referred to the Dispute Resolution Procedure);
 - (c) any revised Detailed Implementation Plan shall (subject to Paragraph 4.2) be submitted by the Supplier for approval in accordance with the procedure set out in Paragraph 3; and

- (d) the Supplier's performance against the Implementation Plan shall be monitored at the Monthly Meeting. In preparation for such meetings, the current Detailed Implementation Plan shall be provided by the Supplier to the Authority not less than 5 Working Days in advance of each meeting of the Monthly Meeting.
- 4.2 Save for any amendments to the Detailed Implementation Plan which are of a type identified and notified by the Authority (at the Authority's discretion) to the Supplier in writing as not requiring approval, any amendments to the Detailed Implementation Plan shall be subject to the Variation Procedure. For the avoidance of doubt, in no circumstances shall the Supplier be entitled to alter or request an alteration to any Milestone Date except in accordance with Clause 18.2 (*Authority Cause*).
- 4.3 Any proposed amendments to the Detailed Implementation Plan shall not come into force until they have been approved in writing by the Authority.

5 ISSUE OF MILESTONE ACHIEVEMENT CERTIFICATE

- 5.1 The Authority shall issue a Milestone Achievement Certificate in respect of a given Milestone as soon as is reasonably practicable following performance by the Supplier to the reasonable satisfaction of the Authority (such as the production of Documentation).
- 5.2 The grant of a Milestone Achievement Certificate shall entitle the Supplier to the receipt of a payment in respect of that Milestone in accordance with the provisions of Schedule 7.1 (Charges and Invoicing).
- 5.3 If a Milestone is not Achieved, the Authority shall promptly issue a report to the Supplier setting out reasons for the relevant Milestone not being Achieved.

6 GOVERNMENT REVIEWS

The Supplier acknowledges that the Services may be subject to Government review at key stages of the project. The Supplier shall cooperate with any bodies undertaking such review and shall allow for such reasonable assistance as may be required for this purpose within the Charges.

ANNEX 1: MILESTONE ACHIEVEMENT CERTIFICATE

To: **[NAME OF SUPPLIER]**
FROM: **[NAME OF AUTHORITY]**
[Date]

Dear Sirs,

MILESTONE ACHIEVEMENT CERTIFICATE

Milestone: **[insert description of Milestone]**

We refer to the agreement (the “**Agreement**”) relating to the provision of the Services between the **[name of Authority]** (the “**Authority**”) and **[name of Supplier]** (the “**Supplier**”) dated **[date]**.

Capitalised terms used in this certificate have the meanings given to them in Schedule 1 (*Definitions*).

[You may now issue an invoice in respect of the Milestone Payment associated with this Milestone in accordance with the provisions of Schedule 7.1 (*Charges and Invoicing*)]*

Yours faithfully

[Name]

[Position]

acting on behalf of **[Authority]**

ANNEX 2: OUTLINE IMPLEMENTATION PLAN

Milestone No.	Milestone	Deliverables (<i>bulleted list showing all Deliverables (and associated tasks) required for each Milestone</i>)	Duration (<i>Working Days</i>)	Milestone Date
MS1	Project Initiation	<ul style="list-style-type: none"> • Kick-off meeting(s) • Project documentation covering the outline design, configuration and implementation of the Coverage Solution including but not limited to: <ul style="list-style-type: none"> a) a project & implementation plan; b) a resource plan; c) a design & system engineering plan d) a user engagement & training plan; e) a risk and issues log; • Test Plans for: <ul style="list-style-type: none"> a) Pilot demonstration of capability b) 'use scenarios and user 'touch & feel'; c) functionality and performance (to align with Schedule 2.1) • Reporting templates • Logistics plan for distribution and implementation of Coverage App to UO's • Logistics plan for distribution and implementation of optional 4G Devices and Accessories (if ordered) • Milestone Achievement Certificate 1 		Commence at Contract Award
MS2	Work Instruction Template	<ul style="list-style-type: none"> • Agree Work Instruction template; Work Instructions will be subsequently issued by the Authority from time to time in order to direct the delivery of Physical Testing Services. • Milestone Achievement Certificate 2 		Commence at MS1

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MS3	Design of 4G Drive Testing vehicle solution	<ul style="list-style-type: none"> • Solution presentation for: <ol style="list-style-type: none"> a) the vehicle and radio frequency design; b) the accessories; c) the script control d) the analysis & reporting design e) all relevant documentation f) the Test Plan for commissioning • Milestone Achievement Certificate 3 	5 days	Commence at Contract Award
MS4	Design of 4G Walk Testing solution	<ul style="list-style-type: none"> • Solution presentation for: <ol style="list-style-type: none"> a) the carry-pack and RF design; b) the accessories; c) the script control d) the analysis & reporting design e) all relevant documentation • Milestone Achievement Certificate 4 	5 days	Commence at Contract Award
MS5	4G Drive Testing capability available	<ul style="list-style-type: none"> • Physical installation completed • Test & safety compliance certification achieved (Vehicle) • Test Plan delivered • Sample Drive Testing completed; including analysis and reporting. • Copy (licence) of analysis & reporting solution provided to Authority including training • Milestone Achievement Certificate 5 		Contract Award plus 3 weeks
MS6	4G Walk Testing capability available	<ul style="list-style-type: none"> • Physical installation completed • Test & safety compliance certification achieved (if applicable) • Test Plan delivered • Sample Walk Testing completed; including analysis and reporting. • Copy (licence) of analysis & reporting solution provided to Authority including training • Milestone Achievement Certificate 6 		Contract Award plus 3 weeks
MS7	Management Information Template	<ul style="list-style-type: none"> • Agree Management Information (MI) reporting template. MI reports to be provided monthly over the Contract Period commencing from the first Month. • Milestone Achievement Certificate 7 		Commence at MS1

