Contract Reference Number: ICT11851

Date: 27 December 2016

Supply Chain Finance System Supply Agreement

between

Transport for London

and

Taulia UK Limited

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THIS AGREEMENT is made on the date set out on the front page of this Agreement

BETWEEN

(1) **Transport for London** (the **"Authority"**)

(2) The party set out in **Schedule 1** as being the Service Provider (the **"Service Provider"**)

BACKGROUND

(A) The Authority wishes to procure and the Service Provider wishes to supply certain software and/or services, as set out below.

(B) The parties have agreed to enter into this Agreement to define their contractual rights and liabilities in relation to such supply.

OPERATIVE PROVISIONS

1. **DEFINITIONS**

1.1 In this Agreement the following expressions shall have the following meanings unless inconsistent with the context:

"Acceptance"	date on which an Acceptance Certificate is issued
"Acceptance Certificate"	certificate issued by the Authority when the System has been installed and implemented and has successfully passed the Acceptance Tests in accordance with **Schedule 6**
"Acceptance Criteria"	criteria referred to in **Schedule 6** for testing the System (or relevant part thereof)
"Acceptance Tests"	tests that the party or parties, as set out in **Schedule 6**, will carry out using the test

	data and expected results, prepared by the party or parties as set out in **Schedule 6**, to determine whether the System or any part of the System complies with the Acceptance Criteria
"Additional Services"	services called **Additional Services** in **Schedule 2**, if any and which shall not for the avoidance of doubt, include the Optional Services
"Affiliate"	Any TfL Group Member, and any entity which directly or indirectly controls, is controlled by, or is under common control with the Taulia entity entering this Agreement. "Control," for purposes of this definition, means direct or indirect ownership or control of more than 50% of the voting interests
"Agreed Equality Policy"	equality policy agreed between the Authority and the Service Provider as set out in **Schedule 9**, if any
"Agreement"	this Agreement, its Schedules, Annexes and Appendices (if any) and any other document expressly incorporated into this Agreement by virtue of any provision of this Agreement
"Agreement End Date"	the date on which this Agreement expires or terminates for whatever reason
"Authority ERP Software"	means the Authority's accounts payable software used from time to time which shall interface with the Software Managed

	Services
"Authority Premises"	land or premises (including temporary buildings) owned or occupied by or on behalf of the Authority and/or any member of the TfL Group
"Authority Software"	software to be provided by the Service Provider to the Authority under this Agreement which is not Third Party Software or Service Provider Software, as may be updated, replaced or amended from time to time
a "Business Day"	a day other than a Saturday or Sunday or a public or bank holiday in England
"Business Hours"	hours set out in **Schedule 1**
"Business Support Services"	means the business support services in respect of the Programme which are described in **Annex D** of **Schedule 2** of this Agreement;
"**Cessation Plan**"	a plan agreed between the parties or determined by the Authority pursuant to **clause 26** to give effect to a Declaration of Ineffectiveness
"Change of Control"	change of the control of a company, and **"**control**"** shall be as defined by Section 840 of the Income and Corporation Taxes Act 1988
"Charges"	charges set out in **Schedule 3**
"Commencement Date"	the date of this Agreement

“Commissioning Fee”	shall have the definition set out in **Schedule 3**
“Confidential Information”	all information in respect of the business of either party and its respective Affiliates including, without prejudice to the generality of the foregoing, any ideas; business methods; financial information; business, financial, marketing, development or manpower plans; customer lists or details; computer systems and software; products or services including information concerning a party’s or its Affiliates’ relationships with actual or potential clients, customers or suppliers and the needs and requirements of a party and/or its Affiliates and any other information which, if disclosed, will be liable to cause harm to a party or its Affiliates
“Contract Information”	(i) this Agreement in its entirety (including from time to time agreed changes to this Agreement) and (ii) data extracted from the invoices submitted pursuant to **clause 4** which shall consist of the Service Provider’s name, the expenditure account code, the expenditure account code description, the document number, the clearing date and the invoice amount
“Copy”	individual copy on electromagnetic recording material of one or more of the programs constituting the Software
“Declaration of	a declaration of ineffectiveness in relation to

Ineffectiveness"	this Agreement made by a Court of competent jurisdiction pursuant to Regulation 98 of the Public Contracts Regulations 2015 or Regulation 45J the Utilities Contracts Regulations 2006
"Disaster"	unplanned interruption (whether of information processing facilities or systems or otherwise), including fire, interruption in power supply, act of terrorism, threat of act of terrorism, earthquake, extraordinary storm, flood or abnormal weather conditions, which impairs the ability of the Service Provider to perform the Services (in whole or in part and other than in some superficial manner) to the standard of the Service Levels and/or in accordance with this Agreement
"Disaster Recovery Plan"	Service Provider's plan for its emergency response, back-up procedures and business continuity in the event of a Disaster
"Dispute"	dispute or difference that may arise out of or in relation to this Agreement
"Dispute Resolution Procedure"	procedure for resolving/attempting to resolve disputes, as set out in **clause 38**
"Documentation"	technical and user documentation (including report guides, user manuals, technical manuals, computer operation manuals, installation and support manuals, operating standards, specifications and training

	materials and the Specification) that describe in detail the configuration, installation, intended operation and maintenance of the System (as applicable) as such written material may be updated from time to time in accordance with this Agreement
"DPA"	Data Protection Act 1998 and related secondary legislation
"Dynamic Discounting Service"	the portion of the Service Provider's solution that allows for early payment by the Authority of approved invoices, directly to a Participating Supplier
"Exit Plan"	plan for dealing with the exit of the Services upon termination or expiry, as agreed between the parties in writing and updated in accordance with **Schedule 10**
"Euro Compliant"	functioning and able to function accurately in any currency of the United Kingdom and the European Union, including any currency in use or currencies in concurrent use following partial or complete European Economic and Monetary Union
"FOI Legislation"	Freedom of Information Act 2000, all regulations made under it and the Environmental Information Regulations 2004, and any guidance issued by the Information Commissioner, the Ministry of Justice or the Department for Environment Food and Rural Affairs (including in each

	case its successors or assigns) in relation to such legislation
"Force Majeure Event"	any of the following: riot, civil unrest, war, act of terrorism, threat of act of terrorism, fire, earthquake, extraordinary storm, flood, abnormal weather conditions or other natural catastrophe or strikes, lock-outs or other industrial disputes (but excluding any strikes, lock-outs or other industrial disputes of or relating to employees of the party whose obligation to perform is thereby affected, or employees of such party's sub-contractors) to the extent that such event has materially affected the ability of the party relying on the Force Majeure Event (**"Affected Party"**) to perform its obligations in accordance with the terms of this Agreement but excluding any such event if those events should have been negated by implementation by the Service Provider of its Disaster Recovery Plan or insofar as the event arises from or is attributable to the wilful act, omission or negligence of the Affected Party or the failure on the part of the Affected Party to take reasonable precautions to prevent such Force Majeure Event or its impact
"Holding Company"	company which from time to time directly or indirectly controls the Service Provider where **"**control**"** is as defined by section 840 of the Income and Corporation Taxes Act 1988

"Information"	information recorded in any form held by the Authority or by the Service Provider on behalf of the Authority
"Information Request"	request for any Information under the FOI Legislation
"Information Security Controls Framework"	the terms of the document annexed in Schedule 11
"Initial Period"	three years from the Commencement Date
"Initial Tests"	tests that the Service Provider must carry out on the System to determine whether it is in accordance with the Specification before the System is submitted for Acceptance Tests in accordance with **Schedule 6**
"Insolvency Event"	any of the following: (a) the Service Provider and/or the Holding Company making any voluntary arrangement with its creditors or becoming subject to an administration order; (b) a receiver, administrative receiver, manager or administrator being appointed over all or part of the business of the Service Provider and/or the Holding Company; (c) being a company, the Service Provider and/or the Holding Company having passed a resolution for its winding-up or being subject to a petition for its winding-up (except for the purposes of

a voluntary amalgamation, reconstruction or other re-organisation without insolvency);

(d) the Service Provider and/or the Holding Company ceasing or threatening to cease to carry on its business for any reason and/or being unable to pay its debts within the meaning of the Insolvency Act 1986;

(e) being an individual or firm, the Service Provider becoming bankrupt or dying; or

(f) any similar event to those in (a) to (e) above occurring in relation to the Service Provider and/or the Holding Company under the law of any applicable jurisdiction

"Insurance" or "Insurances"	insurances, as set out in **Schedule 1**, **Annex A**
"Intellectual Property Rights" or "IPR"	any and all patents, trade marks, trade names, service marks, copyright, moral rights, rights in design, rights in databases, know-how, Confidential Information and all or any other intellectual or industrial property rights whether or not registered or capable of registration and whether subsisting in the United Kingdom or any other part of the world together with all or any goodwill relating thereto

“Key Milestones”	key milestones to be achieved for delivery of the System, the Services, or parts thereof, as may be specified in the Project Plan, to be agreed by the Parties as set out at **Schedule 5**
“Key Milestone Dates”	key dates for delivery of the System, the Services, or parts thereof, as may be specified in the Project Plan
“Key Personnel”	Service Provider’s key personnel set out in **Schedule 1**, as may be updated by agreement in writing from time to time
“Losses”	all costs (including legal costs and costs of enforcement), expenses, liabilities (including any tax liability), injuries, direct, indirect or consequential loss (all three of which terms include pure economic loss, loss of profits, loss of business, depletion of goodwill and like loss), damages, claims, demands, proceedings and judgments
“Maintenance Services”	support and maintenance services for the System as detailed in **Annex C** of **Schedule 2**
“Optional Services”	the services which the Supplier shall provide to the Authority upon its request (such request being exercisable at the sole discretion of the Authority) upon or after the expiry of twelve (12) calendar months from the date of this Agreement and set out in more detail at **Annex G of Schedule 2**

“Participating Supplier”	any Supplier that has entered into a Supplier Adoption Agreement
the “parties”	the parties to this Agreement
“Personal Data”	has the meaning given to it by section 1(1) of the Data Protection Act 1998
“Processing”	has the meaning given to it by section 1(1) of the Data Protection Act 1998 and **“Process”** and **“Processed”** will be construed accordingly
“Programme”	shall have the meaning given to it in **Part B** of **Annex E** of **Schedule 2**
“Project Plan”	plan in relation to any part of the provision of the System and/or Services as as is agreed and documented in accordance with **Schedule 5** or as agreed between the parties in writing from time to time
“SAP Add-On”	Service Provider’s software installed within the Authority ERP Software
“SCF+ Programme”	Service Provider’s service for third-party funding of early payments on invoices approved by the Authority, as described in Schedule 4, Appendix 2
“Schedules”	schedules attached to and forming part of this Agreement
“Security Policy”	the security polic(y)(ies) set out in **Schedule 8**, as such security polic(y)(ies) may be updated by the Authority and Service Provider in writing from time to time

“Service Commencement Date”	means the date on which the Service Provider Portal is ready for the invitation of Suppliers to begin use.
“Service Fee”	shall have the definition given to it in **Schedule 3**
“Service Levels”	standards of performance to be achieved for the Services as set out in **Schedule 2**, if any
“Service Provider”	means Taulia UK Ltd., a private limited company (registration no: 08705919) whose registered office is at 6th Floor, One London Wall, London, EC2Y 5EB
“Service Provider Portal”	means the Authority Web Access and Supplier Web Access described in **Annex D** of **Schedule 2** of this Agreement
“Service Provider Software”	means: (a) the software known as "Taulia Business Exchange/SCF+" described in **Schedule 2** and all releases and upgrades of the same; and (b) the interface software described in **Schedule 2** which allows a communication environment between the Service Provider Software and the Authority ERP System and which is required to facilitate the data flow described in **Schedule 2** and all releases and upgrades of the same

	in each case where the IPR is to be retained by the Service Provider, as agreed between the parties, as set out in **Schedule 1**
"Service Provider's Equipment"	equipment and materials of whatsoever nature used by the Service Provider in providing the Services which do not themselves form part of the Services or the System and in which title is not intended to pass to the Authority under this Agreement, as set out in **Schedule 1**, if any
"Service Provider's IPR"	parts of the System or Services which exist prior to the commencement of this Agreement which are owned by the Service Provider and the Intellectual Property Rights in which are to be retained by the Service Provider, as specified in **Schedule 1**, if any
"Service Provider's Personnel"	employees, officers, suppliers, sub-contractors and agents of the Service Provider engaged in the performance of any of the Services and including the Key Personnel
"Service Year"	a period of 12 months beginning on the Commencement Date or an anniversary of the Commencement Date (or, as appropriate, the period starting on the last anniversary of the Commencement Date prior to the Agreement End Date, and ending on the Agreement End Date)

"Services"	services required from the Service Provider in building and supplying the System; the Software Managed Services; the Maintenance Services; the Business Support Services; the Supplier On-Boarding Services and the Additional Services, if any, in each case as are specified in **Schedule 2** (including its **Annexes**), together with any services, functions and responsibilities (including any incidental services, functions and responsibilities) not specifically set out in this Agreement but which are within the scope of the Services, which shall include (without limitation) the Optional Services and which are reasonably to be inferred from this Agreement; and any other services from time to time agreed between the parties in writing to be supplied by the Service Provider to the Authority under this Agreement
"Site(s)"	Authority Premises, as specified in **Schedule 1**
"Software"	Service Provider Software, the Authority Software, and the Third Party Software
"Software Managed Services"	making the Service Provider Software available to facilitate the data flow described in **Schedule 2**
"Specification"	either the TfL Group's Statement of Requirements or the TfL Group's written specification for the System, as set out in **Schedule 4**, which may be updated by

	agreement in writing from time to time by both parties and where a full Specification has not yet been agreed between the parties, any **"**Specification**"** shall mean the TfL Group's Statement of Requirements until such time that the full agreed Specification has been signed off between the parties in writing after which point **"**Specification**"** shall be deemed to refer to such fully agreed specification
"Statement of Requirements"	high level Statement of Requirements of the Authority for the System, as set out in **Schedule 4**, if applicable, as may be updated or superseded by a full specification in writing from time to time
"Successor Authority"	person created by statute or subordinate legislation to assume all (or part of) the TfL Group's functions
"Supplier"	any person that supplies goods and/or services to the Authority, excluding the Service Provider and any sub-contractor of the Service Provider
"Supplier Adoption Agreement"	an agreement (which may be in writing or concluded on-line) between the Service Provider and a Participating Supplier, which sets out the terms on which a Participating Supplier agrees to participate in the Programme, which agreement must comply with the parameters described in **Part A** of **Annex E** to **Schedule 2**
"Supplier Contracts"	the contract(s) between a Supplier and the Authority under which the Supplier provides

	goods and/or services to the Authority
"Supplier Data"	all electronic data, electronic documents, or information submitted by a Supplier to the Services, Software or System and all data that the Authority and/or members of the TfL Group submit to the Software or Services or System for the purpose of providing access to the data by one or more Suppliers
"Supplier On-boarding Services"	shall be those services specified in paragraph 2 of **Part B** of **Annex E** to **Schedule 2**
"Supplier-Side Services"	the web platform, including web portal functionality, web-based applications, and the Software-as-a-Service services that Service Provider makes available to Suppliers
"System"	the Software
"Term"	the term of this Agreement specified in **clause 2**
"TfL"	Transport for London, a statutory corporation whose principal place of business is at Windsor House, 50 Victoria Street, London SW1H 0TL
"TfL Group"	the Authority and the other companies or organisations related to TfL, as set out in **Schedule 1**
"TfL Group Data"	all electronic data or information submitted by a TfL Group Member to the Software, Services, or System other than Supplier

	Data
“TfL Group Member”	any member of the TfL Group
“TfL Group User”	means those persons using the System on behalf of any member of the TfL Group but excluding Participating Suppliers
“TfL Group’s Liability Cap”	amounts set out in **Schedule 1**
“Third Party”	person, partnership, company or any other undertaking not being the Service Provider or a TfL Group Member
“Third Party IPR”	parts of the System or Services which are owned by a third party, the Intellectual Property Rights in which the Authority has expressly agreed are to be retained by a third party as specified in **Schedule 1**, as may be updated, replaced or amended from time to time
“Third Party Software”	third party software to be provided to the Authority under this Agreement which is specified as Third Party Software in **Schedule 1**, as may be updated, replaced or amended from time to time
“Transparency Commitment”	the transparency commitment stipulated by the UK government in May 2010 (including any subsequent legislation) in accordance with which the Authority is committed to publishing its contracts, tender documents and data from invoices received
“Virus”	program code or set of instructions intentionally or recklessly constructed with

	the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations including trojan horses, logic bombs, time bombs, data disabling code or any similar materials of any nature
"Warranty Period"	warranty period(s) set out in **Schedule 1**

1.2 a reference to the singular includes the plural and vice versa, and a reference to any gender includes all genders;

1.3 a reference to any statute, enactment, order, regulation or other similar instrument, unless the context otherwise requires, shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended or re-enacted (whether in whole or in part) by any subsequent statute, enactment, order, regulation or instrument and shall include all statutory instruments or orders made pursuant to it whether in place before or after the date of this Agreement;

1.4 except as specified in **clause** 1.3 or expressly elsewhere in this Agreement, a reference to any document shall be construed as a reference to the document as at the date of execution of this Agreement;

1.5 headings are included in this Agreement for ease of reference only and do not affect the interpretation or construction of this Agreement;

1.6 references to clauses, Schedules, Annexes and Appendices are, unless otherwise provided, references to clauses of and Schedules, Annexes and Appendices to this Agreement and any reference to a paragraph in any Schedule or Annex or Appendix (if any) shall, in the absence of provision to the contrary, relate to the paragraph in that Schedule or Annex or Appendix;

1.7 in the event, and only to the extent, of any conflict between the clauses, the Schedules, the Annexes, and the Appendices (if any), the clauses prevail, except where:

1.7.1 the conflicting part of the Schedule, Annex or Appendix is explicitly expressed to take precedence; or

1.7.2 the conflict is with a provision in **Annex B** (User Terms and Conditions) or **C** (Privacy and Data Protection) of **Schedule 1**, in which case the provisions in **Annex B** or **C** of **Schedule 1** shall prevail;

1.8 the Schedules, Annexes and Appendices (if any) form part of this Agreement and, subject to **clause 1.7**, will have the same force and effect as if expressly set out in the body of this Agreement;

1.9 the expression **"**person**"** means any individual, firm, body corporate, unincorporated association, partnership, government, state or agency of a state or joint venture; and

1.10 the words "including", "includes" and "included" will be construed without limitation unless inconsistent with the context;

1.11 with the exception of notices and demands (which are governed by clause 34) a reference to writing or written includes facsimile and email, and email includes electronic communications via the Service Provider's software platform; and

1.12 references to the Supplier Adoption Agreements are to such agreements entered into by the Authority with Suppliers as varied, assigned or novated from time to time.

2. COMMENCEMENT AND DURATION

2.1 This Agreement shall commence on the Commencement Date and shall, unless and until terminated in accordance with its terms, continue in force for the Initial Period.

2.2 Upon the Authority giving the Service Provider no less than ninety days' notice in writing prior to the end of the Initial Period, the Authority shall have the option to extend the term of this Agreement (wholly or in part) for a further one (1) year period, commencing on the last day of the Initial Period (the "First Extension Period");

2.3 Upon the Authority giving the Service Provider no less than ninety days' notice in writing prior to the end of the First Extension Period, the Authority shall have the option to extend the term of this Agreement (wholly or in part) for a further one (1) year period, commencing on the last day of the First Extension Period (the "Second Extension Period");

2.4 The terms of this Agreement shall apply mutatis mutandis during the First Extension Period and the Second Extension Period.

3. SERVICE PROVIDER'S OBLIGATIONS

3.1 The Service Provider shall supply the System and perform the Services in accordance with the terms and conditions of this Agreement.

3.2 The Service Provider shall perform its obligations in relation to the Project Plan and the Acceptance Tests in accordance with **Schedules** 5 and 6.

3.3 The Service Provider:

3.3.1 acknowledges that it has sufficient information about the TfL Group and its requirements for the System and/or the Services and that it has made all appropriate and necessary enquiries to enable it to supply the System and perform the Services in accordance with this Agreement;

3.3.2 shall neither be entitled to any additional payment nor excused from any obligation or liability under this Agreement due to any misinterpretation or misunderstanding by the Service Provider of any fact relating to the TfL Group's requirements for the System and/or the Services or otherwise;

3.3.3 shall comply with all lawful and reasonable directions of the Authority relating to its supply of the System and performance of the Services;

3.3.4 shall when required give to the Authority such written or oral advice or information regarding the System and/or the Services as the Authority may reasonably require under the terms of the Agreement;

3.3.5 where a format for electronic receipt of orders by the Service Provider is set out in **Schedule 1**, shall, unless the Authority requires otherwise, receive orders in such format and shall maintain its systems to ensure that it is able to do so throughout the Term; and

3.3.6 shall provide training to the Authority's personnel (including its employees, officers, suppliers, sub-contractors and agents) as specified in **Schedule 2**.

3.4 Notwithstanding anything to the contrary in this Agreement, the TfL Group's discretion in carrying out its statutory duties shall not be fettered or otherwise constrained or affected by any provision of this Agreement.

3.5 The Service Provider shall provide the Service Provider's Personnel as necessary for the proper and timely performance and management of the Services in accordance with the Agreement and shall give the Authority, if so requested, full particulars of all such persons who are or may be at any time employed on performing the Agreement. The Service Provider shall ensure that all Service Provider's Personnel deployed on work relating to the Agreement shall be properly managed and supervised.

3.6 The Service Provider will only use personnel to perform the Services who:

3.6.1 are suitably qualified and experienced to perform their role in performing the Services;

3.6.2 hold up to date and comply with professional certifications and qualifications relevant to the Services they are providing; and

3.6.3 in these and any other respects are acceptable to the Authority.

The Supplier shall demonstrate compliance with this **clause 3.6** as required by the Authority from time to time.

3.7 The Service Provider acknowledges and agrees that it shall be wholly responsible for the acts and omissions of the Service Provider's Personnel regardless of whether or not they are employees of the Service Provider. The Authority shall be wholly responsible for the acts or omissions of its

personnel and any other person, entity or agent acting on its behalf (other than the Service Provider).

3.8 The parties shall each comply with their respective obligations set out in **Schedule 10**. Within sixty (60) days of the Commencement Date, the parties shall agree an Exit Plan in accordance with the provisions of **Schedule 10**.

4. CHARGES AND PAYMENTS

4.1 Subject to the Service Provider complying with and performing properly its obligations under this Agreement, the Service Provider shall be entitled to invoice the Authority in accordance with this **clause 4**.

4.2 In consideration of the proper performance of the Services and the supply of the System in accordance with this Agreement, the Service Provider may invoice the Authority the Charges in respect of the System and the Services at the amounts and on the basis set out in **Schedule 3**. Where no invoicing dates are set out in **Schedule 3**, then the Service Provider shall be entitled, within thirty (30) days following the end of each calendar month, or upon a milestone payment date set out in any Project Plan (as applicable), to submit an invoice in respect of the Charges arising during such month or upon achievement of such milestone (as applicable). For the avoidance of doubt, the Service Provider may not invoice the Authority for payments in relation to Key Milestone Dates or any other agreed payment milestones until such time that the Service Provider has delivered the applicable Services and/or parts of the System and has fully performed its obligations in relation to such Key Milestone Dates or other agreed payment milestones.

4.3 In consideration of the Service Provider's due and proper performance of its obligations under this Agreement, the Authority shall pay the Commissioning Fee and the Service Fee to the Service Provider in accordance with this **clause 4** and **Schedule 3**.

4.4 The only sums payable by the Authority to the Service Provider for the provision of the Services shall be the Commissioning Fee, the Service Fee,

any interest payable under **clause 4.15** and any other sums expressly stated as payable by the Authority in this Agreement.

4.5 Each party will bear its own expenses in connection with the negotiation and performance of this Agreement and the Programme.

4.6 Any sum payable by one party to the other under this Agreement will be exclusive of Value Added Tax (**"VAT"**) and any other similar tax which may be chargeable and which will be payable in addition to the sum in question at the rate for the time being prescribed by law on delivery of a valid VAT invoice.

4.7 Not used.

4.8 The Service Provider shall submit invoices to the postal address stated in **Schedule 1** (or as otherwise specified by the Authority from time to time) or, where an electronic format for submission of invoices is set out in **Schedule 1**, such electronic format shall, unless the Authority requires otherwise, be used. Each such invoice shall contain all information required by the Authority including the Contract Reference Number, SAP order number, the Service Provider's name and address, a separate calculation of VAT and an adequate description of the Services provided.

4.9 If the Authority considers (acting reasonably) that any sums, fees or other charges claimed by the Service Provider in any invoice have been correctly calculated and that such invoice is correct, the invoice shall be approved and payment shall be made by bank transfer (Bank Automated Clearance System (BACS)) or such other method as the Authority may choose from time to time within thirty (30) days of receipt of such invoice.

4.10 No payment made by the Authority (including any final payment) or act or omission or approval by the Authority (whether related to payment or otherwise) shall:

4.10.1 indicate or be taken to indicate the TfL Group's acceptance or approval of the Services or System or any part of them or any act or omission of the Service Provider, or otherwise prejudice any rights,

powers or remedies which the Authority may have against the Service Provider, or absolve the Service Provider from any obligation or liability imposed on the Service Provider under or by virtue of this Agreement; or

4.10.2 prevent the Authority from recovering any amount overpaid or wrongfully paid including payments made to the Service Provider by mistake of law or fact. Without prejudice to **clause 4.12**, the Authority shall be entitled to withhold such amount from any sums due or which may become due to the Service Provider or the Authority may recover such amount as a debt.

4.11 In the event that the United Kingdom joins the European Economic and Monetary Union, the Authority shall require the Service Provider, at no additional charge, to convert any sums payable in connection with this Agreement from sterling to Euros in accordance with EC Regulation Number 1103/97.

4.12 All damages, costs, charges, expenses, debts, sums or other amounts owing (contingently or otherwise) to or incurred by the Authority arising out of or attributable to this Agreement or any other contract between the Authority or any TfL Group Member and the Service Provider (howsoever arising and whether any such liability is present or future, liquidated or unliquidated and irrespective of the currency) may be deducted by the Authority from monies due or which may become due to the Service Provider under this Agreement or the Authority may recover such amount as a debt. The TfL Group's rights under this **clause 4.12** will be without prejudice to any other rights or remedies available to the Authority under this Agreement or otherwise.

4.13 If the Authority receives an invoice which the Authority reasonably believes specifies a Charge which is not valid or properly due or in respect of which any Service has not been duly and properly provided or where the Authority reasonably believes the invoice has not been calculated correctly or if the invoice contains any other error or inadequacy (**"Disputed Charge"**):

4.13.1 the Authority shall pay to the Service Provider the part of the Charges under that invoice which is not a Disputed Charge;

4.13.2 the Authority may withhold payment of the Disputed Charge in that invoice and, in that case, the Authority shall promptly (and in any event within thirty (30) days after receipt of the invoice) notify the Service Provider of the nature of the dispute and the parties shall commence, within five (5) days after the receipt of the TfL Group's notice, to resolve the dispute in accordance with the dispute resolution procedure set out in **clause 38**; and

4.13.3 once the dispute has been resolved, the Authority shall pay any amount due as part of that resolution within ten (10) days of such resolution.

4.14 Except where otherwise provided in this Agreement, the Charges shall be inclusive of all costs of staff, facilities, equipment, materials and other expenses whatsoever incurred by the Service Provider in discharging its obligations under this Agreement.

4.15 Interest shall accrue at the interest rate of two percent (2%) above the base rate of the Bank of England from time to time on all sums due and payable under this Agreement from the due date until the date of actual payment (both before and after judgement). All such interest shall be calculated on the basis of the actual number of days elapsed, over a three hundred and sixty five (365) day year and compounded at monthly intervals. The parties agree that this provision constitutes a substantial remedy for late payment of any sum payable under this Agreement in accordance with s8(2) of the Late Payment of Commercial Debts (Interest) Act 1998.

4.16 The Authority shall have a right to review copies of the Supplier Adoption Agreements.

4.17 The Service Provider shall not be entitled to review the terms of any agreement between the Authority and any Suppliers, provided that the Authority provides the Service Provider with adequate information as

requested reasonably to determine the terms of the early payment programme.

5. SOURCE CODE, ESCROW AND VERIFICATION SERVICES

5.1 The source code to any Software in which the Intellectual Property Rights are, or are to be, owned by the Authority under this Agreement or as mutually agreed in an attachment hereto, together with any programmers' notes and other documentation reasonably required to operate the source code in object code form and to maintain and adapt the source code, shall be supplied to the Authority when that part of the System is supplied to the Authority (**"the Authority Materials"**).

5.2 The source code to any Software forming part of the Service Provider's IPR and/or Third Party IPR, together with any programmers' notes and other documentation reasonably required to operate the source code in object code form and to maintain and adapt the source code (**"Escrow Materials"**) shall, if requested by the Authority from time to time, be subject to source code deposit arrangements and verification services to be entered into, on such terms as are reasonably acceptable to the Authority, within thirty (30) days of the TfL Group's request to do so (whether in relation to part or all of the Software) for the benefit of the TfL Group and its authorised agents with either NCC International Limited (**"NCC"**) (on NCC's then standard terms) or any other reputable escrow agent agreed to by the Authority and providing for the release of the source code of such Software in the event of insolvency (or analogous events) of the Service Provider, inadequate performance of support or maintenance obligations (if any) or cessation of trade by the Service Provider.

5.3 Where requested by the Authority, the Service Provider shall procure that NCC (or such other escrow agent as the Authority considers appropriate) enters into the escrow/verification agreement. The charges payable to NCC or other escrow agent shall be borne by the Authority, unless set out otherwise in **Schedule 1**.

5.4 The Service Provider shall at all times ensure that the Escrow Materials deposited with NCC or other escrow agent are capable of being used to generate and maintain and adapt the latest version of the Software and the Service Provider shall deliver to NCC or other escrow agent an updated copy of the Escrow Materials as and when necessary for this purpose or when requested to do so by the Authority.

5.5 This **clause** 5 shall survive termination of this or part of this Agreement.

6. THE TFL GROUP'S OBLIGATIONS

6.1 The Authority shall:

6.1.1 purchase the System and the Services in accordance with the terms of this Agreement;

6.1.2 subject to **clauses 4.12** and **4.13**, pay all sums, fees and other charges due under this Agreement upon the dates provided for under this Agreement;

6.1.3 allow the Service Provider access to Sites in accordance with **clause 11**;

6.1.4 provide the Service Provider, on request and within a reasonable period thereafter, with information and assistance that the Service Provider may reasonably require.

6.2 Nothing in this Agreement shall:

6.2.1 prevent or restrict the Authority from implementing any other cost saving initiatives in respect of agreements with Suppliers including re-negotiating terms where appropriate; or

6.2.2 prevent or restrict the Authority from implementing any cost saving initiatives with a Supplier where a single one off payment of a sum under an agreement with a Supplier is agreed to be made early (in advance of its due invoice date) in return for a reduction in fees or charges; or

6.2.3 prevent or restrict the Authority from implementing any cost saving initiatives with a Supplier where occasional payments and or payments are made at irregular intervals under an agreement with a Supplier are agreed to be made early (in advance of its due invoice date) in return for a reduction in fees or charges; or

6.2.4 prevent or restrict the Authority from being a party to any other supply chain finance or early payment scheme; or

6.2.5 prevent or restrict the Authority from making capital expenditure payments to a Supplier under an agreement with a Supplier early (in advance of its due invoice date) in return for a reduction in fees or charges. The nature of such capital expenditure shall be determined by the Authority from time to time in accordance with its then current accounting practices; or

6.2.6 oblige the Authority to process all invoices of a Participating Supplier using the Services following a Supplier's agreement to the terms of a Supplier Adoption Agreement where the circumstances specified in **clause 6.3** below occur.

Notwithstanding any other provision to the contrary, savings derived from such circumstances or initiatives shall not be subject to the provisions of **Schedule 3**, shall not be taken into account in calculating the Service Fee and shall be outside of the Programme.

6.3 The Service Provider acknowledges and agrees that, following a Supplier's agreement to the terms of a Supplier Adoption Agreement, the Authority shall not be obliged to process, using the Services, any invoices of a Participating Supplier that are not approved by the Authority and/or:

6.3.1 where the Authority shall be entitled to withhold payment of an invoice in the event of a bona fide dispute in connection with an invoice of the Supplier; or

6.3.2 where a Supplier fails to maintain proper accounting records or comply with HMRC guidance in respect of VAT and or fails to make adjustments within their own accounting systems for any early payment rebates taken by the Authority and or is otherwise unable to modify their systems and processes to reconcile the value of

invoices raised by the Supplier and the reduced payments actually received by the Supplier; or

6.3.3 pursuant to the terms of paragraph 4.5 of **Annex A** of **Schedule 2** of this Agreement; or

6.3.4 during any period when the Software Managed Services are unavailable in accordance with the terms of this Agreement.

