

COMMERCIAL IN CONFIDENCE

SCHEDULE 8.5

EXIT MANAGEMENT

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Exit Management

1 DEFINITIONS

In this Schedule, the following definitions shall apply:

“Emergency Exit”	any termination of this Agreement which is a: <ul style="list-style-type: none"> (a) termination of the whole or part of this Agreement in accordance with Clause 33 (<i>Termination Rights</i>), except where the period of notice given under that Clause is greater than or equal to 6 months; (b) termination of the provision of the Services for any reason prior to the expiry of any period of notice of termination served pursuant to Clause 33 (<i>Termination Rights</i>); or (c) wrongful termination or repudiation of this Agreement by either Party;
"Exit Date"	the date when the running of part or all of the Services are formally transferred to any of the Replacement Suppliers' responsibility or otherwise ceased to be performed by the Supplier;
“Exit Manager”	the person appointed by each Party pursuant to Paragraph 2.4 for managing the Parties' respective obligations under this Schedule;
"Exit Board"	the weekly board made of the Authority, the Supplier and the Replacement Supplier(s) in charge of overseeing the transition of the Services (or part of the Services) to the Replacement Supplier(s);
“Net Book Value”	the net book value of the relevant Asset(s) calculated in accordance with the depreciation policy of the Supplier;
“Non-Exclusive Hardware Assets”	those Hardware Assets (if any) which are used by the Supplier or a Key Sub-contractor in connection with the Services but which are not Exclusive Hardware Assets;
"On Boarding Plan"	the plan recording the on-boarding activities to be carried out by any of the Replacement Supplier for the Services to transfer to the Replacement Supplier without disruption to the ESR Users;
“Ordinary Exit”	any termination or part termination of this Agreement which occurs:

(a) pursuant to Clause 33 (*Termination Rights*) where the period of notice given by the Party serving notice to terminate pursuant to such Clause is greater than or equal to 6 months; or

(b) as a result of the expiry of the Initial Term or any Extension Period;

“Re-Tendering Information” has the meaning given in Paragraph 3.1;

“Transferable Assets” those of the Hardware Assets and such other Assets including the Legacy Assets, but excluding the Transferable Contracts, which are referenced in the Asset Register which are capable of legal transfer to the Authority or a Replacement Supplier;

“Transferring Assets” has the meaning referred to in paragraph 6.2(a);

“Transferable Contracts” the Sub-contracts, licences for Supplier Software, licences for Third Party Software not already granted to the Authority or other agreements which are necessary to enable the Authority or any Replacement Supplier to perform the Services or the Replacement Services, including in relation to licences all relevant Documentation; and

“Transferring Contracts” has the meaning given in Paragraph 6.2(b).

2 OBLIGATIONS DURING THE TERM TO FACILITATE EXIT

2.1 During the Term, the Supplier shall:

- (a) procure that all Exclusive Hardware Assets listed in the Asset Register are clearly marked to identify that they are exclusively used for the provision of the Services under this Agreement;
- (b) procure that all the other Assets where the IPRs are vested in the Authority are clearly identified as such; and
- (c) (unless otherwise agreed by the Authority in writing) procure that all licences for Third Party Software not directly granted to the Authority and all Sub-contracts shall be assignable and/or capable of novation at the request of the Authority to the Authority (and/or its nominee) and/or any Replacement Supplier upon the Supplier ceasing to provide the Services (or part of them) without restriction (including any need to obtain any consent or approval) or payment by the Authority.

2.2 Where the Supplier is unable to procure that any Sub-contract or other agreement referred to in Paragraph 2.1(c) is assignable and/or capable of novation to the Authority (and/or its nominee) and/or any Replacement Supplier without restriction or payment, the Supplier shall promptly notify the Authority of this and the Parties shall (acting reasonably and without undue delay) discuss the appropriate action to be taken which, where the Authority so directs, may include the Supplier seeking

an alternative Sub-contractor or provider of goods or services to which the relevant agreement relates.

