

## **Part 2 Section 4 Fraud Services Terms**

### **1. Introduction**

The Buyer wishes to procure and the Supplier has agreed to supply certain services (which are incidental to the provision of other services and deliverables by the Supplier to the Buyer) related to the detection and avoidance of payment related fraud and associated deliverables under the Call-Off Contract.

### **2. Definitions**

- 2.1 In this Section 4, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions) and the definitions in Part 1 above:

<b>"Fraud Service Fee"</b>	means the fees and charges (exclusive of any applicable VAT) if any payable to the Supplier by the Buyer under the Call-Off Contract for the full and proper performance by the Supplier of its obligations under the Call-Off Contract and the provision of the Fraud Services and all related Deliverables (which amounts must not be greater than the amounts provided for in the Framework Contract from time to time); and
<b>"Fraud Terms"</b>	means the terms and conditions of supply set out in Part 1 of this Schedule and in this Section 4 of Part 2.

### **3. Supply of Services**

- 3.1 In consideration of the payment of the Fraud Service Fee (and/or any other fees and/or charges payable by the Buyer under the Call-Off Contract), the Supplier will supply the Fraud Services to the Buyer in a timely manner and in accordance with the Call-Off Contract.
- 3.2 The Supplier shall advise the Buyer on the selection and specification of the Services and, where applicable, any installation and/or configuration work to be carried out in respect of them so as to ensure that the Services and Deliverables will be of satisfactory quality, suitable for the requirements of the Buyer, and fit for purpose.
- 3.3 If the Buyer wants to retain the use of the Services after the expiry of the current Supply Period then the Buyer may do so by giving written notice to the Supplier at least one (1) Month prior to the end of the Supply Period and specifying the period of any required extension.

#### **4. Implementation**

- 4.1 The Activation Due Date for the Services will be set out in the Contract.
- 4.2 If the Buyer has requested that the Supplier sets-up, implements, and/or configures the Services, the Supplier shall do so and to ensure that the Activation Date is no later than the Activation Due Date.
- 4.3 If required, the Supplier shall provide support for and enable the migration of any existing fraud prevention and/or detection and/or similar services received by the Buyer (or its existing third party suppliers) from another provider, to the Services to be provided under this Call-Off Contract.
- 4.4 The Services shall only be regarded as successfully commenced once all required installation, implementation, configuration and testing has been successfully carried out and a duly authorised representative of the Buyer has confirmed delivery and acceptance in writing. However, any such confirmation shall not be regarded as evidence that the Services (or any of them) comply with the requirements of the Contract.
- 4.5 The Buyer can at its sole discretion reject any of the Services where and to the extent that they are not of the requested standard. Except where due to default of the Buyer, in the event of rejection of the Services by the Buyer, the Supplier will, at its own expense promptly remedy the relevant defect or non-conformity and confirm that the Services are ready for use.
- 4.6 If the Supplier does not commence full provision of the Services by the Activation Due Date then the Buyer can withhold payment of the Charges for those Services (if any) until the Activation Date and once the Supplier actually delivers the Services in accordance with this Contract.
- 4.7 If the Supplier becomes aware that the Services cannot be successfully delivered and commenced by the agreed Activation Due Date or if the Activation Date is later than the Activation Due Date, the Supplier shall inform the Buyer of the revised delivery date. If the Supplier does not meet the Activation Due Date, the Supplier must meet and promptly refund to the Buyer all and any additional costs incurred by the Buyer for provision of an alternative solution until the Activation Date of the Services.
- 4.8 Where Call-Off Schedule 11 (Implementation Works) and/or Call-Off Schedule 13 (Implementation Plan and Testing) are incorporated into this Call Off Contract then they are intended to supplement the implementation and testing provisions in this Paragraph 4 but in the event of any conflicts then the provisions in Call-Off Schedule 11

(Implementation Works) and/or Call-Off Schedule 13 (Implementation Plan and Testing) shall prevail.

## **5 Right to Use and Ownership**

- 5.1 The Supplier Assets (including any APIs) are and shall remain the property of the Supplier and the Buyer will not acquire ownership of other than as expressly set out in the Contract. The Buyer, its personnel and other authorised users shall have (and the Supplier hereby grants to them) the right to connect to, access and use the Services and the Supplier Assets (including APIs) and whether via Related Suppliers and/or Related Supplies or otherwise, for the purposes of and in accordance with the Call-Off Contract and the provision, receipt and use of the Services.
- 5.2 The right to use as referred to above shall commence on the Activation Date and shall continue for the Supply Period.
- 5.3 It is acknowledged and agreed that any refined data-sets created by, and/or "taught" configurations of, automated, machine-learning and/or artificial intelligence systems which are developed, acquired, and/or created in the course of the provision of the Services shall be New IPR for the purposes of the Contract and shall belong to the Buyer in accordance with Clause 9.2 of the Core Terms. Provided that the purpose of the licence granted to the Supplier in respect of such materials (but excluding any Personal Data and any Authority Confidential Information) under Clause 9.2 of the Core Terms shall include the right for the Supplier to exploit it generally within its business.