Notwithstanding any other provision to the contrary invoices issued by Suppliers in the circumstances above shall not be required to be processed by the Authority via the Dynamic Discounting Service in accordance with the terms of this Agreement, shall not be subject to the provisions of **Schedule 3** and shall not be taken into account in calculating the Service Fee and shall be outside of the Programme (save that in the case of dispute between the Authority and a Supplier referred to in **clause 6.3.1** such invoice shall be required to be processed in accordance with the terms of this Agreement where the dispute is resolved (and the Authority agrees such position)).

6.4 For the avoidance of any doubt, the Service Provider shall be free to supply services similar or identical to the Services (in whole or in part) to any other third party, without any limitation.

6.5 The Authority undertakes to ensure that the required level of funding to pay the Supplier invoices on its standard payment terms is available and maintained at all times during the Term.

6.6 The Authority may elect at any time not to use its own funding to make payment of Suppliers' invoices on terms which are shorter than its standard payment terms, and will notify the Service Provider of such an election in writing. If the Authority so elects not to use its own funding to make payment of Suppliers' invoices, the Service Provider will arrange, procure, obtain or provide the required level of funding in order to make payment on such shorter terms, in accordance with Service Provider's SCF+ Programme following the expiry of a minimum notice period (the minimum notice period for such notifications to be agreed by the Parties within three months of the kickoff meeting as set forth in the Project Plan).

7. DOCUMENTATION

7.1 All Documentation prepared by the Service Provider pursuant to this Agreement shall, unless otherwise agreed by the parties, meet the following minimum requirements:

7.1.1 it and all referenced portions of other documents shall be clearly and concisely written; and

7.1.2 where applicable, it shall specify and describe the policy, specification or other subject matter in sufficient detail and in an easy to follow manner, so as to enable the TfL Group's staff or contractors trained and skilled to the level fairly expected of a person in the relevant position, to make full and efficient use of the Documentation for the purposes for which it was requested and/or written; and

7.1.3 it shall not refer to any document not provided to or already in the possession of the Authority; and

7.1.4 unless the Authority requests that such Documentation be subject to the Acceptance Tests, it shall be submitted to the Authority for approval and be subject to approval by the Authority in accordance with **clause 7.2**.

7.2 The Documentation to be submitted to the Authority for approval in accordance with **clause 7.1** shall be subject to one (1) draft correction cycle as specified in this **clause 7.2**. Unless agreed otherwise, the Authority shall, within ten (10) days of the Service Provider submitting the Documentation either notify the Service Provider in writing of its approval of Documentation (as applicable) or provide the Service Provider with its reasons in writing why such item(s) (or any part of it) is not approved whereupon the Service Provider shall make the required amendments and re-submit the revised Documentation to the Authority and the foregoing provisions shall apply. If the revised Documentation is not approved by the Authority and/or if the Service Provider does not accept the TfL Group's reasoning in relation to such non-approval, representatives of the parties will use their respective

reasonable endeavours to resolve, in good faith, such non-approval/non-acceptance (as applicable) within thirty (30) days of the Authority submitting its reasons for such non-approval or (if later) the Service Provider's notification of non-acceptance of the TfL Group's reasons for non-approval (whichever is applicable). If, following the expiration of such period, the Documentation has not been approved by the Authority, the matter shall be referred for resolution in accordance with **clause 38**.

8. PERFORMANCE AND DELAY

8.1 In respect of each of the Services to be performed under this Agreement, the Service Provider shall provide or complete the performance of such Service(s) on or before the applicable date specified in the applicable Project Plan or, in the event no such date is specified, promptly having regard to the nature of the project (**"Milestone"**). Time for the supply of the System and provision of the Services shall be of the essence of this Agreement.

8.2 The Service Provider shall provide notice the Authority in writing as soon as reasonably practicable after becoming aware of any actual or likely failure to comply with any Milestone. Such written notice shall contain a detailed explanation of the causes of, and responsibility for, the delay, details of actions taken and to be taken by the Service Provider (and, to the extent that the Service Provider considers that the Authority is responsible for such delay, actions it requests be taken by the Authority) to remedy such delay and any effects such delay may have on the performance of the Services or supply of the System and on the ability to meet the next Milestone or any other applicable Milestone. Without prejudice to any liability of either party, both parties shall use their reasonable endeavours to overcome and/or mitigate any such actual or anticipated delay.

8.3 If the Service Provider shall fail (to the extent that such failure was not directly due to any failure by the Authority to comply with its obligations under this Agreement) to provide the Service(s) or supply the System in accordance with this Agreement by the Milestone then notwithstanding anything else contained in this Agreement the Service Provider shall not be

entitled to any payment for any additional time spent and materials used by the Service Provider in providing the Service(s).

8.4 The Service Provider shall deliver the applicable parts of the System and Services on or before the Key Milestone Dates.

8.5 Where Service Levels and/or Service Credits are set out in **Schedule 2**, the Service Provider agrees that the Services shall comply in all respects with the Service Levels.

9. WARRANTIES AND OBLIGATIONS

9.1 Without prejudice to any other warranties expressed elsewhere in this Agreement or implied by law, the Service Provider warrants, represents and undertakes to the TfL Group that:

9.1.1 the Service Provider:

9.1.1.1 has full capacity and authority and all necessary licences, permits, permissions, powers and consents (including, where its procedures so require, the consent of its Holding Company, if any, to enter into and to perform this Agreement; and

9.1.1.2 is aware of the purposes for which the Services and the System are required and acknowledges that the TfL Group is reliant upon the Service Provider's expertise and knowledge in the supply of the System and the provision of the Services; and

9.1.1.3 is entering into this Agreement as principal and not as agent for any person and that it will act as an independent contractor in carrying out its obligations under this Agreement;

9.1.2 this Agreement is executed by a duly authorised representative of the Service Provider;

9.1.3 all materials, equipment and goods recommended, used or supplied by the Service Provider in connection with this Agreement shall be of satisfactory quality within the meaning of the Sale of Goods Act 1979, sound in design, fit for purpose, shall comply with all statutory requirements and regulations relating to their sale and use and shall be in conformance in all respects with the requirements of the TfL Group including the Specification;

9.1.4 the Service Provider shall provide the Services:

9.1.4.1 with the high degree of skill, care and diligence normally exercised by recognised professional firms or by highly skilled and experienced companies providing services of a similar scope, type and complexity to the Services with sufficient resources including project management resources;

9.1.4.2 in conformance in all respects with the requirements of the Authority and so that they fulfil the purpose indicated by or to be reasonably inferred from such requirements;

9.1.4.3 in a safe manner and free from any unreasonable or avoidable risk to any person's health and well-being and in an economic and efficient manner;

9.1.4.4 so that they are properly managed and monitored and shall immediately inform the Authority if any aspect of the Agreement is not being or is unable to be performed;

9.1.5 each part of the System will, on the date on which it is supplied in accordance with this Agreement and for the Warranty Period thereafter, fulfil the TfL Group's requirements and comply with the Specification, and that if any part of the System materially fails to

comply in accordance with this **clause 9.1.5** at any time during the Warranty Period the Service Provider shall comply with **clause 9.3**;

9.1.6 without prejudice to **clause 9.1.5**, the System (whether supplied or recommended for purchase by the TfL Group in connection with this Agreement) will be fully compatible with the TfL Group's computer and system infrastructures (including its operating environment) set out in any Invitation to Tender (as may be superseded by the Specification) or confirmed to the Service Provider in writing from time to time;

9.1.7 the Service Provider shall fully co-operate with the TfL Group's agents, representatives or contractors (including other suppliers of computing products and services) and supply them with such information, materials and assistance as the Authority may reasonably request or authorise from time to time;

9.1.8 all of the Service Provider's liabilities, responsibilities, and obligations shall be fulfilled in compliance with all applicable laws, enactments, orders, regulations, codes of practice, licences, waivers, consents, registrations, approvals, and other authorisations of competent authorities (**"Applicable Laws"**) and that the TfL Group's possession and/or use of the System and/or its receipt of the benefit of the Services will not place the Service Provider or any of those persons so named in this clause in breach of any Applicable Law(s), provided that the Service Provider shall have no liability under this clause in respect of any breach of such Applicable Law(s) to the extent such breach is caused by the negligent, wilful or fraudulent act and/or omission of the Authority. The Change Control Provisions shall apply in the event that a change in law requires changes to the System to be implemented by the Service Provider where the changes are peculiar to the business of the Authority or the TfL Group;

9.1.9 the Service Provider shall:

9.1.9.1 take all commercially reasonable measures to prevent the introduction into any of the TfL Group's computer systems of anything, including any computer program code, Virus, authorisation key, licence control utility or software lock, which is intended by any person to, is likely to, or may:

(a) impair the operation of the System or any other computer systems or programs in the possession of the TfL Group or impair the receipt of the benefit of the Service(s); or

(b) cause loss of, or corruption or damage to, any program or data held on the TfL Group's computer systems,

and this **clause 9.1.9.1** shall apply notwithstanding that any such things are purported to be used for the purposes of protecting the Service Provider's IPR, Third Party IPR, the Service Provider's contractual rights or other rights; or

9.1.9.2 not intentionally, recklessly or negligently damage the reputation of the TfL Group;

9.1.10 the media on which any System is supplied will be free from material defects in materials and workmanship under normal use;

9.1.11 if and to the extent that software is being provided as part of the Services or the System, the Service Provider warrants that it and its Personnel and subcontractors are in compliance with all licensing agreements applicable to third party code that is included in, or provided in connection with, the Services or the System, including without limitation, open source code;

9.1.12 the Service Provider shall ensure that the System and any software, electronic or magnetic media, hardware or computer system recommended by the Service Provider for use in connection with this Agreement shall:

9.1.12.1 where specified by the Authority in **Schedule 1**, be Euro Compliant;

9.1.12.2 not have its functionality or performance affected, or be made inoperable or be more difficult to use by reason of any data related input or processing in or on any part of such software, electronic or magnetic media, hardware or computer system; and

9.1.12.3 not cause any damage to, loss of or erosion to or interfere adversely or in any way with the compilation, content or structure of any data, database, software or other electronic or magnetic media, hardware or computer system used by, for or on behalf of any the TfL Group Member and/or any third party, on which it is used or with which it interfaces or comes into contact,

and any variations, enhancements or actions undertaken by the Service Provider in respect of such software, electronic or magnetic media, hardware or computer system shall not affect the Service Provider's compliance with this **clause 9.1.12**.

Subject to **clause 9.1.8**, in all cases the costs of compliance with this **clause 9.1** shall be borne by the Service Provider.

9.2 The Service Provider shall ensure that the benefit of any and all warranties which it receives in respect of any and all Third Party Software are passed on to the TfL Group such that the TfL Group can enforce those warranties directly against such Third Party Software licensors.

9.3 Without prejudice to any other rights, powers or remedies the Authority may have, in the event of any breach(es) of the warranties set out at **clauses 9.1.3**, **9.1.4**, **9.1.5**, **9.1.6**, **9.1.8**, **9.1.9**, **9.1.10, 9.1.11** and **9.1.12** the Service Provider shall promptly (and, if applicable, in accordance with any relevant Service Level) supply such services as are necessary to remedy such breach(es) and to prevent the re-occurrence of such breach(es) in the future.

To the extent that any such breach(es) re-occurs (notwithstanding, in relation to the limited warranty contemplated in **clause 9.1.5**, the fact that the relevant Warranty Period may have ended) then, subject to the cause of the said re-occurrence being the same or similar to that which caused the initial breach(es), the Service Provider shall forthwith supply such further Services as are necessary to remedy such breach(es) and to prevent any further re-occurrence thereof. Any Services required to be performed pursuant to this **clause 9.3** shall be performed at no additional cost to the Authority.

9.4 Each warranty and obligation in this **clause 9** shall be construed as a separate warranty or obligation (as the case may be) and shall not be limited or restricted by reference to, or reference from, the terms of any other such warranty or obligation or any other term of this Agreement.

10. CONFLICT OF INTEREST

10.1 The Service Provider warrants that it does not have an interest in any matter where there is or is likely to be a conflict of interest with the Agreement or any member of the TfL Group and that (except as provided below) it shall not act for any person, organisation or company where there is or is likely to be such a conflict of interest. This clause shall not prevent the Service Provider from providing services to an existing client of the Service Provider to whom the Service Provider is, as at the date of this Agreement, providing services provided that the Service Provider shall:

10.1.1 not act for any such client in respect of any transactions between any member of the TfL Group and such client; and

10.1.2 ensure that the personnel acting in any capacity for any such client are different from the personnel involved in performing this Agreement or in any other work which the Service Provider carries out in relation to any member of the TfL Group;

10.1.3 ensure that any personnel acting for any such client do not have access to information held by the Service Provider relating to any member of the TfL Group; and

10.1.4 inform the Authority of all such existing clients where there could be a conflict of interest and the steps that it is taking to ensure compliance with **clauses 10.1.1** to **10.1.3** inclusive.

10.2 The Service Provider shall undertake ongoing and regular conflict of interest checks throughout the duration of the Agreement and shall give notice to the Authority in writing immediately upon becoming aware of any actual or potential conflict of interest with the Services and shall work with the Authority or any member of the TfL Group to do whatever is necessary to manage such conflict to the TfL Group's satisfaction.

10.3 If the Service Provider is in breach of **clause 10.1** or if the Authority is not satisfied on the issue of any conflict of interest in accordance with **clause 10.2**, the Authority may terminate this Agreement and any other contracts between the Service Provider and any member of the TfL Group immediately.

11. ACCESS TO THE AUTHORITY PREMISES

11.1 Any access to any Authority Premises made available to the Service Provider in connection with the proper performance of this Agreement shall be free of charge and shall be used by the Service Provider solely for the purpose of performing the Services during the term of this Agreement in accordance with this Agreement provided, for the avoidance of doubt, that the Service Provider shall be responsible for its own costs of travel including any congestion charging and/or low emission zone charging. The Service Provider shall:

11.1.1 have the use of such the Authority Premises as licensee and shall not have or purport to claim any sole or exclusive right to possession or to possession of any particular part of such the Authority Premises;

11.1.2 vacate such the Authority Premises upon the termination of this Agreement or at such earlier date as the Authority may determine. If the Service Provider is asked to vacate the Authority Premises

before the termination of this Agreement, the Service Provider shall not be liable for any delay in the supply of the System or the performance of the Services to the extent so caused by the request to vacate (provided such request is not due to the Service Provider's breach or default);

11.1.3 not exercise or purport to exercise any rights in respect of any the Authority Premises in excess of those granted under this **clause 11**;

11.1.4 ensure that the Service Provider's Personnel carry any identity passes issued to them by the Authority at all relevant times; and

11.1.5 not damage the Authority Premises or any assets of the TfL Group.

11.2 Nothing in this **clause 11** shall create or be deemed to create the relationship of landlord and tenant in respect of any the Authority Premises between the Service Provider and any TfL Group Member.

11.3 Unless agreed otherwise in writing between the parties (referencing this Agreement), the Authority shall be under no obligation to provide office or other accommodation or facilities or services (including telephony and IT services) to the Service Provider.

11.4 The Service Provider shall, while on the Authority Premises, comply with all of the TfL Group's security procedures and requirements notified to it from time to time, including the Security Policy, and shall ensure that all of the Service Provider's Personnel comply with all such procedures and requirements.

11.5 The Authority reserves the right, acting reasonably:

11.5.1 to refuse to admit to any the Authority Premises any of the Service Provider's Personnel who fail to comply with any of the TfL Group's procedures, requirements, policies and standards referred to in **clause 12**;

11.5.2 to instruct any of the Service Provider's Personnel to leave any the Authority Premises at any time for and such Service Provider's Personnel shall comply with such instructions immediately.

11.6 The Service Provider shall promptly notify the Service Provider's Personnel and the Authority of any health and safety hazards that exist or may arise in connection with the performance of the Services.

12. COMPLIANCE WITH POLICIES AND LAW

12.1 The Service Provider undertakes to procure that all of the Service Provider's Personnel comply with all of the TfL Group's policies and standards that are relevant to the performance of the Services (including TfL's workplace harassment policy as updated from time to time (copies of which are available on request from TfL) and with TfL's Code of Conduct (which is available on TfL's website, www.tfl.gov.uk)), including those relating to safety, security, business ethics, drugs and alcohol, the Security Policy, and any other on-site regulations specified by the Authority for personnel working at the Authority Premises or being granted access to the Sites in accordance with **clause 11**. The Authority shall provide the Service Provider with copies of such policies and standards on request.

12.2 The TfL Group's workplace harassment policy as set out in **clause 12.1** (**"Policy"**) requires the TfL Group's own staff and those of its contractors to comply fully with the Policy to eradicate harassment in the workplace. The Service Provider shall:

12.2.1 ensure that its staff, and those of its sub-contractors, working on the Authority Premises are fully conversant with the requirements of the Policy;

12.2.2 fully investigate allegations of workplace harassment in accordance with the Policy; and

12.2.3 ensure that appropriate, effective action is taken where harassment is found to have occurred.

12.3 The Authority is committed to the improvement of business performance and the minimisation of risks and disruption to the TfL Group's and the Service Provider's respective employees, agents and subcontractors and customers of the TfL Group and those interfacing with the TfL Group transport networks through the effective management of health, safety and environmental issues and the Service Provider shall demonstrate its support for such commitment by:

12.3.1 implementing an effective health, safety and environmental management system; and

12.3.2 maximising opportunities for environmentally responsible procurement and maximising environmental opportunities and minimising environmental risks,

and shall communicate its methodology for doing so to the Authority.

12.4 If required by the Authority under **Schedule 1**, the parties shall agree an equality policy and if so, for the duration of this Agreement, the Service Provider shall comply with the Agreed Equality Policy.

12.5 Without prejudice to the generality of the foregoing, the Service Provider acknowledges that the Authority is under a duty:

12.5.1 to have due regard to the need:

12.5.1.1 to promote equality of opportunity for all persons irrespective of their race, sex, disability, age, sexual orientation or religion;

12.5.1.2 to eliminate unlawful discrimination; and

12.5.1.3 to promote good relations between persons of different racial groups, religious beliefs and sexual orientation; and

12.5.2 under section 76A of the Sex Discrimination Act 1975 and section 71 of the Race Relations Act 1976, to have due regard to the need to

eliminate unlawful discrimination on grounds of sex or marital status and/or race and to promote equality of opportunity and good relations between persons of different racial groups;

and, in providing the Services, the Service Provider shall assist and cooperate with the Authority and any TfL Group Member where possible to enable the Authority and any other TfL Group Member to satisfy its duty.

12.6 The Service Provider:

12.6.1 shall not unlawfully discriminate;

12.6.2 shall procure that the Service Provider's Personnel do not unlawfully discriminate; and

12.6.3 shall use reasonable endeavours to procure that its direct and indirect subcontractors do not unlawfully discriminate

in relation to the Services, within the meaning and scope of the Sex Discrimination Act 1975, the Race Relations Act 1976, the Disability Discrimination Act 1995, the Employment Equality (Sexual Orientation) Regulations 2003, the Employment Equality (Religion or Belief) Regulations 2003, the Employment Equality (Age) Regulations 2006, and any other relevant enactments in force from time to time relating to discrimination in employment.

12.7 Without prejudice to **clauses 12.5 and 12.6**, the Service Provider shall assist and co-operate with the Authority where possible to enable the Authority to comply with its duties under section 1 and section 149 of the Equality Act 2010 as and when section 1 and/or section 149 come into force, including any amendment or re-enactment of section 1 or section 149, and any guidance, enactment, order, regulation or instrument made pursuant to these sections.

12.8 If, pursuant to or in consequence of performing its obligations under this Agreement, the Service Provider gains access to any computer system of

any TfL Group Member including any software, hardware, firmware, database, data or file, whether directly or remotely:

12.8.1 all access shall be strictly limited to that part of the computer software, hardware, firmware, database, data or files (as the case may be) as is required for proper performance of its obligations under this Agreement;

12.8.2 the Service Provider shall comply with all reasonable security audit and other procedures and requirements of any TfL Group Member in relation to access; and

12.8.3 the Service Provider shall ensure that only the Service Provider's Personnel shall be permitted access and such access shall be to the extent strictly necessary for the proper performance of their duties in relation to the obligations of the Service Provider pursuant to this Agreement.

12.9 Without limiting the generality of **clause 9.1.8**, the Service Provider shall comply with the Bribery Act 2010 and any guidance issued from time to time by the Secretary of State under it.

13. CORRUPT GIFTS AND PAYMENT OF COMMISSION

The Service Provider shall not, and shall ensure that its employees, agents and sub-contractors do not, pay any commission or fees or grant any rebates to any employee, officer or agent of any TfL Group Member nor favour any employee, officer or agent of any TfL Group Member with gifts or entertainment of significant cost or value nor enter into any business arrangement with employees, officers or agents of any TfL Group Member other than as a representative of the Authority, without the TfL Group's prior written approval.

14. EQUIPMENT

14.1 Risk in:

14.1.1 all of the Service Provider's Equipment shall be with the Service Provider at all times; and

14.1.2 all other equipment and materials forming part of the Services (**"Materials"**) shall be with the Service Provider at all times unless or until ownership and risk transfers in accordance with the **Annexes** to **Schedule 2** of this Agreement,

regardless of whether or not the Service Provider's Equipment and Materials are located at the Authority Premises.

14.2 The Service Provider shall ensure that all of the Service Provider's Equipment and all Materials meet all minimum safety standards required from time to time by law.

14.3 All of the Service Provider's Equipment which the Service Provider brings to the Authority Premises shall be removed by the Service Provider on termination of this Agreement and the Authority shall provide the Service Provider with such access to the Authority Premises as is reasonably required to enable such removal.

15. QUALITY AND BEST VALUE

15.1 The Service Provider acknowledges that the Authority is a best value authority for the purposes of the Local Government Act 1999 and, as such, the Authority is required to make arrangements to secure continuous improvement in the way it exercises its functions, having regard to a combination of economy, efficiency and effectiveness. Accordingly, the Service Provider shall, where reasonably requested by the Authority, participate in any relevant best value review and shall maintain an effective and economical programme for quality management, planned and developed in conjunction with any other functions of the Service Provider necessary to satisfy the requirement contemplated in this Agreement.

16. RECORDS, AUDIT AND INSPECTION

16.1 The Service Provider shall, and shall procure that its sub-contractors shall:

16.1.1 maintain a complete and correct set of records pertaining to all activities relating to the performance of the Services and the Service Provider's obligations under this Agreement and all transactions entered into by the Service Provider for the purposes of this Agreement (including time-sheets for the Service Provider's Personnel where such records are material to the calculation of any sums due under this Agreement) (**"Records"**); and

16.1.2 retain all Records during the term of this Agreement and for a period of not less than six (6) years (or such longer period as may be required by law) following termination of this Agreement (**"Retention Period"**).

16.2 The Authority and any person nominated by the Authority has the right to audit any and all Records at any time during the Retention Period on giving to the Service Provider what the Authority considers to be reasonable notice (whether in writing or verbally) and at any reasonable time to inspect any aspect of the Service Provider's performance of the Services (including compliance with **clause 12**). The Authority shall use reasonable endeavours to co-ordinate its audits and to manage the number, scope, timing and method of undertaking audits so as to ensure that the Service Provider is not, without due cause, disrupted or delayed in the performance of its obligations under this Agreement.

16.3 The Service Provider grants to the Authority and its agents the right, once in any twelve month period, upon ten (10) Business Days' notice, to audit and/or test the security and robustness of System, Services and/or the Service Provider's compliance with the TfL Group's requirements on security, data integrity and protection against breach of confidentiality, provided that such activities do not impact the performance, use or usability of the Services for the Service Provider's other customers. In the event that an audit uncovers a breach by the Service Provider, the Authority may conduct follow up audits to ensure remediation and compliance by the Service Provider. Such audits and tests may include penetration testing and ethical hacking and the Service Provider grants consent for such tests and audits to be

performed notwithstanding any provisions contained within the Computer Misuse Act 1990 or the Police and Justice Act 2006. In view of the fact that such audits and testing may be intended to simulate a criminal attack, the Service Provider agrees not to take any action against the TfL Group or its agents performing the audits or tests and that the TfL Group and their agents shall not be responsible or liable for any loss, damage, expenses or claims incurred by the Service Provider as a result of such tests or audits, including any loss or damage caused to the Service Provider's systems or the Service Provider's business or any third party claims brought against the Service Provider relating to or arising out of such tests or audits except to the extent that it would be unlawful for the Authority not to be responsible or liable. The Service Provider agrees to indemnify the TfL Group and its agents against any loss, damage or expenses that the TfL Group or its agents may incur by reason of claims, actions, demands or proceedings brought against the TfL Group or its agents by third parties, including the Service Provider's suppliers, arising out of or in connection with a breach of the Service Provider's obligations discovered by such audits or tests.

16.4 For the purposes of exercising its rights under **clauses 16.2** and **16.3**, the Service Provider shall provide the Authority and/or any person nominated by the Authority with all reasonable co-operation including:

16.4.1 granting access to any premises, equipment, plant, machinery or systems used in the Service Provider's performance of this Agreement, and where such premises, equipment, plant, machinery or systems are not the Service Provider's own, using all reasonable endeavours to procure such access or reasonable substitute information;

16.4.2 ensuring that appropriate security systems are in place to prevent unauthorised access to, extraction of and/or alteration to any Records;

16.4.3 making all Records available for inspection and providing copies of any Records if requested; and

16.4.4 making the Service Provider's Personnel available for discussion with the Authority.

16.5 Any audit, inspection and/or testing by the Authority pursuant to **clause 16.3** shall not relieve the Service Provider or any of its sub-contractors from any obligation under this Agreement or prejudice any of the TfL Group's rights, powers or remedies against the Service Provider.

16.6 The Service Provider shall promptly, to the extent reasonably possible in each particular circumstance, comply with the TfL Group's reasonable requests for access to senior personnel engaged in the Service Provider's performance of the Services.

16.7 This **clause 16** shall survive termination of this Agreement.

17. CONTRACT MANAGEMENT AND CHANGE CONTROL

17.1 The Service Provider shall provide the Authority with a written report on a monthly basis in respect of the Services performed in the preceding month or at the intervals set out in **Schedule 1**, if different. Such reports shall be provided within ten (10) Business Days of the end of the relevant calendar month or interval set out in **Schedule 1**. Unless agreed otherwise in writing, a review meeting shall be held within ten (10) Business Days thereafter between representatives of the parties to discuss such report and any other matters relating to the status and performance of this Agreement generally.

17.2 Any reports to be provided to the Authority under **clause 17.1** will contain at least the following and any other agreed items:

17.2.1 written status summary;

17.2.2 requests for action from the Authority;

17.2.3 activities completed during the period;

17.2.4 activities to be completed in the next period and by whom;

17.2.5 perceived risk factors and the strategies being used to minimise them; and

17.2.6 where applicable to the relevant Service(s) being provided, measurement of the Service Provider's performance against the Service Levels,

in a form to be agreed between the Authority and the Service Provider.

17.3 Any and all changes to the Services and the System to be supplied shall be made in accordance with the Change Control Provisions set out in **Schedule 7**.

18. INSURANCE

18.1 The Service Provider shall at its sole cost obtain and maintain the Insurances.

18.2 The Service Provider shall:

18.2.1 procure that its public liability insurance, employer's liability insurance and product liability insurance includes an Indemnity to Principal clause;

18.2.2 provide evidence satisfactory to the Authority prior to the Commencement Date and at least five (5) Business Days prior to each anniversary of the Commencement Date that the Insurances have been effected and are in force. Where any Insurance is due for renewal during the term of this Agreement, the Service Provider shall within five (5) Business Days after the date of renewal also provide the Authority with satisfactory evidence that such Insurance has been renewed;

18.2.3 where the Insurances contain a care, custody or control exclusion, procure that the relevant policy is endorsed so as to delete the exclusion in respect of any of the Authority Premises (including contents) or any other assets owned by the Authority or for which it is

responsible that are occupied or used by the Service Provider for the purpose of performing the Services;

18.2.4 if required by the Authority, procure that prior to cancelling or changing any term of any Insurances, such that it no longer meets the requirements set out in this Agreement, the insurer or insurers under such Insurances give the Authority not less than thirty (30) days' notice of intention to cancel or make such change;

18.2.5 bear the cost of all or any excesses under the Insurances;

18.2.6 give notice to the Authority as soon as reasonably practicable in writing of any anticipated or actual event or circumstance which may lead or has led to any Insurance lapsing or being terminated or the cover under it being reduced or modified;

18.2.7 give notice to the Authority as soon as reasonably practicable in writing upon becoming aware of any claim, event or circumstance which is likely to give rise to any claim or claims in aggregate in respect of the Services in excess of £100,000 or the figure set out in **Schedule 1**, if different, on any Insurance and, if requested by the Authority and where not otherwise subject to an obligation of confidentiality, provide full details of such claim, event or circumstance (and such other relevant information as the Authority may reasonably require) within three (3) Business Days of the TfL Group's request;

18.2.8 promptly and diligently deal with all claims under the Insurances (or any of them) relating to the Services and in accordance with all insurer requirements and recommendations; and

18.2.9 in relation to any claim settled under the Insurances in respect of the Services and to the extent that the proceeds of such claim are payable to the Service Provider, pay the proceeds to the person who suffered the loss or damage that gave rise to the claim (whether the Authority, a TfL Group Member or any third party).

18.3 If the Service Provider is in breach of **clause 18.2** and does not remedy such breach within thirty (30) days of notice from the Authority to do so, then without prejudice to any of its other rights, powers or remedies, the Authority may pay any premiums required to keep any of the Insurances in force or itself procure such Insurances. In either case, the Authority may recover such premiums from the Service Provider, together with all expenses incurred in procuring such Insurances as a debt.

18.4 The Service Provider warrants that nothing has or will be done or be omitted to be done which may result in any of the Insurances being or becoming void, voidable or unenforceable.

18.5 In relation to Insurances which must be held for a period which extends beyond termination, this **clause 18** shall survive termination of this Agreement.

19. THE TFL GROUP'S DATA

19.1 The Service Provider acknowledges the TfL Group's ownership of Intellectual Property Rights which may subsist in the TfL Group's data. The Service Provider shall not delete or remove any copyright notices contained within or relating to TfL Group's data.

19.2 The Service Provider shall at any time when any of the TfL Group's data is in its control or possession preserve the integrity of such TfL Group's data and to prevent any corruption or loss of TfL Group's data.

19.3 The Service Provider shall not use TfL Group's data for promotional or other marketing activities without the express prior written permission of the Authority.

20. INTELLECTUAL PROPERTY RIGHTS

20.1

20.1.1 Subject to the limited rights expressly granted hereunder, the Service Provider reserves all rights, title and interest in and to the System, the Services and Service Provider Software, including all

related Intellectual Property Rights, on behalf of the Service Provider or its licensors. No other rights are granted to the Authority hereunder other than as expressly set forth herein.

20.1.2 Subject to the provisions of **clause 20.1.1**, the Authority acknowledges that all Intellectual Property Rights in the Service Provider Software and the Third Party Software and all documentation and manuals relating thereto provided by the Service Provider from time to time shall, as between the parties, remain the exclusive property of the Service Provider (or its suppliers) and this Agreement does not operate to transfer to the Authority title to, or in any Intellectual Property Rights in, the Service Provider's IPR.

20.1.3 The Service Provider grants to the Authority the licences set out in **Annex A** of **Schedule 2**.

20.2 Nothing in this **clause 19.3** shall prevent either party from using data processing techniques, ideas and know-how gained during the performance of this Agreement in the furtherance of its normal business, to the extent that this does not constitute or relate to a disclosure of Confidential Information or an infringement by that party of any Intellectual Property Right.

20.3 To the extent that any TfL Group Member provides the Service Provider for the purpose of or in connection with providing the Services or supplying the System with any materials in which any TfL Group Member owns (or is licensed by a third party to use) the Intellectual Property Rights, the Service Provider acknowledges and agrees that nothing in this Agreement grants to the Service Provider any right, title or interest in such materials other than a limited non-exclusive right to use those materials solely for the purposes of providing the Services. All Intellectual Property Rights in such materials are and shall remain the exclusive property of the TfL Group Member or (if applicable) its third party licensors.

20.4 The Service Provider warrants and shall ensure that the possession and/or use by the TfL Group of the System, and the performance by the Service Provider of the Services shall not constitute any infringement or misappropriation of any Intellectual Property Rights or any other legal or

equitable right of any person and that the Service Provider owns or has obtained valid licences to or of all such Intellectual Property Rights and other rights which are necessary for the performance of its obligations under this Agreement.

20.5 If any third party claims that the possession and/or use of the System and/or the receipt of the Services (**"Indemnified Deliverables"**) by any TfL Group Member and/or the provision by the Service Provider of any Indemnified Deliverable under or in connection with this Agreement constitutes an infringement or misappropriation of any Intellectual Property Rights or other right of that third party (**"IPR Claim"**), the Service Provider shall indemnify, keep indemnified and hold harmless the TfL Group Members (including their respective employees, sub-contractors and agents) against all Losses arising from or incurred by reason of any such IPR Claim (including the defence and any settlement of such IPR Claim).

