



Home Office

AUTHORITY: The Secretary of State for the Home Department

SCHEDULE 23
USER PAYS SERVICES
TELEPERFORMANCE

NEXT GENERATION OUTSOURCED VISA SERVICES

CONTENTS

1.	INTRODUCTION AND INTERPRETION OF THIS SCHEDULE	1
2.	USER PAYS SERVICES	1
3.	PRIORITY VISA SERVICES (PVS) AND SUPER PRIORITY VISA SERVICES (SPVS)	4
4.	CHARGING FOR PRIORITY VISA SERVICES	7
5.	CHARGING FOR SUPER PRIORITY VISA SERVICE	8
6.	PREMIUM LOUNGE SERVICE	10
7.	USER PAYS VACS	14
8.	CHARGING FOR USER PAYS VACS	20
9.	TEMPORARY ENROLMENT LOCATIONS (TEL)	28
10.	OTHER AUTHORITY SUPPORTED CHARGEABLE SERVICES (ASCS)	31
11.	SUPPLIER CHARGEABLE SERVICES (SCS)	31

ANNEX 23-1 – TABLES SUPPORTING CHARGING BASIS FOR USER PAYS SERVICES

ANNEX 23-2 - REQUEST FOR A TEMPORARY ENROLMENT LOCATION

ANNEX 23-3 – REQUEST FOR APPROVAL FOR A SUPPLIER CHARGEABLE SERVICE (SCS)

ANNEX 23-4 – LIST OF USER PAYS SERVICES

SCHEDULE 23**USER PAYS SERVICES****1. INTRODUCTION AND INTERPRETION OF THIS SCHEDULE**

1.1 This Schedule sets out the provisions of this Agreement applicable to the User Pays Services.

1.2 This Schedule 23 (together with its Annexes) is supplemental to, and shall be construed and interpreted in accordance with, the other terms of the Agreement. The terms of the Agreement shall apply to this Schedule 23 (**User Pays Services**) except insofar as a specific variation thereto is set out in this Schedule 23 (**User Pays Services**), or the particular term is specifically identified in the Agreement as not applying. For the avoidance of doubt:

1.2.1 unless otherwise stated, these variations shall only apply in respect of the User Pays Services; and

1.2.2 the User Pays Services shall constitute “Services” for the purposes of this Agreement.

2. USER PAYS SERVICES

2.1 The Supplier is required to provide User Pays Services in accordance with Service Package SP4 in Schedule 2 (**Statement of Requirements**) subject to agreement of any matters specified in this Schedule 23 as requiring agreement. User Pays Services are supplemental additional services that Visa Applicants may choose to select that are connected to, and enhance, the Visa Application process. The User Pays Services are:

2.1.1 Priority Visa Services;

2.1.2 Super Priority Visa Services;

each of which is an Authority Supported Chargeable Service; and

2.1.3 Premium Lounge Services; and

2.1.4 User Pays VAC Services, which may be delivered at a particular location (according to how the Authority’s requirements meet the criteria set out in Section 7.2 below) either as:

(a) a Fixed User Pays VAC; or

(b) Temporary Enrolment Location,

each of which is a Supplier Chargeable Service.

2.2 The User Pays Services may be either “Mandatory” or “Discretionary”. For the avoidance of doubt, these terms refer to the status of User Pays Services as between the Authority and the Supplier. For Visa Applicants, the use of any User Pays Service shall always be optional and subject to the Visa Applicant’s choice, although it is acknowledged that, for some Visa

Applicants, the decision as to whether to use a User Pays VAC or a Temporary Enrolment Location will be heavily influenced by the proximity of the nearest Free to User alternative. The Supplier is not entitled to require Visa Applicants to combine User Pays Services with any other Service (whether a User Pays Service or not), unless the Authority has given its prior written permission for the Supplier to do so.

2.2.1 User Pays Services which are Mandatory are those which the Authority requires the Supplier to make available to Visa Applicants as part of the Services. These Mandatory User Pays Services are:

- (a) the Priority Visa Services in the VACs and locations indicated in the column headed “PV Mandatory” in Annex 23-4 as at the Effective Date;
- (b) the Super Priority Visa Services in the VACs and locations indicated in the column headed “SPV Mandatory” in Annex 23-4 as at the Effective Date;
- (c) the Premium Lounge Services in the VACs and locations indicated in the column headed “PL Mandatory” in Annex 23-4 as at the Effective Date;
- (d) the User Pays VAC Services in the locations indicated by the terms:
 - (i) “Fixed” (to indicate a User Pays VAC requirement meeting the criteria for a Fixed User Pays VAC set out in Section 7.3 below); or
 - (ii) “TEL” (to indicate a User Pays VAC requirement meeting the criteria for a Temporary Enrolment Location set out in Section 7.3 below),in the column headed “Mandatory User Pays VAC” in Annex 23-4 as at the Effective Date; and
- (e) any Priority Visa Services, Super Priority Visa Services, Premium Lounge Services, or User Pays VAC Services (whether Fixed User Pays VACs or Temporary Enrolment Locations) that, after the Effective Date, the Authority requires the Supplier to make available in specific VACs and/or locations pursuant to the processes set out in this Schedule 23 (**User Pays Services**).

2.2.2 User Pays Services which are Discretionary are those which the Authority permits (but does not require) the Supplier to make available to Visa Applicants as part of the Services. These Discretionary User Pays Services are:

- (a) any Priority Visa Services (but not Super Priority Visa Services), Premium Lounge Services, or User Pays VACs (whether Fixed User Pays VACs or Temporary Enrolment Location) that the Supplier has requested permission to make available as at the Effective Date, and in respect of which the Authority has granted its permission, in the VACs and locations indicated in the columns

respectively headed “PV Discretionary”, “PL Discretionary”, “Discretionary User Pays VAC” in Annex 23-4 as at the Effective Date;

- (b) any Priority Visa Services (but not Super Priority Visa Services), Premium Lounge Services, or User Pays VAC Services (whether Fixed User Pays VACs or Temporary Enrolment Location) that, after the Effective Date, the Supplier requests permission to make available and in respect of which the Authority grants its permission, in specific VACs and/or locations pursuant to the processes set out in this Schedule 23 (**User Pays Services**).

2.2.3 The Parties may agree at any time to change the status of a Discretionary User Pays Services to make it Mandatory, and shall amend Annex 23-4 accordingly.

2.2.4 The Authority shall have the right to require the Supplier to terminate the provision of the Mandatory and Discretionary User Pays Services in accordance with the process set out in this Schedule 23 (**User Pays Services**).

2.2.5 The Supplier shall have no right to terminate or cease the provision of the Mandatory User Pays Services unless instructed to do so by the Authority, or unless the Authority gives its prior written consent. The Supplier shall have the right to terminate or cease the provision of certain Discretionary User Pays Services in accordance with the processes set out in this Schedule 23 (**User Pays Services**).

2.2.6 The Parties shall amend Annex 23-4 from time to time to reflect the agreed additions, deletions or changes to the list of Mandatory User Pays Services and Discretionary User Pays Services.

2.3 This Schedule 23 (**User Pays Services**):

2.3.1 sets out the processes and procedures that will be followed for:

- (a) the addition of new Mandatory User Pays Services by the Authority;
- (b) changes in requirements by the Authority that require a VAC at a particular location to switch from a Free to User VAC to a User Pays VAC or *vice versa*; and
- (c) the submission of Supplier proposals for new Discretionary User Pays Services and the Authority’s approval or rejection of such proposals;

2.3.2 includes the review process for User Pays VACs; and

2.3.3 sets out the basis of charging for User Pays Services.

2.4 The process and procedure for the approval of the User Pays Services referred to in paragraphs 2.1.1 and 2.1.2 above are set out in Sections 3 and 4 below. The process and procedure for the

approval of the User Pays Services referred to in paragraphs 2.1.3 and 2.1.4 above are set out in Sections 6, 7 and 9 below.

- 2.5 The processes and procedures for approval of all other User Pays Services, whether Authority Supported Chargeable Services, or Supplier Chargeable Services, are set out in Sections 10 and 11 below.
- 2.6 All Supplier proposals for User Pays Services (other than those set out in Annex 23-4 as at the Effective Date) must be approved by the Authority before the relevant User Pay Services can commence.
- 2.7 Certain User Pays Services are considered to be connected with immigration and nationality in such a way that the fees charged to Visa Applicants for such services are required to be set out in UK legislation. Additionally, some User Pays Services use revenue sharing arrangements based on the amount of revenue realised by the Supplier from the provision of those User Pays Services, which will be apportioned based on the principles outlined in this Schedule 23 (**User Pays Services**). In relation to User Pays Services where the fees charged to Visa Applicants are set out in UK legislation, if a foreign government maintains that local sales taxes or direct and/or indirect charges are chargeable on such fees, the Authority will support the Supplier (including by making government-to-government submissions and using inter-government channels of dialogue) to make the case that such fees ought not to be so chargeable to tax, whether by virtue of the Vienna Convention 1961 or otherwise.
- 2.8 The Supplier shall invoice for the User Pays Services in accordance with Section 16 of Schedule 6 (**Pricing, Payment and Invoicing**).
- 2.9 In relation to all User Pays Services that are considered to be connected with immigration and nationality, the Supplier shall apply the Authority's prevailing refund policy in relation to the fees or charges paid by Visa Applicants (which, for the avoidance of doubt, currently requires that no refund of a fee or charge paid by a Visa Applicant shall be made unless the Visa Applicant cancels his or her Visa Application or otherwise applies for a refund before his or her biometric data has been taken). The Authority reserves its right to amend its refund policy by notice to the Supplier from time to time and the parties shall agree how the Supplier shall be recompensed for such refund through the Change Control Procedure.
3. **PRIORITY VISA SERVICES (PVS) AND SUPER PRIORITY VISA SERVICES (SPVS)**
 - 3.1 Priority Visas Services and Super Priority Visa Services are Authority Supported Chargeable Services.
 - 3.2 The Requirements for the Priority Visa Services and Super Priority Visa Services are set out in Service Package 4 of Schedule 2 (**Statement of Requirements**) and relate to an enhanced Service that will be made available to Visa Applicants by the Post as an option which they may choose to select to expedite their Visa Applications.

- 3.3 Both Priority Visa Services and Super Priority Visa Services require Visa Applicants to pay a Priority User Charge or a Super Priority User Charge in accordance with Sections 4 and 5 below.