- 2.3 Each Party shall appoint a person for the purposes of managing the Parties' respective obligations under this Schedule and provide written notification of such appointment to the other Party within 1 month of the Operational Service Commencement Date. The Supplier's Exit Manager shall be responsible for ensuring that the Supplier and its employees, agents and Sub-contractors comply with this Schedule. The Supplier shall ensure that its Exit Manager has the requisite authority to represent the Supplier at the Exit Board and arrange and procure any resources of the Supplier as are reasonably necessary to enable the Supplier to comply with the requirements set out in this Schedule. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the termination of this Agreement and all matters connected with this Schedule and each Party's compliance with it.

3 OBLIGATIONS TO ASSIST ON RE-TENDERING OF SERVICES

- 3.1 On reasonable notice at any point during the Term, the Supplier shall provide to the Authority and/or its potential Replacement Suppliers (subject to the potential Replacement Suppliers entering into reasonable written confidentiality undertakings), the following material and information in order to facilitate the preparation by the Authority of any invitation to tender and/or to facilitate any potential Replacement Supplier(s) undertaking due diligence and transitioning the Services:

- (a) details of the Service(s);
- (b) a copy of the Asset Register, updated by the Supplier up to the date of delivery of such Asset Register;
- (c) Capacity Management Statements showing previous activity and statements over a three (3) year period;
- (d) an inventory of Authority Data in the Supplier's possession or control;
- (e) details of any key terms of any Sub-Contracts and licences, particularly as regards charges, termination, assignment and novation;
- (f) a list of on-going and/or threatened disputes in relation to the provision of the Services;
- (g) all information relating to Transferring Supplier Employees required to be provided by the Supplier pursuant to Paragraph 1.1 of Part D of Schedule 9 (Staff Transfer); and
- (h) such other material and information as the Authority shall reasonably require,

(together, the "Re-Tendering Information").

- 3.2 For the purpose of Clause 21.6 (e) of the Agreement, the Supplier acknowledges that the Re-Tendering Information may contain Supplier's Confidential Information and that the Authority may disclose this to an actual or prospective Replacement Supplier or any third party whom the Authority is considering engaging to the

extent that such disclosure is useful or necessary in connection with such engagement (except that the Authority may not under this Paragraph 3.2 disclose any Supplier's Confidential Information which is information relating to the Supplier's or its Sub-contractors' prices).

3.3 The Supplier shall:

- (a) notify the Authority within 5 Working Days of any material change to the Re-Tendering Information which may adversely impact upon the provision of any Services and shall consult with the Authority regarding such proposed material changes; and
- (b) provide complete updates of the Re-Tendering Information on an as-requested basis as soon as reasonably practicable and in any event within 10 Working Day of a request in writing from the Authority.

3.4 The Supplier may charge the Authority for its reasonable additional costs to the extent the Authority requests more than 4 updates in any 6 month period.

3.5 The Re-Tendering Information shall be accurate and complete in all material respects and the level of detail to be provided by the Supplier shall be such as would be reasonably necessary to enable a third party to:

- (a) prepare an informed offer for those Services; and
- (b) not be disadvantaged in any subsequent procurement process compared to the Supplier (if the Supplier is participating).

4 **DISENGAGEMENT PLAN**

4.1 The Supplier shall, within 3 months after the Operational Service Commencement Date, deliver to the Authority a Disengagement Plan which:

- (a) sets out the Supplier's proposed methodology for achieving an orderly transition or winding-up of the Services with specific reference to its key phases (discovery, plan & preparation and cutover activities) from the Supplier to the Authority and/or its Replacement Supplier on the expiry or termination of this Agreement or part of this Agreement;
- (b) complies with the requirements set out in Paragraph 4.3; and
- (c) is otherwise reasonably satisfactory to the Authority.