20.6 In the event of a claim pursuant to **clause 20.5**:

20.6.1 the Authority shall promptly notify the Service Provider of the claim;

20.6.2 the Service Provider shall, at its own cost and expense, control the defence of such IPR Claim and any related proceedings or settlement negotiations, except that the Authority shall be entitled to take any action which it deems necessary if the Service Provider fails to take action, or (in the TfL Group's reasonable opinion) delays taking action, in defending or settling any such IPR Claim and such failure or delay may, in the reasonable opinion of the Authority, prejudice the interests of the TfL Group; and

20.6.3 at the cost and expense of the Service Provider, the Authority shall take all reasonable steps to co-operate with the Service Provider in the defence or settlement of such IPR Claim.

20.7 If any Indemnified Deliverable becomes the subject of any IPR Claim and, as a result of such IPR Claim, a court of competent jurisdiction grants an injunction preventing the use by the Service Provider, any TfL Group Member

of any of such Indemnified Deliverable or there is substantial risk of such injunction being granted or the IPR Claim is settled on the basis that the Indemnified Deliverable cannot be used, the Service Provider shall at its expense as soon as possible following (and in any event within thirty (30) days of) such event occurring:

20.7.1 obtain for the TfL Group Members the right to continue to possess, use and/or receive the benefit of the relevant Indemnified Deliverable(s); or

20.7.2 replace or modify the relevant Indemnified Deliverable(s) so that it becomes non-infringing without detracting from the functionality or performance of the overall System or Service and provided that any such replacement or modification shall not prevent the Service Provider's compliance with the warranties contained at **clause 9**.

20.8 The Service Provider shall have no liability under or in connection with this Agreement for any infringement caused solely and directly by:

20.8.1 the combination of the relevant Indemnified Deliverable with other products, data or information not supplied by the Service Provider unless the combination was made or approved by the Service Provider;

20.8.2 the modification of the Indemnified Deliverable unless the modification was made or approved by the Service Provider;

20.8.3 the supply by or on behalf of the Authority of any of the materials specified at **clause 20.3**; or

20.8.4 breach by the Authority of any of the terms of this Agreement and/or any licence terms in respect of the Indemnified Deliverable to which the Authority is subject pursuant to the terms of this Agreement.

20.9 If any third party claims that the possession and/or use by the Service Provider of any of the materials provided to the Service Provider as contemplated in **clause 20.3** (**"the Authority Deliverables"**) constitutes an

infringement or misappropriation of any Intellectual Property Rights or other right of that third party, the Authority shall indemnify keep indemnified and hold harmless the Service Provider (including their respective employees, sub-contractors and agents) and keep the Service Provider indemnified against all claims, demands, actions, costs, expenses (including legal costs and disbursements on a full indemnity basis) and damages awarded by a court of competent jurisdiction or agreed to be paid by way of settlement of such claim provided that:

20.9.1 the Service Provider promptly notifies the Authority of such claim;

20.9.2 the Authority shall, at its own cost and expense, be entitled to control the defence of such claim and any related proceedings or settlement negotiations; and

20.9.3 at the cost and expense of the Authority, the Service Provider takes all reasonable steps to co-operate with the Authority in the defence or settlement of such claim.

20.10 The Authority shall not be liable under **clause 20.9** or otherwise for any infringement:

20.10.1 caused by the combination of the relevant the Authority Deliverables with other products, data, or information not supplied by the Authority;

20.10.2 caused by any use by the Service Provider of any the Authority Deliverables other than strictly for the purpose of the Service Provider performing its obligations under this Agreement; or

20.10.3 caused by breach by the Service Provider of any of the terms of this Agreement.

20.11 If any of the Authority Deliverables become the subject of any claim as described in **clause 20.9** and, as a result of such claim, a court of competent jurisdiction grants an injunction preventing the TfL Group's and/or the Service Provider's use of any such the Authority Deliverables or there is substantial

risk of such injunction being granted or the claim is settled on the basis that the Authority Deliverables cannot be used, the Authority shall at its expense as soon as possible following (and in any event within thirty (30) days of) such event occurring:

20.11.1 obtain for the Service Provider the right to continue to possess and/or use the relevant the Authority Deliverables;

20.11.2 with all such assistance from the Service Provider (including the provision of Additional Services) as may be agreed in accordance with **clause 32**, replace or modify the relevant the Authority Deliverables so that it becomes non-infringing without detracting from the functionality or performance of the Authority Deliverables so as to prevent the Service Provider from complying with its obligations under this Agreement; or

20.11.3 if it is not commercially reasonable to perform either of the above options, the Authority and the Service Provider shall cease use of the infringing the Authority Deliverables in which case the parties' representatives shall meet and, in good faith, explore all possible amendments to the Services which are required as a result of such cessation of use. Any such amendments shall be considered and (where applicable) agreed in accordance with **clause 32**.

20.12 The Service Provider shall ensure that all royalties, licence fees or similar expenses in respect of all Third Party IPR used in connection with this Agreement have been paid and no such amounts shall be payable by the Authority or any TfL Group Member except to the extent such amounts are included within the Charges.

20.13 This **clause 19.3** shall survive termination of this Agreement.

21. GENERAL EXCLUSIONS AND LIMITATIONS OF LIABILITY

21.1 Neither party excludes or limits its liability to the other party in respect of:

21.1.1 the terms implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982;

21.1.2 death or personal injury resulting from negligence within the meaning of section 1(1) of the Unfair Contract Terms Act 1977;

21.1.3 to the extent applicable, liability under Part 1 of the Consumer Protection Act 1987 for defects within the meaning of that Act;

21.1.4 **clause 29** (Confidentiality and Transparency);

21.1.5 fraud (including fraudulent misrepresentation); or

21.1.6 any other liability which, by law, it cannot exclude or limit,

but nothing in this clause confers any right or remedy upon a party to which it would not otherwise be entitled.

21.2 The Service Provider does not exclude or limit its liability to the Authority under or in connection with this Agreement:

21.2.1 for breach of Intellectual Property Rights (whether pursuant to **clause 19.3** (Intellectual Property Rights) or otherwise);

21.2.2 in respect of liability pursuant to **clause 11** (Access to the Authority Premises);

21.2.3 in respect of liability pursuant to **clauses 30 and 31** (Freedom of Information and Data Protection);

21.2.4 in respect of liability pursuant to **clause 23** (Loss of Software and Data Security); or

21.2.5 in respect of Service Provider's liability to the TfL Group in respect of the liability of the TfL Group to a Participating Supplier for any difference between (i) the sum which the TfL Group is obliged to pay to the Participating Supplier under TfL Group's standard payment terms and (ii) the sum paid to the Participating Supplier under the early payment terms applicable under a Supplier Adoption

Agreement, arising from breach of this Agreement by the Service Provider;

21.2.6 in respect of any failure by the Service Provider to effect pursuant to this Agreement a valid assignment to the extent that it may be required to give effect to the terms of this Agreement.

21.3 Subject to **clauses 21.1** and **21.2**, **clauses 21.3** to **21.8** set out the entire liability of each party (including liability for the acts or omissions of its employees, agents or sub-contractors and, in relation to the Authority, the acts or omissions of the TfL Group) to the other party in respect of:

21.3.1 any breach of its contractual obligations arising under or in connection with this Agreement;

21.3.2 any representation, statement, negligence, breach of statutory duty or other tortious act or omission arising under or in connection with this Agreement; and

21.3.3 any damage to property.

21.4 Except as provided in **clauses 21.1** and **21.2**, the Service Provider's maximum liability under this Agreement will be as set out in **Schedule 1**.

21.5 Except as provided in **clause 21.1**, the entire liability of the Authority and the TfL Group (together) under or in connection with this Agreement will not exceed the TfL Group's Liability Cap save that TfL Group's Liability Cap will not apply in respect of any non-payment by the Authority of the Commissioning Fee, the Service Fee and any interest payable under **clause 4.15**.

21.6 In the event that a TfL Group Member other than the Authority suffers Losses in circumstances where the Authority would be able to recover such Losses from the Service Provider, such person may recover from the Service Provider an amount equal to the amount that the Authority would have been able to recover had the Losses been suffered by the Authority rather than the other TfL Group Member subject always to the limitations and exclusions of

liability contained in this Agreement. In the alternative, the Service Provider agrees that any Losses suffered or incurred by any TfL Group Member arising under or in connection with this Agreement (in this **clause 21.6** collectively **"Group Member Losses"**): (i) will be deemed to have been incurred by the Authority; and (ii) will be recoverable by the Authority from the Service Provider as if they were losses suffered or incurred directly by the Authority but always subject to the limitations and exclusions of liability set out in this Agreement. For the purposes of this **clause 21.6**, any TfL Group Member Losses shall not be deemed to be consequential or indirect or special merely as a result of not being suffered directly by the Authority. For the avoidance of doubt, the Service Provider shall still be entitled, in the case of a remediable breach, to remedy such breach in accordance with the terms of this Agreement.

21.7 In the event that the Service Provider is defined under this Agreement to include more than one person, then each such person shall be jointly and severally liable for all obligations of the Service Provider under this Agreement.

21.8 The exclusions from and limitations of liability set out in this **clause 21** shall be considered severably. The validity or unenforceability of any one clause, sub-clause, paragraph or sub-paragraph of this **clause 21** shall not affect the validity or enforceability of any other clause, sub-clause, paragraph or sub-paragraph of this **clause 21**.

21.9 Subject to **clause 21.10**, the Service Provider is responsible for and shall indemnify, keep indemnified and hold harmless the Authority and the other TfL Group Members (including their respective employees, sub-contractors and agents) (the **"Indemnified Party"**) against all Losses which the Indemnified Party incurs or suffers as a consequence of any breach or any negligent performance of this Agreement by the Service Provider (including in each case any non-performance or delay in performance of this Agreement) or of any breach of statutory duty, misrepresentation or misstatement by the Service Provider.

21.10 The Service Provider is not responsible for and shall not indemnify the Authority for any Losses to the extent that such Losses are caused by any breach or negligent performance of any of its obligations under this Agreement by the Authority and/or any other the TfL Group Member.

21.11 Neither party shall be liable to the other party for indirect or consequential loss.

21.12 The provisions of this **clause 21** shall survive the termination of the whole or a part of this Agreement.

22. FORCE MAJEURE

22.1 Subject to **clauses 22.4** and **36**, neither party shall be liable for any delay in performing or for failure to perform any of its obligations under this Agreement due to a Force Majeure Event.

22.2 Subject to **clauses 22.4** and **36**, if either party is prevented from performing any of its obligations due to a Force Majeure Event it shall promptly give notice to the other party in writing of the circumstances of the Force Majeure Event and the other party shall grant a reasonable extension for the performance of this Agreement. The other party shall in no circumstances be obligated to give an extension which is of a period longer than the Force Majeure Period set out in **Schedule 1**. The Authority may terminate this Agreement on immediate notice in writing if a Force Majeure Event affecting the Service Provider continues for more than the Force Majeure Period set out in **Schedule 1**.

22.3 Subject to **clauses 22.4** and **36**, it is expressly agreed that any failure by the Service Provider to perform, or any delay by the Service Provider in performing, its liabilities, obligations or responsibilities under this Agreement which results from any failure or delay in the performance of its obligations by any person with which the Service Provider shall have entered into any contract, supply arrangement, sub-contract or otherwise, shall be regarded as a failure or delay due to a Force Majeure Event only in the event that such person shall itself be prevented from or delayed in complying with its

obligations under such contract, supply arrangement, sub-contract or otherwise as a result of circumstances of a Force Majeure Event.

22.4 In the case of Services or Systems which are for business critical or safety critical parts of the TfL Group, its estate or services or which otherwise require continuous uninterrupted service, as indicated by TfL in **Schedule 1**, the Service Provider shall not be excused from performance due to a Force Majeure Event or a Disaster.

23. LOSS OF SOFTWARE AND DATA SECURITY

23.1 Without prejudice to its other obligations under this Agreement, the Service Provider shall, during the term of this Agreement and in the course of performing the Services, provide the same measures in respect of the prevention of unauthorised access to any TfL Group Member's computer systems, software and data, the prevention of the introduction of known Viruses and shall provide the capability to restore the systems, software and data in the event that the loss of the systems, software or data arises directly or indirectly from any act or omission of the Service Provider (including the Service Provider's Personnel) or whilst such systems, software or data is in the custody, control or otherwise interfaced with or accessed by the Service Provider as Service Provider does for its own systems, software and data, but no less than that compatible with best industry standards and reasonable care.

23.2 The Service Provider shall not, without the consent of the Authority, be entitled to delete any software or data belonging to any TfL Group Member to which the Service Provider has access in performance of its obligations under this Agreement.

23.3 Upon receipt or creation by the Service Provider of the TfL Group's data and during any collection, processing, storage and transmission by the Service Provider of the TfL Group's software or data the Service Provider shall take all necessary precautions to preserve the integrity of such software and data and to prevent any corruption or loss thereof to conform with commercially

reasonable care and best industry standards including such precautions as are specified by the Authority from time to time.

23.4 In the event that any of the TfL Group's software or data is corrupted or lost or so degraded as to be unusable due to any act or omission of the Service Provider after its receipt or creation by the Service Provider or during any collection, processing, storage or transmission by the Service Provider of the TfL Group's software or data or otherwise as a result of any default by the Service Provider then, in addition to any other remedies that may be available to the Authority under this Agreement or otherwise:

23.4.1 the Service Provider shall promptly, at the Service Provider's expense, restore or procure the restoration of the TfL Group's software and data to the TfL Group's reasonable satisfaction, as notified in writing, such that the Service Provider has made good the corruption, loss or degradation of the software and data; and

23.4.2 in the event that the Authority itself has to restore or procure the restoration of the Service Provider's software or data, then the Authority shall require the Service Provider to repay the Authority's reasonable costs and expenses incurred in carrying out such restoration.

23.5 In the event that any of the TfL Group's software or data is corrupted or lost or sufficiently degraded as to be unusable otherwise than due to a default by the Service Provider, the Service Provider shall nevertheless carry out such remedial actions to restore the TfL Group's software and data or such other actions as may be necessary to restore the TfL Group's software and data as the Authority may request in writing and the reasonable agreed cost of the remedial actions or such other actions shall be borne by the Authority.

23.6 Without prejudice to the generality of **clauses 23.1** and **23.3**, the Service Provider shall:

23.6.1 before performing any actions in respect of any TfL Group Member's software or data, ensure that it has performed back-ups of such

software or data as set out in **Schedule 1** or agreed in writing from time to time or, where none are agreed, as are reasonable in the circumstances; and

23.6.2 perform its obligations in conformance with the Security Policy.

Nothing in this Agreement shall relieve the Service Provider's obligations in this regard.

23.7 Subject to applicable limitations of liability, the Service Provider shall indemnify the Authority and the TfL Group for Losses incurred or suffered by the Authority and/or any the TfL Group Member which results from a breach by the Service Provider of its obligations under this **clause 23**.

23.8 This **clause 23** shall survive termination of this Agreement.

24. TERMINATION

24.1 Without prejudice to the TfL Group's right to terminate at common law, the Authority may terminate this Agreement immediately (or on such later date as it shall specify in writing) upon giving notice to the Service Provider if:

24.1.1 the Service Provider has committed any material or persistent breach of this Agreement and in the case of such a breach that is capable of remedy fails to remedy that breach within twenty (20) Business Days from the date of written notice to the Service Provider giving details of the breach and requiring it to be remedied;

24.1.2 the Service Provider is subject to an Insolvency Event;

24.1.3 there is a Change of Control or of management personnel of the type referred to in **clause 28.4**; or

24.1.4 the Authority is not satisfied on the issue of any conflict of interest in accordance with **clause 10**;

24.1.5 the Service Provider commits any of the money laundering offences under the Money Laundering Regulations 2003;

24.1.6 the Service Provider or any of its officers, employees, sub-contractors or agents commits any act of bribery described in the Bribery Act 2010; or

24.1.7 a termination circumstance, as referred to in **Schedule 6**, applies.

24.2 Without prejudice to the TfL Group's right to terminate this Agreement under **clause 24.1** or to terminate at common law, the Authority may at any date after the expiry of the Initial Period terminate (a) this Agreement or (b) the Software Managed Services and/or the Maintenance Services and/or the Business Support Services and/or the Supplier On-Boarding Services and/or the Additional Services at any time after the Commencement Date without cause and without giving rise to any cost or liability of the TfL Group subject to giving the Service Provider at least 60 days' prior written notice.

24.3 To the extent that the Authority has a right to terminate this Agreement under this **clause 24** then, as an alternative to termination, the Authority may by giving notice to the Service Provider require the Service Provider to provide part only of the System or the Services or any of the **Annexes** set out in **Schedule 2** with effect from the date specified in the TfL Group's notice (**"Change Date"**) whereupon the provision of the remainder of the System or the Services will cease and the definition of **"**the System**"** and/or **"**the Services**"** shall be deemed amended accordingly. The Charges applicable with effect from the Change Date will be adjusted proportionately or, if in the TfL Group's opinion a proportionate adjustment would not be reasonable, in such manner as the Authority may reasonably determine.

24.4 Not used.

24.5 Subject to **clause 4.13**, the Service Provider may terminate for non-payment by the Authority. Termination may only occur after a failure to remedy by the Authority within sixty (60) Business Days from the date of written notice by the Service Provider provided that the Service Provider also provides a written notice to the Authority thirty (30) Business Days after the first written notice is served of its intention to terminate if payment is not made within the next thirty (30) Business Days.

24.6 Without prejudice to the Authority's right to terminate the Agreement under **clauses 24.1**, **24.2** or at common law, the Authority may terminate the Agreement at any time following a Declaration of Ineffectiveness in accordance with the provisions of **clause 26**.

25. CONSEQUENCES OF TERMINATION/EXIT

25.1 Except in the case of termination for breach, the Service Provider shall provide the Authority with a statement of account of monies owing to it (if any) for agreement with the Authority. The statement will not include monies withheld under **clause 4.8** or **4.9**.

25.2 On termination of this Agreement, howsoever caused, clauses and Schedules in this Agreement which expressly or impliedly have effect after termination shall remain in effect including **clause 19.3** (Intellectual Property Rights), **clause 29** (Confidentiality and Transparency), **clause 21** (Liability), **clause 38** (Law and Dispute Resolution) and **Schedule 10** (Exit Management).

25.3 The termination of this Agreement shall not prejudice or affect any right, power or remedy which has accrued or shall accrue to either party prior to or after such termination.

25.4 Upon termination of this Agreement (howsoever caused) the parties shall perform their respective obligations under **Schedule 10** and the Exit Plan.

25.5 Notwithstanding the provisions of the Exit Plan and **Schedule 10**, whenever the Authority chooses to put out to tender for a replacement service provider for some or all of the Services or System, the Service Provider shall disclose to tenderers such information concerning the Services and System as the Authority may require for the purposes of such tender. The Service Provider may impose upon any recipient of such information such obligations of confidentiality as it may reasonably require.

25.6 The Authority shall, within thirty (30) days of the statement of accounts being agreed under **clause 25.1**, pay the Service Provider any charges remaining due in relation to any Services properly performed and/or the System

properly delivered in accordance with this Agreement up to the date of termination.

25.7 If the Authority terminates this Agreement other than under **clause 24.2**, then the Authority may, without prejudice to its other rights under this Agreement:

25.7.1 itself complete the supply of the System and/or the Services, or enter into a contract with a third party to effect such completion and, for the avoidance of doubt, such completion shall be taken to include the creation, manufacture, production or procurement of any hardware, software or other products (or reasonable equivalents thereof); and

25.7.2 the Authority shall be entitled to use or have used on its behalf all know-how and Intellectual Property Rights owned or controlled by the Service Provider used in or in connection with the System and/or Services (including any Escrow Materials and Source Materials as defined below) free of charge for the purposes of completion and use, amendment, modification and/or enhancement of the System and Services as envisaged by this Agreement after such completion. This right shall not include access to the Service Provider's Software as a Service platform.

25.8 If the Authority terminates this Agreement in accordance with **clause 24.1.2**, then the Service Provider shall, as of the date of termination of this Agreement, assign to the TfL Group with full title guarantee, all Intellectual Property Rights in the Services and the System which were due to be transferred to the Authority should the Insolvency Event have not occurred and which are in existence and capable of assignment as of the date of termination.

25.9 Upon termination of this Agreement (howsoever caused) or a cessation of any Services or part thereof, the Authority may enter into any agreement with any third party or parties as the Authority thinks fit to provide any or all of the Services and the System and, save in the case of a termination by the Authority pursuant to **clause 24.2**, the Service Provider shall be liable for all additional expenditure reasonably incurred by the Authority in having such

services carried out and all other costs and damages reasonably incurred by the Authority in consequence of such termination. The Authority may deduct such costs from the charges or any other sums due to the Service Provider or otherwise recover such costs from the Service Provider as a debt.

25.10 Following the Agreement End Date savings derived following the date of termination or expiry (notwithstanding Supplier Adoption Agreements remaining in effect) shall not be subject to the provisions of **Schedule 3** and shall not be taken into account in calculating the Service Fee and shall be outside of the Programme and shall not be split or otherwise shared in accordance with the terms of this Agreement.

26. DECLARATION OF INEFFECTIVENESS

26.1 In the event that a court makes a Declaration of Ineffectiveness, the Authority shall promptly notify the Service Provider. The parties agree that the provisions of **clause 25** and this **clause 26** shall apply as from the date of receipt by the Service Provider of the notification of the Declaration of Ineffectiveness. Where there is any conflict or discrepancy between the provisions of **clause 25** and this **clause 26** or the Cessation Plan, the provisions of this **clause 26** and the Cessation Plan shall prevail.

26.2 The Declaration of Ineffectiveness shall not prejudice or affect any right, liability or remedy which has accrued or shall accrue to either Party prior to or after such Declaration of Ineffectiveness.

26.3 As from the date of receipt by the Service Provider of the notification of the Declaration of Ineffectiveness, the parties (acting reasonably and in good faith) shall agree or, in the absence of such agreement, the Authority shall reasonably determine an appropriate Cessation Plan with the object of achieving:

26.3.1 an orderly and efficient cessation of the Services or (at the Authority's request) a transition of the Services to the Authority or such other entity as the Authority may specify; and

26.3.2 minimal disruption or inconvenience to the Authority or to public passenger transport services or facilities,

in accordance with the provisions of this **clause 26** and to give effect to the terms of the Declaration of Ineffectiveness.

26.4 Upon agreement, or determination by the Authority, of the Cessation Plan the parties will comply with their respective obligations under the Cessation Plan.

26.5 The Authority shall pay the Services Provider's reasonable costs in assisting the Authority in preparing, agreeing and complying with the Cessation Plan. Such costs shall be based on any comparable costs or Charges agreed as part of this Agreement or as otherwise reasonably determined by the Authority. Provided that the Authority shall not be liable to the Service Provider for any loss of profit, revenue, goodwill or loss of opportunity as a result of the early termination of this Agreement pursuant to this **clause 26**.

27. SEVERABILITY

27.1 If any provision of this Agreement (in whole or in part) is held to be invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed from this Agreement and the remaining provisions shall continue in full force and effect as if this Agreement had been executed without the invalid, illegal, or unenforceable provision. In the event that in the TfL Group's reasonable opinion such a provision is so fundamental as to prevent the accomplishment of the purpose of this Agreement, the Authority and the Service Provider shall immediately commence good faith negotiations to remedy such invalidity.

28. ASSIGNMENT/SUB-CONTRACTING/CHANGE OF OWNERSHIP

28.1 The Service Provider shall not assign or sub-contract all or any part of the Services or its obligations in relation to providing the System without the prior written consent of the Authority as to the identity of the relevant sub-contractor, which may be refused or granted consent subject to such conditions as the Authority sees fit.

28.2 Where the Service Provider sub-contracts all or any part of the Services or the provision of the System to any person, the Service Provider shall:

28.2.1 ensure that such person is obliged to comply with all of the obligations and duties of the Service Provider under this Agreement insofar as they relate to the Services or the provision of the System or part thereof (as the case may be) which that sub-contractor is required to provide;

28.2.2 be solely responsible for payments to that person;

28.2.3 remain solely responsible and liable to the Authority for any breach of this Agreement or act or omission of a sub-contractor or any performance, non-performance, part performance or delay in performance of any of the Services and/or obligations by any sub-contractor to the same extent as if such breach or act or omission had been made by the Service Provider; and

28.2.4 without prejudice to the provisions of clause 12, ensure compliance with the Bribery Act 2010 and any guidance issued by the Secretary of State under it when appointing any such sub-contractor.

28.3 Where the Authority gives its consent to sub-contracting under **clause 28.1**, the Authority may as a condition of giving its consent to the Service Provider require direct warranties, undertakings, guarantees and/or indemnities from such sub-contractor concerning the provision of the Services and its compliance with the obligations set out in this Agreement in all respects.

28.4 The Service Provider shall give notice to the Authority within 10 Business Days in the event that there is:

28.4.1 any change in the control of the Service Provider where such change relates to 50% or more of the issued share capital of the Service Provider; or

28.4.2 any change in the control of the Holding Service Provider where such change relates to 50% or more of the issued share capital of the Holding Service Provider; or

28.4.3 in the case of an unincorporated Service Provider, any change in the management personnel of the Service Provider which alone or taken with any other change in management personnel not previously notified to the Authority, equates to a change in the identity of 50% or more of the management personnel of the Service Provider,

such notice to be given:

28.4.3 as soon as reasonably possible upon the Service Provider becoming aware the change of control or of management personnel is going to take place (taking into account any restrictions placed on giving such notice by any recognised stock exchange); and

28.4.4 within ten (10) Business Days of the date on which such change takes effect.

28.5 The Authority may novate or otherwise transfer this Agreement (in whole or in part). Within ten (10) Business Days of a written request from the Authority, the Service Provider shall, at its own expense, execute such agreement as the Authority may reasonably require to give effect to any such transfer of all or part of its rights and obligations under this Agreement to one or more persons nominated by the Authority.

29. CONFIDENTIALITY AND TRANSPARENCY

29.1 The Service Provider agrees in respect of Confidential Information disclosed pursuant to this Agreement or discovered further to the operation of this Agreement:

29.1.1 to keep the Confidential Information in strict confidence and secrecy;

29.1.2 not to use the Confidential Information save for complying with its obligations under this Agreement;

29.1.3 subject to **clause 29.1.4**, not to disclose the Confidential Information to a Third Party without prior written consent of the Authority (save that the Service Provider may disclose Confidential Information to any sub-contractors it appoints pursuant to **clause 28** who of necessity need the same in the performance of this Agreement subject to the Service Provider ensuring such sub-contractor is bound legally by obligations of confidentiality with regard to the Confidential Information disclosed to it no less restrictive than the provisions of this **clause 29**), provided always that the Service Provdier shall ensure that Supplier Data submitted to the Supplier-Side Services for access by the Supplier, shall be governed by the Service Provider's confidentiality agreement to be put in place with such Supplier in place of the provisions of this clause 29.1.3 (but which shall contain terms no less restrictive than the provisions of this **clause 29**) and the Service Provider shall ensure that such Supplier Data held by the Service Provider shall be subject to data security provisions no less stringent than those described in Schedule 8 (Security Policy) shall continue to apply to it; and

29.1.4 to restrict the disclosure of the relevant and necessary parts of the Confidential Information to such of its employees, agents and sub-contractors (including persons who are appointed from time to time by the Authority to maintain the System) who of necessity need the same in the performance of this Agreement and in such circumstances to ensure that such employees, agents and sub-contractors are aware of the confidential nature of the Confidential Information subject to any such agents and sub-contractors providing the Service Provider with an undertaking to keep the Confidential Information disclosed to it confidential in similar terms to the provisions of this **clause 29**.

29.2 The obligations set out in **clause 29.1** shall not apply to any Confidential Information which:

29.2.1 the Service Provider can show by documentary evidence was already in its lawful possession and at its free disposal otherwise than directly or indirectly from the Authority or any other TfL Group Member;

29.2.2 is lawfully disclosed to the Service Provider without any obligations of confidence, by any person who has not derived it directly or indirectly from the Authority or any other TfL Group Member;

29.2.3 is or has come into the public domain through no fault of the Service Provider or its personnel;

29.2.4 is required by law or by order of a court of competent jurisdiction to be disclosed but only to the extent required by such law or order;

29.2.5 is disclosed with the prior written consent of the Authority; or

29.2.6 is disclosed pursuant to **clause 30**.

29.3 The Service Provider acknowledges that damages would not be an adequate remedy for any breach of **clause 29** and that (without prejudice to all other rights, powers and remedies which the Authority may be entitled to as a matter of law) the Authority shall be entitled to seek the remedies of injunction, specific performance and other equitable relief to enforce the provisions of this **clause 29** and no proof of special damages shall be necessary for the enforcement of the provisions of this **clause 29**.

29.4 The Service Provider's obligation of confidentiality in this **clause 29** shall survive the termination of this Agreement.

29.5 For the avoidance of doubt, **clause 30** shall take precedence over this **clause 29** to the extent of any inconsistency.

29.6 The Service Provider acknowledges that the Authority is subject to the Transparency Commitment. Accordingly, notwithstanding any other provision of this Agreement, the Service Provider hereby gives its consent for the Authority to publish the Contract Information to the general public.

29.7 The Authority may in its absolute discretion redact all or part of the Contract Information prior to its publication. In so doing and in its absolute discretion the Authority may take account of the exemptions/exceptions that would be available in relation to information requested under the FOI Legislation. The Authority may in its absolute discretion consult with the Service Provider regarding any redactions to the Contract Information to be published pursuant to **clause 29.6**. The Authority shall make the final decision regarding publication and/or redaction of the Contract Information.

30. FREEDOM OF INFORMATION

30.1 The Service Provider acknowledges that the Authority:

30.1.1 is subject to the FOI Legislation and agrees to assist and co-operate with the Authority to enable the Authority to comply with its obligations under the FOI Legislation; and

30.1.2 may be obliged under the FOI Legislation to disclose Information without consulting or obtaining consent from the Service Provider and, subject to the provisions of this **clause 30**, may ultimately at its discretion disclose such Information.

30.2 Without prejudice to the generality of **clause 30.1**, the Service Provider shall and shall procure that its sub-contractors (if any) shall:

30.2.1 transfer to the Authority each Information Request relevant to this Agreement, the Services, the System or any TfL Group Member that it or they (as the case may be) receive as soon as practicable and in any event within two (2) Business Days of receiving such Information Request; and

30.2.2 in relation to Information held by the Service Provider on behalf of the Authority, provide the Authority with details about and/or copies of all such Information that the Authority requests and such details and/or copies shall be provided within five (5) Business Days of a request from the Authority (or such other period as the Authority may

reasonably specify) and in such forms as the Authority may reasonably specify.

30.3 The Authority shall be responsible for determining whether Information is exempt information under the FOI Legislation and for determining what Information will be disclosed in response to an Information Request in accordance with the FOI Legislation. The Service Provider shall not itself respond to any person making an Information Request, save to acknowledge receipt, unless expressly authorised to do so by the Authority.

30.4 This **clause 30** shall survive termination of this Agreement.

31. DATA PROTECTION

31.1 The Service Provider shall comply with all of its obligations under the DPA and, if Processing Personal Data on behalf of the TfL Group (**"Authority Personal Data"**), shall only carry out such Processing for the purposes of providing the Services and the System in accordance with this Agreement and in accordance with any obligations imposed by the Authority in **Schedule 1** and any other instructions from the Authority as may be specified from time to time.

31.2 Without prejudice to the generality of **clause 31.1**, the Service Provider shall:

31.2.1 take appropriate technical and organisational security measures, that are satisfactory to the Authority, against unauthorised or unlawful Processing of Authority Personal Data and against accidental loss, destruction of, or damage to such Personal Data;

31.2.2 provide the Authority with such information as it may from time to time require to satisfy itself of compliance by the Service Provider with **clause 31.2.1**;

31.2.3 co-operate with the Authority in complying with any subject access request made by any Data Subject pursuant to the DPA and/or responding to any enquiry made or investigation or assessment of

Processing initiated by the Information Commissioner in respect of any Authority Personal Data;

31.2.4 when notified by the Authority, comply with any agreement between the Authority and any Data Subject in relation to any Processing which causes or is likely to cause substantial and unwarranted damage or distress to such Data Subject, or any court order requiring the rectification, blocking, erasure or destruction of any Authority Personal Data;

31.2.5 take reasonable steps to ensure the reliability of Personnel having access to Authority Personal Data and to ensure that such Personnel are fully aware of the measures to be taken and the Service Provider's obligations under this **clause 31** when Processing Authority Personal Data; and

31.2.6 not Process any Authority Personal Data outside the European Economic Area (or any country deemed adequate by the Commission pursuant to Article 25(6) Directive 95/46/EC) without the TfL Group's prior written consent and, in the event of such consent, only if the Service Provider has agreed in writing to reasonable provisions imposed by the Authority relating to such Processing.