3.4 Setting Up Priority Visa Services and/or Super Priority Visa Services

- 3.4.1 Annex 23-4 sets out the Priority Visa Services and/or Super Priority Visa Services that are agreed to be made available to Visa Applicants as at the Effective Date.
- 3.4.2 The Supplier shall be entitled to offer Priority Visa Services and Super Priority Visa Services to Visa Applicants in a Country either upon the requirement of the Authority (in respect of Mandatory Priority Visa Services and Super Priority Visa Services) or at the Authority's discretion (in respect of Discretionary Priority Visa Services). Section 2.2 above sets out the distinction between Mandatory and Discretionary Priority Visa Services and Super Priority Visa Services, whether Authority-initiated or Supplier-initiated. The Authority does not permit Discretionary Super Priority Visa Services.
- 3.4.3 The Authority may, at any time after the Effective Date, require the provision of Mandatory Priority Visa Services and/or Mandatory Super Priority Visa Services at a new location or Country (all or any of the VACs therein). It shall initiate such requirement by sending to the Supplier a notice (as appropriate, a "**PV Notice**" or the "**SPV Notice**") describing its requirement.
- 3.4.4 The Supplier may, by written notice to the Authority's Contract Management Team, propose a Priority Visa Service in a location or Country (all or any of the VACs therein) based on its market assessment for such a service. If the Authority agrees to consider such proposed Priority Visa Service and/or Super Priority Visa Service, it shall send to the Supplier a PV Notice as described in Section 3.4.3 above.
- 3.4.5 In response to the Authority's PV Notice or SPV Notice, the Supplier shall provide the information reasonably required by the Authority regarding the proposed Priority Visa Services or Super Priority Visa Services (including the proposed terms of service provision to Visa Applicants, and/or any planned variants from the standard terms of service provision for Priority Visa Services or Super Priority Visa Services already agreed between the Authority and the Supplier). The Supplier shall provide such information within ten (10) days of receipt of the PV Notice or SPV Notice.
- 3.4.6 The ultimate decision as to whether the proposed Priority Visa Services or Super Priority Visa Services shall be provided will remain with the Authority. The Authority reserves the right to determine the specific nature of the proposed Priority Visa Services or Super Priority Visa Services, including but not limited to the locations, the user charges, and the volume of Priority Visas or Super Priority Visas.
- 3.4.7 The Parties shall discuss and agree the proposed basis of provision of the planned Priority Visa Services and/or Super Priority Visa Services (including the proposed terms of service provision to Visa Applicants and/or any notices, recommendations or warnings

from the Authority, as applicable) prior to commencement of provision of the Priority Visa Services or Super Priority Visa Services.

- 3.4.8 If the Parties agree, the Authority shall send a further written notice to the Supplier confirming the agreed requirement on the Supplier to commence the provision of the Priority Visa Services or Super Priority Visa Services on the date specified in the notice, such date to be at least twenty (20) days from the date of such notice (except to the extent that the Parties agree a shorter roll-out plan in a particular location).
- 3.4.9 The Supplier shall comply with the terms of such notice and, with effect from the go-live date specified in that notice, the Supplier shall provide the agreed Priority Visa Services and/or Super Priority Visa Services to Visa Applicants. The Parties shall amend Annex 23-4 accordingly.
- 3.4.10 For the avoidance of doubt, except to the extent already agreed and set out in Annex 23-4, the Supplier is not entitled to provide the Priority Visa Services or Super Priority Visa Services to Visa Applicants until the provisions of this Section 3.4 have been complied with.
- 3.4.11 Notwithstanding the above process for approval of a new Priority Visa Service and/or Super Priority Visa Services, where the requirements of a proposed Priority Visa Service or Super Priority Visa Service in a location or Country vary from those set out in Service Package SP4 of Schedule 2 (**Statement of Requirements**), a Change Control Note will also be required.

3.5 Suspension and Termination of Priority Visa Services and/or Super Priority Visa Services

- 3.5.1 Without prejudice to any other termination or other rights and remedies available to either Party under this Agreement, provision of the Priority Visa Services or Super Priority Visa Services is optional for the Authority, and the Authority may suspend or terminate the Priority Visa Services or Super Priority Visa Services at any time in any location or in all or any of the VACs in any Country by providing to the Supplier forty-eight hours' written notice in respect of any suspension and fourteen days (14) days' written notice in respect of any termination (provided that any such suspension or termination shall not affect any Visa Applicants who have already submitted their Visa Applications using the Priority Visa Services or Super Priority Visa Services).
- 3.5.2 Notwithstanding any other provision of the Agreement, the Authority shall not be required to pay any Compensation Payment(s), termination charges or costs of any kind if the Priority Visa Services or Super Priority Visa Services are suspended or terminated (whether in whole or part).
- 3.5.3 The Supplier shall not be entitled to suspend or terminate any Mandatory or Discretionary Priority Visa Services, or Mandatory Super Priority Visa Services except with the prior written consent of the Authority.

4. CHARGING FOR PRIORITY VISA SERVICES

4.1 Priority Visa Services – PV User Charges and PV Supplier Retention Rate

4.1.1 Visa Applicants across all Countries in each Region who use the Priority Visa Service shall pay a fee (“**PV User Charge**”), established in accordance with Section 4.2, which shall be collected by the Supplier in local currency, as set out in Section 4.2.3. The Supplier shall retain an amount of the PV User Charges paid by Visa Applicants and provide the Authority with a discount on the Service Charges otherwise due to the Supplier by abating the amounts due under Schedule 6 (**Pricing, Payment and Invoicing**) as calculated in accordance with Section 4.1.2 below.

4.1.2 The Supplier shall remit all PV User Charges collected to the Authority, after having deducted an amount or proportion of each PV User Charge according to the Region, as set out in Annex 23-1 (“the **PV Supplier Retention Rate**”). The remaining amount or proportion of the Priority Visa Charge (“the **Authority PV Discount**”) shall be remitted to the Authority by the Supplier calculating an abatement equal to the Authority PV Discount and applying that to the amounts due under Schedule 6 (**Pricing, Payment and Invoicing**) for the month following collection of the PV User Charges. The Authority PV Discount shall be calculated such that, for any Country where the Priority Visa Service operates:

Authority PV Discount for the Country per month = Total PV User Charges in the month net of any (local sales tax or any direct or indirect tax chargeable or payable in respect of such PV User Charges) – (Number of Priority Visas sold in the month x PV Supplier Retention Rate).

4.1.3 The total value of Priority Visas sold in the month shall be converted into Pounds Sterling using the average monthly exchange rate against Pounds Sterling for the currency of the relevant Country during the calendar month which the Priority Visas were sold. Such average monthly exchange rate is determined as follows: the daily exchange rate against Pounds Sterling of the official currency of the relevant Country as published on <http://www.oanda.com/convert/fxhistory>, taken and added up for each day for which such a daily rate is published, and then divided by the number of days during the relevant calendar month for which such daily rates were published. The PV Supplier Retention Rate shall be indexed for Inflation in accordance with Section 10 of Schedule 6 (**Pricing, Payment and Invoicing**).

4.1.4 For the avoidance of doubt, the Supplier is responsible for meeting all costs and expenses (including any set-up costs but excluding any sales tax levied on PV User Charges) for all Priority Visa Services.

4.1.5 The PV Supplier Retention Rate applicable in each month of a Contract Year shall be set according to Annex 23-1 as the rate falling in the band where the accumulated total annual number of Priority Visas sold from the beginning of the Contract Year to the end of the month of calculation falls.

4.1.6 At the end of the first six months in each Contract Year and at the end of each Contract Year, the Supplier shall calculate the total amount retained in accordance with Section 4.1.2 and produce a reconciliation statement, which it shall submit to the Authority identifying the difference between the total amount retained through the accumulated monthly abatements and the abatement due for the accumulated volume over the entire period. The balance calculated shall be abated at the following Invoicing Point to the six month and Contract Year end period.

4.1.7 For the avoidance of doubt, the overall abatement for the periods of six and twelve months is calculated using the PV Retention Rate that falls under the respective volume band in Annex 23-1 for the total accumulated volume over the entire period.

4.2 Priority Visa Services - Priority Visa User Charges

4.2.1 The Authority shall determine, at its sole discretion, the amount of the PV User Charge for the relevant Priority Visa Service, which may vary from Country to Country as solely determined by the Authority. The PV User Charge shall be set out in the Fees Legislation and updated from time to time by the Authority. Except in respect of Priority Visa Services agreed to be provided at the Effective Date, as listed in Annex 23-4, such PV User Charges shall be notified to the Supplier in writing when the Authority notifies the Supplier to commence provision of the relevant Priority Visa Service in accordance with the notice provisions of Section 3.4.7 above.

4.2.2 The Authority shall have the right to change the amount of the PV User Charge for the relevant Priority Visa Service in its sole discretion. After the PV User Charge has been initially set in accordance with Section 4.2.1 above, if such PV User Charge is subsequently changed by the Authority, the corresponding PV Supplier Retention Rate shall be reviewed in accordance with the Change Control Procedure.

4.2.3 The Supplier shall charge the PV User Charge to Visa Applicants in the local currency of the Country in which the Priority Visa Service is being offered. For this purpose, the Supplier shall convert the pound sterling-based PV User Charge notified to it by the Authority into local currency in each Country in which it offers the Priority Visa Service at the prevailing Consular Rate of Exchange in respect of that Country.

5. **CHARGING FOR SUPER PRIORITY VISA SERVICE**

5.1 Super Priority Visa Services – SPV User Charge and SPV Supplier Retention Rate

5.1.1 Visa Applicants across all Countries in all Regions who use the Super Priority Visa Service shall pay a fee (“**SPV User Charge**”), established in accordance with Section 5.2, which shall be collected by the Supplier in local currency, as set out in Section 5.2.3. The Supplier shall remit all Super PV User Charges collected to the Authority, after having deducted a proportion of the SPV User Charges paid by Visa Applicants and provide the Authority with a discount on the Service Charges otherwise due to the

Supplier by abating the amounts due under Schedule 6 (**Pricing, Payment and Invoicing**) as calculated in accordance with Section 5.1.2 below.

- 5.1.2 The Supplier is entitled to retain an amount or proportion of each SPV User Charge according to the Region, as set out in Annex 23-1 (“the **SPV Supplier Retention Rate**”). The remaining amount or proportion of the Super Priority Visa Charge (“the **Authority SPV Discount**”) shall be remitted to the Authority by the Supplier calculating an abatement equal to the Authority SPV Discount and applying that to the amounts due under Schedule 6 (**Pricing, Payment and Invoicing**) for the month following collection of the SPV User Charges. The Authority SPV Discount shall be calculated such that, for any Country where the Super Priority Visa Service operates:

Authority SPV Discount for the Country per month = Total SPV User Charges in the month (net of any local sales tax or any direct or indirect tax chargeable or payable in respect of such SPV User Charges) – (Number of Super Priority Visas sold in the month x SPV Supplier Retention Rate).

- 5.1.3 The total value of Super Priority Visas sold in the month shall be converted into Pounds Sterling using the average monthly exchange rate against Pounds Sterling for the currency of the relevant Country during the calendar month which the Super Priority Visas were sold. Such average monthly exchange rate is determined as follows: the daily exchange rate against Pounds Sterling of the official currency of the relevant Country as published on <http://www.oanda.com/convert/fxhistory>, taken and added up for each day for which such a daily rate is published, and then divided by the number of days during the relevant calendar month for which such daily rates were published. The SPV Supplier Retention Rate shall be indexed for Inflation in accordance with Section 10 of Schedule 6 (**Pricing, Payment and Invoicing**).
- 5.1.4 For the avoidance of doubt, the Supplier is responsible for meeting all costs and expenses (including any set-up costs but excluding any sales tax levied on SPV User Charges) for all Super Priority Visa Services.
- 5.1.5 The SPV Supplier Retention Rate applicable in each month of a Contract Year shall be set according to Annex 23-1 as the rate falling in the band where the accumulated total annual number of Super Priority Visas sold from the beginning of the Contract Year to the end of the month of calculation falls.
- 5.1.6 At the end of the first six months in each Contract Year and at the end of each Contract Year, the Supplier shall calculate the total amount retained in accordance with Section 5.1.2 and produce a reconciliation statement, which it shall submit to the Authority identifying the difference between the total amount retained through the accumulated monthly abatements and the abatement due for the accumulated volume over the entire period. The balance calculated shall be abated at the following Invoicing Point to the six month and Contract Year end period.