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MS8	Training Material	<ul style="list-style-type: none"> • Delivery of training material to Authority for approval 6 weeks prior to 1st training ref ESN_COV_CS_085 • Milestone Achievement Certificate 8 • 		In time for MS9
MS9	Completion of Pilot 4G Coverage Assurance Solution	<ul style="list-style-type: none"> • Coverage Assurance Solution platform design completed • Updated design documentation for production drafted • Deployment and activation of a subset of 4G coverage/service applications on devices • Draft reporting processes and templates designed and approved • Pilot System and performance test plan approved • Pilot System and performance testing completed • Plan for migrating to full production Coverage Assurance Solution agreed • Milestone Achievement Certificate 9 		12 weeks from Contract Award
MS10	Completion of Production Coverage Assurance Solution	<ul style="list-style-type: none"> • Review of outcomes & feedback from Pilot • Refinement of design & configuration • Coverage Solution upgraded and scaled to production (up to 2,500 devices) • 4G Coverage Application available for deployment and activation to all devices. • Updated design documentation for production completed • Final reporting processes and templates designed and approved • Production system and performance Test Plan approved • Production system and performance Testing completed • Plan for migrating to live services developed and agreed • Milestone Achievement Certificate 10 		4 Weeks from acceptance of MS9
MS11	Rollout & activation of Coverage Assurance Solution to UO's	<ul style="list-style-type: none"> • App distribution process and update process in place & tested • Distribution of 4G Coverage App deployed on ESN device to all users. • Training completed. • User documentation distributed • Support and helpdesk systems in place • Final testing completed • Full production 'Go-live' successfully completed • Milestone Achievement Certificate 11 		

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MS12	Capability 2a (ESN Coverage App) for NATS Testing	<ul style="list-style-type: none"> • Development of Capability 2a completed • Preparation and application for NATS completed • Test Plan agreed • Test Plan completed (pre NATS and post NATS) • NATS Test Certificate obtained • Milestone Achievement Certificate 12 		8 weeks after authority instruction (pending ESN service availability)
MS13	Rollout & activation of Capability 2a (ESN Coverage App) to UO's	<ul style="list-style-type: none"> • Distribution of Coverage App deployed on ESN device to all users requiring it. • Training completed. • User documentation distributed • Support and helpdesk systems updated • Final Testing completed • Full production scale supporting capability 2a successfully completed • Milestone Achievement Certificate 13 		
MS14	Capability 2b (ESN Service) for NATS Testing	<ul style="list-style-type: none"> • Development of Capability 2b completed • Preparation and application for NATS completed • Test Plan agreed • Test Plan completed (pre NATS and post NATS) • NATS Test Certificate obtained • Milestone Achievement Certificate 14 		Within 12 weeks after authority instruction (pending ESN service availability)
MS15	Rollout & activation of Capability 2b (ESN Service App) to UO's	<ul style="list-style-type: none"> • Distribution of ESN Service Application deployed on ESN device to all users requiring it. • Training completed. • User documentation distributed • Support and helpdesk systems updated • Final Testing completed • Full production scale supporting capability 2b successfully completed • Milestone Achievement Certificate 15 		

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MS16	Design of ESN Drive Testing vehicle solution	<ul style="list-style-type: none"> • Solution presentation for: <ol style="list-style-type: none"> a) the vehicle and r.f. design; b) the accessories; c) the script control d) the analysis & reporting design e) the documentation f) the Test Plan for commissioning • Milestone Achievement Certificate 16 		Within 12 weeks after authority instruction (pending ESN service availability)
MS17	Design of ESN Walk Testing solution	<ul style="list-style-type: none"> • Solution presentation for: <ol style="list-style-type: none"> a) the carry-pack and r.f. design; b) the accessories; c) the script control d) the analysis & reporting design e) the documentation f) the Test Plan for commissioning • Milestone Achievement Certificate 17 		Within 12 weeks after authority instruction (pending ESN service availability)
MS18	ESN Drive Testing capability available	<ul style="list-style-type: none"> • Physical installation completed • Test & safety compliance certification achieved (Vehicle) • Test Plan delivered • Sample Drive Testing completed; including analysis and reporting. • Copy (licence) of analysis & reporting solution provided to Authority including training • Milestone Achievement Certificate 18 		3 weeks from MS16
MS19	ESN Walk Testing capability available	<ul style="list-style-type: none"> • Physical installation completed • Test & safety compliance certification achieved (if applicable) • Test Plan delivered • Sample Walk Testing completed; including analysis and reporting. • Copy (licence) of analysis & reporting solution provided to Authority including training • Milestone Achievement Certificate 19 		3 weeks from MS17

Schedule 7.1 (Charges and Invoicing)

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1 CHARGES AND INVOICING - INTRODUCTION

1.1 This Schedule is concerned with the detail of Contract Prices from the Supplier and the mechanism for charging the Authority, within the Agreement.

1.2 This Schedule is split into three parts:

- (a) Part A sets out the pricing and charging mechanisms for the Services;
- (b) Part B sets out the invoicing and payment terms for Services; and
- (c) Part C sets out the mechanism that deals with Service Credits and Order Fulfilment Points.

1.3 Annex 1 contains the tables detailing Contract Prices which shall match exactly the prices in the Cost Model provided by the Supplier during the ITT process.

1.4 Annex 2 contains a table that sets out the Items ordered on Contract Commencement and the associated Year 1 Charges. This Annex sets out the initial Total Contract Value.

PART A: PRICING AND CHARGING

2 APPLICABLE PRICING AND CHARGING MECHANISM

2.1 Following the end of each Service Period, the Supplier may invoice the Authority in the format agreed pursuant to Part B of this Schedule for:

- (a) A Charge equal to the value of the Fixed Prices which the Supplier is entitled to invoice in that Service Period in accordance with Paragraph 3;
- (b) A Charge equal to the value of all the Service Charges which the Supplier is entitled to invoice in that Service Period in accordance with Paragraphs 4, and 6; and/or
- (c) Any Charges in respect of the Optional Services provided (on explicit instruction from the Authority to provide such Optional Services) which the Supplier is entitled to invoice in that Service Period in accordance with Paragraph 3, 4 and 6.

3 FIXED PRICES

3.1 For each Service Period, where the Authority has accepted that Fixed Price Services have been delivered in that Service Period, the Supplier shall be entitled to invoice the Authority for such Fixed Price Services as follows:

3.1.1 Core Services - Development - Tab 2 of Cost Model (all fields) – in the Service Period where the Development Services have been finally completed, the number of days agreed with the Authority at the Development Day Rate;

3.1.2 Core Services - Training - Tab 4 of Cost Model document (all fields):

- (a) the number of Training Materials delivered in that Service Period at the unit rate;
- (b) the number of 4G training sessions delivered in that Service Period at the unit rate; and/or
- (c) the number of ESN training sessions delivered in that Service Period at the unit rate.

3.1.3 Core Services - Drive Test Services - Tab 5 of Cost Model document (all fields):

- (a) the number of Works Instructions completed and approved, including the provision of all relevant reports to the Authority, in that Service Period at the appropriate Day Rate.