31.3 When the Service Provider receives a written request from the Authority for information about, or a copy of, Authority Personal Data, the Service Provider shall supply such information or data to the Authority within such time and in such form as specified in the request (such time to be reasonable) or if no period of time is specified in the request, then within ten (10) Business Days from the date of the request.

31.4 The Authority remains solely responsible for determining the purposes and manner in which Authority Personal Data is to be Processed. The Service Provider shall not share any Authority Personal Data with any sub-contractor or third party unless there is a written contract in place with such sub-contractor which requires the sub-contractor or third party:

31.4.1 to only Process Authority Personal Data in accordance with the TfL Group's instructions to the Service Provider; and

31.4.2 to comply with the same obligations with which the Service Provider is required to comply under this **clause 31**.

31.5 The additional provisions in **Annex C** of **Schedule 1** shall apply.

31.6 This **clause 31** shall survive termination of this Agreement.

32. AMENDMENT AND WAIVER

32.1 This Agreement may only be varied or amended with the written agreement of both parties. The details of any variations or amendments shall be set out in such form as the Authority may require and which may be substantially in the form set out in **Schedule 7** and shall not be binding upon the parties unless completed in accordance with such form of variation.

32.2 Any waiver of a breach of any of the terms of this Agreement shall not be deemed a waiver of any subsequent breach and shall not affect the other terms of this Agreement.

33. EMPLOYEES

33.1 Nothing in this Agreement will render the Service Provider's Personnel an employee, agent or partner of the Authority or of any member of the TfL Group by virtue of the provision of the Services by the Service Provider under this Agreement and the Service Provider shall be responsible for making appropriate deductions for tax and national insurance contributions from the remuneration paid to the Service Provider's Personnel.

33.2 Notwithstanding **clause 33.1**, the Service Provider shall indemnify, keep indemnified and hold harmless the TfL Group from and against all liabilities, costs, expenses, injuries, direct or indirect or consequential loss, damages, claims, demands, proceedings and legal costs (on a full indemnity basis) which the Authority or the TfL Group incur or suffer whenever arising or

brought by the Service Provider's Personnel or any person who may allege to be the same.

33.3 The Service Provider shall pay to the Service Provider's Personnel not less than the amounts declared to the Authority (if any) as part of the tender process for this Agreement and not less than the amounts to which the Service Provider's Personnel are contractually entitled.

33.4 *NON-SOLICITATION*

33.4.1 Subject to **clause 33.4.2**, neither the Service Provider nor the Authority shall, whether directly or indirectly and whether alone or in conjunction with, or on behalf of, any other person and whether as a principal, shareholder, director, employee, agent, consultant, contractor or otherwise:

33.4.1.1 at any time during the Term solicit, induce or entice away or endeavour to solicit, induce or entice away from the other party any person employed by or contracted to that party in a senior and/or skilled capacity where such person is engaged at any time during the term in the performance of this Agreement whether or not such person would commit any breach of his or her contract of employment or engagement by leaving the employment or engagement of the other party;

33.4.1.2 at any time during the Term employ, engage or appoint any person employed by the other party in any senior and/or skilled capacity where such person is engaged at any time during the term in the performance of this Agreement and where such person would commit a breach of his or her contract of employment by leaving the employment of the other party;

33.4.1.3 at any time during the period of twelve (12) months following the end of the Term, solicit, induce or entice away or endeavour to solicit, induce or entice away, from the other party any person employed by or contracted to the other party in a senior and/or skilled capacity where such person was engaged at any time during the final three (3) months of the term in the performance of this Agreement (including employees whose employment has transferred to the Authority or a new service provider pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006 after the end of the Term) whether or not such person would commit any breach of his or her contract of employment or engagement by leaving the employment or engagement of the other party; or

33.4.1.4 at any time during the period of twelve (12) months following the end of the Term employ, engage or appoint any person employed by the other party in a senior and/or skilled capacity where such person was engaged at any time during the final three (3) months of the term of this Agreement in the performance of this Agreement and where such person would commit a breach of his or her contract of employment by leaving the employment of the other party.

33.4.2 This **clause 33.4** shall not prevent employment resulting from general recruitment advertising which shall not constitute a breach of **clause 33.4**.

33.5 Subject to **Schedule 1**, the parties confirm that the Transfer of Undertakings (Protection of Employment) Regulations 2006 are not envisaged to apply on the Commencement Date or the termination of this Agreement.

33.6 This **clause 33** shall survive termination of this Agreement.

34. NOTICES

34.1 Any notice or demand in connection with this Agreement will be in writing and may be delivered by hand, prepaid recorded delivery first class post or facsimile addressed to the addressee at the address stated in **Schedule 1** (or in the absence of such address being set out, the recipient's registered office), or any other address and facsimile number notified to the other party in writing in accordance with this clause as an address to which notices, demands and communications may be sent. The notice or demand will be deemed to have been duly served:

34.1.1 if delivered by hand, at the commencement of the following Business Day;

34.1.2 if delivered by post, seventy-two (72) hours after being posted or, in the case of airmail, ten (10) Business Days after being posted; or

34.1.3 if delivered by facsimile, at the commencement of the following Business Day, provided that a confirming copy is sent by first class post to the other party within twenty-four (24) hours after transmission.

35. PUBLICITY

35.1 No announcement, circular, advertisement or other publicity (including any communication with representatives of the general or technical press, radio, television or other communications media) in connection with this Agreement, its subject matter or any ancillary matter will be made or issued by or on behalf of the Service Provider without the prior written consent of the Authority. The Authority shall have the right to approve any such announcement, circular, advertisement or other publicity before it is made.

35.2 The Service Provider agrees and shall ensure that the Authority has the right to control and to supervise all dealings with the press and any other media in relation to any incident, event, claim or action arising in connection with this Agreement.

36. DISASTER RECOVERY

36.1 The Service Provider will ensure at all times it has in place a Disaster Recovery Plan and that the Disaster Recovery Plan is adequate to minimise the effect of any Disaster.

36.2 In the event of a Disaster, the Service Provider will immediately implement the Disaster Recovery Plan and will continue to provide those Services which are not affected by the Disaster in accordance with the provisions of this Agreement. In respect of any part of the Services which are affected by the Disaster, the Service Provider will comply with the Disaster Recovery Plan, the rest of this **clause 36** and this Agreement.

36.3 In the case of Services or Systems which are for business critical or safety critical parts of the TfL Group, its estate or services or which otherwise require continuous uninterrupted service, as indicated by TfL in **Schedule 1**, the Service Provider shall not be excused from performance due to a Force Majeure Event or a Disaster.

37. INDEMNITY - CONDUCT OF CLAIMS

37.1 In respect of any claim arising under any indemnity contained in this Agreement, the party indemnified (**"indemnified party"**) will:

37.1.1 as soon as possible give to the party giving the indemnity (**"indemnifying party"**) written notice of the claim, circumstance or matter against which that party is claiming to be indemnified, and all details of the claim from time to time in the knowledge or possession of that party;

37.1.2 where the claim relates to a claim by any third party against that party, not without the prior written consent of the other party (which will not be unreasonably withheld or delayed) admit liability or make any offer, promise, compromise, settlement or communication with the third party in respect of the claim; and

37.1.3 where the claim is by a third party against the indemnified party,

37.1.3.1 at the request of the indemnifying party; and

37.1.3.2 provided at all times that the indemnifying party provides to the reasonable satisfaction of the indemnified party security for all costs, charges and expenses,

surrender to the indemnifying party or its insurers the conduct, in the indemnified party's name, of the defence, settlement and/or counterclaim to the third party's claim (provided that the indemnified party will be kept fully informed as to the conduct of such defence, settlement and/or counterclaim).

38. LAW AND DISPUTE RESOLUTION

38.1 The formation, existence, construction, performance, validity and all aspects whatsoever of this Agreement or of any term of this Agreement as well as any non-contractual obligations arising out of or in connection with it shall be governed by English law. The English courts shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement. The parties agree irrevocably to submit to that jurisdiction.

38.2 If the Dispute is not settled through discussion between the representatives of the parties within a period of seven (7) Business Days of the date on which the Dispute arose, the parties may refer the Dispute in writing to a director or chief executive (or equivalent) (**"Senior Personnel"**) of each of the parties for resolution.

38.3 If the Dispute is not resolved within ten (10) Business Days of referral to the Senior Personnel, either party may propose by notice to the other party (**"Notice"**) that a structured mediation or negotiation be entered into with the assistance of a mediator.

38.4 If, within twenty (20) Business Days of the service of the Notice, the parties are unable to agree on a mediator or if the agreed mediator is unable or unwilling to act, either party may apply to the Centre for Effective Dispute Resolution (**"CEDR"**) in London to appoint a mediator. The costs of that

mediator shall be divided equally between the parties or as the parties may otherwise agree in writing.

38.5 Where a dispute is referred to mediation under **clause 38.4**, the parties will attempt to settle such Dispute by mediation in accordance with the model mediation procedures published by CEDR or such other procedures as the mediator may recommend.

38.6 If the parties reach agreement on the resolution of the Dispute, such agreement shall be recorded in writing (which for the purposes of this clause shall not include email or electronic communication and must be a printed hard copy) and once signed by the parties' authorised representatives, shall be final and binding on the parties.

38.7 If either party refuses at any time to participate in the mediation procedure or in any event if the parties fail to reach agreement on the Dispute within forty (40) Business Days of the service of the Notice either party may commence proceedings in accordance with **clause 38.1**.

38.8 For the avoidance of doubt, the Service Provider shall continue to perform its obligations under this Agreement in accordance with this Agreement and without delay or disruption while the Dispute is being resolved pursuant to this **clause 38**.

38.9 Neither party shall be prevented from, or delayed in, seeking any order for specific performance or for interim or final injunctive relief as a result of the provisions of this **clause 38**.

39. RIGHTS OF THIRD PARTIES

39.1 Save that any TfL Group Member has the right to enforce the terms of this Agreement in accordance with the Contracts (Rights of Third Parties) Act 1999 (**"Third Party Act"**), the parties do not intend that any of the terms of this Agreement will be enforceable by virtue of the Third Party Act by any person not a party to it.

39.2 Notwithstanding **clause 39.1**, the parties are entitled to waive time, vary or rescind this Agreement without the consent of any TfL Group Members.

40. ENTIRE AGREEMENT/RELIANCE ON REPRESENTATIONS

40.1 This Agreement and the documents and Schedules and Annexes which are incorporated into and form part of this Agreement contain all the terms which the parties have agreed in relation to the subject matter of this Agreement and supersede any prior written or oral agreements, representations or understandings between the parties in relation to such subject matter.

40.2 The Service Provider acknowledges that this Agreement has not been entered into wholly or partly in reliance on, nor has the Service Provider been given, any warranty, statement, promise or representation made by or on behalf of the Authority other than as expressly set out in this Agreement. To the extent that any such warranties, statements, promises or representations have been given the Service Provider unconditionally and irrevocably waives any claims, rights or remedies which it might otherwise have had in relation to them.

40.3 Nothing in this **clause 40** will exclude any liability which one party would otherwise have to the other party in respect of any statements made fraudulently.

41. GENERAL

41.1 Nothing contained in this Agreement, and no action taken by the parties pursuant to this Agreement, will be deemed to constitute a relationship between the parties of partnership, joint venture, employer and employee or (save as otherwise expressly specified in this Agreement) principal and agent. Neither party has, nor may it represent that it has, any authority to act or make any commitments on the other party's behalf save as expressly specified in this Agreement.

41.2 The failure or delay by either party to this Agreement in exercising any right, power or remedy of that party under this Agreement shall not in any circumstances impair such right, power or remedy nor operate as a waiver of

it. The single or partial exercise by either party to this Agreement of any right, power or remedy under this Agreement shall not in any circumstances preclude any other or further exercise of it or the exercise of any other right, power or remedy.

41.3 This Agreement may be executed in any number of counterparts or duplicates, each of which shall be an original, and such counterparts or duplicates shall together constitute one and the same agreement.

SCHEDULE 1 - KEY CONTRACT INFORMATION

Service Provider	Taulia UK Ltd. a *company* registered in England and Wales with registration number 8705919 and whose *registered* office is at Taulia UK Ltd. 6th Floor One London Wall London EC2Y 5EB
the TfL Group	TfL and all of its subsidiaries (as defined in Sections 736 and 736A of the Companies Act 1985), which definition shall include the Authority (whether or not the Authority is a subsidiary) together with, if TfL so elects in writing from time to time, any body named as a potential recipient of the Services in OJEU notice *TED19_TFL 03/12/2015 - ID:2015-000165* and reference to any **"**TfL Group Member**"** shall refer to TfL, the Authority and/or any such company or body, as applicable
Business Hours	The hours of 08:00 to 18:00 inclusive on any Business Day
Service Provider's Equipment	N/A

Key Personnel (Service Provider's)	
Site	N/A
Warranty Period(s)	a minimum period commencing on completion and final acceptance as further detailed in the Services in respect of the whole System and ending 90 days after Go Live of the whole System
Euro Compliance Required?	Yes
Force Majeure Period	a period being no more than **90** days after the first date of the applicable Force Majeure Event
Insurances	See Insurances Annex in this **Schedule 1**
Level for clause 18.2.7, if different to £100,000 **Service Provider's IPR, including any Service Provider Software** **Third Party IPR, including any Third Party Software** **Details of Software Licences for Third Party Software and which party is going to procure them**	
Details of agreed back-ups to be provided by the Service Provider in respect of the Data and Software, if any, and intervals in which they are to be performed	➢ Daily backup of data and software during non-business hours with no outage on application availability. ➢ Backup retention period 28 days as per current SAP standards (BD) ➢ Backup recovery and application availability are within given RTO and RPO

Objectives with reference to availability of Services (these are agreed goals, not binding contractual commitments):	Production High Availability: Recovery Point Objective (RPO): 0hrs Recovery Time Objective (RTO): 0hrs Disaster Recovery for Production system: Recovery Point Objective (RPO): 1 hr Recovery Time Objective (RTO): 4 hrs maximum Disaster Recovery for non-production system: Recovery Point Objective (RPO): 24 hrs Recovery Time Objective (RTO): 24 hrs maximum
Disaster Recovery	The Disaster Recovery Plan is annexed to this Contract as **Schedule 12**
Reports to be provided other than or in addition to those set out under clause 17	The requirements in **clause 17** apply
Dates for production of reports under clause 17 if more or less than monthly	Reports are required monthly.
Service Provider's Liability Cap	21.4 Subject to **clauses 21.1** and **21.2**, the Service Provider's maximum liability under this Agreement will not exceed: 21.4.1 in relation to loss of or damage to

tangible property, the greater of £5 million or three times the amount paid to the Service Provider by the Authority in the twelve months preceding the incident;

21.4.2 in relation to a breach of clause 29 (Confidentiality and Transparency), the greater of £5 million or three times the amount paid to the Service Provider by the Authority in the twelve months preceding the incident;

21.4.3 for breach of Intellectual Property Rights (whether pursuant to clause 20 (Intellectual Property Rights) or otherwise, the greater of £5 million or three times the amount paid to the Service Provider by the Authority in the twelve months preceding the incident;

21.4.4 in respect to liability pursuant to clause 23 (Loss of Software and Data Security), the greater of £5 million or three times the amount paid to the Service Provider by the Authority in the twelve months preceding the incident; and

21.4.5 in relation to all other loss, the greater of the following per incident:

£500,000; or

an amount equal to 125% of the Commissioning Fee.

The TfL Group's Liability Cap

Subject to **clause 21** and, without

	prejudice to the generality of the foregoing, in particular subject to **clauses 21.1** and **21.5**, and except in relation to a breach of clause 12 (Service Provider Confidential Information) of Annex B to this Schedule 1, which shall be limited to three times the fees paid to the Service Provider in the prior twelve months, the entire liability of the TfL Group under or in connection with this Agreement in aggregate will not exceed £500,000.
Data Protection	Please see **clause 31**, and clause A.1 at Annex C of this Schedule 1. As personal data will be transferred outside the EEA the Parties have also executed a supplemental agreement in this regard a copy of which is attached as an addendum to this Agreement at Annex D to this Schedule
Address to send the Authority Notices to	For attention of Group Treasury 17th Floor, Windsor House, 50 Victoria Street, London, SW1H 0TL Facsimile Number 020 3054 7925 Copy to General Counsel 6th Floor, Windsor House, 50 Victoria

	Street, London, SW1H 0TL Facsimile Number: 020 7126 4598
Address to send Service Provider Notices to	For attention of Managing Director, Europe Taulia UK Ltd. 3rd Floor, 20 Fitzroy Square London W1T 6EJ, Facsimile Number Copy to General Counsel Taulia Inc. 201 Mission Street, Suite 900 San Francisco, CA 94105 USA Facsimile Number
Escrow/Verification Provisions	Required by the Authority upon request Detail of services required: Escrow: No Verification Services: No
Agreed Equality Policy required?	Yes. See **Schedule 9** to this Agreement
Authority Address where invoices* are to be submitted to	Transport for London PO Box 45276, 14 Pier Walk

London SE10 1AJ

invoices@tfl.gov.uk

Electronic format required (if any) for submission of orders by the Authority and of invoices* by the Service Provider
***Only full VAT invoices should be sent and must include a valid purchase order 'PO' number**

Account Details:
For Payment to the Authority:

[redacted]

For payment to the Service Provider:

[redacted]

[redacted]

Service Provider Confidential Information	The Taulia Business Exchange platform, specifications, instructions and Documentation for the Services, all documents outlining the recommended accounting and VAT treatment of discounts; and all order forms; product plans and roadmaps.

ANNEX A

INSURANCES

1. Insurance to be held by Service Provider in accordance with **clause 18**:

   (a) Employer's liability insurance in respect of the Service Provider's liability for death, personal injury or occupational disease of any person in the Service Provider's employment in the sum of not less than ten million pounds (£10,000,000) per incident or such other minimum level as may from time to time be required by law, whichever is the greater;

   (b) Public liability insurance in respect of the Service Provider's liability for loss or damage to property (including property of the Authority or for which it is responsible), breach of any Intellectual Property Rights and against liability for death, injury or occupational disease in the sum of not less than five million pounds (£5,000,000) per occurrence with financial loss extension and shall be endorsed to provide that no act or omission on the part of the Service Provider shall prejudice the TfL Group's rights under such policy as principal;

   (c) Professional indemnity insurance, including cover for cyber risks, in the sum of not less than ten million U.S. dollars (US$10,000,000) in the aggregate per annum, via a combination of primary and excess policies, for the Term and for five (5) years after expiry or termination of this Agreement; and

   (d) Product liability insurance in the sum of not less than five million pounds (£5,000,000) in the aggregate per annum with financial loss extension.

ANNEX B

USER TERMS AND CONDITIONS

1. **Submission and Use of Data.** Clause 29 notwithstanding, the TfL Group hereby grants to Service Provider the non-exclusive right to use, store, copy, re-transmit and process all data submitted by TfL Group Member to the Software, Services or System, solely for the purpose of providing the Services during the Term, and authorizes Service Provider to contact, communicate with and share information with prospective Suppliers solely for the purpose of including such Suppliers in the scope of the Services during the Term.

   Once Supplier Data is transmitted to the Supplier access area on Service Provider's web platform for access by the Supplier such Supplier Data will be governed by the Supplier Adoption Agreement in place of the provisions of clause 29 (Confidential Information and Transparency), on the express condition that as long as the Supplier Data is stored with Service Provider, data security provisions no less stringent than those described in clause 23 (Loss of Software and Data Security) and clause 31 (Data Protection) shall continue to apply to it.

   Notwithstanding the foregoing, Service Provider may retain Supplier Data under the terms of the Supplier Adoption Agreement, including any of the Supplier Data that was submitted by a TfL Group Member to the Software, Services or System for the purpose of providing access to the data by the Supplier, so long as the Supplier remains lawfully in possession of such data.

2. **Exclusions From Services.** The Authority hereby acknowledges that: (i) the Authority is responsible for taking all necessary steps to check and approve as accurate and reliable TfL Group Data; (ii) Service Provider is not responsible for verifying the accuracy of any data submitted by a TfL Group Member to the Software, Services or System or by Suppliers to the Services, nor will Service Provider modify, supplement, remove or otherwise edit any data submitted to the Software, Services or System, other than for the purposes of formatting, validating, translating or augmenting the data as specified in the Documentation; (iii) all commercial or legal terms relating to the commercial transactions which are evidenced by data submitted to the Services are solely entered into between the respective TfL Group Member and the Supplier; (iv) Service Provider is not responsible for acts or omissions of Suppliers or prospective Suppliers, including any failure to enroll in the Services, and (v) Service Provider is not responsible for the payment of any of the Authority's invoices.

3. **Use and Transfer of Personal Data.** The Authority hereby authorizes Service Provider to, in compliance with applicable legislation and regulations and the other provisions of this Agreement, (i) use Personal Data of TfL Group Users and Suppliers in the course of performing Service Provider's obligations under this Agreement, and (ii) transfer such Personal Data outside of the European Economic Area.

4. **Authority's Responsibilities.** The Authority shall (i) be responsible for TfL Group Users' compliance with this Agreement, (ii) be solely responsible for the accuracy, actuality, quality, integrity and legality of TfL Group Data and of the means by which the Authority acquired its Data, (iii) unless explicitly specified otherwise in the Documentation, be solely responsible for the validation of data provided by Suppliers via the Supplier-Side Services and for maintaining the integrity of the Transferred Data and Documents, (iv) unless specified otherwise in the Order Form, be solely responsible for use of the on-boarding module, Software, Services or System provided by Service Provider for the purpose of issuing invitations to use the Supplier-Side Services, including but not limited to accurately identifying prospective Suppliers, entering their contact information, and selecting them for invitation to use the Supplier-Side Services, which will, upon the acceptance by an invitee of the Supplier Adoption Agreement, allow the invitee to have access to portions of TfL Group Data as a Supplier, (v) use commercially reasonable efforts to prevent unauthorized access to or use of the Software, Services or System, and notify Service Provider promptly of any such unauthorized access or use, (vi) be solely responsible for requiring each Participating Supplier to upload valid proof documents to establish or change bank account details or Supplier address information, and for verifying the accuracy of any documents that have been submitted, before triggering a modification to the vendor master file in the relevant SAP system; (vii) use the Services only in accordance with the Documentation and applicable laws and government regulations, (viii) maintain Virus and other malicious code detection technology and firewall technology implemented in accordance with industry standards, to protect the integrity of TfL Group systems, environment and data, and avoid transmitting any Virus or other malicious code to the Services, (ix) maintain all tax and other regulatory filings in good standing with the applicable government authorities, (x) inform Service Provider with reasonable advance notice of any change of SAP system or instance, upgrade to a new, major SAP release, planned downtimes of Authority ERP Software or relevant network infrastructure or other unusual events affecting availability of or demand on the Services, and (xi) schedule and perform payments in accordance with the Documentation and acknowledge the Authority will be solely responsible for the consequences of bypassing the safeguards provided by the Software, Service or System to ensure payment is made in accordance with dynamic payment terms.

5. **Prohibited Actions.** The Authority shall not (i) make the Services, Software or System available to anyone other than TfL Group Users and Participating Suppliers, (ii) sell, resell, rent or lease the Software, Services or System, (iii) create derivative works based on the Software, Services or System, (iv) use the Software, Services or System to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights, (v) use the Software, Services or System to store or transmit any Virus or other malicious code, (vi) interfere with or disrupt the integrity or performance of the Services or third-party data contained therein, including by overloading, flooding or crashing, (vii) attempt to gain unauthorized access to the Services or their related systems or networks, (viii) reverse engineer the Software, Services or System, (ix) copy, frame or mirror any part or content of the Services or Software, other than copying or framing on the Authority's own intranets or otherwise for TfL Group Members' own internal business purposes, or (x) access the Software, Services or System in order to (a) build a competitive product or service, or (b) copy any features, functions or graphics of the Services or Software.

6. **Limitations on Use.** Use of and access to the Software is restricted to the Authority and TfL Group Members and TfL Group Users, unless specified otherwise. Such right of use and access to the Software is limited to the Ordered Licenses and Services, solely for the TfL Group's business operations. The Authority and TfL Group Members and TfL Group Users are not allowed to distribute, sublicense, rent, lease or operate the Software for third parties, other than by inviting and thereby authorizing Suppliers to use the Supplier-Side Services. TfL Group Members may allow agents or contractors (including, without limitation, outsourcers) to use the Software on its behalf subject to the terms of this Agreement, provided however that in all cases use is subject to the terms of this Agreement, and the Authority shall remain responsible for the agent's, contractor's or outsourcer's compliance with this Agreement.

7. **No Rights in Software.** The Authority and TfL Group Members are prohibited from (i) assigning, giving or transferring the Software or any interest in it to another individual or entity; (ii) reverse engineering (unless required by law for interoperability), disassembling or decompiling any of the Software; (ii) duplicating the Software (except copies may be made for backup and disaster recovery purposes); (iii) modifying, redistributing or creating derivative works of the Software; and (iv) granting access to the source code for the Software (where distributed in ABAP or other readable form). The Authority and TfL Group Members agree that Service Provider or its licensors retain all ownership and intellectual property rights to the Software, and that the

Authority and TfL Group Members will take no action to mask or obscure any copyright, trademark or similar notice of Service Provider or its licensors' proprietary rights.

8. **Ownership of TfL Group Data.** As between Service Provider and the TfL Group, the TfL Group exclusively own all rights, title and interest in and to all of TfL Group Data.

9. **Ownership of Supplier Data.** A Participating Supplier grants to Service Provider a license as provided in the Supplier Adoption Agreement, to use the data that the Supplier uploads, including for the purpose of the relevant TfL Group Member's business relationship with such Supplier, but Service Provider does not otherwise obtain any right, title or interest in data provided by the Supplier. The TfL Group Member's rights to use the Supplier's data extend only to such data as is uploaded by the Supplier for the purpose of such TfL Group Member's business relationship with such Supplier.

10. **Aggregation and Statistical Analysis.** Service Provider shall have the right to track and analyse usage of the Services, including aggregated data without individually-identifiable information regarding an entity or TfL Group User for the purposes of improving, targeting, marketing and modifying the design and operation of the Software and the Services.

11. **Right to Use Suggestions.** Service Provider shall have a royalty-free, worldwide, transferable, sub-licenseable, irrevocable, perpetual license to use or incorporate into the Services or Software any suggestions, enhancement requests, recommendations or other feedback provided by the Authority, any TfL Group Member, TfL Group Users, and Suppliers, relating to the operation of the Services and Software, subject to Service Provider's obligations under clause 29 (Confidentiality and Transparency).

12. **Service Provider Confidential Information.** Notwithstanding **clause 29.6** the Authority shall have the same obligations as those imposed on the Service Provider under **clause 29** in respect of those categories of confidential information set out in **Schedule 1** ("Service Provider Confidential Information"), except that the Authority may:

12.1 disclose the Service Provider Confidential Information where the Authority considers that it is obliged to do so under any of the legislation referred to in **clause 30**;

12.2 use the Service Provider Confidential Information to the extent necessary to obtain the benefit of the Service Provider's performance under this Agreement;

12.3 disclose the Service Provider Confidential Information to any member of the Authority Group; and

12.4 disclose such Service Provider Confidential Information as may be required to be published in the Official Journal of the European Union.

ANNEX C

PRIVACY AND DATA PROTECTION

A1 Privacy and Data Protection

For the purposes of this Clause A1, unless the context indicates otherwise, the following expressions shall have the following meanings:

"Authority Personal Data"	Personal Data and/or Sensitive Personal Data Processed by the Service Provider on behalf of the Authority;
"Data Controller"	has the meaning given to it by section 1(1) of the Data Protection Act 1998;
"Data Processor"	has the meaning given to it by section 1(1) of the Data Protection Act 1998;
"Data Subject"	has the meaning given to it by section 1(1) of the Data Protection Act 1998;
"Data Protection Legislation"	the Data Protection Act 1998 (as interpreted in accordance with Directive 95/46/EC) including all regulations made under it and the Privacy and Electronic Communications (EC Directive) Regulations 2003 and any amendment or re-enactment of any of them; any other legislation relating to privacy and/or the processing of Personal Data (as amended from time to time); and any guidance or statutory codes of practice issued by the Information Commissioner in relation to such legislation;
"Personal Data"	has the meaning given to it by section 1(1) of the Data Protection Act 1998;
"Privacy Impact Assessment"	a process used to identify and mitigate the privacy and data protection risks associated with an activity involving the Processing of Authority Personal Data.
"Processing"	has the meaning given to it by section 1(1) of the Data Protection Act 1998 and **"Process"** and **"Processed"** will be construed accordingly;
"Restricted Countries"	any country outside the European Economic

	Area; and
“Sensitive Personal Data”	has the meaning given to it by section 2 of the Data Protection Act 1998; and
“Subject Access Request”	a request made by a Data Subject to access his or her own Personal Data in accordance with rights granted pursuant to Data Protection Legislation.

A1.1 With respect to the Parties' rights and obligations under the Agreement, the Parties acknowledge that the Authority is a Data Controller and that the Service Provider is a Data Processor.

A1.2 Details of the Authority Personal Data to be Processed by the Service Provider and the purposes of such Processing are as follows:

A1.2.1 Categories of Data Subject

The Authority Personal Data to be Processed by the Service Provider (if any) concerns the following categories of Data Subjects:

Authority staff, Supplier, contractor, service provider, consultant and other vendor contacts

A1.2.2 Categories of Authority Personal Data

The Authority Personal Data to be Processed concerns the following categories of Personal Data and/or Sensitive Personal Data:

Names, job descriptions and business and banking contact details and addresses contained in data associated with the purchase ledger function including transaction data.

A1.2.3 Purpose(s) of the Processing

The Authority Personal Data is to be Processed for the following purpose(s):

The Service Provider will have access to some or all of the data described above where the Authority elects to offer to its Supplier, contractor, service provider, consultant and other vendors access to the Service Provider’s Services. Upon request by the Authority, the Service Provider will contact such persons directly and invite them to the Serivce Provider Portal. For any Supplier, contractor, service provider, consultant or other vendor that is live on the Service Provider Portal, the Authority will share with the Service Provider in near real time purchase ledger related transactional data which the Service Provider will in turn share with the respective entity via the Service Provider Portal, inviting

them to accept offers for earlier payment. Any Personal Data will be subject to electronic processing via the Service Provider Portal. There will be no handling of manual (hard copy) personal data.

A1.2.4 Permitted offshore Processing

The Authority Personal Data is to be Processed in the following Restricted Countries:

Unites States of America

A1.3 Without prejudice to the generality of Clause 31, the Service Provider shall:

A1.3.1 process the Authority Personal Data only in accordance with instructions from the Authority to perform its obligations under the Agreement;

A1.3.2 use its reasonable endeavours to assist the Authority in complying with any obligations under Data Protection Legislation and shall not perform its obligations under this Agreement in such a way as to cause the Authority to breach any of its obligations under Data Protection Legislation to the extent the Service Provider is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations;

A1.3.3 maintain, and make available to the Authority on its request, documentation, a central register or an inventory which describes the Processing operations for which it is responsible and specifies: the purposes for which Authority Personal Data are processed including the legitimate interests pursued by TfL where processing is based on this lawful basis; the categories of Personal Data and Data Subjects involved; the source of the Personal Data; the recipients of the Personal Data; and the location(s) of any overseas processing of those Personal Data;

A1.3.4 take appropriate technical and organisational security measures, that are satisfactory to the Authority from time to time, against unauthorised or unlawful Processing of Authority Personal Data and against accidental loss, destruction of, or damage to such Authority Personal Data;

A1.3.5 without prejudice to Clause A1.3.4, wherever the Service Provider uses any mobile or portable device for the transmission or storage of Authority Personal Data, ensure that each such device encrypts Authority Personal Data;

A1.3.6 provide the Authority with such information as the Authority may from time to time require to satisfy itself of compliance by the Service Provider (and/or any authorised sub-contractor) with Clause A1.3.4 and A1.3.5, including, protocols, procedures, guidance, training and manuals. For the avoidance of doubt, this

shall include a full report recording the results of any privacy or security audit carried out at the request of the Service Provider itself or the Authority;

A1.3.7 where requested to do so by the Authority, or where Processing Authority Personal Data presents a specific risk to privacy, carry out a Privacy Impact Assessment in accordance with guidance issued from time to time by the Information Commissioner (and any relevant statutory requirements) and make the results of such an assessment available to the Authority;

A1.3.8 notify the Authority within two (2) Business Days if it, or any Sub-contractor, receives:

A1.3.8.1 from a Data Subject (or third party on their behalf):

A1.3.8.1.1 a Subject Access Request (or purported Subject Access Request);

A1.3.8.1.2 a request to rectify, block or erase any Authority Personal Data; or

A1.3.8.1.3 any other request, complaint or communication relating to the Authority's obligations under Data Protection Legislation;

A1.3.8.2 any communication from the Information Commissioner or any other regulatory authority in connection with Authority Personal Data; or

A1.3.8.3 a request from any third party for disclosure of Authority Personal Data where compliance with such request is required or purported to be required by law;

A1.3.9 provide the Authority with full cooperation and assistance (within the timescales reasonably required by the Authority) in relation to any complaint, communication or request made as referred to in Clause A1.3.8, including by promptly providing:

A1.3.9.1 the Authority with full details and copies of the complaint, communication or request; and

A1.3.9.2 where applicable, such assistance as is reasonably requested by the Authority to enable it to comply with the Subject Access Request within the relevant timescales set out in Data Protection Legislation.

