

Schedule 3 (Charges)

1. How Charges are calculated

1.1 The Charges:

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

1.2 Any variation to the Charges payable under a Contract must be agreed between the Supplier and the Buyer and implemented using the procedure set out in this Schedule.

2. The pricing mechanisms

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

3. Are costs and expenses included in the Charges

1.4 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:

1.4.1 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

1.4.2 costs incurred prior to the commencement of the Contract.

4. Other events that allow the Supplier to change the Charges

1.5 The Charges can also be varied (and Annex 1 will be updated accordingly) due to:

1.5.1 a Specific Change in Law in accordance with Clauses 28.6 to 28.8;

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

Annex 1: Rates and Prices

Fixed Prices

The rates below not be subject to variation by way of Indexation.

The fixed charges shall be paid in annually in advance.

Type of Charge	Fixed Charge (£)
Initial period charge	£260,000 (including VAT)
Extension period charge	£260,000 (including VAT)