**Call-Off Schedule 3 (Continuous Improvement)**

Supplier’s Obligations

The Supplier must, throughout the Contract Period, identify new or potential improvements to the provision of the Deliverables with a view to reducing UKEF’s costs (including the Charges) and/or improving the quality and efficiency of the Deliverables and their supply to UKEF.

The Supplier must adopt a policy of continuous improvement in relation to the Deliverables, which must include regular reviews with UKEF of the Deliverables and the way it provides them, with a view to reducing UKEF's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables. The Supplier and UKEF must provide each other with any information relevant to meeting this objective.

The Supplier must provide sufficient information with each suggested improvement (if any) to enable a decision on whether to implement it. The Supplier shall provide any further information as requested.

If UKEF wishes to incorporate any improvement into this Contract, it must request a Variation in accordance with the Variation Procedure and the Supplier must implement such Variation at no additional cost to UKEF or UKEF.

* 1. The Supplier shall use all reasonable endeavours to implement any agreed Deliverables in accordance with the improvements set out in the relevant Variation Form.
  2. The Parties agree to regularly review the cost, quality and efficiency of the Deliverables and where relevant, the Supplier's progress against the agreed improvement Deliverables, at the Supplier Review Meetings.

All costs relating to the compilation or updating of any improvement and the costs arising from any improvement made pursuant to it and the costs of implementing any improvement, shall have no effect on and are included in the Charges.

Should the Supplier's costs in providing the Deliverables to UKEF be reduced as a result of any changes implemented, all of the cost savings shall be passed on to UKEF by way of a consequential and immediate reduction in the Charges for the Deliverables.