A1.3.10 when notified in writing by the Service Provider, supply a copy of, or information about, any Authority Personal Data. The Service Provider shall supply such information or data to the Authority within such time and in such form as specified in the request (such time to be reasonable) or if no period of time is specified in the request, then within five (5) Business Days from the date of the request.

A1.3.11 when notified in writing by the Authority, comply with any agreement between the Authority and any Data Subject in relation to any Processing which causes or is likely to cause substantial and unwarranted damage or distress to such Data Subject, or any court order requiring the rectification, blocking, erasure or destruction of any Authority Personal Data;

A1.4 The Authority remains solely responsible for determining the purposes and manner in which Authority Personal Data is to be Processed. The Service Provider shall not share any Authority Personal Data with any sub-contractor or third party without consent from the Authority (in the Agreement or otherwise). The Service Provider shall make available to the Authority the current list of sub- Data Processors for the Purposes identified in A1.2.3 above. Such sub-Data Processor list shall include the identities of those sub-Data Processors and their country of location ("Sub-Data Processor List"). The Service Provider shall provide notification via the Service of each proposed update to the Sub-Data Processor List before authorizing any new sub-Data Processor(s) to process Personal Data in connection with the provision of the applicable Service. If the Authority has a reasonable basis to object to the Service Provider's use of a new sub-Data Processor (which shall include (without limitation) where it is proposed that such sub-Data Processing shall be undertaken in a non-EEA country), the Authority shall notify the Service Provider promptly in writing within thirty (30) days after receipt of the Service Provider's notice. In the event the Authority objects to a new sub-Data Processor, and that objection is not unreasonable, the Service Provider shall use reasonable efforts to make available to the Authority a change in the Service or recommend a commercially reasonable change to the Authority's configuration or use of the Service to avoid processing of Personal Data by the objected-to new sub-Data Processor. If the Service Provider is unable to make available such change within a reasonable period of time, which shall not exceed sixty (60) days, the Authority may terminate its use of that portion of the Service which cannot be provided by the Service Provider without the use of the objected-to new sub-Data Processor, by providing written notice to the Service Provider. Furthermore, the Service Provider shall not share any Authority Personal Data with any sub-contractor (including, without limitation sub-Data Processors) unless there is a written agreement in place with the sub-contractor which requires the sub-contractor or third party to:

A1.4.1 only Process Authority Personal Data in accordance with the Authority's instructions to the Service Provider; and

A1.4.2 comply with the same obligations with which the Service Provider is required to comply with under this Clause A1 (and in particular Clauses 12.1, 16.1, 16.2, 19.2, 21.9, 29 and 31); and

A1.4.3 where it is proposed that any sub-contractor will Process Personal Data in a non-EEA country, comply with the same obligations which apply to the Service Provider under the agreement set out Annex D to Schedule 1 of this Agreement.

A1.5 The Service Provider agrees that, and shall procure that any sub-contractor shall agree that, Authority Personal Data:

A1.5.1 must only be Processed in accordance with the Authority's obligations to comply with Data Protection Legislation and by such their personnel as need to view or otherwise access Authority Personal Data;

A1.5.2 must only be used as instructed by the Authority and as reasonably necessary to perform the Agreement in accordance with its terms;

A1.5.3 must not be used for any other purposes (in whole or part) by any of them (and specifically but without limitation must not be copied or referred to in whole or part through training materials, training courses, discussions or negotiations or contractual arrangements with third parties or in relation to proposals or tenders with the Authority (or otherwise), whether on renewal of this Agreement or otherwise, without the prior written consent of the Authority); and

A1.5.4 must not be used so as to place the Authority in breach of Data Protection Legislation and/or to expose it to risk of actual or potential liability to the Information Commissioner, Data Subjects and/or reputational damage and/or to any order being made against the Authority preventing, suspending or limiting the Processing of Authority Personal Data.

A1.6 The Service Provider shall, and shall procure that any sub-contractor shall:

A1.6.1 not disclose or transfer Authority Personal Data to any third party or their own personnel unless necessary for the provision of the Services and, for any disclosure or transfer of Authority Personal Data to any third party, obtain the prior written consent of the Authority (save where such disclosure or transfer is specifically authorised under this Agreement);

A1.6.2 notify the Authority within 24 hours by written notice with all relevant details reasonably available of any actual or suspected breach of security and/or of the Agreement and/or Clause A1 in relation to Authority Personal Data including unauthorised or

unlawful access or Processing of, or accidental loss, destruction or damage of any Authority Personal Data;

A1.6.3 keep the Authority properly and regularly informed consequently;

A1.6.4 fully cooperate with the reasonable instructions of the Authority in relation to the Processing and security of Authority Personal Data in accordance with the Agreement and in compliance with Data Protection Legislation (including procuring access to sub-contractor premises);

A1.6.5 cooperate as the Authority requires with any investigation or audit in relation to Authority Personal Data and/or its Processing including allowing access to premises, computers and other information systems, records, documents and agreements as may be reasonably necessary (whether in relation to Processing pursuant to the Agreement, in relation to Data Protection Legislation or in relation to any actual or suspected breach), whether by the Authority (or on its behalf) any relevant regulatory body, including the Information Commissioner, the police, any other statutory law enforcement agency or otherwise and shall do so both during the Agreement and after its termination or expiry (for so long as the Party concerned retains and/or Processes Authority Personal Data);

A1.6.6 take all reasonable steps to ensure the reliability and integrity of all Service Provider's Personnel who can/or do access Authority Personal Data;

A1.6.7 ensure all Service Provider's Personnel who can/or do access Authority Personal Data are informed of its confidential nature and do not publish, disclose or divulge any of the Personal Data to any third party without the prior written consent of the Authority;

A1.6.8 ensure all Service Provider's Personnel who can and/or do access Authority Personal Data have undergone adequate training in relation to the use, care, protection and handling of Personal Data in accordance with Data Protection Legislation and this Agreement, understand such obligations and comply with them and ensure that such training is updated at reasonable intervals; and

A1.6.9 comply during the course of the Agreement with any written retention and/or deletion policy or schedule regarding Personal Data provided to it by the Authority from time to time.

A1.7 The Service Provider shall not, and shall procure that any sub-contractor shall not, Process or otherwise transfer any Authority Personal Data in or to any Restricted Countries without prior written consent from the Authority

(which consent may be subject to additional conditions imposed by the Authority)**.**

A1.8 If, after the Service Commencement Date, the Service Provider or any sub-contractor wishes to Process and/or transfer any Authority Personal Data in or to any Restricted Countries, the following provisions shall apply:

A1.8.1 the Service Provider shall submit a written request to the Authority setting out details of the following:

A1.8.1.1 the Authority Personal Data which will be transferred to and/or Processed in any Restricted Countries;

A1.8.1.2 the Restricted Countries which the Authority Personal Data will be transferred to and/or Processed in;

A1.8.1.3 any sub-contractors or other third parties who will be Processing and/or receiving Authority Personal Data in Restricted Countries;

A1.8.1.4 how the Service Provider shall ensure an adequate level of protection and adequate safeguards in respect of the Authority Personal Data that will be Processed in and/or transferred to Restricted Countries so as to ensure the Authority's compliance with Data Protection Legislation;

A1.8.2 in preparing and evaluating such a request, the Parties shall refer to and comply with applicable policies, procedures, guidance and codes of practice produced by the Parties and/or the Information Commissioner, in connection with, the Processing of Personal Data in (and/or transfer of Personal Data to) any Restricted Countries;

A1.8.3 the Service Provider shall comply with any instructions and shall carry out such actions as the Authority may notify in writing when providing its consent to such Processing or transfers, including:

A1.8.3.1 incorporating standard and/or model clauses (which are approved by the European Commission as offering adequate safeguards under the Data Protection Legislation) into this Agreement or a separate data processing agreement between the Parties; and

A1.8.3.2 procuring that any sub-contractor or other third party who will be Processing and/or receiving or accessing the Authority Personal Data in any

Restricted Countries enters into a data processing agreement with the Supplier on terms which are equivalent to those agreed between the Authority and the Service Provider in connection with, the Processing of Authority Personal Data in (and/or transfer of Authority Personal Data to) any Restricted Countries, and which may include the incorporation of the clauses referred to in A1.8.3.1.

A1.9 The Service Provider and any sub-contractor (if any), acknowledge:

A1.9.1 the importance to Data Subjects and the Authority of safeguarding Authority Personal Data and Processing it only in accordance with the Agreement;

A1.9.2 the loss and damage the Authority is likely to suffer in the event of a breach of the Agreement or negligence in relation to Authority Personal Data;

A1.9.3 any breach of any obligation in relation to Authority Personal Data and/or negligence in relation to performance or non performance of such obligation shall be deemed a material breach of Agreement;

A1.9.4 notwithstanding Clause 24.1.1, if the Service Provider has committed a material breach under Clause A1.9.3 on two or more separate occasions, the Authority may at its option:

A1.9.4.1 exercise its step in rights pursuant to Clause A16;

A1.9.4.1 withdraw authorisation for Processing by a specific sub-contractor by immediate written notice; or

A1.9.4.2 terminate the Agreement in whole or part with immediate written notice to the Service Provider.

A1.10 If the Service Provider Processes payment card data under the Agreement, it shall ensure that it is and that its internal processes and procedures, information technology systems and any equipment that it provides or is provided on its behalf pursuant to this Agreement are compliant with the Payment Card Industry Data Security Standard as updated from time to time ("PCI DSS"). In addition the Service Provider shall:

A1.10.1 at least once every 12 months appoint a PCI DSS Qualified Security Assessor ("QSA") to validate that the Service Provider is compliant with (including as set out above) PCI DSS when providing the Services;

A1.10.2 without prejudice to any other audit and inspection rights that the Authority has under this Agreement, provide the Authority with

copies of any reports and other documents provided by or to the QSA in respect of each such validation; and

A1.10.3 where the QSA recommends that certain steps should be taken by the Service Provider, promptly take those steps and demonstrate to the Authority that those steps have been taken without charge to the Authority.

A1.11 Compliance by the Service Provider with this Clause A1 shall be without additional charge to the Authority.

A1.12 Following termination or expiry of this Agreement, howsoever arising, the Service Provider:

A1.12.1 may Process the Personal Data only for so long and to the extent as is necessary to properly comply with its non contractual obligations arising under law (and will then comply with Clause A1.12.2);

A1.12.2 subject to Clause A1.12.1, shall;

(a) on written instructions from the Authority either securely destroy or securely and promptly return to the Authority or a recipient nominated by the Authority (in such usable format as and to the extent the Authority may reasonably require) the Authority Personal Data and relevant records and documentation accordingly; or

(b) in the absence of instructions from the Authority after 12 months from the expiry or termination of the Agreement securely destroy the Authority Personal Data and relevant records and documentation accordingly.

Authority Personal Data may not be Processed following termination or expiry of the Agreement save as permitted by this Clause A1.12.

A1.13 For the avoidance of doubt, and without prejudice to Clause A1.12, the obligations in this Clause A1 shall apply following termination or expiry of the Agreement to the extent the Party concerned retains or Processes Authority Personal Data.

A1.14 The indemnity in Clause 21.9 shall apply to any breach of Clause A1 and shall survive termination or expiry of the Agreement.

ANNEX D

NON-EEA THIRD COUNTRY PERSONAL DATA TRANSFER AGREEMENT

SCHEDULE 2 - SERVICES

System

Software

The Software shall be supplied in accordance with the Provision of Software Annex A set out in this **Schedule 2**.

The Software Managed Services

The Software Managed Services shall be provided in accordance with the Software Managed Services **Annex B** set out in this **Schedule 2**.

The Maintenance Services

Software in respect of which Maintenance Services are being provided: **Taulia Business Exchange with Dynamic Discounting/SCF+**

Hardware in respect of which Maintenance Services are being provided: **NA**

Maintenance Services Commencement Date: Service Commencement Date

The System shall be maintained in accordance with the Maintenance Services Annex C set out in this **Schedule 2**.

The Business Support Services

The Business Support Services shall be provided in accordance with the Business Support Services **Annex D** set out in this **Schedule 2,** beginning on the **Service Commencement Date**.

The Supplier On-Boarding Services

The Supplier On-Boarding Services shall be provided in accordance with the Supplier On-Boarding Services **Annex E** set out in this **Schedule 2**.

Additional Services

Description of Additional Services: **N/A**.

Optional Services

The Optional Services shall be provided in accordance with the Optional Services **Annex G** set out in this **Schedule 2**.

ANNEX A

PROVISION OF SOFTWARE

1. RISK IN THE SOFTWARE

Risk in the media on which the Software is recorded shall pass to the Authority on delivery of such media to the Authority or Acceptance of the Software (whichever is the latter).

2. LICENCES OF THE SOFTWARE

2.1 Prior to commencing work on building the System and procuring and developing the Software, the Service Provider shall specifically identify any applicable:

2.1.1 Service Provider IPR and Service Provider Software intended for supply. Subject to the terms of this Agreement, the Service Provider hereby grants the TfL Group, for the use and benefit of TfL Group Users and Suppliers, a non-exclusive, non-transferable right to access and use the Services solely for the TfL Group Members' internal business purposes as contemplated by this Agreement, subject to the scope and pricing specified in Schedule 3 or the applicable Order Form with respect to the Software, Services or System; and

2.1.2 Third Party Software intended for supply, agreeing with the Authority in advance (at the TfL Group's option) whether the Authority or the Service Provider is to obtain the licences necessary to use such Third Party Software and the terms upon which such licence should be granted to use such Third Party Software. Unless agreed otherwise in writing, the Service Provider will be responsible for obtaining any licences required for Third Party Software on the basis of a perpetual, royalty free worldwide and transferable licence which permits the Authority to use, copy, adapt, translate and sub-license the use of all Intellectual Property Rights in the Third Party Software or parts thereof for the benefit of the Authority, and, where the Authority requires it, any TfL Group Member and/or any Successor Authority and its agents. Should this not be possible the

Service Provider shall consult with the Authority with regards to alternative licence terms or alternative third party suppliers.

3. **PROVISION OF SOFTWARE**

The Software shall be provided to the Authority in accordance with this Agreement and the relevant Project Plan.

4. **DESCRIPTION OF THE SERVICE PROVIDER SOFTWARE**

The Service Provider Software shall have the following functionality:

1. Reference data relating to Suppliers who, via an Authority approved Supplier Adoption Agreement, are part of the Programme and whose details have been uploaded via the Service Provider Portal, shall be electronically extracted automatically in near real time from the Authority ERP Software and electronically imported into the Service Provider Software.

2. Invoices relating to Suppliers who participate in the Programme, available in the Authority's ERP either pending approval or as approved for payment by Authority, shall be electronically extracted automatically in near real time from the Authority ERP Software and electronically imported into the Service Provider Software.

3. Once approved invoice status is received from the automatic electronic extraction, the Service Provider Software shall validate invoices to ensure that the Supplier is a Participating Supplier with a current, valid Supplier Adoption Agreement in place.

4. Once validated, the Service Provider Software shall review each invoice based on the criteria and software configuration agreed in the solution design document that results from the workshops to be held between the Authority and Service Provider and listed in the Project Plan as is agreed and documented in accordance with **Schedule 5**, and shall, where applicable, communicate early payment offers to Suppliers.

5. When using the Dynamic Discounting Service, the Authority reserves the right to suspend early payment offers to any or all Suppliers for Authority operational reasons. When using the SCF+ Programme, the Authority reserves the right to suspend early payment offers to any or all Suppliers for

Authority operational reasons for any invoices as to which the Supplier has not yet requested early payment.

6. The Service Provider Software will provide electronic debit notices or messages which reconcile the value of the invoice and the invoice value to be paid, for electronic access/import by Participating Suppliers.

5. IMPLEMENTATION DEPENDENCIES

Taulia's fee-free set-up is based on the following implementation dependencies:

- A single-phase rollout to all of Authority's in-scope Suppliers. Any required additional and subsequent implementation phases would be planned and priced as a Change Request (per the Change Request process documented herein).
- Integration to a single instance of the Authority ERP system.
- All Authority locations use the same single instance of the Authority ERP and will use the same standardized and centralized Taulia interfaces. Any changes to interfaces associated with certain Authority location rollouts will be handled via the Change Management process and priced accordingly.
- One (1) project kick-off conference call to discuss the technical implementation and the supplier enablement (supplier onboarding) program.
- A demo of the Taulia Business Exchange application presented to the Authority's project team, which is recorded for those who cannot attend.
- An onsite solution workshop, 2-3 weeks after project kick-off and demo.
- Development of a refined and mutually agreed detailed Professional Services Technical Specification document (resulting from the onsite PS workshop) and Working Capital strategy.
- Enterprise Terms Management Workshop to gain an understanding of the Authority's current supplier negotiated payment terms.
- Deployment of Taulia integration and connectivity strategy to connect to the Authority SAP environments (1 Production and up to 9 non-Production).
- Integration and working connectivity with the Authority workflow solution for invoice approval workflow.
- Set-up fee further includes a 60-day stabilization period after the Buyer has moved to production and begins to invite suppliers. After the 60-day stabilization period, the Buyer will be transitioned to a Taulia Buyer Support representative.
- Project implementation deliverables include:

- Pre-Installation Checklist
- Technical Specification Document
- Taulia Security and End User Roles Recommendations
- Sample Test Scripts and Guide to User Acceptance Testing
- User Acceptance Test Checklist
- Knowledge Transfer Agenda
- Weekly Project Status Reports
- Project Plan
- Production Cutover Plan
- System Refresh Guide
- Taulia Product User Guides
- Technical Support Guidelines
- Supplier Communication Collateral Templates

- No development or customization of the Taulia software is included, and the Taulia software will be installed and configured as an “out-of-the-box” software solution.

- The creation of any Authority -specific documentation for the Taulia implementation will be the responsibility of the Authority to create and maintain. Any input into this documentation beyond what is created for a standard implementation will be an additional charge and considered upon request per the Change Management process.

- Taulia may engage with certified Taulia partners to assist or lead the implementation.

- If the Authority uses the services of a 3rd party IT organization for any part of the Taulia implementation, the 3rd party IT organization will be required to have a Project Manager assigned to the project. The Project Manager will be responsible for meeting agreed-to dependency milestones, deliverables and timelines.

  Should project delays occur due to the 3rd party IT organization missing dependency milestones, Taulia may have to adjust the expected overall implementation timeline and go-live date.

- All project documentation, Taulia User Guides, and supplier on-boarding communication will be provided in English.

- The Authority is responsible to have the hardware required for the proposed System and have the operating systems installed on each server with the latest service packs. Each server will meet the minimum requirements set forth in the Taulia minimum hardware and software requirements.
- The Authority is responsible to ensure the Authority SAP system is installed and operational prior to the installation of the Taulia products. Taulia will provide a pre-installation checklist that will outline the tasks that the Authority needs to perform prior the installation of the Taulia software.

Operational Validation:

The Service Provider and the Authority will agree operational validation procedures which underpin the transparent, accurate and reliable operation of the Service Provider Software, to ensure its intended functionality is delivered.

These procedures will include, but not be limited to:

a) Maintenance of Supplier Adoption Agreements

b) Maintenance of the Service Provider System Reference Data, e.g. Suppliers with Authority agreed Adoption Agreements, Input & Validation, Standard Credit terms, Period of Agreements and Monitoring/Update arrangements.

New Releases and Updates

The Service Provider shall from time to time make available to the Authority (at no cost) new releases of the Service Provider Software or otherwise upgraded Software Managed Services. The Service Provider Software will typically be released as determined by Service Provider, although in exceptional circumstances, an update may be released to effect emergency bug-fixes. The Authority will have to accept any new release of the Authority Software in accordance with **Schedule 6** before it may be installed into a live environment.

ANNEX B

SOFTWARE MANAGED SERVICES

1. In performing the Software Managed Services the Service Provider shall:

1.1 host the Service Provider Software in a location within the EEA selected by the Service Provider;

1.2 perform the software-related application hosting services that makes the Service Provider Software available under this Agreement and which includes the hosting, the hardware, equipment, and systems software configuration which supports use of the Service Provider Software in accordance with the terms of this Agreement; and

1.3 maintain ISP network connectivity capable of servicing the relevant traffic to and from the hosted Service Provider Software.

ANNEX C

MAINTENANCE SERVICES

For the purposes of this **Annex** the following expressions will have the following meanings unless inconsistent with the context:

"Availability"	means the percentage of the Support Hours for which the System is available
"Configuration Item" or **"CI"**	means a component or an element of a component of the System
"Configuration Management"	means the process of identifying and defining Configuration Items in a system, recording and reporting the status of Configuration Items and Requests for Change, and verifying the completeness and correctness of Configuration Items
"Consultancy Day"	means provision of a resource (as may be specified in **Schedule 3**) by the Service Provider for one Business Day
"Contract Year"	means a calendar year starting on the day of Go Live and each subsequent anniversary of such date for the duration of the term of this Agreement
"Fault"	means a single root cause event that leads to one or more functional components of the System not conforming to their Specification or operating manual
"Go Live"	means the date on which the Authority places the System into live operation other than for testing purposes

"Implementation"	means the act of upgrading the Live Environment to effect a Release
"Incident"	any event which is not part of the standard operation of the System which causes, or may cause an interruption to or reduction in the quality of the System. For the avoidance of doubt, this shall include unplanned outages. In this Agreement, an Incident can be either a **"System Error"** or a **"Fault"**
"ITIL"	means Information Technology Infrastructure Library. This is a methodology or framework to set out the best practice for delivery of IT services
"Known Error"	means a Problem or potential Problem when the cause becomes understood, and where an Incident is raised which is a manifestation of it and has a Workaround
"Live Environment"	means those aspects of the Services that constitute the operational environment for the TfL Group Users
"Maintenance Window"	Friday 8pm to Sunday 4pm, Pacific Time
"Major Adjustment"	means a modification to the System requested by the Authority (other than a modification made necessary or desirable as a result of a Problem or an Incident) which is estimated by the Service Provider to be greater than twenty (20) Man Days' effort
"Major Incident"	means Incidents categorised as Severity 1 or Severity 2 in paragraph 4
"Major Incident Report"	means a report produced following a Major

	Incident giving a description of the Incident, details of the reasons for the Incident, and rectification plans implemented to ensure the Incident is not repeated
"Man Day"	means the effort done by one person during or equivalent to 8 hours
"Man Hour"	means the effort done by one person during one hour or a combination of persons and hours to provide an equivalent effort (for example, 12 man hours is the effort done by one person during 12 hours or by two persons during 6 hours or by three persons during 4 hours, and so on)
"Measurement Period"	means a calendar month
"Operational Level Agreement"	means a definition of the relationship and the interactions between the Service Provider and the Primary Service Provider to support the overall achievement of the Service Levels
"Problem"	the underlying cause of one or more Incidents
"Problem Rectification Plan"	means a plan to implement a permanent fix to a Problem, including any proposed changes to CIs, testing of the proposed fix(es) and plans for Release into the Live Environment
"Quarter"	means any successive period of three (3) calendar months measured from the start of the first Contract Year
"Release"	means a collection of new and/or changed CIs which are tested and introduced into the Live

	Environment together
"Release Management"	means the processes in Annex C describing how Releases are managed
"Release Note"	means a short document summarising the details of an individual Release. It includes a list of CIs that form the Release
"Request for Change" or **"RFC"**	means a form, possibly electronic, used to record the details of any request for a change to the IT infrastructure, CIs or other aspects of the System
"Resolve"	means the act of supplying a Solution of an Incident or Problem
"Resolution Group"	means the function of the Service Provider assigned to investigate Incidents and propose Solution(s)
"Response"	means the first contact back to the TfL Group User subsequent to contacting the Service Desk to raise an Incident and **"Respond**" shall be construed accordingly. This response is to be made by a suitably knowledgeable Resolver Group which may be the Service Desk itself during the same contact as the raising of the Incident
"Remediation"	means action that will result in the resumption of service without the removal of the cause of an Incident. This may be a Workaround and does not necessarily mean that the underlying cause is rectified
"Remedy"	means the act of supplying a Remediation to an Incident or Problem

"**Service Desk**"	means the Service Provider's single point of contact for logging, resolving and management of all requests for support by the TfL Group Users and the PSP
"Small Functional Adjustment"	means a modification to the System requested by the Authority which is estimated by the Service Provider to be less than twenty (20) Man Days effort to build, test and deploy
"Software Error"	means any non-compliance by the System with the features and functionalities set forth in the documentation supplied for the version, causing reproducible errors in the operation of the System
"Software Support"	means Software Error correction (corrective maintenance), technical advice, training, coaching, providing clarifications by telephone, fax, e-mail, and on site at the TfL Group's premises, to solve any problems that may arise concerning the operation of the System
"Solution (Incident)"	means action that will result in the resumption of service and the removal or negation of the effect of an Incident
"Solution (Problem)"	means action that will result in the removal of a Problem and normally the permanent fixing of one or more Incidents, removing the need for associated Workarounds
"Support Hours – Self-Service Tools"	Internet based 24/7/365 Support request registration system URL: http://support.Taulia.com
"Support Hours –	

Agent Availability"	Telephone during 08:00 through to 18:00 GMT/BST Monday to Friday (Business Days)
"TfL Group User"	means those persons using the System on behalf of any member of the TfL Group
"TfL Service Desk"	means the service desk provided by TfL or certain service providers described in paragraph 14.1 of this Annex C – this service is available 24 x 7 three hundred and sixty-five (365) days per year
"Version"	means a baseline of a Configuration Item which has significant added functionality to its predecessor
"Workaround"	means a solution to an Incident or a Problem that does not involve rectifying the underlying cause but rather relies on an alternative method of usage
"Working Hour"	means one hour within the Support Hours

References in this Annex and to a **"paragraph"** shall mean a paragraph to this Annex and a reference to a **"clause"** shall mean a clause in the main body of the Agreement unless otherwise specified or inconsistent with the context.

1. Maintenance Services

1.1 The Service Provider agrees to provide the following Maintenance Services to the Authority during Support Hours in respect of the System:

1.1.1 reasonable assistance in the resolution of Incidents and Problems using the following hierarchy:

1.1.1.1 Service Provider's online knowledge base, available 24/7/365 described more particularly at paragraph 3.1 of this Annex C ("**Service Provider's Self Service Portal"**) ;

1.1.1.2 Email/webform support request, available 24/7/365;

1.1.1.3 Live chat, during Support Hours – Agent Availability;

1.1.1.4 via a telephone call originated by the Authority during Support Hours – Agent Availability;

1.1.2 recommendations relevant to the course of action necessary to recover from a fault, error or failure emanating from the System or its use;

1.1.3 replacement of any tangible Copy of the Software originally provided, where that Copy has been accidentally damaged, upon return of the damaged Copy to the Service Provider at no charge other than the Service Provider's current packaging and shipping charges and the Service Provider's current charge for the media upon which the replacement Copy is provided;

1.1.4 upon request by the Authority, the diagnosis of Faults in the System and the rectification of such Faults (remotely) by the issue of fixes or other such remedy in respect of the Software and the System;

1.1.5 the creation and dispatch to the Authority from time to time of fixes in respect of the System;

1.1.6 the creation and dispatch to the Authority from time to time of new Versions and Releases of the System.

1.2 **Maintenance Services in respect of the Software.** In the case of Software, the Maintenance Services may be performed at one of the Service Provider's premises or via an approved network link or at the TfL Group's Premises. If possible, the Authority shall provide access to and copies of such test data as the Service Provider may reasonably require for the performance of the Software Maintenance Services. The Authority shall provide the Service Provider with reasonable access to the Authority ERP System during Business Hours to enable the Service Provider to comply with its obligations under this **Annex C**.

1.3 The Charges shall include the provision and implementation of the diagnosis and rectification of a Fault arising in the following Versions of the Software:

1.3.1 the then current Version supplied by the Service Provider to the Authority; and

1.3.2 the Versions which were supplied by the Service Provider to the Authority but have been superseded by the latest Version within the period of two years ending on the date of the request for such diagnosis and rectification by the Service Provider.

The Service Provider will provide diagnosis and rectification services in respect of other Versions in accordance with the Change Control Provisions in **Schedule 7** or by way of Additional Services, as may be agreed between the parties in writing.

2. Fault Categorisations and Corrections

2.1 Error Correction

2.1.1 The Service Provider will maintain the System in such working order as enables it to perform the functions specified in the Specification and the user manuals, however Service Provider is not responsible for the functioning of the Authority ERP System or IT environment.

2.1.2 The Authority will notify the Service Provider of any Fault, and provide the Service Provider (in so far as the Authority is reasonably able) with a documented example of the Fault and a description of and the circumstances in which the Fault arose within a reasonable time of becoming aware of such circumstances.

2.1.3 On receipt of a request for correction of any Fault reported by the Authority or identification by the Service Provider of such Fault, the Service Provider will ensure that an appropriately qualified and experienced person commences investigatory and corrective work within the response time specified in paragraph 5 below applicable to the category into which the reported Fault falls. If the reported Fault is Severity 1 (as set out below) the Service Provider will diligently continue investigatory and remedial work on a 24 x 7 x 365 basis. If the reported Fault is Severity 2 or lower (as set out below) the Service Provider will diligently continue investigatory and remedial work throughout the Support Hours - Agent Availability or such other times as may be mutually agreed between the parties until the reported Incident or Problem has been Restored. Findings from investigatory/remedial work will be fed back to the Authority.

2.1.4 In respect of Authority Software, upon the Fault being Restored the Service Provider will supply to the Authority the corrected version of the object code of the Software in machine-readable form for loading into the Live Environment. As soon as reasonably practicable after that the Service Provider will supply the Authority with amendments to the Documentation specifying the nature of the correction and providing instructions for the use of the corrected version of the Software where appropriate.

2.1.5 If requested by the Authority the Service Provider will provide, as soon as reasonably practicable, training for designated members of the TfL Group's staff to enable the Authority to make proper use of the corrected version of the System. Where applicable, the Service Provider will in addition provide the Authority with such assistance as is

reasonably necessary to enable the Authority to implement the use of the corrected version of the System. For the avoidance of doubt, the provision of reasonable training and assistance required as a result of a Fault correction is included within the Charges. Any additional training or assistance shall be subject to the written agreement of the parties.

2.1.6 The Service Provider will notify the Authority promptly of any significant fixes, patches or Workarounds in respect of the Software which are available to correct Faults identified by the Authority users together with details of any material effects which such fixes, patches or Workarounds may be expected to have.

3. Fault Reporting

3.1 Requests for Support

3.1.1 Details for contacting the Service Provider's Service Desk including a single telephone number through which Support shall be requested are detailed below. In accordance with the hierarchy set forth in 1.1.1 above, the Authority may request Support by chat, online form, telephone or e-mail (if practicable), as appropriate to the situation. The TfL Group's staff will contact the TfL Service Desk in the first instance for Support, and if further Support is required, the TfL Group's staff or TfL Service Desk personnel will contact the Service Provider.

Service Provider's Self Service Portal:

The Service Provider's self service support portal is a searchable repository containing articles addressing frequently asked questions, common issues, best practices, Configuration guides, and training materials. The self service support portal is available 24/7/365. The repository is consistently maintained and updated with the latest Service Provider information.*

http://Support.Taulia.com

*This portal also provides a publication channel for the Service Provider Customer-specific content, which is made visible to applicable Supplier contacts only. The Authority may contact Content@Taulia.com for more information on how to add Customer specific content.

Web Support Request Creation:

The Service Provider provides a web form for gathering required information to create a new Support request. The Authority must fill in the requested fields completely and accurately to ensure a prompt response. Following submission, the Service Provider will send an email confirmation containing a request tracking number and acknowledgement of receipt to the designated contact. Web Support Service requests may be created 24/7/365. The Service Provider will assign and complete an initial response within the timeframes designated); A web Support request may be created *via* the link below.

http://www.Taulia.com/Support

Chat Support Request Creation:

The Service Provider provides a chat interface for direct written interaction with the Support team. Chat lines are open during the Service Provider's Support hours of operation. The assigned Support team member will gather the required information to create a new Support request on the Authority's behalf and determine if an immediate resolution is possible via chat. Issues requiring additional research or engagement will be tracked in the Service Provider's request management system and continued *via* phone or email. A chat may be initiated *via* the link below.

http://www.Taulia.com/Support

*The chat button will read "Online" when the Service Provider's Support team members are available and "Offline" when chat services are

unavailable.