4.2 The Parties shall use reasonable endeavours to agree the contents of the Disengagement Plan. If the Parties are unable to agree the contents of the Disengagement Plan within 20 Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

4.3 The Disengagement Plan shall set out, as a minimum:

- (a) how the Re-Tendering Information is to be obtained;
- (b) separate assumption based mechanisms for dealing with different exit scenario including:

- a) Lift and Shift - re-using the Solution - which could see the service footprint move to multiple Replacement Suppliers (i.e. data centre contractor, different maintenance support, different developers etc.,)
 - b) New single installation and large scale data migration (Extract, Transform, Load) which could see the service footprint move to or more Replacement Suppliers (i.e. data centre contractor, different maintenance support, different developers etc.,)
 - c) Multiple fragmented installations into many different solutions and multiple large scale Data Migrations (Extracts, Transforms and loads). This would require overall project management and co-ordination together with the requirement to run the Services for those User Organisations still accessing the ESR System in production;
- (c) separate mechanisms for dealing with Ordinary Exit and Emergency Exit, the provisions relating to Emergency Exit being prepared on the assumption that the Supplier may be unable to provide the full level of assistance which is required by the provisions relating to Ordinary Exit, and in the case of Emergency Exit, provision for the supply by the Supplier of all such reasonable assistance as the Authority shall require to enable the Authority or its contractors to provide the Services;
 - (d) the management structure to be employed during both transfer and cessation of the Services in an Ordinary Exit and an Emergency Exit;
 - (e) the management structure to be employed during the Exit Assistance Period;
 - (f) a detailed description of both the transfer and cessation processes, including a timetable, applicable in the case of an Ordinary Exit and an Emergency Exit;
 - (g) how the Services will transfer to the Replacement Supplier and/or the Authority, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Authority's technology components from any technology components operated by the Supplier or its Sub-contractors (where applicable);
 - (h) the training programme setting out the training details to be delivered by the Supplier to the Replacement Supplier(s) and the additional resource required to deliver the Training Programme without impact on the Performance Indicators;
 - (i) the scope of the Disengagement Services that may be required for the benefit of the Authority (including such of the services set out in Annex 1 as are applicable);
 - (j) a timetable and critical issues for providing the Disengagement Services;
 - (k) any charges that would be payable for the provision of the Disengagement Services (calculated in accordance with the methodology that would apply if such Services were being treated as a Contract Change), together with a capped estimate of such charges;

- (l) how the Disengagement Services would be provided (if required) during the Exit Assistance Period;
 - (m) how and what contribution and reports the Supplier and the Exit Manager would expect to make at the Exit Board;
 - (n) procedures to deal with requests made by the Authority and/or a Replacement Supplier for Staffing Information pursuant to Schedule 9.1 (*Staff Transfer*);
 - (o) how each of the issues set out in this Schedule will be addressed to facilitate the transition of the Services from the Supplier to the Replacement Supplier and/or the Authority with the aim of ensuring that there is no disruption to or degradation of the Services during the Exit Assistance Period; and
 - (p) how the Supplier would expect any of the obligations highlighted in the Disengagement Plan to be mirrored in any of the Replacement Suppliers' On-Boarding Plan(s).
- 4.4 The Parties acknowledge that the migration of the Services from the Supplier to the Authority and/or its Replacement Supplier may be phased, such that certain of the Services are handed over before others.
- 4.5 The Supplier shall review and (if appropriate) update the Disengagement Plan at its cost and expenses on a basis consistent with the principles set out in this Schedule :
- (a) in the first month of each Contract Year; or
 - (b) reasonably promptly after the Mid Term Review;
 - (c) reasonably promptly after a Material Change to the scope or method in the provision of the Services;
- to reflect any changes in the Services that have occurred since the Disengagement Plan was last agreed. Following such update the Supplier shall submit the revised Disengagement Plan to the Authority for review.
- 4.6 Within 20 Working Days following submission of the revised Disengagement Plan, the Parties shall meet and use reasonable endeavours to agree the contents of the revised Disengagement Plan. If the Parties are unable to agree the contents of the revised Disengagement Plan within that 20 Working Day period, such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