3.1.4 Core Services - Walk Test Services - Tab 6 of Cost Model document (all fields):

- (a) the number of Works Instructions completed and approved, including the provision of all relevant reports to the Authority, in that Service Period at the appropriate Day Rate.

3.1.5 Option 1 – Device & Accessories - Tab 7 of Cost Model document (all fields except the Subscription Price per Device field):

- (a) the number of Devices or Accessories delivered during that Service Period at the appropriate rate; and
 - (b) for the Service Period in which all 1,000 Devices have been delivered, the device distribution price.
- 3.1.6 Option 2 – Hosting Service - Tab 8 of Cost Model document (only the Transferring Data field) – for the Service Period during which the data transfer is delivered, the Fixed Price in relation to the data transfer.

4 SERVICE CHARGES

4.1 **For each Service Period, the Supplier shall be entitled to invoice the Authority for the Monthly Service Charges accrued during that Service Period as follows:**

4.1.1 Core Services Logging – Tab 1 of the Cost Model document:

- (a) in relation to all Service Periods except the first and last Service Periods:
 - (i) for the first 1000 Coverage Applications, the relevant annual batch price for applications provided in that Service Period divided by 12;
 - (ii) for the 1001st to the 1500th Coverage Application (where active during that Service Period), the relevant monthly batch price for applications provided in that Service Period;
 - (iii) for the 1501st to the 2000th Coverage Application (where ordered), the relevant monthly batch price for applications provided in that Service Period;
 - (iv) for the 2001st to the 2500th Coverage Application (where ordered), the relevant monthly batch price for applications provided in that Service Period;
 - (v) for the first 150 individual User licences which allow for 50 simultaneous User logins at any one time, the annual price per licence for 150 licences divided by 12; and
 - (vi) for each additional User licence active during that Service Period, the monthly price per licence; or
- (b) in relation to the first Service Period and last Service Period, the Service Charge shall be as set out at paragraph 4.1.1(a) but pro-rated in accordance with paragraph 5;
- (c) In the final Service Period of the Contract Period, the Supplier shall only be entitled to invoice the pro-rated annual batch price or annual price up to that point.

4.1.2 Core Services Support – Tab 3 of Cost Model document (all fields):

- (a) in relation to all Service Periods except the first and last Service Period, the annual fixed Service Charge for support divided by 12; or
- (b) in relation to the first and last Service Periods, the annual fixed Service Charge for support divided by 12 pro-rated in accordance with paragraph 5;
- (c) In the final Service Period of the Contract Period, the Supplier shall only be entitled to invoice the pro-rated annual fixed Service Charge up to that point.

4.1.3 Option 3 – POLQA – Tab 9 of the Cost Model document (all fields):

- (a) in relation to all Service Periods except the first and last Service Period, the annual batch license to support up to 50 Devices divided by 12; or
- (b) in relation to the first and last Service Periods, the annual batch license to support up to 50 Devices divided by 12 pro-rated in accordance with paragraph 5;
- (c) In the final Service Period of the Contract Period, the Supplier shall only be entitled to invoice the pro-rated annual fixed Service Charge up to that point.

4.1.4 Option 1 – Device & Accessories - Tab 7 of Cost Model document (only the Subscription Price per Device field):

- (a) in relation to all Service Periods except the first and last Service Period, the monthly subscription; or
- (b) in relation to the first and last Service Periods, the monthly subscription pro-rated in accordance with paragraph 5;
- (c) In the final Service Period of the Contract Period, the Supplier shall only be entitled to invoice the pro-rated annual fixed Service Charge up to that point.

5 PRO-RATED SERVICE CHARGES IN THE FIRST AND LAST SERVICE PERIODS

Service Charges in the first and last Service Periods shall be pro-rated by using the following formula:

$$SC / MD \times SPD = SCP$$

where:

SC = the total Service Charges that would be properly payable for that Service Period if it were a full Month;

MD = the total number of days in the Month in which the relevant Service Period falls;

SPD = the total number of days in the relevant Service Period; and

SCP = the Service Charge Payable for the relevant Service Period;

6 VARIABLE SERVICE CHARGES

6.1 Where the Authority has ordered Option 2, for each Service Period, the Supplier shall be entitled to invoice the Authority for the Variable Service Charges accrued for Option 2 – Hosting Service - Tab 8 of Cost Model document (only the Cloud Hosting Service field) during that Service Period as follows:

6.1.1 subject to paragraph 6.2 and 6.3, for the first 6 Service Periods, starting with (and including) the Service Period in which Option 2 is ordered and available, the appropriate monthly rate for the 6 month provision;

6.1.2 for the subsequent six Service Periods, the appropriate monthly rate for the 12 month provision;

6.1.3 subject to paragraph 6.4 and 6.5, for the remaining Service Periods, the appropriate monthly rate for the annual provision thereafter; or

6.2 Where the Authority orders Option 2 in the first Service Period, the Variable Service Charges shall be pro-rated in accordance with paragraph 5.

6.3 Where the Authority orders Option 2 and it is made available part-way through a Service Period, the Variable Service Charges shall be pro-rated in accordance with paragraph 5 where for the purpose of such calculation, the relevant Service Period shall be assumed to be the period from (and including) the date on which Option 2 is made available to (and including) the last day of the Month in which Option 2 is made available.

6.4 Where Option 2 continues to be ordered into the final Service Period, the Variable Service Charge for that Service Period shall be pro-rated in accordance with paragraph 5.

6.5 Where the Authority terminates Option 2 part way through a Service Period, the Variable Service Charge for that Service Period shall be pro-rated in accordance with paragraph 5 where, for the purpose of such calculation, the relevant Service Period shall be assumed to be the period from (and including) the first day of Month in which Option 2 is terminated to (and including) the date on which Option 2 is terminated.