- 5.1.7 For the avoidance of doubt, the overall abatement for the periods of six and 12 months is calculated using the SPV Retention Rate that falls under the respective volume band in Annex 23-1 for the total accumulated volume over the entire period.

5.2 Super Priority Visa Services - Super Priority Visa User Charges

- 5.2.1 The Authority shall determine, at its sole discretion, the amount of the SPV User Charge for the relevant Super Priority Visa Service, which may vary from Country to Country as solely determined by the Authority. The SPV User Charge shall be set out in the Fees Legislation and updated from time to time by the Authority. Except in respect of Super Priority Visa Services agreed to be provided at the Effective Date, as listed in Annex 23-4, such SPV User Charges shall be notified to the Supplier in writing when the Authority notifies the Supplier to commence provision of the relevant Super Priority Visa Service in accordance with the notice provisions of Section 3.4.7 above.
- 5.2.2 The Authority shall have the right to change the amount of the SPV User Charge for the relevant Super Priority Visa Service in each Country in its sole discretion. After the SPV User Charge has been initially set in accordance with Section 5.2.1 above, if such SPV User Charge is subsequently changed by the Authority, the corresponding SPV Supplier Retention Rate shall be reviewed in accordance with the Change Control Procedure.
- 5.2.3 The Supplier shall charge the SPV User Charge to Visa Applicants in the local currency of the Country in which the Super Priority Visa Service is being offered. For this purpose, the Supplier shall convert the pound sterling-based SPV User Charge notified to it by the Authority into local currency in each Country in which it offers the Super Priority Visa Service at the prevailing Consular Rate of Exchange in respect of that Country.

6. **PREMIUM LOUNGE SERVICE**

- 6.1 The Premium Lounge Service is a Supplier Chargeable Service (SCS).
- 6.2 The Requirements for the Premium Lounge Service are set out in Service Package SP4 of Schedule 2 (**Statement of Requirements**) and relate to an enhanced service that can be made available to Visa Applicants as an option that they may choose when attending a VAC. This Service Package will require Visa Applicants to pay a PL User Charge (except to the extent that a Visa Applicant has paid for a Super Priority Visa Service, in which case the Premium Lounge Service will be made available at no charge to the Visa Applicant).
- 6.3 Premium Lounge Services shall be introduced in a VAC at the Authority's discretion and in accordance with this Section 6. The Supplier may propose a Premium Lounge Service in a VAC based on its market assessment for such a service but the ultimate decision will remain with the Authority. The Supplier is expected to provide specific services and commensurate user charges for a Premium Lounge Service.

6.4 Setting Up Premium Lounge Services

- 6.4.1 Annex 23-4 sets out the Premium Lounge Services that are agreed to be made available to Visa Applicants as at the Effective Date.
- 6.4.2 The Supplier shall be entitled to offer Premium Lounge Services to Visa Applicants in a Country either upon the requirement of the Authority (in respect of Mandatory Premium Lounge Services) or at the Authority's discretion (in respect of Discretionary Premium Lounge Services). Section 2.2 above sets out the distinction between Mandatory and Discretionary Premium Lounge Services, whether Authority-initiated or Supplier-initiated.
- 6.4.3 The Authority may, at any time after the Effective Date, require the provision of Mandatory Premium Lounge Services at a new location or Country (all or any of the VACs therein). It shall initiate such requirement by sending to the Supplier a notice (a "**PL Notice**") describing its requirement.
- 6.4.4 The Supplier may, by written notice to the Authority's Contract Management Team, propose a Premium Lounge Service in a location or Country (all or any of the VACs therein) based on its market assessment for such a service. If the Authority agrees to consider such Premium Lounge Service, it shall send to the Supplier a PL Notice as described in Section 6.4.3 above.
- 6.4.5 In response to the Authority's PL Notice, the Supplier shall provide the information reasonably required by the Authority regarding the proposed Premium Lounge Services (including the proposed terms of service provision to Visa Applicants, and/or any planned variants from the standard terms of service provision for Premium Lounge Services already agreed between the Authority and the Supplier). The Supplier shall provide such information within ten (10) days of receipt of the PL Notice.
- 6.4.6 The ultimate decision as to whether the proposed Premium Lounge Services shall be provided will remain with the Authority. The Authority reserves the right to determine the specific nature of the proposed Premium Lounge Services, including but not limited to the locations where such Premium Lounge Services shall be offered. However, the user charges, in the form of the PL User Charge applicable at each VAC, shall be mutually agreed between the Authority and the Supplier in accordance with Section 6.6 below.
- 6.4.7 Based upon the information provided by the Supplier, the Parties shall discuss and agree the proposed basis of provision of the proposed Premium Lounge Services (including the proposed terms of service provision to Visa Applicants and/or any notices, recommendations or warnings from the Authority, as applicable) prior to commencement of provision of the Premium Lounge Services.

- 6.4.8 If the Parties agree, the Authority shall send a further written notice to the Supplier confirming the agreed requirement on the Supplier to commence the provision of the Premium Lounge Services on the date specified in the notice, such date to be at least twenty (20) days from the date of such notice (except to the extent that the Parties agree a shorter roll-out plan in a particular location).
- 6.4.9 The Supplier shall comply with the terms of such notice and, with effect from the go-live date specified in that notice, the Supplier shall provide the agreed Premium Lounge Services to Visa Applicants. The Parties shall amend Annex 23-4 accordingly.
- 6.4.10 For the avoidance of doubt, except to the extent already agreed and set out in Annex 23-4, the Supplier is not entitled to provide the Premium Lounge Services to Visa Applicants until the provisions of this Section 6.4 have been complied with.
- 6.4.11 Notwithstanding the above process for approval of a new Premium Lounge Services, Where the requirements of a proposed Premium Lounge Service vary from those set out in Service Package SP4 of Schedule 2 (**Statement of Requirements**), a Change Control Note will also be required.

6.5 Suspension and Termination of Premium Lounge Services

- 6.5.1 Without prejudice to any other termination or other rights and remedies available to either Party under this Agreement, provision of the Premium Lounge Services is optional for the Authority, and the Authority may suspend or terminate the Premium Lounge Service at any time in any location or in any VAC in any Country by providing to the Supplier forty-eight hours written notice in respect of any suspension and fourteen (14) days written notice in respect of any termination.
- 6.5.2 Notwithstanding any other provision of the Agreement, the Authority shall not be required to pay any Compensation Payment(s), termination charges or costs of any kind if the Premium Lounge Service is suspended or terminated (whether in whole or part).
- 6.5.3 The Supplier:
- (a) shall not be entitled to suspend or terminate any Mandatory Premium Lounge Service except with the prior written consent of the Authority; and
 - (b) shall be entitled to suspend or terminate any Discretionary Premium Lounge Service by (i) discussing and reviewing its planned suspension or termination of such Discretionary Premium Lounge Services with the Authority, and thereafter, if it wishes to proceed (ii) providing to the Authority forty-eight hours' written notice in respect of any suspension and fourteen days (14) days' written notice in respect of any termination.

6.6 Premium Lounge Services - Premium Lounge User Charges

- 6.6.1 Prior to the commencement of any Premium Lounge Services in any VAC, and taking account of the information provided by the Supplier under Section 6.6.2 below, the Authority and the Supplier shall agree the amount of the PL User Charge for the relevant Premium Lounge Service in each VAC, which may vary from VAC to VAC. Except in respect of Premium Lounge Services agreed to be provided at the Effective Date, as listed in Annex 23-4, such PL User Charges shall be agreed between the Parties, and shall be contained within the notice from the Authority when it notifies the Supplier to commence provision of the relevant Premium Lounge Service in accordance with the notice provisions of Section 6.4.6 above.
- 6.6.2 Following receipt of the PL Notice as described in Section 6.4.6 above, the Supplier shall respond within fifteen (15) days of receipt of such notice and such response shall contain the following information:
- (a) the Supplier's estimated costs in delivering the relevant Premium Lounge Service which shall only include reasonable heads of cost (excluding, for the avoidance of doubt, marketing costs, and/or bid costs in relation to the relevant Premium Lounge Service) and reasonably evidenced by the Supplier as being accurate and necessary;
 - (b) an estimate of the total PL User Charges per Contract Year that will be generated by the relevant Premium Lounge Service on the basis of realistic estimates of take-up;
 - (c) an estimate of the Authority PL Revenue Share per Contract Year which will be retained by the Authority on the basis of the estimated total PL User Charges.
- 6.6.3 After the PL User Charge for a VAC has been set in accordance with Section 6.6.1 above, such PL User Charge can only be changed in accordance with the Change Control Procedure. If such PL User Charge is subsequently changed, the corresponding revenue shares referred to in Section 6.7 below shall also be reviewed in accordance with the Change Control Procedure.

6.7 Premium Lounge Services – Revenue Share

- 6.7.1 The Parties shall share the revenues (after having deducted the Supplier's direct costs associated with the provision of that service, including applicable local sales taxes or any direct or indirect tax chargeable or payable in respect of such revenues) generated by any Premium Lounge Services at a percentage as detailed in Annex 23-1 to this Schedule 23 (**User Pays Services**).
- 6.7.2 Following the launch of a Premium Lounge Service, the actual revenue from that Premium Lounge Service will, for each Country, be calculated monthly in arrears; starting from the end of the first full calendar month after the service commencement (*i.e.*, the first month will be extended to include any partial month before it).

- 6.7.3 After the end of each calendar month, the Supplier will provide to the Authority the actual figures for the revenue from providing the Premium Lounge Services and the revenue share from that Premium Lounge Service for the month.
- 6.7.4 The Authority's share of the revenue will be credited in Pounds Sterling at the next Invoicing Point to the Supplier's invoice which relates to the same Country where the relevant Premium Lounge Service was provided.
- 6.7.5 The amount to be credited to the Authority in accordance with Section 6.7.4 above shall be converted into Pounds Sterling using the average monthly exchange rate against Pounds Sterling for the currency of the relevant Country during the calendar month which the Premium Lounge charges were collected. Such average monthly exchange rate is determined as follows: the daily exchange rate against Pounds Sterling of the official currency of the relevant Country as published on <http://www.oanda.com/convert/fxhistory>, taken and added up for each day for which such a daily rate is published, and then divided by the number of days during the relevant calendar month for which such daily rates were published.
- 6.7.6 The Authority may choose to waive or reduce its revenue share from the Premium Lounge Services for a specified time period. If the Authority elects to exercise this right, the Parties shall review and, where agreed in accordance with the Change Control Procedure, may implement changes to the Supplier's Application Processing Charges for the relevant country to take account of any waived or reduced share of the revenues generated by the Premium Lounge Services.

7. **USER PAYS VACS**

- 7.1 The requirements for User Pays VACs ("UPV"s) are set out in Service Package SP4 of Schedule 2 (**Statement of Requirements**). User Pays VACs are an optional Supplier Chargeable Service (SCS) that may be made available to Visa Applicants by the Supplier as an option that a Visa Applicant may choose to select and which will provide additional VACs in locations other than those which are Free To User.
- 7.2 A User Pays VAC is a location where Services are provided which:
- 7.2.1 operates from a fixed or temporary location (TEL) in accordance with the requirements described in Section 7.3 below, and:
- (a) in the case of a User Pays VAC, provides all Service Packages as set out in Schedule 2 (**Statement of Requirements**); or
 - (b) in the case of a Temporary Enrolment Location, provides Temporary Enrolment Location Services; and
- 7.2.2 is funded by the Visa Applicant who pays a fixed charge (determined by the Authority) for the Services received.

