

Schedule 3 (Charges)

1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Schedule 1 (Definitions):

"Anticipated Contract Life Profit Margin" the anticipated Supplier Profit Margin over the Contract Period;

"Maximum Permitted Profit Margin" means the Anticipated Contract Life Profit Margin plus 5%;

2. How Charges are calculated

- 2.1 The Charges:

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

3. The pricing mechanisms

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

4. Are costs and expenses included in the Charges

- 4.1 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:

4.1.1 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

4.1.2 costs incurred prior to the commencement of this Contract.

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 Clauses 28.6 to 28.8;

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

Annex 1: Rates and Prices