Email Support Request Creation:

The Service Provider provides a Support email address for direct request creation. A Support request will be created based on the Authority sender's email address. The sender must provide a detailed description of the issue, contact information, and any supporting documentation available. Following receipt, the Service Provider will issue an email confirmation containing a case tracking number and acknowledgement of receipt to the sender's email. Service requests can be created 24/7/365. The Service Provider will assign and complete an initial response within the timeframes designated. The Authority may initiate Support requests by emailing the address below:

Support@Taulia.com

Phone Support Request Creation:

The Service Provider provides regional phone numbers for direct verbal communication with the Support team. Phone lines are actively staffed during the Service Provider's Support hours of operation. Callers will be presented with language options or the ability to leave a voice message, if desired. The assigned Support team member will gather the required information to create a new Support request on the Authority's behalf and determine if immediate resolution is possible *via* the phone. The Service Provider will track issues requiring additional research or engagement in the Service Provider's request management system and continued via phone and email.

UK: +44 1302 231188

3.1.2 The Service Provider shall log all requests for Support, including:

(a) the date and time of the request;

(b) how received (telephone, e-mail, etc.);

(c) the name of the person making the request;

(d) the nature of the request (subject matter); and

(e) the severity of the request, as specified by the Authority.

3.1.3 The Service Provider shall assign a unique log number to each request and notify this number to the Authority at the time the request is made. This number shall then be used in all follow-up actions and reporting.

3.2 The Service Provider shall maintain an accurate and up to date record of all Faults reported, showing the date and time of Fault, nature of the Fault, actions taken, status, expected or actual resolution time and shall provide the same to the Authority upon request.

4. Assignment of Priorities

4.1 The severity of the request shall be determined by the Authority, in accordance with the following scale:

Severity 1 (Critical):

Solution related: A critical production issue that causes the Service Provider Software to be completely unavailable to the Authority or the Authority's suppliers, blocking all transactions with no workaround.

Transaction related: Not applicable

Severity 2 (Urgent):

Solution related: A serious issue that is causing severe impact that results in major functionality being unavailable or causing widespread inconvenience to a majority of the Authority's users or the Authority's suppliers with no workaround available.

Transaction related: An urgent issue with one or more transactions impacting amount or execution of payment.

Severity 3 (Medium):

Solution related: System issue or bug affecting the Authority or the Authority's suppliers, but it is still possible to transact business using the Service Provider's platform or short-term workaround is available.

Transaction related: A non-urgent issue with one or more transactions.

Severity 4: **(Normal)**

Solution related: Inquiry regarding a routine technical issue; information requested on application capabilities or configuration. A bug affecting a small number of users or of insignificant business impact. Issue with a reasonable workaround available.

Transaction related: Inquiry regarding the status or contents of a transaction, request for information, administrative or educational help.

Technical Support Events

The measurement of a Support request is divided in the following events:

Initial response	The acknowledgment from the Service Provider that a Support request has been received, request number assigned, Severity level assessed, and initial problem description documented to an extent where diagnosis can commence.
Remedy	A workaround or bypass, enabling customer to restore functionality at minimum at a decreased Severity level.
Solution	An action meaning the Software may be used in the same manner as prior to the occurrence of the issue.

4.2 The initial classification of severity may be made by the Authority and will be confirmed on receipt by the Service Provider. In the event of any disagreement in the classification relating to Severity 1 or 2 reports, this will be escalated by the Service Provider's Programme Manager with his relevant counterpart in the Authority so as to minimise any delay in Response, Remedy and Solution times. While under escalation and until resolved, the Service Provider will

perform the Maintenance Services in accordance with the Severity Level set by the Authority.

5. Response and Solution Times

5.1 From the time when a Support request is received by the Service Provider the Service Provider shall use commercially reasonable efforts to Respond and provide Remedies and Solutions within the timeframes set out in the table below and the originator of the request shall, for the duration of the Fault, be advised of progress as follows:

(a) Severity 1 - every four (4) hours during Support Hours or such other times as may be mutually agreed.

(b) Severity 2 - every day during Support Hours – Agent Availability or such other times as may be mutually agreed.

(c) Severity 3 - as agreed with the TfL Group's Nominated Representative (to be named in the Service Model as referred to in paragraph 14).

(d) Severity 4 - as agreed with the TfL Group's Nominated Representative.

Severity 1 - Critical	
Initial Response (standard business hours)	6 hours
Remedy	24 hours
Solution	48 hours
Severity 2 - Urgent	
Initial Response (standard business hours)	6 hours
Remedy	4 days
Solution	14 days (Solution-related / 10 days (Transaction)

Severity 3 - Medium	
Initial Response (standard business hours)	24 hours
Remedy	30 days (Solution-related) / 10 days (Transaction)
Solution	60 days or as part of a future Service Pack or Version, whichever is sooner (Solution-related) / 15 days (Transaction)
Severity 4 - Normal	
Initial Response (standard business hours)	48 hours
Remedy	60 days (Solution-related) / 15 days (Transaction)
Solution	90 days or as part of a future Service Pack or Version (Solution-related) / 20 days (Transaction)
Other Commitments	
Buyer Super User	Required
Escalation email	escalate@taulia.com
Support hours	Europe Buyers; 8AM – 6PM GTM

Support outside of regional business hours will be limited to Severity 1 (Critical) issues only.

A Support request shall be considered resolved once a Solution has been provided.

6. Incident and Problem Management

6.1 The parties will work together to define and agree a service model which complements the Authority's ITIL-based services management activities.

7. Escalation Management

7.1 The Service Model described in paragraph 6.1, shall include an escalations process. Such model shall take into consideration the Dispute Resolution Procedure including **clause 38.2**.

8. Configuration Management Database (**"CMDB"**)

8.1 The Service Provider shall ensure that where Releases are delivered to the Authority, they will deliver such information as is required to update the TfL Group's CMDB reflecting changes made. This covers but is not restricted to: System version numbers, documentation, licensing.

8.2 The Service Provider shall ensure that where changes to the System are made as a result of Fault or Software Error correction, they will deliver such information as is required to update the TfL Group's CMDB reflecting changes made.

9. Reporting

9.1 The Service Provider's Nominated Representative shall provide the TfL Group's Nominated Representative upon request with the data required to determine:

(a) number of requests for Support, by Severity;

(b) number of requests cleared;

(c) number and status of outstanding requests;

(d) average time to Respond by Severity;

(e) average time to provide Solution by Severity;

(f) performance against Service Levels as specified in paragraphs 5.2, 5.3, 15.4 and 15.5; and

(g) such further matters as the Authority may reasonably require, subject to the Service Provider's approval which, for the avoidance of doubt, shall not be unreasonably withheld or delayed.

9.2 The Authority may request that the Service Provider supply information relating to Major Incidents to the TfL Group's Primary Service Provider. This information shall include: diagnostic procedures and resolution details. Such information to be provided for inclusion in Major Incident Reports to be produced by the TfL Group's Primary Service Provider and shall be made available to the Service Provider upon reasonable request.

9.3 The Service Provider will arrange a service review meeting upon request. The agenda for this meeting will include: performance monitoring; summary of activity (lessons learnt, recommendations for System or service change); and any other related topics as notified by either party.

10. Change Management

10.1 Change management shall be conducted in accordance with the Change Control Procedure set out at Schedule 7.

11. Versions and Releases

11.1 The provision of each new Version or Release during the Term is included in the Charges unless agreed otherwise in advance by the Parties in writing.

11.2 Under this Agreement, the Authority is entitled to migrate to new Versions of the Software released by the Service Provider during the Term.

11.3 Whenever a new Version of the Software is released, the Service Provider will publish the fact on its website and will upon request, inform the Authority of the implications that the new Version will have on the Software and provide Release Notes. The Service Provider will ensure that new Versions of the Software will maintain the material functionality of previous Versions unless

expressly agreed with the Authority in writing, provided that any third party dependencies remain constant, however the continued functionality of customizations is not assured. The Service Provider will ensure that the new Version of the Software will be able to read the files of the previous Versions.

11.5 With the acceptance of the migration to a new Version, the Authority is entitled to specify when the new Version of the System will be introduced which must be within a period of six (6) months after its acceptance.

11.6 If required by the Service Provider the Authority will, after the TfL Group's installation and acceptance of a new Version or Release, either return the previous Version or Release and all copies of the whole or any part of it or destroy it and certify in writing to the Service Provider that this has been done.

12. Scheduled maintenance/Ad-hoc downtimes

12.1 Where permitted, the Service Provider will make best efforts to ensure downtime outside of the Maintenance Window will be scheduled and approved under the Authority Change Management process (which will be notified to the Service Provider within the Service Model referred to in paragraph 14.1) and will take place outside Support Hours – Agent Availability unless specifically notified to the Authority or where this is part of a major incident recovery plan.

12.2 Service Provider will take all commercially reasonable effort to ensure that any downtime does not impact any additional up-time required by the Authority outside Support Hours – Agent Availability provided such required up-time is timely requested by the Authority.

13. Nominated Representatives

13.1 For the purposes of receipt of the Maintenance Services, the TfL Group's Nominated Representative shall be the Contract Manager as stated in **Schedule 1**.

13.2 For the purposes of provision of the Maintenance Services, the Service Provider's Nominated Representative shall be contactable at: tflsupport@taulia.com. The Service Provider undertakes to keep the Authority

informed of any changes to their Nominated Representative.

14. Service Model

14.1 The Authority have outsourced responsibility for certain of the TfL Group's IT environment to certain service providers. The scope of services provided under this arrangement includes: service desk; desktop support; infrastructure (server; LAN/WAN, messaging); and applications. The Authority expects that initial contact will be made to the Service Provider via certain service providers, who shall also be responsible for management of problems, incidents, and change/release.

14.2 The Authority wishes to ensure that the TfL Group Users do not suffer any adverse impact on Services provided to them under this Agreement as a result of the interface between the Service Provider and the certain service providers referred to in paragraph 14.1. Accordingly, the Service Provider shall cooperate fully with those service providers to provide support services, in accordance with the Service Levels in respect of Problem and Incident resolution. The Service Provider agrees with the Authority that the Service Provider shall comply with its commitments to the other service providers, including any obligations under any Operational Level Agreement between the Service Provider and such other service providers, provided always that the Service Provider is responsible only for its own performance under the Service Levels stated in this Agreement.

15. Availability, Capacity and Service Assurance Activities

15.1 The System will be available during the Support Hours subject to the remaining provisions of this paragraph 15 and the Maintenance Services will be provided during the Support Hours, other than as provided in Section 12. The Service Provider warrants that it will have the capability to provide the Maintenance Services as described in this Annex C subject to any request by the Authority for any changes to such availability being dealt with under the change control provisions of this Agreement.

15.2 Maximum outages of the System should not exceed 1 hour during Support Hours – Agent Availability, and there should be no more than two unplanned outages of up to 1 hour per week (in any month) and no more than 4 unplanned outages in any three (3) consecutive months.

15.3 *Calculation of Availability and Service Levels*

The Authority requires the System to be available as follows:

	Measure	**Definition**	**Target Service Level**
Service Provider Software Availability (SaaS Platform)	Availability of Service Provider Software enabling: 1. Suppliers to log onto the Supplier-Side Services and to have access to invoice status and payment status. 2. Suppliers to log onto the Supplier-Side Services and to request earlier payment on approved invoices 'Early Payments", (unless such functionality has been disabled by the Authority); 3. the Taulia Business Exchange™ platform to respond to calls from the Authority's SAP ERP System as scheduled by TfL.	Total non-Maintenance Window hours in the measurement period (not less than one month) minus Total Outage Time (excluding downtime occurring during the Maintenance Window), expressed as a percentage of the total hours in the measurement period.	99%

15.4 Other Service Levels

15.4.1 The table below sets out certain Service Levels which the Service Provider shall meet or exceed in providing the Services.

15.4.2 The Measurement Window for each Service Level is over a calendar month, except where stated otherwise.

Service Levels:

Ref	Service Level Name	Service Level definition	Measure(s)	Metric Service Level
1	Security activities.	The Service Provider will carry out security and system administration activities forming part of the Services in accordance with the Measures listed in the next column (**"Measures")**.	The Service Provider shall comply with Schedule 11 (TfL Information Security Controls Framework (ISCF) - Third Party Computing, ITT Appendix 4b), and Schedule 8.	100%
2	Call abandonment rate.	The Service Provider shall seek to minimise the number of calls for support from the Authority which are abandoned by TfL Group Users/the applicable TfL Group representative or agents before being answered, in accordance with the Measure.	100% minus X, where X is the percentage of all calls received by the Service Desk that are abandoned by the caller after a 20 second period has elapsed from the point that the call is received or after any agreed initial announcement/menu has ended.	

3	Major Incident Report	The Service Provider shall ensure that the period from the Remedy time in respect of each Severity Level 1 or 2 Incident to the delivery of the Major Incident Report to the agreed Authority recipient will be in accordance with the Measure.	Upon request by the Authority, all Major Incident Reports for Severity Level 1 and 2 Incidents will be delivered within 3 Business Days of the Incident Remedy time.	90%
4	Capacity Management	The Service Provider shall ensure that agreed capacity levels are maintained in accordance with the Measure.	No capacity levels will be allowed to fall below the agreed threshold levels in the Specification, if any, except by prior notification to and agreement with the Authority.	100%
5	Agreed Server **"**housekeeping activities**"**	The Service Provider will carry out all activities specified in the **"**Measure**"** column in accordance with the Measure**.** Without prejudice to any other remedy of the Authority for	Configuration Items updated in the CMDB by the Service Provider shall be accurately updated.	100%

		breach of Service Levels, if the Service Provider fails to comply with this Service Level the Service Provider shall within a timescale agreed with the Authority produce a documented service improvement plan for the impacted Service Levels and, once agreed by the Authority in writing, promptly implement such plan.		

16. Place for Provision of Maintenance Services

16.1 As a general rule, all Maintenance Services will be rendered at the Service Provider's premises.

16.2 If the parties so agree or when it is absolutely necessary, Maintenance Services shall be rendered on site at the TfL Group's premises.

16.3 Any travel needed to provide services at the TfL Group's premises will be made as soon as possible, depending on the urgency of the Maintenance Services required and of the availability of the Service Provider, but not later than 8 Business Days after the date when the parties have agreed on the need for travel.

16.4 The Service Provider warrants that its members of staff and/or third parties it employs shall not perform any activity at the TfL Group's premises without supervision by and/or explicitly prior to approval from persons authorised by the Authority.

16.5 The Service Provider shall then perform its activities taking into account the instructions given by the Authority.

17. Introduction of Small Functional Adjustments to the System

17.1 New functionalities in the Authority Software must be requested in writing by the Authority, describing the adjustment to be introduced in the System.

17.2 Within a maximum period of ten (10) Business Days after the date of a request for a variation to the System by the Authority, the Service Provider will evaluate the feasibility of the change requested and provide a quotation to implement the changes requested including its estimate of the Man Hours and time required to implement such adjustment. Initiation of such changes will commence within twenty (20) Business Days of the TfL Group's acceptance of such quotation unless agreed otherwise provided the required contractual process has been followed and that the Service Provider complies with the TfL Group's Change and Release Management process as set out in the service model to be defined and agreed as part of this Agreement.

17.3 The Service Provider will not implement the adjustment before the acceptance of the estimate by the Authority.

17.4 Notwithstanding the estimate provided by the Service Provider, the actual time spent by the Service Provider in carrying out the evaluation and providing the quotation together with time spent implementing the required adjustments will be charged to the Authority at the Extra Work/Additional Support rate set out in Schedule 3. The Service Provider will not be entitled to exceed the quotation without the prior agreement of the Authority.

17.5 The Authority will test the functional adjustment in accordance with **Schedule 6** or such other arrangements as the parties may agree.

17.6 The Authority will review the deliverables against the acceptance criteria in **Schedule 6**. The Authority reserves the right to accept and/or reject such deliverables. The Authority will advise why such deliverables are rejected.

18. Major Adjustments and Exceptional Activities

18.1 The rendering of services concerning Major Adjustments and other activities which do not fall under the scope of this Schedule and shall be subject to Change Control Provisions in **Schedule 7** or by way of Additional Services, as may be agreed between the parties in writing.

19. Service Level Reports

This **Annex C** sets out the Service Levels which the Service Provider shall meet in each Measurement Period. The Service Provider will provide to the Authority upon reasonable request a breakdown of the Service Levels missed within the most recent Quarter, if any, and the details as to the extent they were missed (expressed in minutes or percentages as applicable).

20. **Breach of Service Levels**

20.1 Without prejudice to any other remedy of the Authority for breach of Service Levels, if the Service Provider fails to comply with any of the Service Levels, the Service Provider shall (at its sole cost) within a timescale agreed with the

Authority (but which shall not exceed 10 business days of such failure) produce a documented service improvement plan for the impacted Service Level(s) and, once agreed by the Authority in writing, implement such plan within the timescales for such implementation set out therein. Should the Service Provider fail to comply with such service improvement plan, service credits shall be provided by the Service Provider to the Authority which shall be calculated in accordance with paragraph 20.2 below. This paragraph 20.1 shall not affect the Authority's rights in the event of a material breach of the Agreement which for the avoidance of doubt shall include:

(a) any failure to provide a documented service improvement plan within 15 Business Days of failure to meet a Service Level;

(b) any failure to implement a service improvement plan within the timescale set out therein;

(c) failure to meet more than four Service Levels within any six (6) month period; or

(d) the reoccurrence of any Service Level failure in respect of which a service improvement plan has been implemented within three (3) months of such implementation.

20.2 For each percentage point that availability as determined under paragraph 15.3 of this Annex C falls below the Target Service Level in any calendar month, the Authority shall be entitled to and the Service Provider shall provide to the Authority a credit in the amount of a one percentage point (1%) increase in the Management Fee payable to the Authority from the margin achieved in the SCF+ Programme for the affected month, and a reduction of one percentage point (1%) in the gainshare payable to Service Provider under the Dynamic Discounting Service for the affected month.

ANNEX D

BUSINESS SUPPORT SERVICES

This Schedule describes the Business Support Services which shall be provided by the Service Provider following the Service Commencement Date.

1. **The Service Provider Solution Functionalities.** In accordance with **Schedule 4** and paragraph 4 of **Annex A** to **Schedule 2**,

1.1 SAP Add-on

1.1.1 The Service Provider shall make available to the Authority an SAP Add-on which is accessible by users of the Authority SAP ERP, and which will enable the Authority to set up, control and maintain the Programme, including invitation of Suppliers to the Programme.

1.2 Authority Web Access: The Service Provider shall make available to the Authority users a web portal (the Taulia Gateway), which is accessible via a web browser,.and which will provide the following functions:

1.2.1 display summary of Release Notes

1.2.2 create global messages for communication to all Suppliers

1.2.3 create custom content for the 'My Customer' tab of the vendor portal

1.2.4 manage Authority user profile settings

1.2.5 invoices and payment screen which gives the Authority user the ability to view the invoices , and payment status, as well as, under the Dynamic Discounting Service only, the discount for early payment and remittance information;

1.2.6 enable a user to view up to 15 months of invoices and accounting history.

1.3 Supplier Web Access: The Service Provider shall make available to the Suppliers a web portal that is accessible via a web browser by users of the Suppliers and which shall provide functionality to:

1.3.1 search and display invoices, credit notes and payments;

1.3.2 select eligible invoices for early payment;

1.3.3 manage Supplier profile settings for the Supplier web portal;

1.3.4 query messages enabling the user to email and instant message a query from the Web Portal to the helpdesk. Query messages enabling the user to message a query from the Supplier web portal to the SAP Add-on message board. A reply message (as applicable) will be sent to the Supplier by the Authority users confirming that their query is being investigated. The Supplier will receive notifications within the Supplier web portal as well as by email if there is a conversation initiated or a response received. The Taulia message board in the SAP Add-on provides the Authority users a centralized view where all messages with suppliers are stored. ;

1.4 Support: The Service provider shall make available a self-service support portal, as described in Annex C, including

1.4.1 e-mail and instant messaging queries enabling the user to email and instant message a query to the helpdesk, with an update within the next twenty four (24) hours (and accordingly all queries will receive an initial response within that timescale)

1.5 The Service Provider shall maintain the availability of the SaaS components of the System in accordance with paragraph 15.3 of Annex C, with the exception of planned downtime for maintenance, which the Service Provider will advise the Authority of at least 48 hours in advance of any action being taken when possible.

1.6 Where the Service Provider has deemed it necessary to schedule a period of downtime for the Authority Web Access, an e-mail communication will advise the user of the estimated downtime when possible.

1.7 The Supplier Web Access (web portal) may be customised by the Service Provider to reflect the Authority's corporate standards as far as can be reasonably expected.

1.8 The Service Provider shall issue each user that is authorised by the Authority to utilise any of the web portals, with a unique User ID and Password to enable access to the system. It is the responsibility of the users to ensure that only authorised personnel have access to this User ID and Password. The Service Provider shall take no responsibility for any issues arising through misuse of the User ID and Password.

2. **Service Review and Performance Reporting**

2.1 Upon reasonable request, the Service Provider shall provide the Authority, via e-mail, the following performance reports:

2.1.1 Actions and notes from any previous meeting

2.1.2 Programme performance

2.1.2.1 Summary

2.1.2.2 Financials

2.1.2.3 Operational statistics

2.1.2.4 Monthly transaction summary

2.1.3 Supplier on-boarding

2.1.4 Service Levels

2.1.5 the status of change requests

2.1.6 Escalations – Risks / Issues

2.2 Upon reasonable request, the Service Provider shall provide the Authority with the following management information:

2.2.1 monthly summary of accounts and Suppliers. Number of each added and deleted etc;

2.2.2 summary details of the period end processing; and

2.2.3 daily value per account of amount spent this period.

2.3 The Service Provider and the Authority shall meet upon reasonable request to review performance under this Agreement.

ANNEX E

SUPPLIER ON-BOARDING SERVICES

PART A

1. The Supplier Adoption Agreement will provide that the Participating Supplier is entitled to receive early payment of its invoices at its own election, and will provide that the Service Provider shall notify the Participating Supplier of the difference between the original face value of the invoice and the value settled when the Participating Supplier elects to receive an early payment.

2. The Participating Supplier will be notified by the Service Provider that whilst reasonable endeavours will be made to pay approved invoices as early as possible the Authority reserves the right to withdraw or restrict access to the SCF+ Programme and to pay invoices on the Authority's standard payment terms. In the event that invoices are not paid earlier than the due date for payment under the Authority's standard payment terms, there will be no deduction on the sum due.

3. A Participating Supplier must issue a valid VAT invoice in accordance with HMRC guidance. Failure to comply with this requirement will mean that the Supplier cannot obtain the benefit of the early payment terms in respect of that invoice.

4. A Participating Supplier must accept that it is its own responsibility to maintain proper accounting records and make adjustments within its own accounting system for any early payment finance charges deducted by the Service Provider.

5. The Service Provider will ensure that Participating Suppliers irrevocably agree that in consideration of the reduced early payment by the Service Provider's funding partner (including (without limitation) the Authority) of the Participating Supplier's invoice, the Participating Supplier waives any claim it may have to be paid the full sum which would have been due under the Authority's standard payment terms.

6. Any provisions of a Supplier Contract which would conflict with either the ability of the parties to enter into or perform in accordance with this Agreement or the ability of the Service Provider to enter into or perform in

accordance with a Supplier Adoption Agreement including any restriction on the ability of the Authority to assign or otherwise deal with its debts the subject matter of this Agreement will be deemed to have been waived by the Participating Supplier and the Authority to the extent required to enable the parties to enter into and perform this Agreement and to the extent required to enable the Service Provider to enter into and perform the Supplier Adoption Agreement.

PART B

1. With effect from the Commencement Date the parties shall work together to identify Suppliers who may be willing to:

1.1 using the Dynamic Discounting Service, accept a variation to the terms of the relevant Supplier Contract in order to effect early payment to the Supplier in return for a reduction in the value of fees or charges payable to the Participating Supplier under the terms of the relevant Supplier Contracts; or

1.2 using the SCF+ Programme, accept an early payment from a third-party funder in consideration of a reduction in the value of fees or charges payable to the Participating Supplier under the terms of the relevant Supplier Contracts; and

1.3 adopt an alternative approach to the Authority's interaction with the Supplier by providing access to the Supplier to the Service Provider Portal

referred in this Agreement as the "**Programme**".

2. The Service Provider shall in accordance with the terms of this Agreement:

2.1 take the lead in liaising with potential Participating Suppliers to explain the nature of the Programme and the Supplier's proposed participation and including providing such material in writing or otherwise electronically as the Authority shall approve from time to time. Such contact shall be made directly to Suppliers or shall be conducted through other techniques including contact through supplier forums; and

2.2 following a Supplier's agreement in principle to participate in the Programme (subject to contract), negotiate with a potential Participating Supplier;

together the activities described above are referred to in this Agreement as **"Supplier On-boarding Services"**.

3. The Service Provider shall provide the Supplier On-boarding Services during the Term with effect from the Commencement Date. By a date mutually agreed by parties, the Service Provider and the Authority will agree an operational process with regard to entering into, monitoring and updating Supplier Adoption Agreements. In the event of any conflict between the terms of such process and this Agreement, the terms of this Agreement shall prevail.

4. The Service Provider shall cease contact with any Supplier in relation to the Authority's arrangements with that Supplier or the Supplier's invoices to the Authority, following either written request by the Authority to that effect or the end date of the Programme.

5. Nothing in this Agreement shall require the Authority to require that any Supplier participate in the Programme and except where the Supplier has entered into a Supplier Adoption Agreement nothing hereunder shall require the Authority to continue in discussions with a Supplier in connection with the Programme.

6. The parties shall agree further the rules under which the Service Provider shall engage with Suppliers. In the event of inconsistency between the terms of this Agreement and such rules, the terms of this Agreement shall prevail to the extent of such inconsistency.

7. In undertaking Supplier On-boarding Services the Service Provider shall:

7.1 not enter into Supplier Adoption Agreements inconsistent with the terms set out in **Part A** of this **Annex E**;

7.2 provide to the Authority a copy of the latest adopted version of a Supplier Adoption Agreement that the Service Provider has entered into with a Participating Supplier, promptly following a written request by the Authority.

7.3 act towards the Authority and Suppliers conscientiously and in good faith and not to allow its interests to conflict with the duties that it owes to the Authority under this Agreement and the Applicable Law;

7.4 not to act in a way which will incur any liabilities on behalf of the Authority nor to pledge the credit of the Authority provided always that this clause shall not operate to fetter the Service Provider from performing its obligations and exercising its rights in accordance with the terms of this Agreement;

7.5 comply with all reasonable and lawful instructions of the Authority from time to time concerning the Supplier On-boarding Services;

7.6 act in accordance with sound commercial principles in its relations with Suppliers and to do nothing which the Authority reasonably considers could be prejudicial to its goodwill or commercial interests with such Suppliers or otherwise;

7.7 describe itself in all dealings with the Suppliers in relation to the Authority's arrangements with those Suppliers as acting as the Authority's agent in connection with the Programme;

7.8 keep the Authority fully informed of its activities;

7.9 inform the Authority promptly of any material complaint from a Supplier in connection with Supplier On-boarding Services or otherwise;

7.10 not without prior reference to the Authority take part in any dispute or commence or defend any court or other dispute proceedings in connection with the Suppliers or settle or attempt to settle or make any admission concerning any such proceedings;

7.11 under the Dynamic Discounting Service, provide information to Suppliers necessary to enable Suppliers to modify their systems and processes to reconcile the value of invoices raised by the Supplier and the reduced payments actually received by the Supplier; and

7.12 under the SCF+ Programme, inform the Suppliers of the finance charge which was deducted from the approved amount of the invoice under the terms of the relevant Supplier Contracts in determining the amount of the early payment.

8. In connection with the supply of Supplier On-boarding Services the Authority shall:

8.1 be responsible for the final decision as to whether the Supplier may participate in the Programme and enter into a Supplier Adoption Agreement. For the avoidance of any doubt the Authority shall not be obliged to approve the terms of a Supplier Adoption Agreement and shall be entitled to require the Service Provider to cease discussions with any Supplier regarding the Authority's arrangements with that Supplier at any time.

8.2 provide all reasonable assistance that is reasonably required by the Service Provider to facilitate the Participating Suppliers' participation in the Programme;

9. In performing the Supplier On-Boarding Services the Service Provider shall only propose terms to Suppliers that reflect the terms set out in **Part A** of this **Annex E** and the Service Provider shall not propose alternative terms.

10. The Service Provider shall only include Suppliers within the Programme who have entered into and have executed the terms of a Supplier Adoption Agreement.

11. For the avoidance of doubt, the Service Provider must perform its obligations under this Agreement in respect of any debt owed by the Authority to a Participating Supplier which is notified to it by the Authority as a debt to which this Agreement shall apply, however this shall not obligate the Service Provider to provide third-party funding under the SCF+ Programme for all Approved Invoices.

ANNEX F

ADDITIONAL SERVICES

1. **SERVICE PROVIDER'S OBLIGATIONS**

1.1 The Service Provider shall provide such Additional Services as may be agreed by the parties in writing.

1.2 The Additional Services may take the form of all or any of the following:

1.2.1 the provision of a set number of man days of consultancy (whether for the preparation of further or bespoke software, a software specification or otherwise);

1.2.2 the supply of further or bespoke software, a software specification, hardware or other items;

1.2.3 the provision of training and consultancy services.

1.3 The provision of the Additional Services by or on behalf of the Service Provider for the Authority shall be subject to the terms of this Agreement.

2. **ADDITIONAL SERVICE CHARGES**

The Additional Services Charges shall be levied by the Service Provider for the Additional Services provided by the Service Provider as set out in **Schedule 3**.

ANNEX G

OPTIONAL SERVICES

Taulia Direct (Taulia SAP PI Connector)

The Taulia Direct PI Connector establishes the message types for relaying the API call from the Taulia SAP Add-on to the Taulia Business Exchange SaaS database. Data is transferred between the Taulia Business Exchange and SAP using Taulia API's. The Taulia SAP Add-on contains configuration to set the defined frequency of the API call.

Scheduling and Fees

Taulia would commence transitioning TfL to SAP PI upon TfL's request in a timely fashion. Taulia's fees for this would be held at [redacted] providing the request is received within the Initial Period.

Services to be provided:

- Complete configuration related to Taulia Direct
- Define the API connection
- Define the parameters of communication

Dependencies:

- Authority to ensure PI versions are at required levels, and that Service Provider has access to work with the appropriate SAP and PI teams at the Authority.
- Customizations may need to be reverted for Taulia Direct, depending on the nature of the customizations.

SCHEDULE 3 - CHARGES

This Schedule sets out the Commissioning Fee and the Service Fee payable to the Service Provider.

1. **Definitions**

In this Schedule, the following expressions shall have the following meanings:

1.1 **"Calculation Date"** means the first Business Day after the end of the relevant calculation Period;

1.2 **"Calculation Period"** means each calendar month from the Commencement Date until the end of the Term and, in addition, the periods of time: (i) from the Commencement Date until the end of the calendar month in which the Commencement Date occurs; and (ii) from the end of the last complete calendar month of the Term to the date on which the Term ends shall also be treated as Calculation Periods for the purposes of this **Schedule 3**, subject to the following:

1.2.1 where the last day of any calendar month is not a Business Day then that particular Calculation Period shall end on the immediately preceding Business Day; and

1.2.2 if any Calculation Period ends on a day that is not the last calendar day of a particular calendar month, then the next Calculation Period shall start from and shall include the day immediately after the last Calculation Period ended.

1.3 **"Calculation Report"** means the report that is provided on the Calculation Date, in a form to be agreed between the parties;

1.4 "**Commissioning Fee**" means the fee of [redacted] payable to the Service Provider for the supply, configuration and installation of the Service Provider Software;

1.5 "**Service Fee**" means the value payable to the Service Provider in respect of invoices settled earlier than stated payment terms and which represents ongoing support, updates and Supplier on-boarding provided by the Service Provider as well as where appropriate*, a fee in respect of the provision of

finance (*such finance to be provided by the Authority unless it requires, at the Authority's sole discretion, the Service Provider to provide such finance and notifies it in writing of the same – see SCF+ Program Overview & Flow document attached as Appendix 2 to Schedule 3 for overview of process for payments where finance procured by the Service Provider).

1.6 **"Optional Services Fee"** means the value payable to the Service Provider in respect of its provision (upon request by the Authority) of the Optional Services fully in accordance with this Agreement and which shall not in any event exceed [redacted]

2. **Commissioning Fee and Service Fee**

2.1 The Service Provider is entitled to submit invoices in respect of the Commissioning Fee as follows:

[redacted]

[redacted]

[redacted]

2.2 The Service Provider is entitled to submit an invoice immediately following expiry of a Calculation Period in respect of the total Service Fee payable for that Calculation Period.

2.3 In the event that the Authority requires the Service Provider in respect of its provision (upon request by the Authority) of the Optional Services the Service Provider is entitled to submit an invoice for the same following its completion of provision of such Services fully in accordance with this Agreement.