PART B: INVOICING AND PAYMENT TERMS FOR CORE SERVICES

7 SUPPLIER INVOICES

- 7.1 The Supplier shall prepare and provide to the Authority for approval (in the format the template invoice) within ten (10) Working Days of the end of each Service Period in which a deliverable is completed or for which the Supplier is entitled to invoice (pursuant to a Works Instruction). This shall include, as a minimum, the details set out in Paragraph 7.2 together with such other information as the Authority may reasonably require assessing whether the Charges that will be detailed therein are properly payable. If the template invoice is not approved by the Authority then the Supplier shall make such amendments as may be reasonably required by the Authority.
- 7.2 The Supplier shall ensure that each invoice contains the following information:
- (a) the date of the invoice;
 - (b) a unique invoice number;
 - (c) the official Supplier VAT number;
 - (d) the Service Period or other period(s) to which the relevant Charge(s) relate;
 - (e) the correct reference for this Agreement;
 - (f) the reference number of the purchase order to which it relates;
 - (g) the dates between which the Services subject of each of the Charges detailed on the invoice were performed;
 - (h) a brief description of the Services;
 - (i) each pricing mechanism used to calculate the Charges (such as Fixed Price or day rate) together with details of each calculation underlying the calculation of each different element of the Charges provided for in this Schedule;
 - (j) details of the Services to which the invoice relates (including dates of delivery);
 - (k) details of any Service Credits and/or Order Fulfilment Points that have been deducted from the invoice;
 - (l) reference to any reports required by the Authority in respect of the Services to which the Charges detailed in the invoice relate (or in the case of reports issued by the Supplier for validation by the Authority, then to any such reports as are validated by the Authority in respect of the Services);
 - (m) a contact name, telephone number and email address of a responsible person in the Supplier's finance department in the event of administrative queries;
 - (n) 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
 - (o) all relevant Works Instructions and/or Order Forms.
- 7.3 The Supplier shall invoice the Authority in respect of Services in accordance with the requirements of Part A. Invoices shall be in arrears for the preceding Service Period. The Supplier shall first submit to the Authority a draft invoice setting out the Charges payable. The Parties shall endeavour to agree the draft invoice within five (5) Working Days of receipt of the draft invoice by the Authority, following which the Supplier shall be entitled to submit its invoice.
- 7.4 Each invoice shall at all times be accompanied by the supporting documentation contemplated in paragraph 7.2 of this Part B. Any assessment by the Authority as to what constitutes supporting documentation shall not be conclusive and the Supplier

undertakes to provide to the Authority any other documentation reasonably required by the Authority from time to time to substantiate an invoice.

- 7.5 The Supplier shall submit all invoices and supporting documentation to:

Emergency Services Mobile Communications Programme
70 Petty France,
Westminster,
London SW1H 9EX

with a copy to such other person and at such place as the Authority may notify to the Supplier from time to time.

- 7.6 All Supplier invoices shall be expressed in Great British Pounds.

- 7.7 The Authority shall regard an invoice as valid only if it complies with the provisions of VAT invoices under applicable laws (including, without limitation, any VAT laws). Where any invoice does not conform to the Authority's requirements set out in this Part B and under such applicable laws, the Authority shall return the disputed invoice to the Supplier and the Supplier shall promptly issue a replacement invoice which shall comply with such requirements.

8 PAYMENT TERMS

- 8.1 Subject to the relevant provisions of this Schedule, the Authority shall make payment to the Supplier within thirty (30) calendar days of a valid invoice being agreed and accepted.

- 8.2 Unless the Parties agree otherwise in writing, all Supplier invoices shall be paid in Great British Pounds by electronic transfer of funds to the bank account that the Supplier has specified on its invoice.

PART C: SERVICE CREDITS AND ORDER FULFILMET POINTS

9 SERVICE CREDITS

9.1 Service Credits shall be calculated by reference to the number of Service Points accrued in any one Service Period pursuant to the provisions of Schedule 2.2 (Key Performance Indicators).

9.2 For each Service Period:

(a) the Service Points accrued shall be converted to a percentage deduction from the Charges for the relevant Service Period on the basis of one point equating to a 0.25% deduction in the Charges; and

(b) the total Service Credits applicable for the Service Period shall be calculated in accordance with the following formula:

$$SC = TSP \times X \times AC$$

where:

SC is the total Service Credits for the relevant Service Period;

TSP is the total Service Points that have accrued for the relevant Service Period;

X is the percentage deduction per Service Point (0.25%); and

AC is the total Charges payable for the relevant Service Period (prior to deduction of applicable Service Credits).

9.3 The liability of the Supplier in respect of Service Credits shall be subject to Clause 41.3(b) (Limitations on Liability) provided that, for the avoidance of doubt, the operation of the Service Credit Cap shall not affect the continued accrual of Service Points in excess of such financial limit in accordance with the provisions of Schedule 2.2 (Key Performance Indicators).

9.4 Service Credits are a reduction of the Service Charges payable in respect of the relevant Services to reflect the reduced value of the Services actually received and are stated exclusive of VAT.

9.5 Service Credits shall be shown as a deduction from the amount due from the Authority to the Supplier in the invoice for the Service Period immediately succeeding the Service Period to which they relate.

10 ORDER FULFILMENT POINTS

10.1 Order Fulfilment Points shall accrue in accordance with the provisions of Schedule 2.2 (Key Performance Indicators).

- 10.2 Each Order Fulfilment Point that accrues shall represent a discount of 0.25% of the net value of the Order to which it relates.
- 10.3 Subject to paragraph 10.7, the cumulative percentage as dictated by the number of Order Fulfilment Points in relation to an Order shall be deducted as a percentage from the net value of the invoice (or relevant part of an invoice where the invoice relates to multiple Orders) issued by the Supplier to the Authority for that Order.
- 10.4 For each Order, the Supplier shall measure the number of Order Fulfilment Points accruing in accordance with the provisions of Schedule 2.2 (Key Performance Indicators) and shall issue the Authority with a credit note equal to the net value of percentage deduction from the invoice for that Order in accordance with the following formula:

$$CN = TOFP \times X \times IV$$

where:

- | | |
|------|---|
| CN | is the total value of the credit note excluding VAT; |
| TOFP | is the total Order Fulfilment Points that have accrued in relation to the Order; |
| X | is the percentage deduction per Order Fulfilment Point (0.25%); and |
| IV | is the total value of the invoice (or relevant part of the invoice where the invoice is for multiple Orders) for the Order excluding VAT. |
- 10.5 A credit note issued under paragraph 10.4 shall be provided within twenty (20) Working Days of the delivery to the Authority of the Goods and/or Services in relation to that Order.
- 10.6 For the avoidance of doubt, any invoice in relation to an Order which has accrued Order Fulfilment Points shall only be payable by the Authority after a credit note has been issued by the Supplier in accordance with paragraph 10.4.
- 10.7 The maximum value of a credit note issued under this paragraph 10 shall not exceed 25% of the value of the Order to which it relates excluding VAT.
- 10.8 Where an invoice that relates to an Order to which Order Fulfilment Points have accrued has been paid without a credit note being issued in accordance with paragraph 10.4, the Supplier shall issue the Authority with a credit note in accordance with paragraph 10.4 and shall pay to the Authority in cleared funds the gross value of that credit note, including VAT, within twenty (20) Working Days.