All User Pays VACs must adhere to the requirements of Schedule 4 (**Security**).

- 7.3 The main parameters that distinguish a User Pays VAC operating as (i) a Fixed User Pays VAC, or (ii) a Temporary Enrolment Location, are set out in the table below. Where the Authority's requirement is for a User Pays VAC at a particular location that meets the criteria set out in column 1 of the table, the Supplier shall provide a Fixed User Pays VAC. Where the Authority's requirement is for a User Pays VAC at a particular location that meets the criteria set out in column 2 of the table, it is expected that the Supplier shall provide a Temporary Enrolment Location.

FIXED USER PAYS VAC	TEL
Open for more than 3 days per week	Open for a maximum of 3 days per week
Location is dedicated for sole use as a VAC	Location is a multi-use location for a range of services
No minimum or maximum number of biometric enrolments per day	No minimum but a maximum of 50 biometric enrolments per day
All Services set out in the SOR provided including other User Pays services	Only Temporary Enrolment Location Services are provided
Takes user charges or fees (cash or credit) directly for services, Biometric enrolment or otherwise.	No user charges or fees taken at the location.
Uses static rather than mobile biometric equipment.	Generally uses mobile rather than static biometric equipment

- 7.4 This Section 7 contains provisions applicable to all User Pays VACs, whether operating as (i) a Fixed User Pays VAC, or (ii) a Temporary Enrolment Location. Section 8 below contains provisions about charging for both Fixed User Pays VACs and Temporary Enrolment Locations. Section 9 below contains additional specific provisions applicable to Temporary Enrolment Locations.

7.5 Mandatory User Pay VACs – Mandated by the Authority

7.5.1 As noted in Section 2.2 above, the Authority:

- (a) has mandated that the Supplier provides certain Mandatory User Pays VACs in certain locations, as specified in Service Package SP4 of Schedule 2 (**Statement of Requirements**) and listed in Annex 23-4 as at the Effective Date;
- (b) reserves the right in future to require new Mandatory User Pays VACs;
- (c) reserves the right in the future to change the requirements for a Mandatory User Pays VAC at a particular location which would have the effect of requiring the Supplier to convert a TEL to operate as a Fixed User Pays VAC; and
- (d) reserves the right in future to require the Supplier:

- (i) to install and subsequently operate a Mandatory User Pays VAC at a particular location as a replacement for an existing Free to User VAC previously operating at that location; or
 - (ii) to install and subsequently operate a Free to User VAC at a particular location as a replacement for an existing User Pays VAC previously operating at that location.
- 7.5.2 The funding of any business development activities associated with all User Pays VACs will be at the Supplier's sole expense.
- 7.5.3 The Authority may, at any time after the Effective Date:
 - (a) require the provision of a Mandatory User Pays VAC at a new location or Country; or
 - (b) require the provision of Mandatory User Pays VAC at a location in substitution for a Free to User VAC previously operating at that location;
 - (c) change the requirements for an User Pays VAC at a particular location which would have the effect of requiring the Supplier either to convert a TEL to operate as a Fixed User Pays VAC or to convert a Fixed User Pays VAC to operate as a TEL,

in any case, by sending to the Supplier a notice (a "**UPV Notice**") describing its requirement. Depending upon the nature and extent of the Authority's requirement, in accordance with Section 7.3 above, the Parties shall agree whether the requirement is to be fulfilled by a Fixed User Pays VAC or a Temporary Enrolment Location. Section 9 below sets out additional provisions applicable to Temporary Enrolment Locations.
- 7.5.4 In response to the Authority's UPV Notice, the Supplier shall provide the information reasonably required by the Authority regarding the proposed Mandatory User Pays VAC (including the proposed terms of service provision to Visa Applicants, and/or any planned variants from the standard terms of service provision for User Pays VAC Services already agreed between the Authority and the Supplier). The Supplier shall provide such information within ten (10) days of receipt of the UPV Notice.
- 7.5.5 The ultimate decision as to whether the proposed Mandatory User Pays VAC shall be provided will remain with the Authority. The Authority's ability to require mandatory provision of a User Pay VACs at any location not agreed as at the Effective Date is subject to the mutual agreement by the Parties of the effect of that added location on the Supplier Average UPV User Price.
- 7.5.6 The user charges, in the form of the UPV User Fee applicable at all User Pays VACs, shall be determined by the Authority in its sole discretion. The Authority intends that the

User Pays VAC User Charge shall be set at a single global level. The UPV User Fee shall be set out in the Fees Legislation and updated from time to time by the Authority.

- 7.5.7 Based upon the information provided by the Supplier, the Parties shall discuss and agree the proposed basis of provision of the proposed Mandatory User Pays VAC (including the proposed terms of service provision to Visa Applicants and/or any notices, recommendations or warnings from the Authority, as applicable) prior to commencement of provision of the Mandatory User Pays VAC Services.
- 7.5.8 If the Parties agree, the Authority shall send a further written notice to the Supplier confirming the agreed requirement on the Supplier to commence the provision of the Mandatory User Pays VAC on the date specified in the notice, such date to be at least twenty (20) days from the date of such notice (except to the extent that the Parties agree a different roll-out plan in a particular location).
- 7.5.9 The Supplier shall comply with the terms of such notice and, with effect from the go-live date specified in that notice, the Supplier shall provide the agreed Mandatory User Pays VAC Services to Visa Applicants. The Parties shall amend Annex 23-4 accordingly.
- 7.5.10 For the avoidance of doubt, except to the extent already agreed and set out in Annex 23-4, the Supplier is not entitled to provide User Pays VAC Services to Visa Applicants until the provisions of this Section 7.5 have been complied with.
- 7.5.11 Notwithstanding the above process for approval of a new Mandatory User Pays VAC, where the requirements of a proposed User Pays VAC Service vary from those set out in Service Package SP4 of Schedule 2 (**Statement of Requirements**), a Change Control Note will also be required.

7.6 Discretionary User Pay VACs – Initiated by the Supplier

- 7.6.1 In circumstances where the Supplier proposes a Discretionary User Pays VAC at a designated location and/or Country, all related costs incurred which may include, but are not limited to, business development, market feasibility, survey and legal costs will be the sole responsibility of the Supplier.
- 7.6.2 The Supplier may propose that a Discretionary User Pays VAC is established in addition to those set out in Annex 23-4, by lodging a Change Control Notice (CCN) which sets out as a minimum:
- (a) whether it proposes (i) a Fixed User Pays VAC, or (ii) a Temporary Enrolment Location;
 - (b) the location of the proposed User Pays VAC;
 - (c) the proposed User Pays VAC opening hours;

- (d) the expected Visa Applicant volumes;
- (e) a cost model showing estimated income, expenses, and profit margin based on expected volumes and the then-current UPV User Fee payable by the Visa Applicant as set out in the Fees Legislation; and
- (f) the proposed effect on the Supplier Average UPV User Price or the proposed Alternative Discretionary VAC Charge; and
- (g) a transition plan in accordance with Schedule 5 (**Transition**).

7.6.3 The Authority shall consider the Supplier's proposal(s) for additional, Discretionary User Pays VACs and either approve or reject such proposal(s) within 20 Working Days.

7.6.4 Subject to approval by the Authority and subject to compliance by the Authority with its obligations under Schedule 5 (**Transition**), the Supplier shall implement the transition plans and shall then open and operate a User Pays VAC at the approved location in accordance with Service Package SP4 of Schedule 2 (**Statement of Requirements**), such that the Supplier's costs per Visa Application for operation of such User Pays VAC, and the corresponding applicable Supplier Average UPV User Price, shall be as set out in the Supplier's proposal, as established in accordance with the process set out in Section 8 below, and as approved by the Authority.

7.7 Termination – Mandatory and Discretionary User Pays VACs

7.7.1 Without prejudice to any of the Authority's other termination rights, or any other rights and remedies of the Authority (including but not limited to Termination for Default), the Authority may terminate (in whole only) the User Pays VAC Services at one or more User Pays VAC at any time in accordance with Clause 45.1 of the Terms and Conditions.

7.7.2 Except as set out in Section 7.7.4 below, if the User Pays VAC Services are terminated, the Supplier shall return the Biometric Equipment to the Authority as soon as reasonably practicable after the date of such termination.

7.7.3 If the UPV Services at a Fixed User Pays VAC are terminated by the Authority pursuant to Clause 45.1.3 of the Terms and Conditions, except as set out in Section 7.7.4 below, in addition to any review under Section 8.3.10 below, within thirty (30) days of such termination the Authority shall pay to the Supplier compensation ("**User Pays VAC Compensation Payment**") equal to the Compensation Payment which would otherwise be payable pursuant to Clause 45.1.2 of the Terms and Conditions in the event of a Termination for Convenience but subject always to the following adjustments:

- (a) the transition element of a UPV Compensation Payment shall be a proportion of the "Initial UPV Transition Costs" incurred by the Supplier in setting up the UPV, such proportion to be calculated by taking the number of complete months which will elapse between the date on which the Termination for

Convenience takes effect and the “UPV Cost Recovery End Date” and dividing this number by the whole number of months which will elapse between the relevant UPV Commencement Date and the Transition Cost Recovery End Date). For example:

If the UPV Commencement Date is 4 October 2012 and the UPV Cost Recovery End Date is 31 March 2014, 17 months remain.

If the termination date is 15 Jan 2013, 14 whole months remain to the end of March 2014.

Assuming the Initial UPV Transition Cost is £340,000, the Compensation Payment will be $14 / 17 \times £340,000 = £280,000$.

- (b) the “Redundancy Costs” element of the UPV Compensation Payment shall only apply to those employees of the Supplier who are engaged exclusively in providing the UPV Services that are terminated;
- (c) the “Breakage Costs” element of the UPV Compensation Payment shall only apply in respect of those subcontracts which relate solely and exclusively to the provision of the UPV Services that are terminated, if any; and
- (d) the “Profit Recovery Payment” element of the UPV Compensation Payment shall only relate to the Supplier’s forecast profits in relation to the UPV Services that are terminated;
- (e) the “Compensation Period” utilised for the purposes of calculating the Profit Recovery Payment in accordance with Section 11.5 of Schedule 6 (**Pricing, Payment and Invoicing**) shall be 6 months, less the number of whole months’ notice of Termination for Convenience given by the Authority.

7.7.4 Where the Authority gives notice to terminate the provision of an existing Mandatory User Pays VAC at a location in circumstances where it contemporaneously amends its requirements by the addition of a requirement to provide a Free to User VAC at that location, the requirements to return Biometric Equipment and pay compensation set out in Sections 7.7.2 and 7.7.3 above shall not apply. The Parties shall agree via the Change Control Procedure necessary changes to Schedule 2 (**Statement of Requirements**) and Schedule 6 (**Pricing, Payment and Invoicing**) to reflect such changes, and the Supplier shall implement the transition plans and shall then open and operate a Free to User VAC at such location in accordance with the Parties’ agreement.

7.7.5 Without prejudice to any of the Authority’s other termination rights or any other rights and remedies of the Authority, the Authority may suspend or terminate the UPV Services at a Temporary Enrolment Location at any time by providing to the Supplier the Supplier

forty-eight hours' written notice in respect of any suspension and fourteen days (14) days' written notice in respect of any termination.

7.7.6 Notwithstanding any other provision of the Agreement, the Authority shall not be required to pay any Compensation Payment(s), termination charges or costs of any kind if the UPV Services at a Temporary Enrolment Location are suspended or terminated.