3. Calculation of the Service Fee

3.1 Revenue Sharing Model

To ensure alignment between the Authority and the Service Provider, the value of the fee charged to the Supplier (the difference between the original face value of the invoice and the value settled) is made up of two component parts being the Libor benchmark (described below), and a margin, the margin shall be split as follows:	Margin share	
Management fee	[redacted]	This fee is due to the Authority in lieu of setting up and managing the solution on an ongoing basis
Investment interest	[redacted]	Retained by party which provides the finance (note that Libor benchmark is retained also by this party)**
Service Provider fee	[redacted]	Retained by the Service Provider in lieu of platform, supplier on-boarding and on-going support and maintenance
	[redacted]	

Libor benchmark: At the Commencement date, the Libor benchmark is set at the appropriate quoted Libor rate for the period an invoice is accelerated plus [redacted] basis points. The Libor benchmark may be amended during the contract term upon mutual agreement by both the Authority and the Service Provider to reflect significant market movements.

For clarity, the Libor benchmark shall be retained by the party providing the finance. The applicable Libor rate is the rate for the maturity period that is the same as the number of days of acceleration, or the next longest maturity period, where the number of days of acceleration does not match an available maturity period. The minimum maturity period is the 30-day Libor rate, which will be used for all acceleration periods of 30 days or less. For acceleration periods of 31 to 60 days, the 60-day Libor rate will be used.

The Service Fee shall equate to the Service Provider fee (detailed in the table above) where the Authority is the party providing the finance. Where the finance is arranged by the Service Provider the Service Fee shall be equal to the sum of the Service Provider fee, the Investment Interest (detailed in the table above) and the Libor benchmark.

> ** Such finance to be provided by the Authority unless it requires, at the Authority's sole discretion, the Service Provider to provide such finance and notifies it in writing of the same.

Under the SCF+ Programme, on a quarterly basis (and within five (5) business days of the last day of the quarter), the Service Provider will send the Authority remuneration representing the percentage of the Margin Share earned by the Authority.

Under the Dynamic Discounting Service, within five (5) business days of the last day of the month, Service Provider will send the Authority an invoice for the applicable Dynamic Discounting Gain Share fees (described below) earned during the previous month and include a summary sheet setting forth the fees due to Service Provider from the Authority.

"Dynamic Discounting Gain Share" means those fees specified above payable to the Service Provider, dependent on the amount of additional discounts realized by the Authority from the use of the Dynamic Discounting Service. Such additional discounts shall be calculated as the sum of (i) all discounts earned from early payments on invoices with net payment terms (e.g. Net 30, Net 45, Net 60, etc.), plus (ii) all excess discounts earned from early payments on traditional discount invoices, where those early payments were triggered by use of the Dynamic Discounting Service by the Authority or its Suppliers. In (ii) above, excess discounts shall mean discounts in excess of the traditional discount that would have been earned by payment in

accordance with a contractually agreed traditional non-dynamic discount term (like 2%10 Net 30) on the same payment date.

For the avoidance of doubt, Service Provider will not earn any Dynamic Discounting Gain Share based on discounts (i) that would have been available according to the underlying traditional terms otherwise applicable to the invoice, nor (ii) from individually negotiated and manually entered discounts.

4. **Exchange Rate**

If any sums payable to the Supplier under the Supplier Contracts are made by the Authority in a currency other than pounds sterling, for the purposes of calculating the Service Fee the relevant sums shall be converted into pounds sterling using the exchange rates published on Bloomberg page 'BFIX' between the relevant currencies **using the 10.00 fixing** on the day the sum due to the Supplier under the Supplier Contract is made (or if there is no rate for that date, then the most recent prior date for which a rate was stated).

5. **Hourly Rate for Additional Services**

Additional Services performed by Service Provider in accordance with **Annex F** to **Schedule 2** shall be charged at the rate of £200 per hour, with a four-hour minimum, or £1,600 per day.

Appendix 1

Example Service Fee Calculation

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

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Appendix 2

SCF+ Program Overview & Flow

SCHEDULE 4 - STATEMENT OF REQUIREMENT

Statement of Requirements - Specification

Appendix 1 – TfL's Requirements

Volume 2
The Specification

Supply Chain Finance Solution

Project No : TfL318g

Procurement Reference Number: ICT11851

Transport for London

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ORGANISATIONAL OVERVIEW

Transport for London (TfL)

TfL is a functional body of the Greater London Authority, created in 2000 as the integrated body responsible for the Capital's transport system. Its primary role is to implement the Mayor of London's Transport Strategy and manage transport services across the Capital. TfL is made up of many predecessor organisations covering almost all transport modes in London, and therefore has the ingredients and accumulated experience to provide one of the largest integrated transport systems in the world.

TfL comprises of different modes or business areas. These are :

Surface Transport, Corporate, London Underground and Rail.
TfL is a partner in Crossrail.

TfL manages London's transport network and is responsible for London's buses, the Underground, the Docklands Light Railway (DLR), London Overground, London River Services, Santander Cycle Hire, electronic vehicles and policing. TfL also runs Victoria Coach Station and the London Transport Museum.

TfL is responsible for 360 miles (580km) of main roads, and all of London's 4,600 traffic lights. In addition, it manages the London Congestion Charging scheme and regulates the city's taxi and private hire trade. TfL also promotes a range of walking and cycling initiatives across the Capital.

Business Areas

This specification relates to business conducted across all TfL Business Units but particularly focuses on Corporate where procurement processes are managed

INTRODUCTION

Background

TfL wishes to procure a Supply Chain Finance solution that provides its Supply Chain with the option of accelerating payment of their approved TfL receivables at an affordable rate of finance. If the supplier chooses not to accelerate payment they will continue to be paid in full to standard terms (10 days SMEs or 30 days large suppliers).

The solution must have the functionality to allow both TfL's own cash balances to be used to accelerate payment to suppliers as well as 3rd party financing during periods when TfL chooses not to use its own cash or has insufficient surplus liquidity. Where TfL uses its own cash to accelerate payment of an approved supplier invoice, the respective trade creditor must be extinguished on TfL's balance sheet immediately. Where 3rd party financing is used to accelerate payment to a supplier, the invoice must remain as a trade creditor on TfL's balance sheet until the normal payment date of the invoice.

From the supplier's viewpoint, they should experience the exact same functionality from the solution irrespective of who pays the invoice.

TfL currently has sufficient cash balances to support a Supply Chain Finance solution using its own cash balances but the Supply Chain Finance solution must allow for 3rd party financing to be available seamlessly during periods where TfL chooses not to use its own cash balances.

TfL's intention is to make the solution available where possible to all suppliers, irrespective of size, to obtain maximum value for all parties. It is envisaged that a pilot supplier would be used to test the solution initially with further rollout as and when the solution and TfL's systems and processes are functioning efficiently.

For the year to 31 March 2015 the total supplier spend of TfL was approximately £7bn which was made up of roughly 7.5k suppliers, 1.8% of these suppliers make up 80% of spend and 3.7% of suppliers make up 90% of spend. Not all spend is thought to be suitable for Early Payments. The total includes £450m that is currently processed through Oracle and is out of scope for this project, however this spend may be transitioned to SAP in the future.

The solution is to include:

1. An early payment financing capability which is capable of being funded by either TfL or 3rd party financing at TfL's sole discretion
2. An acceptable accounting treatment solution for IFRS Balance Sheet disclosure (as described above)

Objectives

Business

The following business objectives underpin this programme and the deployed solution must deliver capabilities to satisfy these objectives.

- Creation of a value exchange that translates into affordable access to liquidity for the supply chain and lower costs for TfL
- Availability of 3rd party financing to provide additional liquidity at competitive terms
- Provide greater transparency and tracking of prompt payments of SMEs within TfL's global supply chain

System

The delivered solution shall provide the capability for -

- Provision of working capital for suppliers against their approved invoices at competitive finance rates which is advantageous for both the supplier and TfL. Adoption of the solution and acceleration of invoices will be entirely at the discretion of the supplier.
- Creation of a financing offer against a supplier invoice which is dynamic (based on invoice value, invoice payment due date, chosen payment date and real time financing rates)
- Straightforward integration with the TfL SAP system for accounts payables (AP) and General Ledger, with near real time functionality. To be operated by internal resource without heavy reliance on IM infrastructure and support
- Integration / connectivity to SAP ECC v6.0
- Integration with a short term financing that provides access to multiple investors if required
- An acceptable accounting treatment solution for IFRS Balance Sheet disclosure
- Workflow of tasks
- Minimal ongoing system administration

SCOPE

In Scope

- Provision of a full Supply Chain Finance solution which shall incorporate a supplier portal, dynamic invoice acceleration financing offers (based on a standard finance margin) and a full suite of 3rd party financing.

  Full integration with SAP, in particular Accounts Payable & Process Integration middleware modules

Out of Scope

- Any catalogue management processes
- Any contract management processes

Whilst not directly in scope, the chosen Supply Chain Finance solution must be compatible with the following potential self service functions, future adoption of such services will be at the option of TfL:

- Vendor Invoice Management software for e-invoicing (including Opentext Invoice Capture Centre OCR)
- Creation or maintenance of vendor profile by TfL or external users and self-registration on the Commercial Vendor Registration Portal
- Invoice creation from a SAP PO (PO flip)

General Requirement

Instructions for prospective providers in completing the ITT

Please review each requirement description below and under the column 'Vendor score' enter one of the following 3 options for every requirement:

Vendor Score	Description
1	Requirement is met with no customisation required = the functionality described is available out-of-the-box and/or configurable
2	Requirement can be met but requires customisation = the solution can be customised to meet this requirement within TfL's proposed timeline for rollout, will be fully supported and will be at no additional cost
3	Requirement is not met = the requirement is not currently supported. If the requirement is on a future road map please provide this detail within the Vendor comments section with indicative timelines if known

A response is expected in vendor comments to explain how the prospective solution meets the requirement. Each response should not exceed 250 words unless a separate limit is specifically identified in individual requirements, the word count would include the words in any attachment or referenced document which should also be kept to a minimum (unless specifically requested).

TfL Scoring/Evaluation criteria

There are 8 technical sections which will count towards 75% of the overall scoring for the ITT (3 of these sections are Pass/Fail), there is one commercial section which will count towards 25% of the overall scoring. Each section illustrates in the heading how much it will contribute to the overall score (if applicable). Within each section there may also be both Pass/Fail questions and those that are scored out of 25 (25 being the highest available for meeting the requirement).

Those requirements that are shown as being pass/fail are 'must have requirements' for TfL and therefore in the event that the prospective provider's solution provides a fail score for any single requirement, all other scoring will be irrelevant and the proposed solution will be deemed unsuitable for TfL's needs. Pass/fail requirements are non-negotiable, if a prospective provider's solution is unable to meet any one of these

requirements they would be advised not to participate in the ITT. For clarity, a vendor score of 3 would lead to TfL scoring this question as a fail.

For the requirements being scored out of 25, the minimum to pass these is 9, if the score awarded by TfL is below 9 then the score for this individual requirement will be deemed to be zero when the scoring is accumulated for that particular section. Please see the example below:

Table 1 (example)

Requirement 1 (15% of total)	**TfL scoring**	**Adjusted TfL scoring**
1.1	16	16
1.2	4	0
1.3	9	9
Cumulative section score		**25**
If the allocation of the total marks for this section was 15% then a total score of 25 would equal 25/75(maximum available score) * 100 * 15% = 5% (contribution of section 1 to total scores for all 7 sections)		

All parties submitting an ITT will have the opportunity to attend a live presentation where they will be expected to answer questions on and demonstrate, amongst other things, how their solution fulfils the responses they have given in the ITT and thus demonstrate how the solution meets the criteria in a live test environment. TfL expects to see a live demonstration of the system, no pre-determined format will be provided, the solution providers will be expected to demonstrate functionality of the areas TfL chooses and in the order TfL chooses on the day which will be consistent for all parties. No screen shots will be accepted, only a live test environment. Only 5 minutes will be available for introductions/background.

TfL will use these sessions to validate the answers given in the ITT and will amend the previous ITT scoring up or down where deemed appropriate.

Ref	Requirement Description	Vendor score 1/2/3	Vendor comments	TfL Scoring
1	**Web portal and supplier on-boarding - 20%**			
1.1	The solution must have a secure, simple to use and effective portal for suppliers (buyers must also have access) that will not prove a detriment to take up by any supplier and shall be capable of interfacing supplier data with SAP as the single data source. Minimal training should be required for users and be provided via the portal as appropriate.			Pass / Fail
1.2	The solution must be scalable in terms of the number of suppliers, TfL entities and web users. Please indicate if there are any constraints in this respect			Pass / Fail
1.3	The provider must perform Supplier on-boarding and enablement services.			Pass / Fail
1.4	The solution must have the ability to invite suppliers via electronic means to join the portal			Pass / Fail
1.5	The solution must be designed to attract maximum supplier participation. The solution provider should not prevent any supplier from participating but may flag to TfL any concerns they may have around a supplier			Pass / Fail
1.6	Please provide a copy of all documentation the supplier will be asked to sign up to as part of the on-boarding process. Whilst TfL is not a party to these agreements, TfL must be comfortable with the arrangement being			Pass / Fail

	these are TfL suppliers and thus a duty of care is owed to them. TfL is aware of the high reputational risk of its suppliers being asked to sign up to unfair contracts. Please comment whether the contracts could be amended if needed to reflect material TfL comments.			
1.7	Suppliers must have the ability to view all their purchase invoices and associated status within the portal regardless of the method used to input the invoice into SAP or the approval route, i.e. agnostic from any supplier network or alike and present only invoices from TfL's SAP system			Pass / Fail
1.8	Suppliers must be automatically notified immediately via electronic means once their invoice is approved for payment and also highlighting early payment offers.			Pass / Fail
1.9	Suppliers must be able to view the status of their Supply Chain Finance solution offers in near real time from the new web based portal solution			Pass / Fail
1.10	Suppliers must be able to accept Supply Chain Finance solution offers on the portal in near real time			Pass / Fail
1.11	The solution must have the functionality for the supplier to sign up to all the necessary on-boarding agreements online without the need for 'wet signatures' or paper documents being			Pass / Fail

	sent via post or courier between the provider and the supplier.			
1.12	Provide an example of a proposed supplier on-boarding communication plan differentiating between the approach for large and small suppliers. To what extent can the portal and marketing communications be TfL branded		(750 word limit for this requirement)	1 - 25
1.13	Describe in detail the entire process and communication methods used in on-boarding a supplier including the following: - Where the supplier contact details are sourced from - By what means TfL indicates the supplier as being approachable by the provider - How the solution provider contacts the supplier - Marketing strategy (refer to 1.12 response as appropriate) - How many documents the supplier needs to sign, what they are, the method by which they are sent and returned (email, post, courier etc), the method by which they are signed (electronic, wet		(1,000 word limit for this requirement)	1 - 25

	signature etc) - How the solution is explained to the supplier			
2	**Invoice financing - 20%**			
2.1	The solution shall be capable of proposing an entirely optional financing offer to suppliers against their invoices in return for early settlement, based on invoice value, chosen payment date, invoice payment due date and real time financing rates and a single finance margin			Pass / Fail
2.2	Suppliers must be offered the option of early settlement on all their approved invoices regardless of the method used to input the invoice into SAP or the approval route, i.e. agnostic from any supplier network or alike and present only invoices from TfL's SAP system irrespective of how they have been entered into SAP			Pass / Fail
2.3	TfL must have the option to make available the early payment option to individual suppliers or the entire supply chain at its discretion and be able to withdraw this at short notice on an individual or global level at its choosing			Pass / Fail
2.4	Suppliers must have the opportunity to select for all invoices to be settled early as soon as available for payment ('auto') as well as being able to select which			Pass / Fail

	invoices and when ('optional')			
2.5	The solution must ensure that suppliers are still paid within normal contracted payment terms where payment is not accelerated at 100% face value of their invoices			Pass / Fail
2.6	TfL is contractually obligated to pay the full face value of the supplier invoice. In the case of TfL paying the invoice early (using its own cash) at less than the invoice face value, the solution must amend TfL's legal position so that the supplier is agreeing to the invoice being fully settled upon receipt of the invoice face value less the agreed financing fee. Describe how your solution extinguishes TfL's liability to the supplier for the full invoice face value.			Pass / Fail
2.7	Where the solution provider purchases the supplier receivable using 3rd party finance, this must be done on a non-recourse basis i.e. the solution provider has no recourse to the supplier whatsoever in the event of non-payment			Pass / Fail
2.8	TfL must have the ability to set a liquidity threshold for the solution. TfL must also have the option entirely at its discretion of using its own liquidity to satisfy early payments or electing for the solution provider to arrange 3rd party financing to fund early payments on its behalf. The transition between these arrangements should be seamless and not affect the supplier's experience			Pass / Fail

2.9	Is the solution compatible with current VAT legislation? Detail the accounting treatment for the VAT where financing is taken by the supplier under both scenarios, TfL funded and third party financing. Also detail whether credit/debit notes are issued (and how they are issued) by the solution or TfL regarding the reduced amount.		(750 word limit for this requirement)	Pass / Fail
2.10	There must be no charge to a supplier for signing up to the portal or for viewing their invoice data. Suppliers will only incur a finance charge when they choose to accelerate an invoice settlement			Pass / Fail
2.11	Calculation of the finance charge must be transparent to the supplier on the portal. Pricing shall be fair to all suppliers and at a competitive rate			Pass / Fail
2.12	The solution must be able to introduce multiple financing streams (e.g. banks or other institutions) as TfL liquidity varies			Pass / Fail
2.13	Describe in detail how the solution works from the invoice being approved within SAP to the invoice being settled by TfL either at maturity in the case of 3rd party financing or the point of payment acceleration, where TfL cash is used to settle the outstanding. To include as a minimum: - How the approved invoice data is obtained/received by the solution provider		(1,000 word limit for this requirement)	1 - 25

	- How the supplier is informed of the approved invoice and offered financing - How the payment is accelerated whether by 3rd party finance or TfL cash including timing and cutoffs (T+0, T+1 etc) - How SAP is amended to reflect early settlement and reflect TfL's obligation to the provider (in the case of 3rd party funding) - Detail any types of receivables that cannot be financed			
2.14	Speed of processing the invoices to being 'accepted' within SAP (3 way matched) is of paramount importance to the success of the programme. Please detail any functional differentiators/competitive strengths you may have which have not been captured in the other responses within this ITT.			1 - 25
2.15	What is the impact of suppliers who contract with more than one TfL entity.			Information

	Do they need more than one login to the portal, can they receive offers of financing and visibility of all invoices irrespective of the TfL entity?			only
2.16	Based on your experience and the information disclosed in the OJEU documents, what would you anticipate the financing rate to be on an APR basis? TfL is AA, Aa2, AA+ rated. TfL intends to have a single rate applicable to all suppliers, big or small. The rate should be fair allowing suppliers to benefit from cheaper financing costs and reflective of TfL's credit rating, average cost of borrowing and its public sector status and also cover the cost of running the programme and adequately compensate TfL for the use of its credit lines as appropriate. TfL's current weighted average cost of borrowing is c. 3.75% and short term cost of borrowing c. libor – 10bps			Information only
2.17	How are credit notes managed by the solution			Information only
2.18	Given TfL's strong AA credit rating and close links to Government, TfL do not propose to provide any form of guarantee to the solution provider or comfort letter			Information only
3	**Currencies and languages - 10%**			
3.1	The solution shall be capable of multi-currency operation for any transactions which must include £, €, USD, CAD			Pass / Fail

3.2	Please provide details of all currencies you are able to service via the solution			1 - 25
3.3	Please detail the cut-offs for payments to suppliers by the currencies listed in 3.1 and by the type of settlement, i.e. 3rd party financing and TfL cash. For example for a supplier to be paid today in GBP, when would be the latest they could have accepted a financing offer if a) paid by 3rd party finance, b) paid by TfL cash (assume the TfL SAP payment run needs to be updated the day before settlement)			1 - 25
3.4	Please list all countries that the TfL supplier may be based which your solution is able to service			1 - 25
3.5	Please list the languages in which the solution can be provided to suppliers, please also detail the languages online or telephone support can be provided if different			1 - 25
4	**Reporting and accounting**			
4.1	The solution must meet TfL's IFRS accounting requirement to be classified as trade creditors rather than debt where 3rd party financing is used to accelerate payments to the supply chain. Where TfL cash is used to accelerate the payment the trade creditor should be extinguished immediately. Please detail the accounting entries for both the scenarios detailed above (this		(750 word limit for this requirement)	Pass / Fail

	information will not be used on an advisory basis)			
4.2	The solution must have a comprehensive management reporting facility that will enable monitoring of, amongst others – Invoice status, total financing fees obtained, financing scheduled, cash flow planning, supplier take up, supplier financing offers not taken up, analytics			Pass / Fail
4.3	Have any of your clients reclassified trade payables to debt as a result of implementing your Supply Chain Finance solution (question applies only to where 3rd party financing is used). Please provide any audit/equivalent views/reports of your Supply Chain Finance solution and its accounting implications from reputable law or accounting firms		(supporting documents acceptable)	Pass / Fail
5	**SAP ERP Compatibility/Integration - 15%**			
5.1	The solution must be able to securely access SAP accounts payable details			Pass / Fail
5.2	SAP AP shall be the single source of the accounts payable data which shall be displayed in the supplier portal			Pass / Fail
5.3	The solution must log all activity. The log must be easily interpretable and available for 7 years for purposes of VAT accountability			Pass / Fail

5.4	System must be able to accommodate multiple TfL companies in SAP			Pass / Fail
5.5	TfL envisages rolling out further functionality to its supply chain over the coming years such as vendor management, e-invoicing, online catalogues etc as well as a single supplier portal. Please comment on your solution's ability to integrate with such a portal. Please also comment on your solutions ability to deliver such additional functionality.			Pass / Fail
5.6	Describe in detail how the solution interfaces with SAP, to include (is it host to host, does the solution sit within the SAP platform, are files required to be sent from SAP either automatically or manually by SAP to the provider etc), how is data extracted (e.g. approved invoices), how are changes to the SAP data recorded (when a supplier chooses to accelerate), what are the security controls around the communication and process. The above is not intended to be an exhaustive list. List any risks or critical success factors that may restrict or enable a smooth and quick roll out of the Supply Chain Finance solution including indicative timelines. Is the		(1,000 word limit for this requirement)	1 - 25

	solution a SAP certified add on?			
6	**Support/Security - 10%**			
6.1	The solution should have 24/7 first line support provided by TfL with second line support from vendor during core business hours 08:00 till 18:00 Mon-Fri as a minimum. Please detail support and availability			Pass/Fail
6.2	SLAs for incidents of all severity levels (1,2,3,4) shall mirror those SLAs for the TfL SAP system (see section 6 for details)			Pass/Fail
6.3	Solution availability shall mirror the TfL SAP system measures (see section 6 for details)			Pass/Fail
6.4	Solution must comply with all relevant TfL IM security policies. Complete appendix 4a and appendix 4b – Information Security Controls Framework and IM security ITT requirements			Pass / Fail
6.5	All solution changes (software, firmware, network connectivity etc.) must be tested to the standard TfL set up and invoice approvals process in place at the time of testing, within an appropriate test environment and approved before being implemented. Details of the current TfL Accounts			Pass/Fail

	Payable Invoice process A1.1 FSC 6.0 AP Invoice process (see appendix 3)			
6.6	It must be possible to undertake maintenance and upgrades to the solution without disruption to the service			Pass/Fail
6.7	Please detail the support and management team in place that would support the solution going forward for TfL			Information only
6.8	In the event the solution is not available to suppliers please detail how TfL can continue to pay suppliers to their usual credit terms, also detail disaster recovery and business continuity arrangements illustrating how TfL's availability criteria (detailed within this document) can be met. If the solution is cloud based, detail where servers are based. It should be possible to limit these to be within Europe.			1 - 25
7	**Data Protection**			
7.1	Describe the measures you have in place to prevent unauthorised access to your systems from outside your company:			Discretionary Pass / Fail
7.2	Please indicate what virus detection and prevention software you use:			Discretionary Pass / Fail
7.3	Do you store, or otherwise process, any			Discretionary

	personal data off-site?			Pass / Fail
7.4	If yes, please provide details			Discretionary Pass / Fail
7.5	Will you process any personal data outside the European Economic Area as part of the provision of services to TfL?			Discretionary Pass / Fail
7.6	If yes, please provide details			Discretionary Pass / Fail
7.7	Do you carry out verification checks on all potential employees?			Discretionary Pass / Fail
7.8	Do you have a personnel screening and vetting policy?			Discretionary Pass / Fail
7.9	Do you train staff on the care and handling of personal data and information security?			Discretionary Pass / Fail
7.10	Do your contracts with your employees include:			Discretionary Pass / Fail
7.11	confidentiality clauses?			Discretionary Pass / Fail

7.12	obligation to comply with information security and data protection policies?			Discretionary Pass / Fail
7.13	Do your contractors sign confidentiality agreements before accessing your systems?			Discretionary Pass / Fail
7.14	Will you use sub-contractors to assist with the processing services for Transport for London?			Discretionary Pass / Fail
7.15	Have you taken steps to ensure that any sub-processors you will use to assist you with the processing services for Transport for London have appropriate security measures in place for the personal data?			Discretionary Pass / Fail
7.16	Do the contracts you have with your sub-contractors impose obligations upon them to observe confidentiality and security in relation to any personal data which they may be required to process?			Discretionary Pass / Fail
7.17	Will your contractors process any personal data outside the European Economic Area as			Discretionary Pass / Fail

	part of the provision of services to TfL?			
7.18	If yes, please provide details			Discretionary Pass / Fail
7.19	Has your processing of personal data ever been the subject of any complaints to the Information Commissioner, or any other regulator?			Discretionary Pass / Fail
7.20	If yes, please provide details:			Discretionary Pass / Fail
7.21	Have you ever had a security breach resulting in loss or unauthorised disclosure of personal data?			Discretionary Pass / Fail
7.22	If yes, please provide details:			Discretionary Pass / Fail

Ref	Requirement Description	Vendor score 1/2/3	Vendor comments	TfL Scoring
8	**Commercial - 25% (TfL reserves the right to conduct a best and final offer)**			
8.1	In order to achieve a pass for the legal module, bidders must indicate that they are compliant with the terms and conditions of the Contract. Where the bidders fail to indicate that they are compliant, TfL reserves the right to deem the response non-compliant. Bidders should complete the Contract Response Template (Appendix [ ]) which forms the basis of their response to this module. TfL does not expect amendments to the draft Contract, however for each clause, bidders are invited to make minimal comments as part of their response and specific proposed wording must be provided in the corresponding column. TfL will review any commentary and proposed amendments on specific clauses submitted by bidders in the Contract Response Template. TfL may at its sole discretion accept any proposed amendments by the bidder where it is determined that such amendment(s) are deemed neutral, negligible, or secure best value for TfL			Pass/Fail
8.2	Ongoing commercials will take the form of a model which is a simple split of supplier financing fees between the software provider, finance provider and TfL to ensure all parties are sufficiently remunerated to encourage success of the programme and be reflective of			1 – 25 (refer to volume 1 Evaluation weightings for scoring

	each parties contribution; at no charge to the supply chain; and on a graduated basis. Please complete the model on the attached appendix 5.			methodolo gy)
8.3	Please provide details of your proposed quote for providing the solution detailed within this document and other OJEU documents: Software: £ One off setup fees: £ Other (please detail): £ Total: £ Please note, TfL do not intend to pay any fees on an ongoing basis, support, maintenance etc should be covered within the revenue share detailed in requirement 8.2. If it is deemed that any fees are necessary on an ongoing basis, these should be listed but it is stressed that this is not TfL's favoured approach. If the solution is effective, the revenue share detailed in 8.2 should provide adequate compensation and will incentivise the provider to ensure the solution is successful.			1 – 25 (refer to volume 1 Evaluation weightings for scoring methodolo gy)

DELIVERABLES / MILESTONES

The solution delivery will need to include the following elements :

- Design
- Technical build
- Functional Build including Unit Testing
- System Configuration
- System Integration testing (Interfaces and end-to-end)
- Support for UAT & Performance testing
- Support for Regression testing
- Cut over
- Knowledge Transfer to Service Transition Team
- Warranty (minimum 4 weeks, per drop)
- Appropriate Documentation at each stage

General Milestones will include :

1. Documented High Level Design of the proposed Supply Chain Finance solution as defined in Section 3.1 above, General Requirements. Design shall be compliant with all TfL technical standards and policies.

2. Accepted High Level Design by TfL Project Board at Stage Gate 3

3. Build of the accepted Supply Chain Finance solution as defined in accepted High Level Design. Solution shall be compliant as in HLD point 1

4. Successful systems test of the standalone Supply Chain Finance solution. Test shall be based on TfL defined scenarios and outcomes in addition to the General Requirements in section 3.1, verified by TfL finance team

5. Successful integration test of Supply Chain Finance solution fully integrated with all required TfL systems. Test shall be based on general requirements as well as scenarios and outcomes, verified by TfL finance team

6. Successful user acceptance test of Supply Chain Finance solution. Test shall be based on general requirements as well as scenarios and outcomes, verified by TfL finance team

7. Completion of Warranty period with all issues resolved to agreed measures

TESTING REQUIREMENTS

TfL shall require the solution to be available for development, test and production use in the following environments –

Scope of testing shall cover only those elements of the new system that directly integrate with or within, TfL systems.

Development

Unit Test

Systems Integration Test (interfaces & end-to-end)

User Acceptance & Performance Test

Regression

Training

Production

During each phase of the project, the appropriate environments shall require performance and support as described in section 6 below.

TfL will require the solution to be tested as follows with responsibilities as stated :

- Unit testing by the solution provider
- Systems Integration testing jointly by TfL IM and the provider
- Regression testing by TfL
- User Acceptance testing by TfL and selected suppliers

SERVICE LEVEL AGREEMENT between TfL and provider of the Supply Chain Finance solution
PERFORMANCE EXPECTATIONS

Note: The Service Level defined below is a mirror of the standard TfL SAP SLA currently in place. This is appropriate because the new Supply Chain Finance solution needs to function seamlessly with SAP as a user of the new solution will also be using SAP data as well so availability of one system affects the other.

Service Level Agreement

• Severity	• Definition	• Target	• Measured

• Severity	• Definition	• Target	• Measured
• 1	• All or any part of the service is unavailable resulting in failure of business critical activities. Business critical activities include client services which cannot be mitigated (mitigation shall include the use of other available services); • and/or • The incident affects the overall security of the TfL estate; • and/or • The incident has a detrimental impact on the IM operations of TfL declared by designated individuals within TfL IM (IM Duty Managers (IMLT), Major Incident Managers, the IM Service Delivery Manager or the IM Security Manager). • and/or • The incident affects users at a critical site or more than 50% of users across all sites.	• Service is restored or a work-around is agreed within 2 hours for 90% of incidents	• 24 hours, 7 days a week, including public holidays

• Severity	• Definition	• Target	• Measured
• 2	• Business activities are adversely affected resulting in some impact on business operations where; • The incident prevents at least one department from effectively performing key business activities; • or • The incident causes a failure to redundant services that increases the risk to business critical activities.	• Service is restored or a work-around is agreed within 4 hours for 90% of incidents.	• 24 hours, 7 days a week, including public holidays
• 3	• Business activities are adversely affected resulting in some impact on business operations where: • The incident prevents users from effectively performing non key business activities; • and/or • The Incident is limited in scope and scale. This includes equipment failures where due to redundancy and resilience, non critical services are unaffected;	• Service is restored or a work-around is agreed within 8 hours for 90% of incidents.	• 8:00 to 18:00, Monday to Friday, excluding public holidays.

• Severity	• Definition	• Target	• Measured
• 4	• The service is not affected, e.g. queries; • or • The incident affects a service component that has a dependency on support parties that are not managed by TfL IM; • and/or • The incident affects a service component that cannot be fully supported	• Reasonable endeavours only.	• SLA not measured.

.

In the event of a Severity 1 or Severity 2 incident, the Major Incident process will be invoked and the TfL IM Major Incident Management team engaged.

Performance & availability

Web based system performance

- General system response – 95% <= 2 seconds; 99% < 5 seconds; always better than 10 seconds response time.
- Log on from TfL Intranet homepage < 5 seconds
- Generate query – 95% <= 2 seconds; always better than 10 seconds response time.

