

TCN SCHEDULE 7.6

COMPENSATION

Compensation

1. DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

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| “Appropriate Notice” | period of notification provided to a Candidate in the event of a Theory Test cancellation which is not less than 3 clear calendar days, but not including: <ul style="list-style-type: none">(a) Sundays and public holidays applicable to the jurisdiction in which the Candidate’s Test Centre is located; and(b) the day the notice is provided to the Candidate and the day of the Candidate’s Theory Test); |
| “Compensation Payout” | shall have the meaning given to such term under Paragraph 2.1; |
| “Reimbursement Payment” | shall have the meaning given to such term under Paragraph 4.1; |
| “Result” | shall have the meaning given to such term under Paragraph 4.1; and |
| “Result Printing and Despatch Costs” | shall have the meaning given to such term under Paragraph 4.1. |

2. COMPENSATION PAYOUT

2.1 The Parties agree and acknowledge that:

- 2.1.1 the Authority or the DVA may compensate a Candidate in accordance with the Theory Test service standards and customer service guidance as published and amended by the Authority or the DVA from time to time (including reimbursement of the whole or part of the Theory Test fees, out-of-pocket and other verifiable and reasonably incurred expenses, costs of any independent assessment of claims, legal costs, ex-gratia and circumstantial payments) as a consequence of a Candidate’s Theory Test being cancelled or abandoned without Appropriate Notice;

- 2.1.2 the Authority or the DVA may compensate a Candidate and/or other customers (including the heads of compensation specified under Paragraph 2.1.1 (if applicable)) if a Candidate and/or other customer receives poor customer service which is not in accordance with the Authority or the DVA's policies, procedures, standards or guidelines and its complaint is successful (including where the Authority or the DVA is directed to pay compensation to the Candidate and/or other customer on the directions of an independent complaints' assessor, ombudsman or an equivalent authority in accordance with the Theory Test service standards and customer service guidance as published and amended by the Authority or the DVA from time to time); and
- 2.1.3 the Authority may be required to make payments and/or compensate an FTTS Supplier in accordance with the terms and conditions of an FTTS Supplier Agreement as a consequence of a Candidate's Theory Test being cancelled or abandoned (irrespective of whether Appropriate Notice was provided or not to the Candidate),
- (each a **"Compensation Payout"**).

- 2.2 If any Compensation Payout arises as a result of the Supplier's Default, the Supplier shall reimburse the Compensation Payout to the Authority or the DVA (as applicable) in accordance with the terms set out in this Schedule.

3. **COSTS OF PROVIDING THEORY TESTS RESULTS**

- 3.1 In the event that a Candidate does not receive its Theory Test result (**"Result"**) on the day of the Candidate's Theory Test as a result of the Supplier's Default and the Authority or the DVA (as applicable) suffer or incur the costs of printing the Result and despatching the Result to the Candidate (including the costs of any Authority or the DVA (as applicable) staff time utilised in the printing and/or despatching the Result to the Candidate) (the **"Result Printing and Despatch Costs"**), the Supplier shall reimburse the Result Printing and Despatch Costs to the Authority or the DVA (as applicable) in accordance with the terms set out in this Schedule

4. **SUPPLIER REIMBURSEMENT**

- 4.1 The Authority and/or the DVA shall notify the Supplier that:
- 4.1.1 a Compensation Payout has been paid or is payable by the Authority and/or the DVA under Paragraph 2.1; and/or
- 4.1.2 the Authority and/or the DVA has incurred or suffered any Result Printing and Despatch Costs under Paragraph 3.1,

and the Supplier shall pursuant to Paragraphs 2.2 and/or 3.1 (as applicable) reimburse the Compensation Payout and/or Result Printing and Despatch Costs to the Authority and/or the DVA in accordance with Paragraph 4.2 in full (**“Reimbursement Payment”**).

4.2 The Parties acknowledge and agree that the Reimbursement Payment shall be payable by the Supplier to the Authority and/or the DVA monthly and in arrears as a debt or shall be set-off by the Authority against the Service Charges in accordance with Paragraph 6 and the provision of Schedule 7.1 (Charges and Invoicing), as determined by the Authority.

4.3 The Supplier shall use all reasonable endeavours to mitigate any Compensation Payout payable or paid by the Authority and/or the DVA, the Result Printing and Despatch Costs incurred or suffered by the Authority and/or the DVA and any other Losses incurred or suffered by the Authority, the DVA and/or any FTTS Supplier.

5. ASSISTANCE AND INFORMATION

5.1 The Supplier shall promptly:

5.1.1 create a new Theory Test appointment slot or arrange a Theory Test appointment slot on the next available slot for the Candidate if requested to do so by the Authority and/or the DVA (including arranging any special and non-standard accommodations allowed to the Candidate by the Authority or the DVA to be made available to the Candidate on the date the Candidate’s Theory Test is rescheduled for); and

5.1.2 provide (and procure that any Sub-contractor shall provide) such information, evidence and assistance at the Supplier’s own cost as requested by the Authority and/or the DVA in respect of the:

5.1.2.1 process of assessing and payment of the Compensation Payout (including investigation of the Candidate’s or other customer’s claim); and/or

5.1.2.2 Result Printing and Despatch Costs.

6. SET OFF

6.1 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 in accordance with clauses 10.6 and 10.7 of this Agreement.

7. DISPUTES

- 7.1 The Parties shall resolve any Disputes arising out of or in connection with this Schedule in accordance with the Dispute Resolution Procedure.