7.7.7 The Supplier:

- (a) shall not be entitled to suspend or terminate any Mandatory User Pays VAC Services except with the prior written consent of the Authority; and
- (b) shall be entitled to suspend or terminate any Discretionary User Pays VAC Services by (i) discussing and reviewing its planned suspension or termination of such User Pays VAC Services with the Authority, and thereafter, if it wishes to proceed (ii) providing to the Authority forty-eight hours' written notice in respect of any suspension and fourteen days (14) days' written notice in respect of any termination.

7.7.8 The Parties shall ensure that any suspension or termination of User Pays VAC Services in accordance with this Section 7.7 shall not affect any Visa Applicants who have already submitted their Visa Applications using the User Pays VAC Services, and the Supplier shall continue to process such Visa Applications on a user pays basis.

8. CHARGING FOR USER PAYS VACS

8.1 The method of charging and reimbursement for User Pays VACs is as follows:

- 8.1.1 the Authority shall specify a UPV User Fee which the Supplier shall charge to each Visa Applicant for the provision of the User Pays VAC Services at any User Pays VAC, in accordance with Section 8.2 below;
- 8.1.2 the Parties shall agree a Supplier Average UPV User Price in respect of each Visa Applicant using the User Pays VAC Services, in accordance with Section 8.3 below;
- 8.1.3 the UPV User Fee shall be modified from time to time by the Authority, using data and inputs from the Supplier, in accordance with Section 8.4 below, and the Supplier Average UPV User Price shall be modified from time to time by the Parties, in accordance with Section 8.3 below;
- 8.1.4 Section 8.5 below sets out the process by which either:
 - (a) (where the agreed Supplier Average UPV User Price is higher than the UPV User Fee) the Authority reimburses to the Supplier the difference between the agreed Supplier Average UPV User Price and the UPV User Fee for each Visa Applicant using the User Pays VAC Services; and

- (b) (where the UPV User Fee is higher than the agreed Supplier Average UPV User Price) the Supplier remits or credits to the Authority the difference between UPV User Fee and the agreed Supplier Average UPV User Price for each Visa Applicant using the User Pays VAC Services.

8.2 Setting and Charging the UPV User Fee

- 8.2.1 The UPV User Fee which the Supplier shall charge to each Visa Applicant for the provision of the User Pays VAC Services at any User Pays VAC (*i.e.*, both Fixed User Pays VACs and TELs) shall be set out in the Fees Legislation and notified to the Supplier by the Authority from time to time.
- 8.2.2 The Supplier shall collect the then-current UPV User Fee from each Visa Applicant using a User Pays VAC from the Actual Commencement Date of that User Pays VAC.
- 8.2.3 The UPV User Fee shall be payable by a Visa Applicant in local currency and shall be exclusive of VAT or local taxes. VAT and local taxes (if any) will be added to the UPV User Fee at the prevailing rate at time of enrolment. For this purpose, the Supplier shall convert the pound sterling-based UPV User Fee notified to it by the Authority into local currency in each Country in which it offers User Pays VAC Services at the prevailing Consular Rate of Exchange in respect of that Country.
- 8.2.4 Failure to collect the UPV User Fee from a relevant Visa Applicant is at the risk of the Supplier. The Supplier shall not recharge the Visa Applicants for any UPV User Fees that have been lost, stolen or misplaced. The Supplier shall bear the risk of (and the Authority shall have no liability to the Supplier in respect of) any UPV User Fees that have been lost, stolen or misplaced or that have failed to be collected by the Supplier.
- 8.2.5 In the case of UPV User Fees in respect of TELs, the Supplier shall collect the TEL User Fees online via its website (or any alternative pre-paid solution agreed by the Parties as part of the approval of the relevant Temporary Enrolment Location by the Authority).
- 8.2.6 The Supplier shall only charge UPV User Fees to Visa Applicants who are obliged to pay visa application fees under regulations made under section 51(3) and 52(1) and (3) of the Immigration, Asylum and Nationality Act 2006. If a Visa Applicant who is not obliged to pay visa application fees is charged in error, the Supplier shall refund the relevant UPV User Fees to such Visa Applicant as soon as reasonably practicable after becoming aware of its error.

8.3 Setting and Reviewing the Supplier Average UPV User Price

Setting

- 8.3.1 The “Supplier Average UPV User Price” shall be a notional amount due to the Supplier in respect of each Visa Applicant for the provision of the User Pays VAC Services at a User Pays VAC (*i.e.*, both Fixed User Pays VACs and TELs). The Supplier Average

UPV User Price shall represent an average per Visa Applicant of the Supplier's allowable costs of providing the User Pays VAC Services in each Country and Region where that service is provided. The Parties will agree a single Supplier Average UPV User Price for all User Pays VACs in all Regions operated by the Supplier for each Contract Year.

- 8.3.2 Within thirty (30) days of the Effective Date, the Supplier shall calculate and propose to the Authority its initial proposed Supplier Average UPV User Price to be applicable during the first Contract Year, based upon the cost base submitted by the Supplier in its Financial Model in its response to the Authority's invitation to tender. Within thirty (30) days of the Supplier's submission of initial proposed Supplier Average UPV User Price, the Parties shall meet and seek to agree the actual Supplier Average UPV User Price to be applicable during the first Contract Year.
- 8.3.3 The Supplier's Supplier Average UPV User Price shall be established based upon a number of factors ("**Review Factors**"), which include, but are not limited to:
- (a) recovery of the Supplier's operating costs for the User Pays VACs operated by the Supplier across all Regions;
 - (b) past, present and likely future enrolment volumes for the User Pays VACs operated by the Supplier across all Regions;
 - (c) recovery of the Supplier's agreed profit margin for the User Pays VACs operated by the Supplier across all Regions;
 - (d) the then-current level of inflation; and
 - (e) any benefits that the Supplier accrues as a result of the use of the Consular Rate of Exchange to convert charges and fees into local currency under this Agreement.

Reviewing

- 8.3.4 The Authority shall determine the timetable in which the regular planned review of the Supplier Average UPV User Price shall take place. In order to align with amendments to the Fees Legislation and the UPV User Fee, the Authority expects that it will require the Supplier to provide its initial proposal in the summer of each year (commencing in summer 2014), for discussion and agreement in autumn, with the agreed Supplier Average UPV User Price becoming effective in April of the following year (commencing in April 2015). The Supplier Average UPV User Price shall also be reviewed upon any change to the number of User Pays VACs operated by the Supplier.
- 8.3.5 Based upon the timetable established by the Authority in accordance with Section 8.3.4 above (or upon any planned change to the number of User Pays VACs operated by the Supplier), the Supplier shall notify the Authority of its proposed amended Supplier

Average UPV User Price, based upon the Review Factors, and shall provide sufficient detail to enable the Authority to validate the Supplier's calculations. The Parties shall discuss the Supplier's proposal in order to agree any proposed amendments to the Supplier Average UPV User Price.

8.3.6 The review specified in Section 8.3.5 will be carried out in accordance with the following principles:

- (a) The Supplier Average UPV User Price shall remain fixed from the Effective Date until at least April 2015 unless there is a change in the number of User Pays VACs operated by the Supplier.
- (b) The Supplier will be allowed to request that the Supplier Average UPV User Price is amended in accordance with the review specified in Section 8.3.5 above, but capped at a maximum increase of ten (10%) percent in any year.
- (c) No increase in the Supplier Average UPV User Price shall be permitted within one (1) year of a previous increase, save where there is a change in the number of User Pays VACs operated by the Supplier, or in exceptional circumstances and at the absolute discretion of the Authority.
- (d) At the time of the request, the Supplier shall provide detailed justification of the increase in the Supplier Average UPV User Price, and other such information as the Authority may reasonably require in order to verify the request for any increase.
- (e) At the time of any request to adjust the Supplier Average UPV User Price, the impact of enrolment volumes will be considered. The Supplier Average UPV User Price may be adjusted as a result of an exceptional fluctuation in volumes against demand forecasts, with the aim to maintain the Supplier's gross profit margin set out in the Financial Model.

8.3.7 The Supplier shall manage its accounts on a transparent basis such that it provides the Authority with sufficient detail for the Authority to have visibility of all the costs incurred, or likely to be incurred, by the Supplier in performing the User Pays VAC Services including (but not limited to):

- (a) detailed labour costs; and
- (b) accommodation costs (if applicable); and
- (c) hardware and software costs; and
- (d) licensing costs; and
- (e) sub-contractor costs; and

- (f) depreciation costs; and
- (g) financing costs; and
- (h) other miscellaneous costs.

8.3.8 At each annual review, the Supplier will provide the Authority with a detailed breakdown of the elements comprising the proposed Supplier Average UPV User Price including (but not limited to):

- (a) a summary of the costs (fully supported by quantified assumptions) of providing the Services, broken down against each element of the Services; and
- (b) the gross profit margin included within the Supplier Average UPV User Price .

8.3.9 At the end of each review, the Parties shall agree any adjustments to the Supplier Average UPV User Price in accordance with the Change Control Procedure.

8.3.10 In respect of any proposed new Mandatory or Discretionary User Pays VAC (*i.e.*, both Fixed User Pays VACs and TELs) or any change in location of an existing User Pays VAC occurring during the course of a Contract Year or a termination by the Authority in accordance with Section 7.7 above, the Supplier may propose (and the Authority may request) a review of the level of the Supplier Average UPV User Price provided that, in order to justify a review, the Party requesting it shall first demonstrate that there is reasonable evidence to substantiate a material change (either up or down) in the Supplier's cost base in relation to the provision of User Pays VAC Services. Any review under this Section 8.3.10 shall take place in accordance with the principles set out in Section 8.3.3.

8.4 Modifying the UPV User Fee

8.4.1 The UPV User Fee is subject to review on an annual basis (or more frequently if determined by the Authority).

8.4.2 The Authority expects the UPV User Fee to be reviewed in April of each Year, with the first such review to be in April 2015. Any new or revised UPV User Fee shall be effective from the date specified by the Authority.

8.4.3 Any changes in the Supplier Average UPV User Price are a significant factor in the review of the UPV User Fee. The UPV User Fee will be based upon a weighted average of the Supplier Average UPV User Prices for each provider of User Pays VAC Services to the Authority.

8.4.4 The Authority requires the process set out in Section 8.3 to be completed in sufficient time to enable it to establish any changes in the UPV User Fee and to specify the new

UPV User Fee in the Fees Legislation, which is expected to take effect in April of each year.