Finalisation of the Disengagement Plan

- 4.7 Within 20 Working Days after service of a Termination Notice of the whole or part of this Agreement by either Party or 6 months prior to the expiry of this Agreement, the Supplier will submit for the Authority's approval the Disengagement Plan in a final form that could be implemented immediately. The final form of the Disengagement Plan shall be prepared at the Supplier's cost on a basis consistent with the principles set out in this Schedule and shall reflect any changes in the Services or the Authority's exit strategy that have occurred since the Disengagement Plan was last agreed.

The final form of the Disengagement Plan shall include an update of the Re-Tendering Information.

- 4.8 The Parties will meet and use their respective reasonable endeavours to agree the contents of the final form of the Disengagement Plan subject to Paragraph 4.9. If the Parties are unable to agree the contents of the Disengagement Plan within 20 Working Days following its delivery to the Authority then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure. Until the agreement of the final form of the Disengagement Plan, the Supplier shall provide the Disengagement Services in accordance with the principles set out in this Schedule and the last approved version of the Disengagement Plan (insofar as relevant).
- 4.9 The Parties acknowledge and agree that notwithstanding all their reasonable endeavours to agree a Disengagement Plan pursuant to Paragraph 4.8, they will need to review it upon the appointment of any Replacement Supplier to ensure consistency between the final form of this Disengagement Plan and the On-Boarding Plan(s). This review and update of the Disengagement Plan shall be carried out at no additional cost to the Authority.

5 DISENGAGEMENT SERVICES

Notification of Requirements for Disengagement Services

- 5.1 The Authority shall be entitled to require the provision of Disengagement Services at any time during the Term by giving written notice to the Supplier (a “**Exit Assistance Notice**”) at least 4 months prior to the date of termination or part termination or expiry of this Agreement or as soon as reasonably practicable (but in any event, not later than 1 month) following the service by either Party of a Termination Notice. The Exit Assistance Notice shall specify:
- (a) the date from which Disengagement Services are required;
 - (b) the nature of the Disengagement Services required; and
 - (c) the period during which it is anticipated that Disengagement Services will be required, which shall continue no longer than 24 months after the expiry or, if earlier, Termination Date of the Agreement .
- 5.2 The Authority shall have an option to extend the Exit Assistance Period, including the provision of the Services, beyond the period specified in the Exit Assistance Notice provided that such extension shall not extend for more than 6 months after the date the Supplier ceases to provide the Services or, if applicable, beyond the end of the Termination Assistance Period and provided that it shall notify the Supplier to such effect no later than 20 Working Days prior to the date on which the provision of Disengagement Services is otherwise due to expire. The Authority shall have the right to terminate its requirement for Disengagement Services by serving not less than 20 Working Days' written notice upon the Supplier to such effect.

Exit Assistance Period

- 5.3 Throughout the Exit Assistance Period, or such shorter period as the Authority may require, the Supplier shall:
- (a) continue to provide the Services (as applicable) and, if required by the Authority pursuant to Paragraph 5.1, provide the Disengagement Services;