## **6 Supplier's Obligations**

### **Warranty**

- 6.1 The Supplier warrants, represents and undertakes (in addition to any other provisions in the Contract) that the Services and all other Deliverables supplied and/or made available (including the Supplier Assets, any software, and APIs) shall:

6.1.1 be sufficient and able at all times to:

6.1.1.1 process and facilitate:

6.1.1.1.1 the initiation, requesting, authorisation, receipt, and accounting of, and the conduct of fraud and identity checking in relation to Transactions;

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6.1.1.1.2 the verification of the identity of the relevant Payer; and

6.1.1.1.3 the detection and prevention of payment related fraud,

required by the Buyer. The Supplier shall provide, maintain and update all hardware and software required to facilitate the provision of the Services;

6.1.1.2 connect to, and enable the placing of enquiries with and the receipt of information from, all Related Suppliers and / or other resources identified in the Call-Off Contract (including the Specification and/or Order Form);

6.1.2 be available for uninterrupted service 24 hours a day / 7 days a week/ 365(6) days year;

6.1.3 collect, generate and process Transaction Data for transmission to (and the Supplier will transmit the same to) the Buyer's Acquiring Services provider, APM Services provider and/or any other nominated provider (and in accordance with PCI); and

6.1.4 Support and interface to the Buyer Assets, Payment Equipment, APMs and other equipment and systems set out in the Specification.

6.2 The Supplier shall ensure that all Transactions are processed and any issues are resolved in accordance with:

6.2.1 the Service Levels; and

6.2.2 all Laws and Rules at all times.

6.3 The Supplier shall ensure the Buyer can decide which banks and account types and other information sources can be connected to at any time for the purpose of Transactions.

## **7 Data**

The Supplier and the Deliverables shall process Service-related Data in compliance with the Rules and any requirements of the relevant Payer's bank.

7.1 The Supplier shall ensure a PCI-DSS secure connection (TLS 1.2 standard and as amended and upgraded from time to time) is used

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between the Buyer, the Buyer's website, Buyer's point of presence, and the Services including directly from Payer where applicable and the Services.

- 7.2 The Supplier shall provide details of all other integration mechanisms for use by the Buyer e.g. API connection from, amongst other things GOV.UK Pay and/or any others referred to in the Specification and/or the Order Form.

**Maintenance and Support**

- 7.3 The Supplier shall provide maintenance, installation, implementation and swap services for the Services provided to the Buyer.
- 7.4 The Supplier is responsible for the provision (at its own costs) of any maintenance of the Supplier Assets and/or the Services.
- 7.5 If the Supplier replaces any components of the Services, API or Supplier Asset the replacement must be identical including in terms of specification.
- 7.6 If the Parties agree that the Buyer will pay any additional maintenance or repair costs, the Supplier must advise the Buyer of the costs as soon as practicable which must then be subject to approval in writing by the Buyer, and the Supplier must submit an invoice to the Buyer within ten (10) Working Days of the cost being incurred (or such other period as is specified for invoicing in the Call-Off Contract).

**Indemnity and Remedies**

- 7.7 The Supplier indemnifies the Buyer against all Losses incurred by the Buyer:
- 7.7.1 whilst the Services are, or as a result of the Services being, unavailable for use by the Buyer, a Related Supplier and/or a Payer; or
  - 7.7.2 in connection with any claim or allegation brought or made against the Buyer by or on behalf of a third party (including a Payer),

and where and to the extent that it is caused, or contributed to, by (and whether directly or indirectly) a Default, or the negligence, of the Supplier, its servants or agents.

- 7.8 Where any part of the Services or a Deliverable is unavailable if it is not restored within two (2) Working Days, the Charges in respect of that Service and/or Deliverable (as relevant and to the extent that any are payable other than on a per-transaction basis) shall be suspended

and shall not resume until the Services and Deliverables have been restored to full working order. The suspension of the Charges is calculated on a daily basis and is without prejudice to any other rights or remedies of the Buyer.

## **New Developments**

- 7.9 The Supplier shall provide the Buyer with details and information of any new sources from which the Supplier would be able to validate Transactions and/or the relevant Payer, and/or any new APIs, API libraries and/or third party suppliers of APIs or "open-banking" platforms or fraud avoidance services which would enable the Services to be provided, as and when they become available and shall ensure that if required by the Buyer, that the use of such items can be adopted within the timescales as set out in the Call-Off Contract or otherwise agreed between the Parties.

## **Payment Equipment and Services and Set- up**

- 7.10 The Supplier will assist with and co-operate in any set up and/or integration which is required by the Buyer between the Supplier, the Supplier systems, Supplier Assets, and/or any Services and/or Deliverables, and any other Related Supplies (including acquirer certification, configuring relevant gateway identifiers, encryption key loading and connectivity to the Buyer's relevant equipment and relevant providers as required by the Buyer or its Acquiring Service providers, APM Service Providers and /or Payment Equipment or Gateway Service or PISP Service providers).

## **8 Termination of Supply**

- 8.1 At any time with effect from the date which is 90 days after the start of the Contract Period, the Buyer can terminate the Supply of any Services by giving at least ten (10) days' written notice to the Supplier.

## **9 Consequences of Expiry or Termination**

- 9.1 Where the supply of any Service is terminated for any reason then without prejudice to any obligations of the Supplier under and in connection with Call-Off Schedule 10 (Exit Management) the Supplier shall end any connection with the Buyer System. .
- 9.2 Where the Buyer terminates the Call-Off Contract under Clause 10 (Ending the Contract) and then makes other arrangements for the supply of a replacement to the Services, the Buyer can recover the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Buyer, from the Supplier

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## **10 Reporting**

- 10.1 The Supplier shall provide the Buyer with reporting at the times and in the format required by the Buyer (and/or as otherwise set out in the Call-Off Contract), including in relation to:

10.1.1 Transaction Types and volumes

10.1.2 Fault reporting analysis;

10.1.3 Tamper evidence; and

10.1.4 Instances of fraud,

And such other details as the Buyer may request.