8.5 Payments between Authority and Supplier

- 8.5.1 On a monthly basis during each Contract Year (with effect from the end of the months of June, September, December and March), the parties shall reconcile and make corresponding payments to take account of the difference between the agreed Supplier Average UPV User Price and the UPV User Fee.
- 8.5.2 Following the end of each month, in accordance with Section 18 of Schedule 6 (**Pricing, Payment and Invoicing**), the Supplier shall provide to the Authority a calculation setting out the number of Visa Applicants using each of the User Pays VACs that it operates during the preceding month and the corresponding amount of UPV User Fees collected. The Supplier shall provide enough data to enable the Authority to validate (or audit, if requested by the Authority) the Supplier's data. The Parties shall engage with each other to seek to agree the relevant data within ten (10) Working Days.
- 8.5.3 Where, in any month, the agreed Supplier Average UPV User Price is higher than the UPV User Fee, the Parties acknowledge that the amounts collected by the Supplier from Visa Applicants will be insufficient to cover the Supplier's agreed costs and, in that event, once the relevant data has been agreed by the Parties in accordance with Section 8.5.2 above, the Supplier shall be entitled to retain the relevant UPV User Fees collected from Visa Applicants in that month and shall issue an invoice to the Authority for an amount equal to the difference between:
- (a) the product of the agreed Supplier Average UPV User Price multiplied by the number of Visa Applicants using the Supplier's User Pays VACs during that month; and
 - (b) the product of the UPV User Fee multiplied by the number of Visa Applicants using the Supplier's User Pays VACs during that month.
- 8.5.4 Where, in any month, the UPV User Fee is higher than the agreed Supplier Average UPV User Price, the Parties acknowledge that the Supplier will have over-recovered from Visa Applicants amounts sufficient to cover the Supplier's agreed costs and, in that event, once the relevant data has been agreed by the Parties in accordance with Section 8.5.2 above, the Supplier shall be entitled to retain the relevant UPV User Fees collected from Visa Applicants in that month and shall either issue a credit note (together with a matching payment) or make a corresponding credit entry on its next invoice(s) to the Authority, in either case for an amount equal to the difference between:
- (a) the product of the UPV User Fee multiplied by the number of Visa Applicants using the Supplier's User Pays VACs during that month; and

- (b) the product of the agreed Supplier Average UPV User Price multiplied by the number of Visa Applicants using the Supplier's User Pays VACs during that month.

8.6 Discretionary User Pays VACs – effect on the Supplier Average UPV User Price

8.6.1 In respect of any proposed Discretionary User Pays VAC (*i.e.*, both Fixed User Pays VACs and TELs), the process set out in Section 8.3.10 shall address the cost of provision of such proposed Discretionary User Pays VAC; and

- (a) a review of the level of the Supplier Average UPV User Price will occur, in line with Section 8.3.9; or
- (b) the Supplier shall agree to provide such proposed Discretionary User Pays VAC without adjustment to the Supplier Average UPV User Price or the UPV User Fee; or
- (c) subject to any legal restrictions on the Authority's discretion to agree, the parties shall agree an alternative charging basis for such proposed Discretionary User Pays VAC ("**Alternative Discretionary VAC Charge**").

8.6.2 Any proposed Alternative Discretionary VAC Charge may include a proposed profit margin in respect of the UPV Services, which shall be consistent with the profit margins agreed for the Supplier's existing Mandatory User Pays VACs unless the Supplier can demonstrate to the Authority's reasonable satisfaction the need to use a different profit margin. This proposed profit margin also requires the prior agreement of the Authority. Once approved, this profit margin shall be known as the "Agreed UPV Profit Margin".

8.6.3 In determining whether or not to approve a proposed Alternative Discretionary VAC Charge as a result of a proposed Discretionary User Pays VAC, the Authority shall consider its legal obligations and constraints and shall be entitled to take into account its general policy on the acceptable levels of such charges (which may vary from time to time).

8.6.4 After approval by the Authority of an Alternative Discretionary VAC Charge (if any) as a result of a proposed Discretionary User Pays VAC, any subsequent changes thereto shall be carried out in accordance with Section 8.7 below.

8.7 Discretionary User Pays VACs – reviewing the effect on Pricing and Charging

8.7.1 After three months from the commencement date of the UPV Services for each Discretionary User Pays VAC and, if required, at any six (6) month anniversary date thereafter, the Authority shall review the UPV Services at such Discretionary User Pays VAC. The Supplier shall take part in such reviews.

8.7.2 Such reviews of the UPV Services may include and take account of the following:

- (a) survey feedback from Visa Applicants;
- (b) feedback from the Authority's regional management;
- (c) feedback from the Supplier;
- (d) impact of the presence of the User Pays VACs on other Visa Application Centres in the relevant Country, including the volume of Services provided therefrom;
- (e) the commercial nature of the User Pays VAC Services and the alternative costs that Visa Applicants would otherwise incur were the User Pays VAC Services not available;
- (f) impact of the User Pays VAC Services on the relevant Post, its resources and processes;
- (g) demand requested (*i.e.*, appointments requested at the relevant User Pays VAC) and demand met (*i.e.*, appointments actually completed at the relevant User Pays VAC) and a comparison to check whether the volume of appointments at the User Pays VAC could be increased;
- (h) seasonal effects and impacts on the User Pays VAC Services and resources deployed;
- (i) the actual profit margin (the "**Actual UPV Profit Margin**") that the Supplier achieved for the User Pays VAC against the Agreed UPV Profit Margin for that User Pays VAC and the related costs of the Supplier in respect of providing that User Pays VAC;
- (j) the overall actual profit margins of the Supplier for the User Pays VAC;
- (k) any impact of inflation on any Alternative Discretionary VAC Charge , as informed by inflationary indices agreed by the Parties at the time; and
- (l) the UPV User Fees at the date of the relevant review.

8.7.3 The Supplier acknowledges that the reviews described in this Section 8.7 shall take account of whether the User Pays VAC proves to be uneconomic or allow the Supplier to make exceptional profits because of the agreed basis of charging.

8.7.4 The outcomes of the review may be as follows:

- (a) after having exhausted all other possible options to achieve and maintain the Supplier's Actual UPV Profit Margin in line with the Agreed UPV Profit Margin, the Supplier terminating all or part of the relevant UPV Services at

such User Pays VAC by providing the Authority with at least six (6) months' written notice in respect of such termination;

- (b) agreement of a revised Alternative Discretionary VAC Charge;
- (c) mutual agreement to re-scale the Supplier's resources to meet the demand for the User Pays VAC Services at such User Pays VAC; or
- (d) the Authority shall be entitled to adjust the Supplier Average UPV User Price .

In particular, if the Supplier's Actual UPV Profit Margin exceeds the Agreed UPV Profit Margin, such adjusted basis of charging shall apply from the date specified by the Authority, such specified date being after the date of the relevant review carried out pursuant to this Section 8.7. For the avoidance of doubt, such adjusted basis of charging cannot be applied retrospectively to a date that is before the date of the relevant review carried out pursuant to this Section 8.7.

9. **TEMPORARY ENROLMENT LOCATIONS (TEL)**

9.1 A Temporary Enrolment Location is a location where certain optional Supplier Chargeable Services (SCS), in the form of Temporary Enrolment Location Services, are provided. These Services are made available to Visa Applicants by the Supplier as an option that they may choose to select. The TEL will be a convenient one-off or an infrequent Biometric Enrolment location provided in addition to Free To User VAC locations and provided in addition to Fixed User Pays VACs. Section 7.3 describes the main characteristics that distinguish a Fixed User Pays VAC from a Temporary Enrolment Location.

9.2 Approval of a TEL Service shall consist of the following high level stages:

9.2.1 The Supplier shall make an application to the Authority for TEL Country Authorisation if the Supplier:

- (a) is required to fulfil a requirement for a Mandatory User Pays VAC by providing a TEL Service; or
- (b) wishes to provide a Discretionary User Pays VAC by providing a TEL Service.

In either case, the Supplier shall complete and submit to the Authority the form set out in Annex 23-2 to this Schedule 23 (**User Pays Services**).

9.2.2 The Supplier's application must include a proposed date or list of dates, initial locations and premises where the TEL will be held, whether it already has existing Mobile Biometric Equipment that it can use, along with a risk assessment (as required by Schedule 4 (**Security**)) in relation to such proposed initial locations and premises.

- 9.2.3 The Supplier is responsible for carrying out the risk assessment for a proposed TEL identified in Section 9.2.2 above.
- 9.2.4 On receipt of the application for TEL Country Authorisation from the Supplier, the Authority shall review the application and the accompanying TEL risk assessment.
- 9.2.5 The adjustment of the Supplier Average UPV User Price shall be agreed between Supplier and the Authority in accordance with Section 8.3.10 above.
- 9.2.6 After the stages in Sections 9.2.1 to 9.2.5 above have been concluded, the Authority may, at its sole discretion, authorise the Supplier to operate Mobile Biometric Equipment (or, if appropriate, authorise the Supplier to operate an existing set of Mobile Biometric Equipment, by the Authority extending the scope of an existing licence that the Authority had previously granted to the Supplier under this Section 9) for the purpose of providing TEL Services in the relevant Country/Countries and the specific locations and premises expressly set out in such authorisation. The granting of such new licence or extension of the scope of an existence licence shall be known as the “**TEL Country Authorisation**”, and such TEL Country Authorisation may specific particular locations within a Country. Such locations and premises set out in the TEL Country Authorisation may change from time to time as agreed between the Authority and the Supplier in a TEL Country Authorisation, as more particularly described in Section 9.3 below.
- 9.2.7 For the avoidance of doubt, nothing in this Agreement transfers ownership of the Mobile Biometric Equipment from the Authority to the Supplier. The Mobile Biometric Equipment shall be maintained by the Supplier in accordance with and subject to the maintenance provisions that apply to Biometric Equipment held by the Supplier.
- 9.2.8 On receipt of the TEL Country Authorisation from the Authority, the Supplier is entitled to license the Mobile Biometric Equipment from the Authority. The Authority shall be responsible for the maintenance costs of the Mobile Biometric Equipment, and the Supplier shall be responsible for all running and operating costs and expenses of the Mobile Biometric Equipment.
- 9.2.9 The Mobile Biometric Equipment shall be retained by the Supplier for the Contract Term but it can only be used by the Supplier in accordance with the terms and scope of the TEL Country Authorisation.

9.3 Requirements and Location

- 9.3.1 **Proposed Location and Premises.** If a particular location and premises from which it is intended that TEL Services will be provided is (a) not already expressly authorised in an existing TEL Country Authorisation received from the Authority; or (b) is expressly authorised in an existing TEL Country Authorisation but the Supplier wishes to amend or remove such location and premises, the Supplier shall apply for and must obtain an amended or new TEL Country Authorisation or TEL Location Authorisation from the

Authority before the Supplier can commence advertising, scheduling appointments for and/or providing the Temporary Enrolment Location Services from such location and premises. Applications for TEL Country Authorisation shall be in accordance with the provisions of this Section 9. Such application must identify the proposed location, premises and dates from which it wishes to run a Temporary Enrolment Location.

- 9.3.2 **Risk Assessment.** As part of the application submitted to the Authority for a TEL Location Authorisation under Section 9.3.1, the Supplier shall carry out a TEL risk assessment, which shall include the security arrangements, level of security at the proposed location and premises, and suitability for Biometric video recording. The Supplier shall comply with the scope and content guidance provided by the Authority in respect of carrying and completing the TEL risk assessment, such guidance may vary from time to time. For locations and premises that were previously used for the provision of a Temporary Enrolment Location, the Supplier shall confirm to the Authority whether the original TEL risk assessment remains valid if it wishes to use the same location or premises again. For the avoidance of doubt, the Supplier shall always provide TEL risk assessments when applying for TEL Country Authorisations and/or TEL Location Authorisations. The Authority shall provide guidance on the scope and content of the TEL risk assessment to the Supplier from time to time. The Authority shall review, acting reasonably, the TEL risk assessment carried out by the Supplier.
- 9.3.3 **TEL Location Authorisation.** The Supplier shall provide such reasonable assistance to the Authority that it may require to verify the TEL risk assessment and any other details or proposals submitted by the Supplier as part of its application for a TEL Location Authorisation.
- 9.3.4 Following the review of the TEL risk assessment and any other details or proposals submitted by the Supplier as part of its application for a TEL Location Authorisation, the Authority may grant, at its sole discretion, authorisation to the Supplier to provide the Temporary Enrolment Location Services at the specified location and premises on the specified date(s). If required, such authorisation will include either, as applicable (i) the extension of the scope of the relevant existing licence to the Supplier to use the relevant existing Biometric Equipment already licensed to the Supplier under this Section 9 in respect of such specified location, or (ii) the grant of a new licence to the Supplier for new Biometric Equipment in respect of such specified location. If granted, such authorisation shall be provided to the Supplier in writing by the Authority (“**TEL Location Authorisation**”).
- 9.3.5 The Supplier is not entitled to advertise, schedule appointments for and/or provide a TEL Service to any Visa Applicants in any Country until it has and taken delivery of the relevant Biometric Equipment.