- (b) monitor the delivery of the Disengagement Services against the Disengagement Plan;
 - (c) ensure that the Disengagement Plan is kept updated and that any risk related to the implementation of the Disengagement Plan is duly flagged to the Authority and the Exit Board;
 - (d) in addition to providing the Services and the Disengagement Services, provide to the Authority any reasonable assistance requested by the Authority to allow the Services to continue without interruption following the termination or expiry of this Agreement and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Authority and/or its Replacement Supplier;
 - (e) carry out a full audit and asset inspection against the Asset Register on the invocation of the Disengagement Plan;
 - (f) provide a suitable number of test data extracts of all Authority Data in the first six (6) months before Exit Date;
 - (g) use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in Paragraph 5.3(d) without additional costs to the Authority;
 - (h) provide the Services and the Disengagement Services at no detriment to the Target Performance Levels, save to the extent that the Parties agree otherwise in accordance with Paragraph 5.5; and
 - (i) at the Authority's request and on reasonable notice, deliver up-to-date Asset Register to the Authority which is complete and accurate in all material respects.
- 5.4 Without prejudice to the Supplier's obligations under Paragraph 5.3(d), if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 5.3(d)) without additional costs to the Authority, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Disengagement Services or the Disengagement Plan shall be subject to the Change Control Procedure.
- 5.5 If the Supplier demonstrates to the Authority's reasonable satisfaction that transition of the Services and provision of the Disengagement Services during the Exit Assistance Period will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Target Performance Level(s), the Parties shall vary the relevant Target Performance Level(s) and/or the applicable Service Credits to take account of such adverse effect.

Exit Obligations

- 5.6 The Supplier shall comply with all of its obligations contained in the Disengagement Plan.
- 5.7 Upon termination or expiry (as the case may be) or at the end of the Exit Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Disengagement Services and its compliance with the other provisions of this Schedule), the Supplier shall:

- (a) cease to use the Authority Data;
- (b) attend the Exit Board;
- (c) provide the Authority and/or the Replacement Supplier with a complete and uncorrupted version of the Authority Data in electronic form (or such other format as reasonably required by the Authority);
- (d) erase from any computers, storage devices and storage media that are to be retained by the Supplier after the end of the Exit Assistance Period all Authority Data and promptly certify to the Authority that it has completed such deletion;
- (e) arrange for such of the following as is in the Supplier's possession or control to be sent to the Authority or Replacement Supplier:
 - (i) the Transferring Assets (including for Hardware Assets such disassembling, packing and dispatch of the Assets);
 - (ii) all copies of the Authority Software and any other software licensed by the Authority to the Supplier under this Agreement;
 - (iii) all materials created by the Supplier under this Agreement in which the IPRs are owned by licensed to the Authority (other than under a term-licence pursuant to this Agreement);
 - (iv) any parts of the IT Environment and any other equipment which belongs to the Authority; and
 - (v) any items that have been on-charged to the Authority, such as consumables;

(including such disassembling, packing and dispatching of the Assets as required to transfer the Assets safely and securely in accordance with the Standards);
- (f) vacate any Authority Premises;
- (g) provide access during normal working hours to the Authority and/or the Replacement Supplier for up to 12 months after expiry or termination to:
 - (i) the Supplier System that is still with the Supplier;
 - (ii) such information relating to the Services as remains in the possession or control of the Supplier; and
 - (iii) such members of the Supplier Personnel as have been involved in the design, development and provision of the Services and who are still employed by the Supplier, provided that the Authority and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to requests for access under this Paragraph 5.7(g)(iii) .

5.8 Upon termination or expiry (as the case may be) or at the end of the Exit Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Disengagement Services and its compliance with the other

provisions of this Schedule), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services or Disengagement Services or for statutory compliance purposes.

- 5.9 Except where this Agreement provides otherwise, all licences, leases and authorisations granted by the Authority to the Supplier in relation to the Services shall be terminated with effect from the end of the Exit Assistance Period.
- 5.10 The Supplier's obligations in Paragraphs 5.6 to 5.9 shall apply to the part termination of this Agreement to the extent it applies to the Services being terminated only.

6 ASSETS, SUB-CONTRACTS AND SOFTWARE

6.1 Following notice of termination of this Agreement and during the Exit Assistance Period, the Supplier shall not, without the Authority's prior written consent:

- (a) terminate, enter into or vary any Sub-contract;
- (b) (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Assets or acquire any new Assets; or
- (c) terminate, enter into or vary any licence for software in connection with the Services.