TfL's minimum availability expectation

- Production Availability Core Hours – min 99.75%
- Production Availability Non Core Hours – min 96%

- Training Availability Core Hours – min 93%
- Training Availability Non Core Hours – min 85%

- Regression Core Hours – min 93%
- Regression Non Core Hours – min 85%

- Test (all) Availability All Hours – min 85%

- Dev Availability All Hours – min 80%

In addition, please provide details of any Disaster Recovery / Business Continuity arrangements for the proposed solution

<table>
<tr><th>Req #</th><th>Mandatory</th><th>Requirement</th></tr>
<tr><td></td><td>M</td><td>The application must meet below Continuity SLAs
• Production High Availability with RTO=0hrs and RPO=0hrs.
• Disaster Recovery for Production system with RTO<=4hrs and RPO<=1hrs
• Non-Production systems availability, RTO=24hrs and RPO=24hrs)
(The recovery time objective (RTO) is the maximum tolerable length of time that a system or application can be down after a failure or disaster occurs, Recovery Point Objective (RPO) It is the maximum targeted period in which data might be lost from an IT service due to a major incident.)</td></tr>
<tr><td></td><td>M</td><td>The application should meet below Availability SLAs
<table>
<tr><th>Service Level definition</th><th>Service Level Measure</th><th>Minimum Service Level</th></tr>
<tr><td>Production system availability – core support hours</td><td>Percentage of hour's SAP system available = (Total</td><td>99.75%</td></tr>
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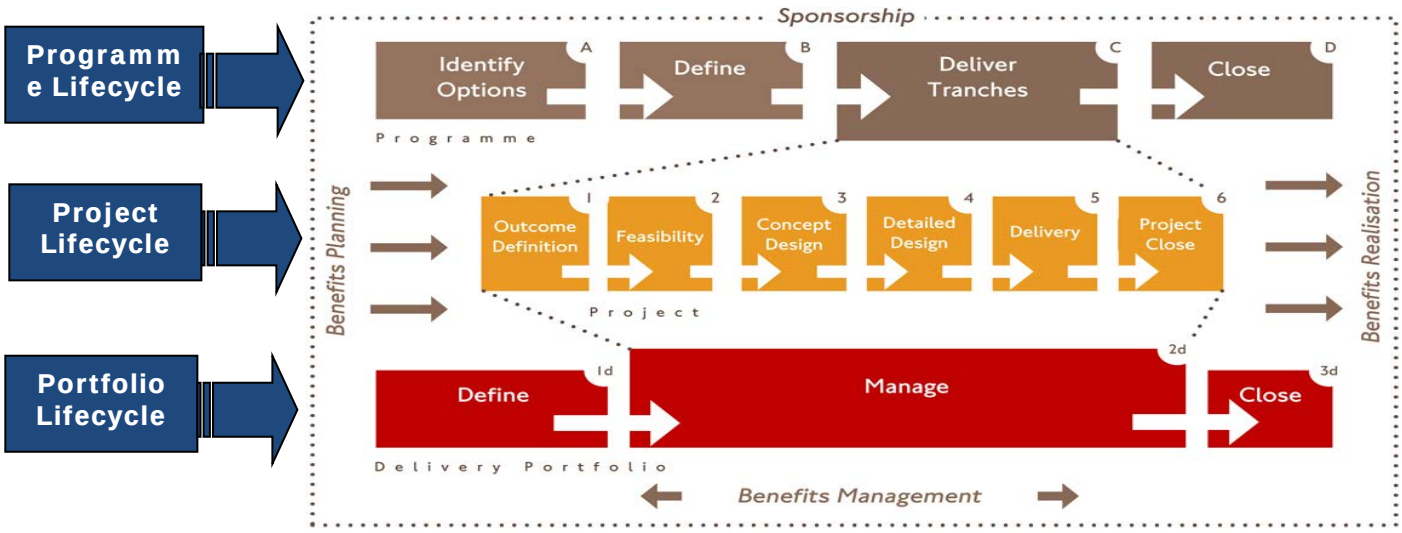
				Hours – Availability Interruption Hours)	
			Production system availability – non-core support hours	Percentage of hour's SAP system available = (Total Hours – Availability Interruption Hours)	96.00%
			Non-Production system availability – core and non-core support hours	Percentage of hour's SAP system available = (Total Hours – Availability Interruption Hours)	80.00%
		core hours: 08:00 – 18:00 hrs, non-core hours: 18:00 – 08:00hrs			
	M	System must meet below minimum Performance SLAs <2 seconds Application response, < 5 seconds per page load, < 2 seconds per screen transfer.			
		Application should accessible via browser and compatible with Windows 7 and above, Windows Server terminal 2003 & 2008 desktop versions.			
	M	Users must be able to access any of the system via our supported internet browsers Internet Explorer 9 and above, FireFox 30.1.0 and above from TfL desktops Windows 7 and above, Windows 2003 & windows 2008 terminal			
	M	Application must be compatible with mobile and able to run on minimum on IOS, Android and BlackBerry based mobile devices and their native tools including browsers. Mobile client Apps (if any) must be compatible with these devices.			

PROJECT PLAN/TIMESCALES

Pathway – TfL Project Management Methodology

The 'Pathway' Project Management Methodology is TfL's single, consistent approach to managing all projects, programmes and delivery portfolios at TfL and must be followed by all Project Manager's (PMs). It is an online tool used for controlling and managing projects, covering the project lifecycles, tools, processes and deliverables to be used.

Its aim is to improve the efficiency and effectiveness of the projects being delivered on time, to budget and to ensure a consistent application of best practice is applied to increase delivery success and realise the project benefits.



Estimated Milestone Dates

Activity	Status	Estimated Delivery
OJEU Selection / Contract award	•OJUE notification as of yet not submitted •Awaiting ITT vol2 sign off •TfL Legal team required to approve contract draft	February 2016
Design phase completed	2 month design phase	April 2016
Request for proposals released	2 week activity	April 2016
Pathway Stage 3 complete	Dependant on: •Design phase •Test strategy •IMSR •Functional requirements	May 2016
Development phase complete	Anticipated activities will involve: •Build of Development environment •Integration of 3rd party solution	June 2016
System integration phase complete	Anticipated activities will involve: •Confirmation of security and authorisations •End to End integration tests •User test scripts drafted	July 2016
User Acceptance phase complete	Anticipated activities: Internal / External stakeholders confirm processes via scripts	August 2016
BAU verification exercise complete	Anticipated activities: IM SAP Regression activities carried out	August 2016
Go-Live		September 2016

APPENDICES

Glossary & Terms

Term	Meaning
TfL	Transport for London
SME	Small & Medium Enterprises
IFRS	International Financial Reporting Standards
SAP ECC	Enterprise Central Component of the SAP primary business system in use at TfL
IM	Information Management (within TfL)
COTS	Commercial off the Shelf ("standard" software)
OCR	Optical Character Recognition (systems for reading paper documents such as invoices)
PO	Purchase Order.
FSC	Financial Service Centre which manages and processes TfL financial transactions

Appendix 1. Users

User group	Role description	User numbers (estimated)
Supplier	Portal access control, finance offer management	> 500
TfL SAP Accounts payable	Finance offer management	20
TfL Treasury	Solution and liquidity management	5
TfL IM support	Administration, TfL & supplier user support	5

Appendix 3. - Accounts Payable Invoice process at 16/03/2015

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SCHEDULE 5 - PROJECT PLAN

Project Plan

Preliminary Implementation Timeline*

1. Introduction Call with Authority sponsor
2. Perform Project Kickoff Call
3. Perform Functional Kickoff
4. Perform Technical Kickoff
5.Conduct On-site Kick-Off and Requirements Workshop
6. VE Workshop: Present Methodology, Introduce Strategy, Establish Next Steps
7. Obtain approval signatures for Solution Description Document
8. System Installation and Configuration
9. Perform User Acceptance Testing (UAT)
10. Authority Sign-Off on Final Program Strategy (Scope, Approach, Dates, Risks)
11. UAT Sign-Off
12. Soft GO-LIVE
13. Full GO-LIVE

Project Kickoff Goals & Objectives

*Within seven days of the date of this Agreement the Service Provider and the Authority will schedule and agree dates for a formal project kickoff process consisting of the above activities and objectives and leading up to the onsite Requirements and Value Enablement Workshops at items 5 and 6 above, within seven days of which the Parties shall agree the Project Plan which shall be treated as an addendum to this Agreement.

SCHEDULE 6 - ACCEPTANCE TESTING

1. For the avoidance of doubt, the provisions of this **Schedule 6** shall apply but shall be subject to any specific acceptance provisions as may be agreed in writing by the parties in addition or by way of amendment.

1.1 The Software and the System (**"Test Items"**) shall be subject to and shall be required to satisfy the Acceptance Tests, to demonstrate that they comply with the Acceptance Criteria (together with the other requirements of this Agreement) before being accepted by the Authority.

1.2 Specific Provisions

1.2.1 Software Tests

The following is intended to allow any software to be delivered in phases (if agreed between the parties) in which case the following will apply independently to each phase:

On or before the date specified within the Project Plan, the Service Provider and the Authority will produce a set of tests and a set of results which are designed to prove that the Software performs in accordance with the Specification. Sample tests/documentation will be prepared by the Service Provider and customized by the Authority to meet its specific needs. The final set of tests will be agreed by both parties and will include:

- List of key functionality;
- Description of the test steps;
- Pass/fail criteria including the results expected to be achieved by processing such data (**"Acceptance Criteria"**);
- Issue resolution method and timescales; and
- Issue prioritisation.

For this purpose, the Authority will define test data which the Service Provider will verify.

In the event that the Software is delivered in a phased manner, there will be software testing to prove that the combination of phases perform in accordance with the Specification.

1.2.2 System Tests

On or before the date specified in the Project Plan, the Service Provider and the Authority will agree a set of tests and a set of results which are designed to prove that the System performs in accordance with the Specification. It will be jointly prepared and agreed by the Authority and the Service Provider and will, at the TfL Group's option, include:

- multi-user testing;
- volume testing; and
- interfacing to third party and the Authority systems interfacing to the System.

1.3 General provisions

1.3.1 In the case of all testing set out in this **Schedule 6**, and save where otherwise agreed by the parties in the relevant Project Plan, the Service Provider shall give the Authority as much notice as possible when the relevant part of the Test Item is ready for testing and, unless the Authority request that the Service Provider perform the tests, the Authority shall give the Service Provider notice in accordance with the Project Plan of the days on which the tests shall be performed by the Authority. The Service Provider shall attend such tests in accordance with this **Schedule 6**.

1.3.2 In the case of any tests and other detail and documentation that is to be agreed under this **Schedule 6**:

1.3.2.1 The parties shall meet together in user groups to discuss the tests, the expected results, the documentation, the testing to be carried out in relation to each and every element of the testing and any other detail that is to be

agreed in accordance with this **Schedule 6** as well as the Acceptance Criteria (together the **"Test Procedures"**); and

1.3.2.2 The Service Provider shall be afforded, in each and every case, the opportunity to comment on the suitability of the Test Procedures and the Service Provider shall incorporate all reasonable comments into such Test Procedures and pass those to the Authority for further comment and agreement. Should the parties be unable to agree any of the Test Procedures from time to time, the parties shall escalate the matter in accordance with the dispute resolution procedure set out in **clause 38**.

1.3.3 The Authority shall formally document each set of Acceptance Tests and the results thereof.

1.4 The Authority shall sign an Acceptance Certificate promptly following successful completion of the Acceptance Tests for the Test Items. Such Acceptance Certificate shall not be of any effect unless signed by the TfL Group's Service Manager. The Authority shall have no obligation to sign an Acceptance Certificate in relation to any relevant Acceptance Tests unless the Service Provider can demonstrate that the Acceptance Tests have been carried out in accordance with the agreed procedure and the results of the Acceptance Tests objectively demonstrate that all of the Acceptance Criteria have been met. The Authority shall act reasonably in this regard.

1.5 If any of the Test Items fails to successfully pass and satisfy all Acceptance Tests applicable to it, the Authority shall (if the Service Provider is not specified as being responsible for carrying out the Acceptance Tests) give notice to the Service Provider in writing (**"Failure Notice"**) setting out (where possible) in reasonable detail the suspected nature of the defects giving rise to such failure or failures. In the event the Service Provider receives a Failure Notice or in the event the Service Provider has performed the Acceptance Tests itself unsuccessfully then the Service Provider shall (at its

own expense) use its best endeavours to adapt, modify and/or otherwise correct the relevant Test Items to which the Failure Notice relates or, where there is no Failure Notice, the Test Items that have previously failed, in both cases to the extent necessary for those Test Items to comply with the applicable Acceptance Criteria and resubmit the relevant Test Items for further Acceptance Tests (**"Re-Tests"**) within (or, at the latest, by the expiry of) a correction period reasonably specified by the Authority provided that if any Test Items shall not have passed the applicable Acceptance Tests by any completion date set out in the Project Plan for those items (or such further period of time as the Service Provider and the Authority shall agree in writing), the Authority shall be entitled (in its discretion and without prejudice to its other rights under this Agreement):

1.5.1 to grant further periods of time during which the Service Provider shall be required to adapt, modify and/or otherwise correct the relevant Test Items to which the Failure Notice relates to the extent necessary for that Test Items to comply with the applicable Acceptance Criteria and thereafter re-submit the relevant Test Items for further Re-Tests; or

1.5.2 to sign an Acceptance Certificate accepting such Test Items and agree with the Service Provider a list of exceptions to be attached to the Acceptance Certificate which the Service Provider shall then rectify within the timescales set out in the list or if none are set out then within a reasonable time and should the Service Provider fail to ensure that such exceptions are remedied within such timescale(s) the Authority shall be entitled to exercise (in its discretion) the rights set out in paragraph 1.5.3 or paragraph 1.5.4; or

1.5.3 to sign an Acceptance Certificate accepting the Test Items under the Agreement for all purposes under the Agreement subject to an agreed refund in respect of the fees (including any fees in respect of the Services paid and/or payable) in respect of the failing Test Items) or (where such fees cannot reasonably be calculated) subject to an

adjustment downwards to the overall fees paid and/or payable under the Agreement to fairly reflect the extent to which the Test Items to be provided or performed (as applicable) in accordance with the Agreement (operating as a whole) is impaired by the failure of the relevant Test Items, such adjustment to be agreed between the parties (both acting fairly and reasonably). In default of such agreement, the Authority be entitled to exercise the rights set out at paragraph 1.5.4 or elsewhere in this paragraph 1; or

1.5.4 following giving the Service Provider a right to remedy/rectify at least once in accordance with either paragraph 1.5.1 or 1.5.2, the Authority shall be entitled (in its discretion and without prejudice to its other rights under this Agreement), to reject the Test Items (meaning any or all of them) and serve notice on the Service Provider immediately terminating the Agreement without liability to the Service Provider including any liability to pay any outstanding fees which, at the time of (and but for) such termination, remain outstanding. In the event of any termination pursuant to this paragraph 1.5.4, the Service Provider shall (within fourteen (14) days of the date of such termination) repay to the Authority all unused fees prepaid to the Service Provider under the terminated Agreement; or

1.6 The Service Provider shall ensure that any corrections made as a result of any failure to pass an Acceptance Test or to be approved in accordance with paragraph 1 shall not adversely impact on any previously successful Acceptance Test or (as applicable) approval procedure in respect of any other Test Item or deliverable(s) or Service(s) (as the case may be). To the extent that any such adverse impacts occur, the Service Provider shall be liable to the Authority in respect of the TfL Group's reasonable costs in conducting Re-Tests or (as applicable) re-running the relevant approval procedure.

1.7 Any dispute as to whether any Acceptance Test has been passed or whether any failure to provide approval is reasonable in the circumstances shall be referred for resolution in accordance with **clause 38**.

1.8 Acceptance of the System shall not relieve the Service Provider from performing its other obligations under this Agreement and shall not limit the warranties provided by the Service Provider under **clause 9**.

SCHEDULE 7 - CHANGE CONTROL PROCEDURE

1. Principles

1.1 Where the Authority or the Service Provider sees a need to change any of the Services (which includes for the purposes of this **Schedule 7** any aspects of the System), the TfL Group's Service Manager may at any time request, and the Service Provider's Service Manager may at any time recommend, such amendment only in accordance with the formal Change Control Procedure (**"CCP"**) as set out at paragraph 2**.**

1.2 Neither party shall unreasonably withhold its agreement to any amendment (which includes not recommending changes to any Services which are not reasonably necessary).

1.3 Until such time as an amendment to the Services is made in accordance with this Change Control Procedure, the Authority and the Service Provider shall, unless otherwise agreed in writing, continue to perform the Services in compliance with its terms prior to such amendment.

1.4 Any discussions which may take place between the Authority and the Service Provider in connection with a request or recommendation before the authorisation of a resultant amendment to the Services shall be without prejudice to the rights of either party.

1.5 Any work undertaken by the Service Provider which has not been otherwise agreed in accordance with the provisions of this **Schedule 7** shall be undertaken entirely at the expense and liability of the Service Provider.

2. Procedures

2.1 Discussion between the Authority and the Service Provider concerning an amendment to the Services shall result in any one of the following:

2.1.1 no further action being taken;

2.1.2 a request to amend the Services by the Authority; or

2.1.3 a recommendation to amend the Services by the Service Provider.

2.2 Where a written request for an amendment is received from the Authority, the Service Provider shall, unless otherwise agreed, submit two (2) copies of a Change Control Note (**"CCN"**) signed by the Service Provider to the Authority within seven days of the date of the request or such other period as the Service Managers shall agree (acting reasonably).

2.3 A recommendation to amend by the Service Provider shall be submitted direct to the Authority in the form of two (2) copies of a CCN signed by the Service Provider at the time of such recommendation and the Authority shall give its response within fourteen (14) days or such other period as the Service Managers shall agree (acting reasonably).

2.4 Each CCN shall contain:

2.4.1 the title of the amendment;

2.4.2 the originator and date of the request or recommendation for the amendment;

2.4.3 the reason for the amendment;

2.4.4 full details of the amendment including any specifications;

2.4.5 the price, if any, of the amendment;

2.4.6 a timetable for implementation together with any proposals for acceptance of the amendment;

2.4.7 a schedule of payments, if appropriate;

2.4.8 details of the likely impact, if any, of the amendment on other aspects of the Services including to:

2.4.8.1 the timetable for the provision of the amendment;

2.4.8.2 the personnel to be provided;

2.4.8.3 the amended charges payable under the Services (as now amended);

2.4.8.4 the Documentation to be provided;

2.4.8.5 the training to be provided;

2.4.8.6 working arrangements; and

2.4.8.7 other contractual issues;

2.4.9 the date of expiry of validity of the CCN; and

2.4.10 provision for signature by the Authority and by the Service Provider.

2.5 For each CCN submitted the Authority shall, within the period of the validity of the CCN:

2.5.1 allocate a sequential number to the CCN;

2.5.2 evaluate the CCN and, as appropriate:

2.5.2.1 request further information, or

2.5.2.2 arrange for two (2) copies of the CCN to be signed by or on behalf of the Authority and return one of the copies to the Service Provider; or

2.5.2.3 notify the Service Provider of the rejection of the CCN.

2.6 A CCN signed by the Authority and by the Service Provider shall constitute an amendment to the Services and to the Agreement and otherwise no amendment shall have been agreed.

Change Control Note

Change Request No .....

Agreement No……dated……

Title of Amendment……..

Originator……..

The following change is requested to the Agreement identified above

Change Request **(to be completed by the Authority)**
Description of Change: Reason/Justification: Affected Area(s): Price: Timetable for implementation: Schedule of Payments: Details of likely impact, if any, of the amendment on other aspects of the Services- • the timetable for the provision of the amendment; • the personnel to be provided; • the amended charges payable under the Services (as now amended);

• the Documentation to be provided • the training to be provided; • working arrangements; • other contractual issues.
I request that the described change be considered for inclusion in the Agreement Signature ..... Date ...../...../..... Approved by the Authority: Signature ..... Date ...../...../.....

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SCHEDULE 9 - AGREED EQUALITY POLICY

Appendix 4

Taulia Response to Section 6 of Appendix 1 Equality and diversity_Supply Chain Finance Solution

January 2016

TAULIA UK Ltd.

CONFIDENTIAL & PROPRIETARY INFORMATION

INFORMATION TO BE USED ONLY FOR THE PURPOSE OF QUALIFYING FOR THE PROJECT HEREIN SPECIFIED AND KEPT CONFIDENTIAL BY RECIPIENT

NOT TO BE DISTRIBUTED UNLESS SPECIFICALLY AUTHORIZED BY TAULIA INC.

TAULIA RESPONSE TO SECTION 6 - Bidder Response Templates

The plan below describes an overview of the intended actions that Taulia will undertake in 2016 to ensure our Diversity goals are achieved.

Equality & Diversity Policy/Strategic Plan 2016

Equality and diversity objective	Current position/Base line	Action/task	When		Resource implications	Measure of success
To create a workforce that is reflective of the diversity of area where our offices are in operation.	We as an organization have not explicitly set definitive diversity initiatives for the year ahead. There is currently not a calendar of events to	We as a company need to understand our current demographic breakdown of the organization. Compile current demographic data and benchmark our data against similar start---ups.	June 2016	Sr. HR Manager	Data analysis and outreach.	Taulia will be on par with benchmark data and where there are gaps immediate plans with clear milestones to achieve the intended thresh---holds will be put in---place.

	ensure our participation in recruiting events that are targeted to diverse populations.	Understand what groups appear underrepresented in the organization and build relationships with affinity groups and organizations whose mission is to increase the representation their constituents.				
To ensure that suppliers adopt similar approaches to E&D	Assess the composition of our current supplier base.	Find ways to broaden the diversity of our supplier base to include women---owned business (from 2 recruiting agencies to 4)	August 2016	People Operations Generalist	Outreach and research	Achievement of our 4 firm goal.
Enhance the recruitment process to identify ways to further reduce bias.	Resumes have full names stated.	Identify a tool which would eliminate names thus eliminating one potential aspect of bias.	November 2016	Talent Acquisition Manger	Research of various tools.	Full elimination of names on CV's reviewed by managers and recruiters.
To eliminate any form harassment from the organisation	Bi---Annual Sexual Harassment Prevention	Increase the undertaking of the harassment prevention training from every	October 2016	Sr. HR Manager	Educate each manager	Increase the educational/training efforts of our employee---

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SCHEDULE 10 - EXIT MANAGEMENT

1. Definitions

In this Schedule, the following expressions shall have the following meanings unless inconsistent with the context:

"Emergency Exit"	any termination of this Agreement which is a (i) termination of the whole or part of this Agreement in accordance with **clause 24** (Termination), except where the period of notice given under that clause is greater than or equal to six (6) months; or (ii) wrongful termination or repudiation of this Agreement by either party
"Exit Manager"	the person appointed by each party pursuant to paragraph 3.3 of this Schedule for managing the parties' respective obligations under this Schedule
"Ordinary Exit"	any termination of this Agreement which occurs: (i) pursuant to **clause 24**

	(Termination) where the period of notice given by the party serving notice to terminate pursuant to such clause is greater than or equal to six (6) months; or (ii) as a result of the expiry of the Term
“Replacement Service Provider”	means any replacement supplier or provider to the Authority of the Agreement (or any part of it)
"Termination Assistance Notice"	has the meaning set out in paragraph 6.10 of this Schedule
"Termination Assistance Period"	the period specified in the Termination Assistance Notice in which the Service Provider shall provide the Termination Services as may be extended pursuant to paragraph 6.11 of this Schedule
"Termination Services"	the services and activities to be performed by the Service Provider pursuant to the Exit Plan, including those activities listed in paragraph 6.15 of this

Schedule and any other services required pursuant to the Termination Assistance Notice

2. Overview

The Service Provider is required to ensure the orderly transition of the Services from the Service Provider to the Authority and/or any Replacement Service Provider in the event of termination (including partial termination) or expiry of this Agreement. This Schedule sets out the principles of the exit and service transfer arrangements that are intended to achieve such orderly transition and which shall form the basis of the Exit Plan. For the avoidance of doubt and unless the Authority requires otherwise in writing, the Service Provider shall be responsible for the overall management of the exit and service transfer arrangements in accordance with this Schedule and the Exit Plan.

3. Agreement Life Obligations

3.1 During the Term, the Service Provider shall provide the Services and furnish the Service Provider Software with the functionalities described in A**nnex A** to **Schedule 2.**

3.3 Each party shall appoint an Exit Manager and provide written notification of such appointment to the other party within sixty (60) days of the Commencement Date. The Service Provider's Exit Manager will be responsible for ensuring that the Service Provider and its employees, agents and subcontractors comply with this Schedule and the Exit Plan. The Service Provider shall ensure that its Exit Manager has the requisite authority to arrange and procure any resources of the Service Provider as are reasonably necessary to enable the Service Provider 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/expiry of this Agreement and all matters connected with this Schedule, the Exit Plan and each party's compliance with them.

4. Obligations to Assist on Re-Tendering of Services

4.1 Subject to paragraph 5.2 of this Schedule, on reasonable notice but in any event within fourteen (14) days of a written request from the Authority, the Service Provider shall provide to the Authority and/or (subject to the potential Replacement Service Provider entering into reasonable written confidentiality undertakings) to its potential Replacement Service Provider, 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 Service Provider undertaking due diligence:

4.1.1. A list of Suppliers who were using the System at the time of the notice of termination and the discount or finance charge rates applicable to such Suppliers; and

4.1.2. an updated description of the Service Provider Software functionalities listed in **Annex A** to **Schedule 2**.

5. Exit Plan

5.1 The Service Provider will continue to provide the Software and Services, including syncs between the Authority ERP System and the Service Provider's Software as scheduled by the Authority, and reasonable support responding to questions arising during the Termination Assistance Period.

5.2 The Authority will stop sending further approved invoices to Service Provider for early payment offers to Suppliers.

5.3 Upon request, the Service Provider will provide within three (3) Business Days of such request a list of all outstanding requests for early payment made by Suppliers that have not yet been transferred by the Service Provider Software into the Authority ERP System, whether or not they have been funded. In the case of an Emergency Exit, such that one or more early payment requests have been received but not yet been funded under the SCF+ Programme, the Service Provider will provide a list of such unfunded early payment requests within three (3) Business Days] of a request for the same.

5.4 Where the date for termination of the Services set by the Authority is earlier than the due date for any payments due from the Authority to the under the SCF+ Programme, the payments due from the Authority to the funder will still be honoured by the Authority, on the scheduled due date, with payment made through the Authority ERP System in the normal course of scheduled payment runs.

5.5 Any early payment scheduled to be made under the Dynamic Discounting Service will be paid through the Authority ERP System in the normal course of scheduled payment runs, with no change.

6. Termination Services

General

6.1. During the Termination Assistance Period or such shorter period as the Authority may require, the Service Provider will continue to provide the Services (as applicable) and will, at the request of the Authority pursuant to paragraph 6.10, provide the Termination Services.

6.2 The costs of providing these Termination Services, if any, shall be as stated at paragraph 9 below.

6.3 During the Termination Assistance Period, the Service Provider will, in addition to providing the Services and the Termination 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 through the expiry of the Termination Assistance Period, and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Authority and/or its Replacement Service Provider. The Service Provider will use all reasonable endeavours to reallocate resources to provide these services without additional costs. However, if this is not possible any additional costs incurred by the Service Provider in providing such reasonable assistance which is not already in the scope of the Termination Services or the Exit Plan or are not without charge as a result of being incurred due to the Authority terminating under **clause 24.1** or **24.2**, will be subject to the Change Control Procedure, discussion and agreement (which will not be unreasonably withheld or delayed by either party).

6.4 During the Termination Assistance Period, the Services and the Termination Services will be provided at no detriment to the Service Levels, save to the extent that the parties agree otherwise in accordance with paragraph 6.5.

6.5 Where the Service Provider demonstrates to the TfL Group's reasonable satisfaction that transition of the Services and provision of the Termination Services during the Termination Assistance Period will have a material, unavoidable

adverse effect on the Service Provider's ability to meet a particular Service Level(s), the parties shall vary the relevant Service Level(s) to take account of such adverse effect.

6.6 The parties acknowledge that the migration of the Services from the Service Provider to the Authority and/or its Replacement Service Provider may be phased, as required by the Authority, such that certain of the Services are handed over before others.

6.8 Within fourteen (14) days after service of notice of termination by either party or at the Authority's written request not more than seven (7) months and no less than six (6) months prior to the expiry of this Agreement, the Service Provider will submit for the TfL Group's written approval an Exit Plan in a final form that could be implemented immediately.

6.9 The parties will meet and use their respective reasonable endeavours to agree the contents of the final form Exit Plan as soon as reasonably possible. The Service Provider shall draft the final version of such updated agreed Exit Plan taking into account the TfL Group's required changes, if any. If the parties are unable to agree the contents of the Exit Plan within thirty (30) days following its delivery to the Authority then such dispute shall be resolved in accordance with the Dispute Resolution Procedure. If and until the agreement of the final form Exit Plan, the Service Provider shall provide the Termination Services in accordance with the principles set out in this Schedule and the last approved version of the Exit Plan (insofar as this still applies).

Notification of Requirements for Termination Services

6.10 The Authority shall be entitled to require the provision of Termination Services by giving notice to the Service Provider in writing (**"Termination Assistance Notice"**). The Termination Assistance Notice shall specify the:

6.10.1 date from which Termination Services are required which shall be no earlier than six (6) months prior to expiry of this Agreement or from the service by either party of any notice to terminate, as the case may be;

6.10.2 the nature of the Termination Services required; and

6.10.3 the period during which it is anticipated that Termination Services will be required which shall continue no longer than six (6) months after the date that the Service Provider ceases to provide the Services.

6.11 The Authority shall have an option to extend the period of assistance beyond the period specified in the Termination Assistance Notice provided that such extension shall not extend for more than six (6) months after the date the Service Provider ceases to provide the Services and provided that it shall notify the Service Provider to such effect no later than twenty-one (21) days prior to the date on which the provision of Termination Services is otherwise due to expire. The Authority shall have the right to terminate its requirement for Termination Services by serving not less than twenty-one (21) days written notice upon the Service Provider to such effect.

Termination Obligations

6.12 The Service Provider shall comply with all of its obligations contained in the Exit Plan and this Schedule.

6.13 At the end of the Termination Assistance Period (or earlier if this does not adversely affect the Service Provider's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule):

6.13.1 subject to clause 29.1.3 of this Agreement, the Service Provider will erase from any computers, storage devices and storage media that are to be retained by the Service Provider after the end of the Termination Assistance Period any and all Authority Software and TfL Group data;

6.13.2 the Service Provider will return to the Authority such of the following as is in the Service Provider's possession or control:

6.13.2.1 all copies of the Authority Software and any other software licensed by the Authority to the Service Provider under this Agreement where such licences are to extend beyond termination;

6.13.2.2 all materials created by the Service Provider under this Agreement, the Intellectual Property Rights in which are owned by the Authority;

6.13.2.3 any parts of the ICT environment and any other equipment which belongs to the Authority; and

6.13.2.4 any items that have been on-charged to the Authority, such as consumables;

6.13.3 the Service Provider shall vacate any Sites;

6.13.4 except as otherwise provided in this Agreement, each party will return to the other party all Confidential Information of the other party and will 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 Termination Services or as required by applicable law.

16.14 Except where this Agreement provides otherwise, all licences, leases and authorisations granted by the Authority to the Service Provider in relation to the Services shall be terminated with effect from the end of the Termination Assistance Period.

Scope of the Termination Services

6.15 The Termination Services to be provided by the Service Provider shall include such of the following services as the Authority may specify by notice in writing:

6.15.1 ceasing all non-critical Authority Software changes (by agreement with the Authority);

6.15.2 notifying its subcontractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed;

6.15.3 with respect to work in progress as at the end of the Termination Assistance Period, documenting the current status and stabilising for continuity during transition;

6.15.4 in relation to the Maintenance Services, providing the Authority with any problem and incident logs relating to unresolved support questions which have not previously been provided to the Authority;

6.15.5 providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services;

6.15.6 agreeing with the Authority a handover plan for all of the Service Provider's responsibilities. The Service Provider will co-operate fully in the execution of the agreed plan, providing skills and expertise of a suitable standard;

6.15.7 assisting in the execution of a parallel operation until the effective date of expiry or termination of this Agreement;

6.15.8 assisting in the execution of a parallel operation of the Maintenance Services until the end of the Termination Assistance Period or as otherwise specified by the Authority (provided that these Services end on a date no later than the end of the Termination Assistance Period);

6.15.9 answering all reasonable questions from the Authority, if any, regarding the Services;

Disputes Relating to Termination Services

6.16 Where there is any dispute between the parties regarding the manner in which the Termination Services are to be performed, such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

7. Assets, Sub-Contracts and Software

7.1 Following notice of termination of this Agreement and until the end of the Termination Assistance Period, the Service Provider will not, without the TfL Group's prior written consent, materially alter the Services, Software or System except as provided in this Agreement.

8. Service Provider Personnel

8.1 The Authority and Service Provider agree and acknowledge that, in relation to the Service Provider's employees and personnel, **clause 33** shall apply.

9. Charges

9.1 In relation to all assistance and services (whether Termination Services or otherwise) provided by the Service Provider pursuant to this Schedule and the Exit Plan:

9.1.1 such assistance and services shall be free of charge in the event of termination by the Authority in accordance with **clause 24.1**; and

9.1.2 in all other circumstances than those set out in paragraph 9.1.1 above (including Ordinary Exit upon natural expiry of the Agreement), the Service Provider shall be entitled to charge for such assistance and services at no more than the Service Provider's standard hourly rates used with its customers at the relevant time but which shall not, for the avoidance of doubt exceed £200.00 per hour.

9.2 Where Charges apply in accordance with paragraph 9.1.2 above, during the Termination Assistance Period (or for such shorter period as the Authority may require the Service Provider to provide the Termination Services), the Authority shall pay such Charges to the Service Provider in respect of the Termination Services monthly in arrears upon production of a properly executed invoice in accordance with **clause 4**.