ANNEX 1: CONTRACT PRICES

1. Prices in this Annex 1 shall:
 - 1.1 be fixed for the duration of the Agreement (for the avoidance of doubt this shall include the one year Authority optional extension period);
 - 1.2 excludes VAT;
 - 1.3 is in Great British Pounds (GBP);
 - 1.4 in respect of Drive Testing and Walk Testing considered in worksheets 5 and 6, the Authority shall permit up to 3 hours of travel within the day rate for such Physical Testing Services within the mainland of the United Kingdom (UK), with proof required of the actual travel time from the Supplier's starting location. Any further travel time shall be at the Supplier's own risk and not charged to the Authority. Non-mainland UK testing shall be the subject of agreement between the Parties. Any further extraordinary subsistence not considered elsewhere in this Schedule 7.1 (Charges and Invoicing) (e.g. hotels for multi-day testing in remote locations) shall also be the subject of agreement between the Parties.
2. Design and Development shall not exceed a cap of £100,000 (GBP).
3. The NTE (Not to Exceed) Contract Prices are detailed as follows:

1. CORE SERVICES LOGGING

ITEM:		PRICE	QTY	TOTAL
NOTES:	<p>The Authority requires batch pricing for the supply of 4G and/or ESN capable Coverage Applications to provide the Coverage Assurance solution, which can simultaneously log and report information from Devices while maintaining the level of performance and availability set out in the Requirements and Schedule 2.2.</p> <p>The Coverage Assurance solution is to be hosted on a virtualised server on a nominated Government secure cloud hosting platform, and as such the Supplier should not include that element in the price fields below.</p> <p>The pricing for the Supplier Optional Hosting Service is considered within Worksheet 8. Option 2 - Hosting Service.</p> <p>1,000 Coverage Applications shall be ordered by the Authority on the Commencement Date, which shall remain the minimum order commitment.</p> <p>The Supplier's pricing must support the flexibility to increase or decrease the total number of supported Coverage Applications from the 1,000 minimum up to a maximum of 2,500 (at the Authority's discretion at any point during the term of the Agreement), in increments or decreases of 500 as follows:</p> <ul style="list-style-type: none"> (a) from 1,001 to 1,500 Coverage Applications (b) from 1,501 to 2,000 Coverage Applications (c) from 2,001 to 2,500 Coverage Applications <p>The Coverage Assurance solution shall comply with all of the Authority's Requirements as defined in Schedule 2.1.</p> <p>The pricing committed to by the Supplier within this worksheet shall apply to both 4G and/or ESN capable Coverage Applications (i.e. there shall be no differentiation).</p>			

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Coverage Applications	Annual batch price for a solution up to 1,000 Coverage Applications	[Redacted]	1	[Redacted]
	Monthly batch price for a solution between 1,001 and 1,500 Coverage Applications	[Redacted]	1	[Redacted]
	Monthly batch price for a solution between 1,501 and 2,000 Coverage Applications	[Redacted]	1	[Redacted]
	Monthly batch price for a solution between 2,001 and 2,500 Coverage Applications	[Redacted]	1	[Redacted]
User Accounts - Centralised System	Annual price per licence for 150 individual User licences which allow for 50 simultaneous logins at any one time	[Redacted]	150	[Redacted]
User Accounts - Centralised System	Monthly price per licence for additional User licences (above the 150 contemplated above)	[Redacted]	1	[Redacted]

2. CORE SERVICES DEVELOPMENT

NOTES:	The Authority requires a price for the enhancement of the Supplier's Coverage Application.			
	The Coverage Application shall meet the Requirements of the Authority as specified in Schedule 2.1.			
	Please note all charges for NATS testing shall be reimbursed to the Supplier (at Pass Through cost) by the Authority against approved invoices. The Authority shall allow for one full NATS test and one re-test only. The NATS testing price shall be at the value published by the US Supplier.			
	IMPORTANT NOTE: The Development Services are capped at £100,000 GBP (excluding NATS testing).			
ITEM:	DESCRIPTION	DAY RATE	ESTIMATED DAYS	TOTAL PRICE

ESN Application - Development	The Supplier shall provide a fixed price Development Day Rate for the duration of the Agreement, and an estimate of how many days will be needed to complete the Development Services.	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
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3. CORE SERVICES SUPPORT SERVICES		
ITEM:	DESCRIPTION	PRICE
Coverage Solution Support (including Helpdesk)	The Authority requires an annual fixed Service Charge from the Supplier to provide all support to Users in accordance with the Requirements as specified in Schedule 2.1 and as detailed in the Supplier's offer in Schedule 4.1 to meet those requirements (including but not limited to provision of a helpdesk)	<i>[Redacted]</i>

4. CORE SERVICES TRAINING SERVICES				
NOTES:	<p>The Authority requires prices from the Supplier to deliver a training solution (including the production of Training Materials) as defined in Schedule 2.1, and in the timescales within Schedule 6.1. The Supplier shall provide pricing on the basis of training 150 Users, delivered in 5 training sessions attended by 30 persons per session.</p> <p>The Supplier shall provide training and associated Training Materials for the Coverage Application (4G element only), and offer further training following ESN enhancement to the Coverage Application.</p>			
ITEM:	DESCRIPTION	UNIT PRICE	QUANTITY	TOTAL PRICE
Training - Training Materials	The Supplier shall provide all Training Materials to the Authority and Users. Please assume a quantity of up to 165.	<i>[Redacted]</i>	165	<i>[Redacted]</i>
Training - 4G	The Supplier shall provide a cost per 4G training session to train the User Organisations and the Authority. Please	<i>[Redacted]</i>	5	<i>[Redacted]</i>

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	assume a quantity of up to 5.			
Training - ESN	Supplier should provide a price for each further ESN training session to train the User Organisations and the Authority. Please assume a quantity of up to 5.	[Redacted]	5	[Redacted]