6.2 Within 20 Working Days of receipt of the up-to-date Asset Register provided by the Supplier pursuant to Paragraph 5.3(i), the Authority shall provide written notice to the Supplier setting out:

- (a) which, if any, of the Transferable Assets the Authority requires to be transferred to the Authority and/or the Replacement Supplier ("**Transferring Assets**"); and
- (b) which, if any, of Transferable Contracts the Authority requires to be assigned or novated to the Authority and/or a Replacement Supplier (the "**Transferring Contracts**"),

in order for the Authority and/or its Replacement Supplier(s) to provide the Services from the expiry of the Exit Assistance Period. Where requested by the Authority and/or its Replacement Supplier(s), the Supplier shall provide all reasonable assistance to the Authority and/or its Replacement Supplier(s) to enable it to determine which Transferable Assets and Transferable Contracts the Authority and/or its Replacement Supplier requires to provide the Services or Replacement Services.

6.3 With effect from the expiry of the Exit Assistance Period, the Supplier shall transfer ownership of the Transferring Assets to the Authority and/or its nominated Replacement Supplier(s) provided that:

- (a) the Legacy Assets and Exclusive Hardware Assets shall be transferable at no cost to the Authority;

- (b) the other Assets including the Non-Exclusive Hardware Assets shall be transferable for a consideration equal to their Net Book Value except where:
 - a) a Termination Payment is payable by the Authority to the Supplier, in which case, payment for such Assets shall be included within the Termination Payment; or
 - b) the cost of the Transferring Assets has been partially or fully paid for through the Charges at the time of expiry or termination of this Agreement, in which case the Authority shall pay the Supplier the Net Book Value of the Transferring Assets less the amount already paid through the Charges

as more particularly set out in Annex 1 .

- 6.4 Risk in the Transferring Assets shall pass to the Authority or the Replacement Supplier (as appropriate) on the date the transfer occurs together with title unless payment for the same is required in which case title to the Transferring Assets shall pass to the Authority or the Replacement Supplier (as appropriate) on payment for the same.
- 6.5 Where the Supplier is notified by the Authority pursuant to Paragraph 6.3 that the Authority does not wish any of the Transferable Assets to be returned to the Authority and/or the Replacement Supplier, the Supplier shall be responsible for disposing of these Assets safely and securely at its cost in accordance with the Standards.
- 6.6 The Supplier shall as soon as reasonably practicable assign or procure the novation to the Authority and/or the Replacement Supplier of the Transferring Contracts. The Supplier shall execute such documents and provide such other assistance as the Authority reasonably requires to effect this novation or assignment.
- 6.7 The Authority and/or the Replacement Supplier(s) shall:
 - (a) accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and
 - (b) once a Transferring Contract is novated or assigned to the Authority and/or the Replacement Supplier, carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.
- 6.8 The Supplier shall hold any Transferring Contracts on trust for the Authority until such time as the transfer of the relevant Transferring Contract to the Authority and/or the Replacement Supplier has been effected.
- 6.9 The Supplier shall indemnify the Authority (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Authority (and/or Replacement Supplier) pursuant to Paragraph 6.6 in relation to any matters arising prior to the date of assignment or novation of such Sub-contract.

6.10 The Supplier's obligations in Paragraph 6 shall apply to the part termination of this Agreement to the extent it applies to the Services being terminated only.

7 SUPPLIER PERSONNEL

7.1 The Authority and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Services or part of them for any reason, Schedule 9.1 (*Staff Transfer*) shall apply.

7.2 The Supplier shall not take any step (expressly or implicitly and directly or indirectly by itself or through any other person) to dissuade or discourage any Supplier Personnel engaged in the provision of the Services from transferring their employment to the Authority and/or the Replacement Supplier.

7.3 During the Exit Assistance Period, the Supplier shall give the Authority and/or the Replacement Supplier reasonable access to the Supplier Personnel to present the case for transferring their employment to the Authority and/or the Replacement Supplier.