9.4 Reclassification of Temporary Enrolment Location

9.4.1 The Parties shall review the status of a TEL in a particular location if the volumes of use or frequency of opening changes over time, or if the Authority's requirements change, such that that TEL falls into the definition of a Fixed User Pays VAC as set out in Section 7.3 above.

9.4.2 As part of this review process, the Supplier shall provide an updated risk assessment in the manner referred to in Section 9.3, with proposals for changes to its security measures and other procedures at that TEL location.

9.4.3 The Authority shall be entitled, by notice in writing, to reclassify a TEL as a Fixed User Pays VAC in accordance with Section 7.5.1(c) above, and to require the Supplier to implement the full range of security requirements set out in Schedule 4 (**Security**).

10. OTHER AUTHORITY SUPPORTED CHARGEABLE SERVICES (ASCS)

10.1 The Supplier shall be entitled to request an Authority Supported Chargeable Service for a Country (all or part of the VACs therein) by sending a Change Control Note to the Authority (at its Contract Management Team in London).

10.2 The Supplier is not entitled to provide any Authority Supported Chargeable Service to Visa Applicants until the Authority requests that the Service be put in place in all or part of the VACs in the relevant Country.

10.3 The User Pays Fee for the Authority Supported Chargeable Service to be charged in the relevant Country or Region shall be determined as part of the Change Control Procedure.

10.4 Any abatement to the Authority will be agreed as part of the Change Control Procedure.

10.5 Without prejudice to any other termination or other rights and remedies, the Authority Supported Chargeable Service is optional and the Authority may suspend or terminate the Authority Supported Chargeable Service at any time in all or part of the VACs in any Country by the Authority providing to the Supplier forty-eight hours written notice in respect of any suspension and fourteen days (14) days written notice in respect of any termination. Notwithstanding any other provision of the Agreement, the Authority shall not be required to pay any Compensation Payment(s), termination charges or costs of any kind if the Authority Supported Chargeable Service is suspended or terminated (whether in whole or part).

11. SUPPLIER CHARGEABLE SERVICES (SCS)

11.1 Supplier Chargeable Services shall be introduced, in accordance with this Schedule 23, to a VAC, Region and/or Country at the Authority's discretion. The Supplier may propose a Supplier Chargeable Service based on its market assessment for such a service but the ultimate decision will remain with the Authority. The Authority reserves the right to determine the specific nature of the Supplier Chargeable Service, including but not limited to, the location, pricing and revenue share for the service.

- 11.2 The Supplier shall apply for the consent of the Authority to commence Supplier Chargeable Services by completing the authorisation request form set out in Annex 23-3 to this Schedule.
- 11.3 The Supplier shall submit a Supplier Chargeable Services authorisation request form and submit it to the relevant Authority Country or Post Manager.
- 11.4 The Authority's Regional Management will review the Supplier Chargeable Service authorisation request form and will add comments or recommendations and will either:
- 11.4.1 record its approval and forward the completed Supplier Chargeable Service authorisation request form to the Authority (at its Contract Management Team); or
- 11.4.2 record its rejection of the proposal and return the Supplier Chargeable Service authorisation request form to the Supplier.
- 11.5 For the avoidance of doubt, only proposals that have received approval from the Authority's Regional Management can be considered by the Authority's Contract Management Team.
- 11.6 The Authority's Contract Management Team will review the regionally approved Supplier Chargeable Service authorisation request form and confirm either approval or rejection.
- 11.7 Following any approval by the Authority's Contract Management Team, the Supplier may commence the Supplier Chargeable Service on the date identified in the Supplier Chargeable Service authorisation request form or such alternate date as shall be agreed between the Parties.
- 11.8 Cancelling
- 11.8.1 Without prejudice to any of the Authority's other termination rights or any other rights and remedies of the Authority, the Supplier Chargeable Service is optional and the Authority may suspend or terminate (in whole or part) the Supplier Chargeable Service at any time in the whole or part of any Country or Region by providing to the Supplier at least five (5) Working Days' written notice.
- 11.9 Supplier Chargeable Services Revenue Share
- 11.9.1 The Parties shall share the revenues generated by any Supplier Chargeable Services at an agreed percentage. The Authority's percentage of the revenue share shall not be less than 50% of the revenue generated (after having deducted the Supplier's direct costs associated with the provision of that service, including applicable local sales taxes or any direct or indirect tax chargeable or payable in respect of such revenues) subject to paragraph 11.9.4 below.
- 11.9.2 Following the launch of a Supplier Chargeable Service, the actual revenue from that Supplier Chargeable Service will, for each Country, be determined on a monthly basis in arrears; starting from the end of the first full calendar month after the service commencement. After the end of each calendar month, the Supplier will provide to the

Authority the actual figures for the revenue from providing the Supplier Chargeable Service, and the revenue share from that Supplier Chargeable Service for the month.

- 11.9.3 The Authority's share of the revenue will be credited at the next Invoicing Point to the Supplier's invoice which relates to the same Country where the relevant Supplier Chargeable Service was provided.
- 11.9.4 The Authority may choose to waive or reduce the revenue share for a specific service for a specified time period. If the Authority elects to exercise this right, the Parties shall review and, where agreed in accordance with the Change Control Procedure, may implement changes to the Supplier's Application Processing Charges to take account of any waived or reduced share of the revenues generated by the Supplier Chargeable Services.

Annex 23-1

Tables Supporting Charging Basis for User Pays Services**PV Supplier Retention Rates**

Africa		
	Volume	Unit Retention
Band 1	1 - 3,900	'Redacted'
Band 2	3,901 - 7,800	Redacted'
Band 3	> 7,800	Redacted'

Euromed		
	Volume	Unit Retention
Band 1	1 - 7,900	Redacted'
Band 2	7,901 - 15,800	Redacted'
Band 3	>15,800	Redacted'

SPV Supplier Retention Rates

Africa		
	Volume	Unit Retention
Band 1	1 - 105	Redacted'
Band 2	106 - 230	Redacted'
Band 3	> 230	Redacted'

Euromed		
	Volume	Unit Retention
Band 1	1 - 115	Redacted'
Band 2	116 - 230	Redacted'
Band 3	> 230	Redacted'

PV/SPV Retention - Worked Example

Example Region		
	Volume	Unit Retention
Band 1	1 - 3,900	Redacted'
Band 2	3,901 - 7,800	Redacted'
Band 3	> 7,800	Redacted'

Month	Volume
April	1,100
May	1,300
June	1,500
July	1,700
August	1,700
September	1,700
October	1,100
November	1,100

Assuming the unit retention rates and actual volumes detailed above, the monthly amounts retained would be as follows.

Month	Volume	Cumulative Volume	Monthly Retention Rate	Monthly Retained Amount
April	1,100	1,100	30	33,000
May	1,300	2,400	30	39,000
June	1,400	3,800	30	42,000
July	1,700	5,500	10	17,000
August	1,700	7,200	10	17,000
September	1,700	8,900	5	8,500
October	1,100	10,000	5	5,500
November	1,100	11,100	5	5,500

The ‘monthly retained amount’ would be reflected in the following month’s invoice. In the October invoice, there would also be an adjustment to reflect the 6 month review of year-to-date volumes. This would see the Supplier reimburse the Authority a proportion of the April – September retained amounts, to reflect the fact that year-to-date volume falls into Band 3. This would be calculated as follows:

Month	Volume	Unit Adjustment	Total Adjustment
April	1,100	25	27,500
May	1,300	25	32,500
June	1,400	25	35,000
July	1,700	5	8,500
August	1,700	5	8,500
Total			112,000

Premium Lounge Services – Revenue Share

Region	Supplier % Revenue Share	Authority % Revenue Share
Africa	Redacted'	Redacted'
Euromed	Redacted'	Redacted'

Annex 23-2

Request for Approval for a Temporary Enrolment Location

This form must be used to start-up any Temporary Enrolment Location. Before Temporary Enrolment Location Services at a Temporary Enrolment Location can start or change, all sections must be completed by the Supplier and submitted to the Authority Regional Management.

Suppliers are not permitted to start or change the service without approval from the Authority's Regional Managers & the Authority's Contract Management Team.

Section 1: Summary Details		
Version	V1	
Title		
Authority's Ref:		
Region covered by the TEL		
Country covered by the TEL		
Locations proposed for a TEL		
Has a risk assessment for each location been completed?		
Date risk assessments for each location completed		
VACs used in support of the TEL		
Proposed dates of clinics and regularity (if any)		
Supplier Originator		
Supplier Originator E-mail Address		
Supplier Originator Tel No		
Name of substitute contact		
Contact number		
No. of Supplier Clinic Operator(s)		
Supplier Clinic Operator(s) names		
Date form submitted by Supplier		
Date submitted to the Authority's		

Section 1: Summary Details	
Regional Management	
If an approved version has been updated please state what has changed below	
Service Details	
What are the charges to the Visa Applicant?	
What suppliers, if any, is the Supplier using to deliver the TEL?	
What tendering process was employed for any suppliers used by the Supplier?	
What venue will be used for the TEL?	
Please insert a floor plan of the TEL	
How will the TEL impact on customer service with regards to other Supplier services? (please note this is only applicable if the TEL is replacing an existing service offered by Supplier)	
Please give a description of the service below. Where there is more than one TEL please give a description for each.	
Compliance	
Where will the equipment be stored overnight?	

Where will the smartcard and dongle be stored overnight and during transport?	
How will the equipment be transported?	
When will the TEL operator be arriving at the TEL location?	
How will the TEL User Charge be collected?	
Where will the TEL operator obtain the appointment manifest from?	
How many cameras will be taken to the TEL?	
What type of internet connection is available at the TEL location?	

☒ Please tick this box to confirm all other TEL requirements have been read and understood.