5. (a) DRIVE TESTING MINIMUM CALL OFF				
NOTES:	<p>The Authority requires the Supplier to provide a price for Drive Test Services (via means of a Day Rate) to measure Coverage Assurance (either 4G or ESN) in accordance with the "Physical Testing Services" (Capability 3) as defined in Schedule 2.1.</p> <p>The Supplier must be capable of providing up to 5 (five) Drive Test Vehicles for Drive Test Services simultaneously for each Work Instruction. The Day Rates in this Worksheet Tab shall include the motor vehicle, accessories, resources, subsistence and fuel. For each Drive Test Vehicle (4G only), the Day Rates shall also include wiring, antennae, fixings, installation and the Device itself.</p> <p>For each Drive Test Vehicle (ESN) , the Authority shall provide all of the ESN Devices to the Supplier at no cost. The Supplier shall be responsible for managing the installation of the ESN Devices into its Drive Test Vehicles. All costs associated with the installation of the ESN equipment will be treated as an agreed "pass through cost" from the Supplier.</p> <p>The Authority will (via a number of Work Instructions) order a minimum of 500 days of Drive Testing Services throughout the duration of the Agreement. The Authority shall be entitled at its own discretion to order additional days of Drive Testing Services up to a maximum of 3,000 days (which shall be the subject of variation and Work Instructions).</p>			
ITEM:	DESCRIPTION	DAY RATE	QTY	TOTAL PRICE
Drive	Please provide a Day Rate for 500 days of Drive Testing Services	[Redacted]	500	[Redacted]

5. (b) DRIVE TESTING ADDITIONAL DAYS		
ITEM	DESCRIPTION	DAY RATE
Drive	Please provide a Day Rate for Drive Testing Services of between 501 and 1,000 days	[Redacted]
Drive	Please provide a Day Rate for Drive Testing Services of between 1,001 and 1,500 days	[Redacted]
Drive	Please provide a Day Rate for Drive Testing Services of between 1,501 and 2,000 days	[Redacted]

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Drive	Please provide a Day Rate for Drive Testing Services of between 2,001 and 2,500 days	[Redacted]
Drive	Please provide a Day Rate for Drive Testing Services of between 2,501 and 3,000 days	[Redacted]

6. (a) WALK TESTING MINIMUM CALL OFF

NOTES:	<p>The Authority requires the Supplier to provide a price for Walk Test Services (via means of a Day Rate) to measure Coverage Assurance (either 4G or ESN) in accordance with the "Physical Testing Services" (Capability 3) as defined in Schedule 2.1.</p> <p>The Supplier must be capable of providing up to five (5) Walk Test Packs for Walk Testing Services simultaneously for each Work Instruction. The Day Rate for Walk Testing Services shall include resources, subsistence, travel fares and fuel. For each Walk Test Pack (4G only), the Day Rates shall also include wiring, antennae, fixings, backpack, installation and the Device itself.</p> <p>For each Walk Test Pack (ESN) , the Authority shall provide all of the ESN Devices to the Supplier at no cost.</p> <p>The Authority will (via a number of Work Instructions) order a minimum of 200 days of Walk Testing Services throughout the duration of the Agreement. The Authority shall be entitled at its own discretion to order additional days of Walk Testing Services up to a maximum of 1,000 days (which shall be the subject of variation and Work Instructions).</p>			
ITEM:	DESCRIPTION	DAY RATE	QTY	TOTAL PRICE
Walk	Please provide a Day Rate for 200 days of Walk Testing Services.	[Redacted]	200	[Redacted]

6. (b) WALK TESTING ADDITIONAL DAYS

ITEM	DESCRIPTION	DAY RATE
Walk	Please provide a Day Rate for Walk Testing Services of between 201 and 400 days	[Redacted]
Walk	Please provide a Day Rate for Walk Testing Services of between 401 and 600 days	[Redacted]

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Walk	Please provide a Day Rate for Walk Testing Services of between 601 and 800 days	[Redacted]
Walk	Please provide a Day Rate for Walk Testing Services of between 801 and 1,000 days	[Redacted]

7. OPTION 1 - DEVICE & ACCESSORIES				
NOTES:	<p>THIS IS AN OPTION ONLY.</p> <p>The Authority requires the Supplier to provide a price to supply and distribute 1,000 4G Devices to the Authority in accordance with the Requirements in Schedule 2.1</p> <p>The Supplier shall price on the basis of an assumption that the Authority will require the subscription service for a minimum of one year, and will continue as a rolling one month concern operating on a 30 days notice period for termination thereafter.</p> <p>Please note the Devices will be supported by Device accessories as defined below. The Supplier should provide a price for 250, 500 and 1,000 units of each of the 4 Device accessories.</p>			
DEVICES				
ITEM	DESCRIPTION	UNIT PRICE	QTY	TOTAL PRICE
Devices	1,000 4G Devices as defined in Schedule 2.1	[Redacted]	1000	[Redacted]
Device Distribution	Supplier to provide a fixed total distribution price for all Devices assuming 150 locations nationwide	[Redacted]	1	[Redacted]
Subscription	Subscription price (per month) per Device	[Redacted]	1000	[Redacted]

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ACCESSORIES	THIS IS AN OPTION ONLY. Should the Authority call off the Device option as contemplated above, there may be a need for Device accessories. The Supplier should provide a price for 250, 500 and 1,000 units of each of the 4 Device accessories.		
ITEM	DESCRIPTION	UNIT PRICE	QUANTITY BAND (UP TO)
Device Accessory 1 - Charge Cable	12v in-vehicle accessory charging cable; min 1.5m length	[Redacted]	250
		[Redacted]	500
		[Redacted]	1000
Device Accessory 2 - Cradle Mount	Non-Permanent Cradle mount e.g. Suction fitted	[Redacted]	250
		[Redacted]	500
		[Redacted]	1000
Device Accessory 3 - Case	Screen protector and case	[Redacted]	250
		[Redacted]	500
		[Redacted]	1000
Device Accessory 4 - Device Enclosure	The Supplier should offer a suitable enclosure to mount a Device in a vehicle where a Cradle Mount is not practical	[Redacted]	250
		[Redacted]	500
		[Redacted]	1000

8. OPTION 2 - HOSTING SERVICE			
NOTES:	THIS IS AN OPTION ONLY. The Authority requires the Supplier to offer a price for an option for the supply of a centralised web/application/database server solution either on their own secure server/storage environment or hosted within an alternative UK based cloud service (in accordance with the Requirements defined in Schedule 2.1).		
ITEM	DESCRIPTION	Initial 6 Month provision	Each 12 Month provision thereafter
	Cloud hosting service for up to 2,500 device applications	<i>[Redacted]</i>	<i>[Redacted]</i>
		Fixed Price	
	A fixed price for transferring data from the supplied hosting environment to the designated Authority cloud hosted environment (at any time during the duration of the Agreement)	<i>[Redacted]</i>	