7.4 The Supplier shall immediately notify the Authority or, at the direction of the Authority, the Replacement Supplier of any period of notice given by the Supplier or received from any person referred to in the Staffing Information, regardless of when such notice takes effect.

7.5 The Supplier shall not for a period of 12 months from the date of transfer re-employ or re-engage or entice any Supplier Personnel whose employment or engagement is transferred to the Authority and/or the Replacement Supplier save where such employee seeks employment in response to a general recruitment advertisement.

8 CHARGES

8.1 The Charges payable for the Disengagement Services as further documented in the Disengagement Plan shall be charged to the Authority in accordance with Paragraph 1.5 of Part B of Schedule 7.1 (Charges and Invoices) and shall be no higher than:

Disengagement Plan Option	Type of exit	Guaranteed Maximum Price
Option A	lift and shift	<i>Information redacted in line with section 43 of the FOIA</i>
Option B	New single installation and large scale migration	<i>Information redacted in line with section 43 of the FOIA</i>
Option C	multiple fragmented installations.	<i>Information redacted in line with section 43 of the FOIA</i>

9 **APPORTIONMENTS**

- 9.1 All outgoings and expenses (including any remuneration due) and all rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Authority and the Supplier and/or the Replacement Supplier and the Supplier (as applicable) as follows:
- (a) the amounts shall be annualised and divided by 365 to reach a daily rate;
 - (b) the Authority shall be responsible for (or shall procure that the Replacement Supplier shall be responsible for) or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and
 - (c) the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.
- 9.2 Each Party shall pay (and/or the Authority shall procure that the Replacement Supplier shall pay) any monies due under Paragraph 9.1 as soon as reasonably practicable.

ANNEX 1

Scope of the Disengagement Services

- 1.1 The Disengagement Services to be provided by the Supplier shall include such of the following services as the Authority may specify:
- (a) ceasing all non-critical Software changes (except where agreed in writing with the Authority);
 - (b) notifying the Sub-contractors of procedures to be followed during the Exit Assistance Period and providing management to ensure these procedures are followed;
 - (c) providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures such that they are appropriate for use by the Authority and/or the Replacement Supplier after the end of the Exit Assistance Period;
 - (d) delivering to the Authority the existing systems support profiles, monitoring or system logs, problem tracking/resolution documentation and status reports all relating to the 12 month period immediately prior to the Exit Commencement Date);
 - (e) providing details of work volumes and staffing requirements over the 12 month period immediately prior to the Exit Commencement Date;
 - (f) with respect to work in progress as at the end of the Exit Assistance Period, documenting the current status and stabilising for continuity during transition;
 - (g) providing the Authority with any problem logs which have not previously been provided to the Authority;
 - (h) providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services and re-writing and implementing these during and for a period of 12 months after the Exit Assistance Period;
 - (i) providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Services and re-writing and implementing these such that they are appropriate for the continuation of the Services after the Exit Assistance Period;
 - (j) reviewing all Software libraries used in connection with the Services and providing details of these to the Authority and/or the Replacement Supplier;
 - (k) making available to the Authority and/or the Replacement Supplier expertise to analyse training requirements;
 - (l) provide all necessary training for the use of tools by such staff as are nominated by the Authority and the Replacement Supplier(s) (acting reasonably);
 - (m) assisting in establishing naming conventions for any new production site;