Financial Information

INSERT COUNTRY HERE						
	Locations	Country 1	Country 2	Country 3	Country 4	Total
Frequency of each TEL i.e. how many times during per month/year?						
Duration of each TEL per frequency						
Assumed Total TEL Volume						
Any EEA Permits processed (without charge)						
Volume Chargeable						
Average Clinic size (Appointments per day)						
<u>Cost Category</u>		Ensure calculations are shown				
Rental/Leasing costs						
Network Connectivity						
Standing Charge - Power Usage						
Standing Charge - Water Usage						
Standing Charge - Waste Disposal						
Property Insurance						
Building Maintenance						
VAC Staff Costs						
Management Overhead						
Consumables						
Document Transportation						
Local Taxes						
Other						
<u>Setup (state where project staff are based)</u>						
Project Management						
Property Identification						
Training						
Travel						
Taxis & Expenses (incl. subsistence)						

INSERT COUNTRY HERE						
	Locations	Country 1	Country 2	Country 3	Country 4	Total
Hotels						
Laptops, webcams & tripods						
Staff mobile phones						
Cables, power strips etc						
Barcode Scanners						
Printers						
Legal Review of local laws						
Safes						
DVD Shredders						
Tamper Evident Envelopes						
Security Risk Assessment						
Staff Clearance Costs						
BCP Update						
Business Readiness Testing						
Website Setup						
Personal Alarms						
Location Deposits						
Signage if applicable						
Contingency						
Total of TELs Annual Cost						
Total Mandatory Courier Annual Cost						
Total Cost						
Margin						
Total Revenue Required						
Cost of TEL	<i>TOTAL cost per annum</i>					
Profit required on TEL	<i>Margin Required</i>					
Total revenue required	<i>Total Service Revenue Required</i>					
Cost of Mandatory Courier	<i>TOTAL cost per annum</i>					
Profit Required on Mandatory Courier	<i>Margin Required</i>					
Total Revenue Required	<i>Revenue from</i>					

INSERT COUNTRY HERE						
	Locations	Country 1	Country 2	Country 3	Country 4	Total
(Mandatory courier)	<i>Courier</i>					
Service Charge per applicant	All charges excluding VAT					
Mandatory Courier Charge per applicant	All charges excluding VAT					
Total Charge per applicant	All charges excluding VAT					
Please demonstrate margin in GBP						
			Margin Per Annum	Duration of Service	Total Margin	Margin %

Biometric Equipment Approvals	
Number of BES kits requested by the Supplier	
Is the Post providing BES kits direct to Supplier? If so, what are the asset numbers? Please attach written approval of loan kit from the Post.	
Which country(s) is Supplier requesting authorisation to use the above BES equipment in?	
Which locations within the country(s) specified above is the Supplier requesting authorisation to use the BES equipment in?	

Suppliers Sign-off – Regional, Account Management Team (AMT) & Central Finance	
REGION Name:	
Role:	
Date:	
Signature:	

AMT Name:	
Role:	
Date:	
Signature:	
FINANCE Name:	
Role:	
Date:	
Signature:	
<p>The Authority's Regional Manager Review (to be completed by the Authority)</p> <p>If approved, the Authority's Regional Manager must submit a light touch business case to the Authority's Contract Management Team in London including BES authorisation requests.</p>	
Regional Approver name:	
Enter review comments below:	
Enter relevant TEL reference (if required):	
Decision (recommend / reject):	
Date:	
<p>Authority's Contract Management Team Analysis / Review (to be completed by the Authority)</p> <p>If approved the Authority's Regional Manager must submit a light touch business case to London including BES authorisation requests.</p>	
Regional Approver name:	
Enter review comments below:	
Enter relevant TEL reference (if required):	
Decision (recommend / reject):	
Date:	

Annex 23-3

Request for Approval for a Supplier Chargeable Service (SCS)

This form must be used to **start-up** or **change** any Supplier Chargeable Services. Before the service can start / change the following must happen:

- Sections 1 - 4 must be completed by Supplier and submitted to the Authority's Regional Management (Section 5).
- Section 5 must be completed and approval given by the Authority's Regional Manager within the form and sent by the Authority's Regional Manager to the Authority's Contract Management Team – SCS Submissions.
- Section 6 must be completed and approval given by the Authority's Contract Management Team within the form. If further clarification / information is required, the form will be returned to the Supplier for completion and re – submitted to the Authority's Regional Management (Section 6).
- Sections 6 and 7 (when applicable) must be agreed by both parties prior to signature.

The Supplier is not permitted to start or change the service without approval from the Authority's Contract Management Team and the signing of the document by both parties.

Cells to be completed are colour coded:	Supplier / Proposer	Authority's Regions	Authority's Contract Management Team
---	---------------------	---------------------	--------------------------------------

Section 1: Supplier Chargeable Service Summary Details (to be completed by Supplier)	
Reference <i>[to be issued by the Authority's Contract Management Team]</i>	
Version <i>[Enter version number e.g. 1.0]</i>	
Title <i>[A short title describing the service. No more than 20 words, if possible]</i>	
Subcontractor of SCS to the Supplier <i>[Enter sub contractor details if the service is not delivered by the Supplier]</i>	
Region covered by SCS	
Country covered by SCS	
VACs covered by SCS	
Supplier Originator	
Supplier Originator E-mail Address	
Supplier Originator Tel No	
Date form submitted by Supplier	

Section 1: Supplier Chargeable Service Summary Details (to be completed by Supplier)

Date of Receipt by the Authority's Regional Management

Date of roll out to be agreed between both parties after recommendation of service by the Authority

If an approved version has been updated please state what has changed below
[Supplier to describe what has changed since last version]

Section 2: Service Type and Description (to be completed by the Supplier)

Provide a detailed description of the service provided by the Supplier below

[Supplier to describe service to be provided. In particular must cover:

- *An overview of the service,*
- *An end to end process description*
- *how the service is related to the Visa Application Process*
- *How it benefits the Applicant*
- *What risks are created by this service and how will they be mitigated? Identify any Supplier staff resources currently in place used to deliver this service in terms of FTE and cost*
- *How security of Authority data, assets or applicants is not adversely affected]*

Any Authority Assets used in delivering the service

What are the charges to the Applicant?

*[State prices in the currency charged stating the currency**a] inclusive of taxes; local sales tax and/or Corporation tax, and b] exclusive of taxes,]*

a] inclusive of taxes:

b] excluding taxes:

What tendering process was employed?

Section 3: Financial Information (to be completed by the Supplier)

Currency of Agreement?

[State the currency by name and international code e.g. USD US Dollars, and the exchange rate to GBP used in the submission]

What is the length of the agreement with any sub-contractor?

What is the predicted Revenue per annum for the SCS in local currency?

Section 3: Financial Information (to be completed by the Supplier)

What is the predicted Revenue per annum for the SCS in GBP?

What are the predicted costs per annum for the SCS in local currency?

What are the predicted costs per annum for the SCS in GBP?

What are the predicted profits per annum for the SCS in local currency?

What are the predicted profits per annum for the SCS in GBP at current rate?

Section 4. Change Proposal (to be completed by the Supplier)**Section 5: Authority Regional Manager Review (to be completed by the Authority)**

Enter review comments below:

Enter relevant mini business case reference (if required):

Decision (recommend / reject):

Date:

Reviewer:

Section 6: Contract Management Team Analysis / Review (to be completed by the Authority)

Enter review comments below:

State Recommendation / Decision and any further action below:

Reviewer:

Section 6: Contract Management Team Analysis / Review (to be completed by the Authority)

Date:

Section 7: Changes to the Authority's (Visa4UK) website (to be completed by the Supplier)

Change of an enrolment station
address and/or telephone number:
and/or website URL:

Removal of an enrolment station

Address:

Addition of an enrolment station

Address:

Addition of an appointment system
through Visa4UK for an enrolment
location:

Removal of an appointment system
on Visa4UK or to be replaced by
Suppliers system:

Changes to the unclassified manifest:

Annex 23-4

List of User Pays Services

Africa

Country	VAC Location	Mandatory UP VAC	PV Mandatory	SPV Mandatory	Premium Lounge Mandatory	Turn Courier
Kenya	Mombasa	YES				
South Sudan	Juba	YES				
Ivory Coast	Abidjan	YES				
Madagascar	Antananarivo	YES				
Ethiopia	Addis Ababa					
Ghana	Accra		YES	YES	YES	YES
Kenya	Nairobi		YES			YES
Malawi	Lilongwe	YES				
Mozambique	Maputo	YES				
Namibia	Windhoek	YES				
Nigeria	Abuja		YES	YES	YES	YES
Nigeria	Lagos Ikeja		YES		YES	YES
Nigeria	Lagos Lekki		YES		YES	YES
South Africa	Cape Town		YES			YES
South Africa	Durban		YES			YES
South Africa	Johannesburg		YES			YES
South Africa	Port Elizabeth		YES			YES
South Africa	Pretoria		YES	YES	YES	YES
Uganda	Kampala		YES			
Zimbabwe	Harare					
Botswana	Gaborone	YES				
Congo (Dem. Rep.)	Kinshasa	YES				
Rwanda	Kigali	YES				

Tanzania	Dar Es Salaam	YES				
Zambia	Lusaka	YES				
Sierra Leone	Freetown	YES				

EuroMed

Country	VAC Location	Mandatory UP VAC	PV Mandatory	SPV Mandatory	Premium Lounge Mandatory	Return Courier
Belgium	Brussels	YES	YES			YES
Denmark	Copenhagen	YES				
Estonia	Tallinn	YES				
Finland	Helsinki	YES				
Kazakhstan	Astana	YES				
Kazakhstan	Atyrau	YES				
Netherlands	Amsterdam	YES				YES
Norway	Oslo	YES	YES			
Portugal	Lisbon	YES				
Algeria	Algiers		YES		YES	YES
Egypt	Alexandria				YES	YES
Egypt	Cairo		YES	YES	YES	YES
France	Paris		YES			YES
Germany	Berlin	YES				
Germany	Dusseldorf		YES		YES	YES
Germany	Munich	YES				
Iraq	Baghdad	YES			YES	
Italy	Rome		YES			
Jordan	Amman		YES		YES	YES
Kazakhstan	Almaty					YES
Lebanon	Beirut		YES			YES
Libya	Tripoli		YES			YES

Russian Federation	Ekaterinburg		YES			YES
Russian Federation	Moscow		YES	YES	YES	YES
Russian Federation	Novosibirsk		YES			YES
Russian Federation	Rostov		YES			YES
Russian Federation	St. Petersburg		YES			YES
Serbia	Belgrade		YES		YES	YES
Switzerland	Geneva	YES	YES			YES
Switzerland	Zurich Micro		YES			YES
Turkey	Ankara		YES			YES
Turkey	Bursa		YES			YES
Turkey	Gaziantep		YES			YES
Turkey	Istanbul		YES	YES	YES	YES
Turkey	Izmir		YES			YES
Ukraine	Kiev		YES		YES	YES
Spain	Madrid					
Sweden	Stockholm		YES			
Austria	Vienna	YES	YES			
Bosnia And Herzegovina	Sarajevo	YES	YES			
Bulgaria	Sofia	YES				
Croatia	Zagreb	YES				
Southern Cyprus	Nicosia	YES				
Northern Cyprus	Nicosia	YES				
Czech Republic	Prague	YES	YES			
Georgia	Tbilisi	YES				
Greece	Athens	YES	YES			
Hungary	Budapest	YES	YES			
Iceland	Reykjavik	YES				
Iraq	Erbil	YES				
Irish Republic	Dublin					
Israel	Jerusalem	YES				

Israel	Tel Aviv	YES				
Kosovo	Pristina	YES	YES			
Latvia	Riga	YES	YES			
Macedonia	Skopje	YES	YES			
Malta	Valletta	YES				
Moldova	Chisinau	YES	YES			
Montenegro	Podgorica	YES	YES			
Romania	Bucharest	YES	YES			
Slovenia	Ljubljana	YES				
Armenia	Yerevan	YES				
Turkmenistan	Ashgabat	YES				
Uzbekistan	Tashkent	YES				
Tajikistan	Dushanbe	YES				
Iraq	Basra	YES				
Turkey	Antalya	YES				
Turkey	Adana	YES				
Sudan	Khartoum					
Tunisia	Tunis					
Belarus	Minsk					
Morocco	Rabat					