9. OPTION 3 - POLQA		
NOTES:	THIS IS AN OPTION ONLY. The Authority requires the Supplier to offer a price for an option (Option 3) to provide equipment and services to support the measurement of voice quality on Coverage Assurance (ESN) using a subset of 50 Devices (in accordance with the Requirements defined in Schedule 2.1)	
ITEM	DESCRIPTION	PRICE
	Annual batch licence to support up to 50 Devices - equipment and services to support the measurement of voice quality - POLQA	<i>[Redacted]</i>

SCHEDULE 7.1 – ANNEX 2

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The below table details the initial Items ordered on Contract Commencement and the associated Charges and Invoicing details unless set out elsewhere within the Contract:

No.	Title	Description of Service	Unit of Measure	Quantity Ordered at Contract Signature	Year 1 Charges	Payment	Total Contract Value
1	Core Services – Coverage Assurance Solution	Includes all Core Services as defined within the Agreement, allowing for 150 User Accounts and 1,000 Device Applications.	User Account + Applications	150 User Accounts + 1,000 Applications	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
2	Development Services	No. of Development days to deliver the ESN Application in accordance with Schedule 2.1.	Days	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
3	Support Services	To deliver the Coverage Assurance Solution helpdesk and maintenance during the life of the Agreement.	Year	4	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
4	Training	To deliver the Application training sessions including all supporting documents and venues as required	per session	5	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>

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No.	Title	Description of Service	Unit of Measure	Quantity Ordered at Contract Signature	Year 1 Charges	Payment	Total Contract Value
5	Drive Test	Delivery of 4G and ESN Drive Testing to be directed in accordance with the Agreement	Days	500 (minimum quantity)	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
6	Walk Test	Delivery of all 4G and ESN Walk Testing to be directed in accordance with Agreement	Days	200 (minimum quantity)	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
7	Further ESN Development	Development required to make application ESN compliant (Capability 2B)	Days	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
8	Option 1 – ESN Devices	Provision of 1,000 ESN Handheld Devices;	Each	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
8a	Option 1 – Accessories Item 1	Provision of 12v in-vehicle accessory charging cable; min 1.5m length	Each	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>

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No.	Title	Description of Service	Unit of Measure	Quantity Ordered at Contract Signature	Year 1 Charges	Payment	Total Contract Value
8b	Option 1 – Accessories Item 2	Provision of Non-Permanent Cradle mount e.g. Suction fitted	Each	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
8c	Option 1 – Accessories Item 3	Provision of Screen protector and case	Each	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
8d	Option 1 – Accessories Item 4	Provision of Alternative Vehicle Mounting Unit	Each	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
8e	Option 1 – Distribution Charges	Distribution Costs for Optional Items ordered	Total	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>
9	Option 2 – Hosting Service	The hosting of the centralised web/application/database server solution either on the Supplier's own Secure server/storage environment or hosted within an alternative, Secure, UK based cloud	Year	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>	<i>[Redacted]</i>

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		service					
10	Option 3 - POLQA	Support the measurement of voice quality on the ESN using a subset of 50 ESN Devices taken from deployed population.	Each	[Redacted]	[Redacted]	[Redacted]	[Redacted]

Initial Total Contract Value = £[Redacted]

Agreement relating to Coverage Assurance Goods and Services

Schedule 7.2 (PAYMENTS ON TERMINATION)

Payments on Termination

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

- “Applicable Supplier Personnel”** any Supplier Personnel who:
- (i) at the Termination Date:
 - a) are employees of the Supplier;
 - b) are Dedicated Supplier Personnel;
 - c) *have* not transferred (and are not in scope to transfer at a later date) to the Authority or any Replacement Supplier by virtue of the TUPE Regulations; and
 - (ii) are dismissed or given notice of dismissal by the Supplier within:
 - d) 40 Working Days of the Termination Date; or
 - e) such longer period required by Law, their employment contract (as at the Termination Date) or an applicable collective agreement; and
- have not resigned or given notice of resignation prior to the date of their dismissal by the Supplier; and
- the Supplier can demonstrate to the satisfaction of the Authority:
- i) are surplus to the Supplier's requirements after the Termination Date notwithstanding its obligation to provide services to its other customers;
 - ii) are genuinely being dismissed for reasons of redundancy; and
 - iii) have been selected for redundancy by the Supplier on objective grounds other than the fact that the Supplier

is entitled to reimbursement under this provision in respect of such employees;

“Breakage Costs Payment”	an amount equal to the Redundancy Costs and the Contract Breakage Costs as at the Termination Date as determined in accordance with Paragraph 3;
“Contract Breakage Costs”	the amounts payable by the Supplier to its Key Sub-Contractors or other third parties (as applicable) for terminating all relevant Key Sub-Contracts or Third Party Contracts as a direct result of the early termination of this Agreement;
“Dedicated Supplier Personnel”	all Supplier Personnel then assigned to the Services or any part of the Services. If the Supplier is unsure as to whether Supplier Personnel are or should be regarded as so assigned, it shall consult with the Authority whose view shall be determinative provided that the employee has been materially involved in the provision of the Services or any part of the Services;
“Profit Already Paid”	the Supplier Profit paid or payable to the Supplier under this Agreement for the period from the Contract Commencement Date up to (and including) the Termination Date;
“Redundancy Costs”	the total sum paid to Applicable Supplier Personnel as agreed between the Supplier and the Authority based on the time spent by such employee on the Services as a proportion of the total Service duration and any statutory redundancy payment;
“Request for Estimate”	a written request sent by the Authority to the Supplier, requiring that the Supplier provide it with an accurate estimate of the Termination Payment that would be payable if the Authority exercised its right under Clause 45.6+ (Termination Without Cause) to terminate this Agreement for convenience on a specified Termination Date;
“Termination Estimate”	has the meaning given in Paragraph 11.2;
“Termination Date”	means, where the Authority terminates this Agreement pursuant to Clause 45.6 (Termination

Without Cause), the date on which this Agreement terminates;

“Termination Payment”

means the payment payable by the Authority to the Supplier where the Authority terminates this Agreement pursuant to Clause 45.6 (Termination Without Cause);

“Third Party Contract”

a contract with a third party entered into by the Supplier exclusively for the purpose of delivering the Services;

2 TERMINATION PAYMENT

The Termination Payment payable shall be the amount equal to the Breakage Costs Payment.

3 BREAKAGE COSTS PAYMENT

3.1 The Supplier may recover through the Breakage Costs Payment only those costs incurred by the Supplier directly as a result of the termination of this Agreement which:

- (a) would not have been incurred had this Agreement continued until expiry of the Initial Term;
- (b) are unavoidable, proven, reasonable, and not capable of recovery;
- (c) are incurred under arrangements or agreements that are directly associated with this Agreement;
- (d) are not Contract Breakage Costs relating to contracts or Sub-contracts with Affiliates of the Supplier; and
- (e) relate directly to the termination of the Services.