- (n) analysing and providing information about capacity and performance requirements, processor requirements and bandwidth requirements, and known planned requirements for capacity growth across these areas;
- (o) generating a computer listing of the Source Code of the ESR System in a form and on media reasonably requested by the Authority;
- (p) agreeing with the Authority a handover plan for all of the Supplier's responsibilities as set out in the Security Management Plan;
- (q) delivering copies of the production databases (with content listings) to the Authority's and/or the Replacement Supplier's operations staff (on appropriate media) as reasonably requested by the Authority;
- (r) assisting with the loading, testing and implementation of the production databases;
- (s) assisting in the execution of a parallel operation until the effective date of expiry or termination of this Agreement;
- (t) in respect of the maintenance and support of the ESR System, providing historical performance data for the period set out in the Data Retention Policy;
- (u) assisting in the execution of a parallel operation of the maintenance and support of the ESR System until the end of the Exit Assistance Period or as otherwise specified by the Authority (provided that these Services shall end on a date no later than the end of the Exit Assistance Period);
- (v) providing an information pack listing and describing the Solution for use by the Authority in the procurement of the Replacement Services;
- (w) answering all reasonable questions from the Authority and/or the Replacement Supplier regarding the Solution;
- (x) agreeing with the Authority and/or the Replacement Supplier a plan for the migration of the Authority Data to the Authority and/or the Replacement Supplier;
- (y) providing access to the Authority and/or the Replacement Supplier during the Exit Assistance Period and for a period not exceeding 6 months afterwards for the purpose of the smooth transfer of the Services to the Authority and/or the Replacement Supplier:
 - (i) to information and documentation relating to the Transferring Services that is in the possession or control of the Supplier or its Sub-contractors (and the Supplier agrees and shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; and

following reasonable notice and during the Supplier's normal business hours, to members of the Supplier Personnel who have been involved in the provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors; and

- (z) knowledge transfer services, including:
 - (i) transferring all training material and providing appropriate training to those Authority and/or Replacement Supplier staff responsible for internal training in connection with the provision of the Services;
 - (ii) providing for transfer to the Authority and/or the Replacement Supplier of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents; and
 - (iii) providing the Supplier and/or the Replacement Supplier with access to such members of the Supplier's or its Sub-contractors' personnel as have been involved in the design, development, provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors.

1.2 The Supplier shall:

- (a) provide a documented plan relating to the training matters referred to in Paragraph 1.1 (l) for agreement by the Authority as and when determined in accordance with the Disengagement Plan;
- (b) co-operate fully in the execution of the handover plan agreed pursuant to Paragraph 1.1 (p), providing skills and expertise of a suitable standard; and
- (c) fully co-operate in the execution of the Authority Database migration plan agreed pursuant to Paragraph 1.1 (x) providing skills and expertise of a reasonably acceptable standard.

1.3 To facilitate the transfer of knowledge from the Supplier to the Authority and/or its Replacement Supplier, the Supplier shall provide a detailed explanation of the procedures and operations used to provide the Services, the change management process and other standards and procedures to the operations personnel of the Authority and/or the Replacement Supplier.

1.4 The information which the Supplier shall provide to the Authority and/or the Replacement Supplier pursuant to Paragraph 1.1 (z) shall include:

- (a) the Service Catalogue;
- (b) copies of up-to-date procedures and operations manuals;
- (c) product information;
- (d) agreements with third party suppliers of goods and services which are to be transferred to the Authority and/or the Replacement Supplier;
- (e) key support contact details for third party supplier personnel under contracts which are to be assigned or novated to the Authority pursuant to this Schedule;
- (f) information regarding any unresolved faults in progress at the Exit Commencement Date as well as those expected to be in progress at the end of the Exit Assistance Period;

- (g) details of physical and logical security processes and tools which will be available to the Authority; and
- (h) any relevant interface information.

1.5 During the Exit Assistance Period the Supplier shall grant any agent or personnel (including employees, consultants and Suppliers) of the Replacement Supplier and/or the Authority access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that:

- (a) any such agent or personnel (including employees, consultants and suppliers) having access to any Sites pursuant to this Paragraph 1.5 shall sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require); and
- (b) the Authority and/or the Replacement Supplier shall pay the reasonable, proven and proper costs of the Supplier incurred in facilitating such access.