Limitation on Breakage Costs Payment

3.2 The Breakage Costs Payment shall not exceed the lower of:

- (a) the relevant limit set out in Annex 1; and
- (b) 120% of the estimate for the Breakage Costs Payment set out in any relevant Termination Estimate.

Redundancy Costs

- 3.3 The Authority shall not be liable under this Schedule for any costs associated with Supplier Personnel (whether relating to redundancy, redeployment or otherwise) other than the Redundancy Costs.
- 3.4 Where the Supplier can demonstrate that a member of Supplier Personnel will be made redundant following termination of this Agreement, but redeployment of such person is possible and would offer value for money to the Authority when compared with redundancy, then the Authority shall pay the Supplier the actual direct costs incurred by the Supplier or its Sub-contractor arising out of the redeployment of such person (including retraining and relocation costs) subject to a maximum amount of £30,000 per relevant member of the Supplier Personnel.

Contract Breakage Costs

- 3.5 The Supplier shall be entitled to Contract Breakage Costs only in respect of Third Party Contracts or Sub-Contracts which the Supplier can demonstrate:
- (a) are surplus to the Supplier's requirements after the Termination Date, whether in relation to use internally within its business or in providing services to any of its other customers; and
 - (b) have been entered into by it in the ordinary course of business.
- 3.6 The Supplier shall seek to negotiate termination of any Third Party Contracts or Sub-Contracts with the relevant third party or Sub-Contractor (as the case may be) using all reasonable endeavours to minimise the cancellation or termination charges.
- 3.7 Except with the prior written agreement of the Authority, the Authority shall not be liable for any costs (including cancellation or termination charges) that the Supplier is obliged to pay in respect of:
- (a) the termination of any contractual arrangements for occupation of, support of and/or services provided for Supplier premises which may arise as a consequence of the termination of this Agreement; and/or
 - (b) assets not yet installed at the Termination Date.

4 NOT USED

5 MITIGATION OF CONTRACT BREAKAGE COSTS AND REDUNDANCY COSTS

- 5.1 The Supplier agrees to use all reasonable endeavours to minimise and mitigate Contract Breakage Costs and Redundancy Costs by:

- (a) the appropriation of assets, employees and resources for other purposes;
- (b) at the Authority's request, assigning any Third Party Contracts and Sub-contracts to the Authority or a third party acting on behalf of the Authority; and
- (c) in relation Third Party Contracts and Sub-Contracts that are not to be assigned to the Authority or to another third party, terminating those contracts at the earliest possible date without breach or where contractually permitted.

5.2 If assets, employees and resources can be used by the Supplier for other purposes, then there shall be an equitable reduction in the Contract Breakage Costs and Redundancy Costs payable by the Authority or a third party to the Supplier. In the event of any Dispute arising over whether the Supplier can use any assets, employees and/or resources for other purposes and/or over the amount of the relevant equitable reduction, the Dispute shall be referred to an Expert for determination in accordance with the procedure detailed in Schedule 8.5 (*Dispute Resolution Procedure*).

6 NOT USED

7 FULL AND FINAL SETTLEMENT

Any Termination Payment paid under this Schedule shall be in full and final settlement of any claim, demand and/or proceedings of the Supplier in relation to any termination by the Authority pursuant to Clause 45.6 (*Termination Without Cause*), and the Supplier shall be excluded from all other rights and remedies it would otherwise have been entitled to in respect of any such termination.

8 INVOICING FOR THE PAYMENTS ON TERMINATION

All sums due under this Schedule shall be payable by the Authority to the Supplier in accordance with the payment terms set out in Schedule 7.1 (*Charges and Invoicing*).

9 SET OFF

The Authority shall be entitled to set off any outstanding liabilities of the Supplier against any amounts that are payable by it pursuant to this Schedule.

10 NO DOUBLE RECOVERY

The value of the Termination Payment and/or the Compensation Payment shall be reduced or extinguished to the extent that the Supplier has already received the Charges or the financial benefit of any other rights or remedy given under this Agreement so that there is no double counting in calculating the relevant payment.

11 ESTIMATE OF TERMINATION PAYMENT AND COMPENSATION PAYMENT

- 11.1 The Authority may issue a Request for Estimate at any time during the Contract Period provided that no more than 2 Requests for Estimate may be issued in any 6 Month period.
- 11.2 The Supplier shall within 20 Working Days of receiving the Request for Estimate (or such other timescale agreed between the Parties), provide an accurate written estimate of the Termination Payment that would be payable by the Authority based on a postulated Termination Date specified in the Request for Estimate (such estimate being the “**Termination Estimate**”). The Termination Estimate shall include:
- (a) details of the mechanism by which the Termination Payment is calculated;
 - (b) full particulars of the estimated Contract Breakage Costs in respect of each Sub-contract or Third Party Contract and appropriate supporting documentation; and
 - (c) such information as the Authority may reasonably require.
- 11.3 The Supplier acknowledges that issue of a Request for Estimate shall not be construed in any way as to represent an intention by the Authority to terminate this Agreement.
- 11.4 If the Authority issues a Termination Notice to the Supplier within the stated period for which a Termination Estimate remains valid, the Supplier shall use the same mechanism to calculate the Termination Payment as was detailed in the Termination Estimate unless otherwise agreed in writing between the Supplier and the Authority.
- 11.5 The Supplier shall provide a Termination Estimate within 20 Working Days of the Contract Commencement Date with a postulated Termination Date of the date falling 3 months after the Contract Commencement Date. The Supplier shall provide a Termination Estimate on each anniversary of the Contract Commencement Date with a postulated Termination Date of the date falling 3 months thereafter throughout the Contract Period.
- 11.6 Each Termination Estimate provided under paragraph 11 shall remain valid until another Termination Estimate is provided in accordance with the provisions of Paragraph 11.

ANNEX 1: Maximum Payments on Termination

The table below sets out, by Contract Year, the maximum amount of the Termination Payment that the Authority shall be liable to pay to the Supplier pursuant to this Agreement:

Termination Date	Maximum Breakage Costs Payment
Anytime in the first Contract Year	<i>[Redacted]</i>
Anytime in the second Contract Year	<i>[Redacted]</i>
Anytime in the third Contract Year	<i>[Redacted]</i>
Anytime in the fourth Contract Year	<i>[Redacted]</i>